

STOCK CODE: 6263



PLANET TECHNOLOGY CORPORATION

2023 ANNUAL REPORT

This annual report is available for viewing at: <http://mops.twse.com.tw>

Company Website: <http://www.planet.com.tw>

Printed on May 03,2024

I. Name, title, contact number and e-mail address of the spokesperson and deputy spokesperson:

1. **Spokesperson:**

Name: Lin, Man-Tsu

Title: CFO

Tel: (02)2219-9518

E-mail: natalie@planet.com.tw

2. **Deputy Spokesperson:**

Name: Wu, Hsueh-Ju

Title: COO

Tel: (02)2219-9518

E-mail: shallon@planet.com.tw

II. Address and phone number of the headquarters, branches and plant

Address: B1F, 2F, 5F~11F., No. 96/B1F, No. 98~100, Minquan Rd., Xindian Dist., New Taipei City, Taiwan

Tel: (02)2219-9518

III. Stock Transfer Agent

Agent Name: Stock Agency Department of Yuanta Securities

Address: B1F., No. 210, Sec. 3, Chengde Rd., Datong Dist., Taipei City, Taiwan

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

Tel: (02)2586-5859

IV. Auditors for the most recent annual financial report

Firm Name: Baker Tilly Clock & Co

Name of Auditors: Lai, Yung-Chi, Wu, Hsin-Liang

Address: 14F (Top floor), No. 111, Sec. 2, Nanjing E. Rd., Zhongshan Dist., Taipei City, Taiwan

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

Tel: (02)2516-5255(Telephone switchboard)

V. Overseas Securities Exchange and means of obtaining information about the overseas securities: None

VI. Corporate Website: <http://www.planet.com.tw>

Table of Contents

One. A Message to Shareholders	1
I. Operating Performance in 2023	1
II. Summary of 2024 Business Plan	2
III. PLANET's future development strategies	3
IV. The impact of external competitive environment, regulatory environment and overall business environment	3
Two. Company Profile	5
I. Date of Incorporation	5
II. Company History	5
Three. Corporate Governance Report	14
I. Organizational Structure	14
II. Information on Directors, Supervisors, CEO, Deputy CEO, Assistant Managers, Heads of Departments and Branches	16
III. Remuneration paid to directors, supervisors, the CEO, Deputy CEO in the most recent year	35
IV. Corporate Governance	41
V. CPA (External Auditor) Professional Fees	166
VI. Replacement of CPAs	166
VII. Whether the chairman, CEO, manager in charge of financial or accounting affairs of the Company has worked for the firm of the CPAs or its affiliated enterprises within the last year	166
VIII. Any changes in transfer of equity interests and pledge of equity interests by directors, supervisors, managerial officers or shareholders with a shareholding of more than 10% in the most recent year and up to the date of publication of the annual report	166
IX. Information on relationships among the top 10 shareholders including related party or spouse or relative within the 2nd degree of kinship	168
X. For the total number of shares held in any single enterprise by the Company, its directors and supervisors, managers, and any companies controlled either directly or indirectly by the Company, calculate the consolidated shareholding percentage of the above persons and entities	169
Four. Sources of Capital	170
I. Capital and shares	170
II. The Company's issuance of corporate bonds	179
III. The Company's outstanding and unissued preferred shares	179
IV. The Company's global depository receipts	179
V. Employee share subscription warrants	179
VI. New restricted employee shares	179
VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies	179
VIII. Implementation of the Company's capital allocation plans	179

Five. Overview of Business Operation	180
I. Business contents	180
II. Overview of the market, production and sales	188
III. Employee information for the last two years and as of the annual report printing date	197
IV. Expenditures on Environmental Protection	198
V. Labor-Management Relations	198
VI. Information and Communication Security Management	211
VII. Important Contracts	213
Six. Overview of Financial Status	214
I. Concise financial information for the last five years	214
II. Financial Analysis for the Last Five Years.....	219
III. Audit Committee’s Audit Report for the Financial Reports of the Most Recent Year	222
IV. Financial Reports of the Most Recent Year	224
V. Individual Financial Reports of the Most Recent Year Audited and Attested by CPAs	277
VI. If the Company and its affiliated enterprises encounter financial turnover difficulties in the last year and as of the date of publication of the annual report, their impact on the financial position of the Company should be specified	341
Seven. Review and Analysis of Financial Position and Financial Performance, and Assessment of Risks	341
I. Financial position	341
II. Financial Performance	342
III. Cash Flow	342
IV. Impact of significant capital expenditures in the last year on financial operations ...	342
V. Reinvestment policies for the last year, main reasons for its profit or loss, improvement plan and investment plan for the next year	342
VI. Risk Analysis and Assessment for the Most Recent Year and up to the Publication Date of the Annual Report	342
VII. Other Significant Matters	352
Eight. Special Items to be included	353
I. Information Related to PLANET's Affiliated Enterprise	353
II. Private Placement of Securities during the Most Recent Year and up to the Publication Date of the Annual Report	356
III. Holding or Disposal of the Company’s Shares by Subsidiaries during the Most Recent Year and up to the Publication Date of the Annual Report	356
IV. Other Matters that Require Additional Description	356
Nine. Matters Materially Affecting the Company	356

One. A Message to Shareholders

Dear PLANET Shareholders, Ladies and Gentlemen:

I. Operating Performance in 2023

2023 marked the 30th anniversary of the establishment of PLANET TECHNOLOGY CORPORATION, an important milestone on its road to sustainability. In 2023, PLANET's revenue exceeded NT\$1,800,000,000, with a consolidated revenue of NT\$1,844,670,000. During the year, the company's gross margin was 45% and after-tax earnings per share was NT\$8.12, both hitting record high over the past three decades.

All its products were exported under its own brand name "PLANET" and will continue to do so in the future. To date, the company has built up distribution channels in more than 160 countries. Over the recent years, PLANET has expanded its participation in professional exhibitions in relation to cybersecurity technology and industrial network in Europe, America and Asia, and has actively diversified its markets worldwide through its latest network and communications technologies. Thanks to the joint efforts and hard work of all its employees over the past three decades, PLANET's brand awareness has been greatly enhanced, and it has become a leading global provider of network and communications solutions.

At present, PLANET's R&D innovation focuses on the upgrading of network and communications technologies and the design of sustainable products with energy-saving management solutions. At the same time, the company is expanding its deployment of network infrastructures of IIoT (Industrial Internet of Things) and AIoT (Artificial Intelligence & Internet of Things) to further strengthen the competitiveness of the company's brand. So far, PLANET's innovative products have won the "Taiwan Excellence Award" for 21 consecutive years. The total R&D expenditure of the company in 2023 was NT\$102,155,000, and the major R&D achievements are summarized as follows:

- (I) Industrial-grade and commercial-grade products have been upgraded to 10G fiber transmission, equipped with 95-watt high-power network power supply and cybersecurity to ensure network security, which can meet the high frequency bandwidth required for IIoT, Big Data and Generative AI applications to securely transmit huge amounts of data.
- (II) **Information security of the multi-intelligence network has been strengthened.** The product line includes information security network management switches, 5G NR information security gateways, VPN/SD-WAN information security gateways and LoRaWAN gateways. From the server center and transmission endpoint to the end user, these products can fully defend against potential external threats and enable the flexible deployment of IoT (Internet of Things) and AIoT, so as to ensure information security.
- (III) **AIoT mobile communications solutions can contribute to the application of low-carbon and efficient networks.** PLANET has integrated flexible designs such as 5G, LoRaWAN, optical fiber, renewable energy, and central management to improve the resilience of smart network applications and the efficiency of energy-saving centralized management.
- (IV) **PLANET is the first in the industry to develop energy-saving PoE test platform**

dedicated to production lines, which can be used to convert PoE network power energy into the mains supply for reuse. The process does not generate waste heat and helps reduce carbon emission. This innovative technology has been patented and won the “2024 Taiwan Excellence Award”.

(V) **The central network management platform is built with cloud-friendly management**, so that AIoT in different fields can be built quickly and in large quantities, and can be efficiently and centrally managed through the cloud.

Upholding the business principles of “integrity”, “excellence”, “mutual benefits”, “innovation” and “sustainability”, PLANET has incorporated sustainable development into its core business strategy, and constantly implements ESG practices in its business operations, striving to make continuous progress in the four aspects of "corporate governance", "environmental sustainability", "corporate commitment" and "social participation". Particularly, to better cope with global climate change, PLANET has taken a series of effective measures including building of sustainable supply chains and establishment of carbon management mechanisms. Thanks to the efforts of its employees and the support from its suppliers, PLANET has passed the ISO 14064 Greenhouse Gas (GHG) Emission Inventory and Verification for the first time, and the company will continue to work with its suppliers to promote economic, social and environmental sustainability.

In 2023, PLANET actively improved its ESG performance and received recognition from the government and the media on a number of occasions. During the year, the company was ranked in the top 5% TPEX-listed companies in the “Corporate Governance Evaluation” for the 3rd consecutive year, and among the TWSE/TPEX listed companies with “market value above NT\$5 billion to NT\$10 billion”, it was also ranked in the top 5% by the “Corporate Governance Evaluation”. In the “Excellence in Corporate Social Responsibility Award”, PLANET was ranked No. 1 in the group of mittelstands for the 3rd consecutive year, which was also the 17th consecutive year the company was listed in the top 100 enterprises by the “Excellence in Corporate Social Responsibility Award”. In addition, PLANET won the Bronze Medal in the enterprise group in the first “Net Zero & Green Life Contest” organized by the Ministry of Environment, the first place in the group of mittelstands in the first “CommonWealth Talent Sustainability Award” organized by the CommonWealth Magazine, and the “Family Friendly Workplace Award” for the first time. Meanwhile, PLANET’s Sustainability Report received the highest honor, the “Platinum Award for Sustainability Report -- Taiwan Corporate Sustainability Awards”, which greatly strengthened the company’s value of sustainable development.

II. Summary of 2024 Business Plan

(I) Business policies

1. The company will strive to achieve the digital transformation of the its brand, promote its products and solutions through digital marketing, and fully expand its brand awareness in the international market.
2. The research and development of the company's products will take into account both innovation and sustainability, and will enhance the competitive advantage through differentiation.
3. The company will strengthen risk management and green procurement, and improve its sustainable supply chain.

4. The company will actively respond to global sustainability issues and continue to strengthen sustainable governance and business resilience.

(II) Important production and marketing policies

1. Marketing strategies

- (1) The company will adhere to green marketing principles, boost its products through digital marketing, and strengthen the professional and sustainable brand image.
- (2) The company will participate in professional international exhibitions, strategically integrate cross-border distribution channels and resources, and increase its market share.
- (3) The company will strive for the large-scale projects that comes with innovative and sustainable product design.
- (4) The company will maintain its brand and intellectual property and strengthen its international brand value.

2. Production, R&D and product development strategies

- (1) The company will be customer-oriented and actively develop a variety of smart network infrastructure equipment and energy-saving management solutions.
- (2) The company will deploy green, energy-saving and renewable energy network products to promote green energy network, carbon reduction and environmental sustainability.
- (3) The company will carry out developments of patented products, thus enhancing the competitive advantage of its brand.
- (4) The company will strengthen sustainable supply chain management, better manage the supply of key components from upstream suppliers, and ensure the overall quality improvement.

III. PLANET's future development strategies

1. The company will have thorough understanding of market demand and the trend of AIoT, and will enhance the sustainable image and value of its network and communications in the international market.
2. The company will expand its R&D of green network and communications products, enhance the competitive advantage of its products through differentiation, and generate high gross margin.
3. The company will work closely with its suppliers to build a sustainable supply chain and reduce carbon emissions to achieve net zero carbon emissions by 2050.
4. The company will identify the risks and opportunities accompanying its ESG practices, adjust coping measures in response to the changes, and create its value of sustainability.

IV. The impact of external competitive environment, regulatory environment and overall business environment

According to the "World Economic Outlook" published by the International Monetary Fund (IMF) in January 2024, the global economy was expected to grow by 3.1% in 2024. The overall world economy is still slow to grow due to factors such as inflation and geopolitical

conflicts. However, in this era of digital communications, countries continue to invest in smart networks. As the world's leading network and communications enterprise, PLANET will continue to develop user-friendly network products with intelligent management, information security and energy-saving design, to meet customers' need for network infrastructures and to enhance the professionalism, innovativeness, sustainability and competitiveness of its brand.

In the face of climate change and global trends, and regulations of carbon reduction, PLANET has established sustainable supply chains, which enable the company's products to be in line with international environmental standards in every stage from R&D, product design, material procurement, manufacturing, transportation, product use to recycling, thus strengthening the resilience of its supply chains.

Finally, on behalf of the Board of Directors and all employees, I would like to thank our shareholders for their strong support and trust. All our colleagues will continue to work in the spirit of innovation and teamwork, create profits and growth, enhance brand value, and march towards corporate sustainability.

I wish you every success in your work!

Chairman of the Board Chen, Ching-Kang

Two. Company Profile

I. Date of Incorporation: Jan. 5, 1993

II. Company History

Timeline	Key Events
Jan. 1993	PLANT Technology Limited was incorporated (The predecessor of PLANET Technology Corporation).
1996	Launched Fast Ethernet switches for the first time in the industry
May 1996	Re-organized and re-named as PLANET Technology Corporation.
Jan. 1997	Launched dual speed network hub for the first time in the industry, and thus officially entered the era of megabyte.
Feb. 1997	Passed ISO-9002 certification for the first time.
May 1997	Cash capitalized for Fifteen Million New Taiwan Dollars, and the paid-in capital was increased to Twenty Million New Taiwan Dollars.
Sep. 1999	Launched Gigabit Ethernet products, officially entered the era of high-speed Internet
2000	Successfully launched broadband communication network products, officially entered the era of the integration of network and communication
Dec. 2000	Cash capitalized for Ninety Million New Taiwan Dollars, and the paid-in capital was increased to One Hundred and Ten Million New Taiwan Dollars.
Jan. 2001	Passed ISO-9002 certification for the second time.
May 2001	Capitalization of retained earnings for Thirty Three Million and Four Hundred Thousand New Taiwan Dollars, and the paid-in capital was increased to One Hundred and Forty-Three Million and Four Hundred Thousand New Taiwan Dollars.
Jul. 2001	Launched Internet gateways, and successfully applied the voice products to the internet.
Jul. 2001	The Company's shares were approved by the Securities and Futures Commission for public listing.
Dec. 2001	The Chairman, Mr. Chen, Ching-Kang, was awarded the honor as "The Model of Chinese Young Entrepreneur, R.O.C" in the 24 th "Awards for Model of Chinese Young Entrepreneur, R.O.C"
2002	Launched Layer 3 Managed Routing Switches and multi-port VDSL switches, entered the era of higher level network
Jul. 2002	Capitalization of retained earnings for Seventy Three Million and Two Hundred Thousand New Taiwan Dollars, and the paid-in capital was increased to Two Hundred and Sixteen Million and Six Hundred Thousand New Taiwan Dollars.
Aug. 2002	The issuance of 500 units employee stock warrants was approved by the SFC.
Dec. 2002	The Company's shares were registered as the emerging shares at the TPEX.
Feb. 2003	On Feb. 18, 2003, the Company issued 450 units of employee stock warrants.
Jun. 2003	On Jun. 13, 2003, the Company was approved by the SFC for TPEX listing.
Jul. 2003	Capitalization of retained earnings for Sixty Three Million and Four Hundred Thousand New Taiwan Dollars, and the paid-in capital was increased to Two Hundred and Eighty Million New Taiwan Dollars.
Sep. 2003	On Sep. 17, 2003, the Company was publicly listed in Taipei Stock Exchange (TPEX) Market.
Jan. 2004	Received "2003 Taiwan Excellence Award" from TAITRA for the three products: Bandwidth Manager, Powerline to Ethernet Bridge with 4-port switch, and 48-port Stackable Ethernet Switch with 2 Gigabit slots.
Jun. 2004	PLANET VoIP Gateway with IP Sharing awarded with "Best Choice of COMPUTEX TAIPEI 2004 Award".

Timeline	Key Events
Aug. 2004	Capitalization of retained earnings for Sixty Two Million New Taiwan Dollars, and the paid-in capital was increased to Three Hundred Forty-two Million New Taiwan Dollars.
Jan. 2005	Received “2005 Taiwan Excellence Award” from TAITRA for the products: Digital voice IP switch, network security surveillance camera, Ethernet power transmitter, 24-port ultra-high speed network security switch.
Jan. 2005	Reinvested in subsidiary Planet International Inc.
Mar. 2005	143 units of employee stock warrants issued in 2002 were traded over-the-counter.
Apr. 2005	Conversion of employee stock warrants to 143,000 common shares, and the paid-in capital was Three Hundred and Forty-three Million and Four Hundred and Thirty Thousand New Taiwan Dollars.
Aug. 2005	Capitalization of retained earnings for Sixty Seven Million and Eight Hundred and Twenty Thousand New Taiwan Dollars, and the paid-in capital was increased to Four Hundred Eleven Million Two Hundred and Fifty Thousand New Taiwan Dollars.
Dec. 2005	Won the “2005 MIS Best Choice“, sponsored by Institute for Information Industry, the 1 st place in the enterprise wireless LAN segment, and the 3 rd place in the firewall devices segment.
Jan. 2006	The new enterprise slogan “Pioneer of IP Innovation”, and product slogan “Activating IP Power” were fully applied.
Mar. 2006	38 units of employee stock warrants issued in 2002 were traded over-the-counter.
Apr. 2006	Conversion of employee options to 38,000 common shares, and the paid-in capital was Four Hundred Eleven Million Six Hundred Thirty Thousand New Taiwan Dollars.
Aug. 2006	Capitalization of retained earnings for Sixty Million and Twenty Thousand New Taiwan Dollars, and the paid-in capital was increased to Four Hundred Seventy-One Million Six Hundred and Fifty Thousand New Taiwan Dollars.
Aug. 2006	The outdoor wireless Mesh AP and digital voice exchange won the “2006 Taiwan Excellence Award”.
Aug. 2006	Received the Certificate of conformity the communication facility from Russia.
Oct. 2006	Recognized “Asia’s 200 Best under a Billion” by Forbes Asia.
Feb. 2007	Passed ISO 9001: 2000 quality certification for the second time.
Mar. 2007	Awarded by CommonWealth Magazine with the “2007 Taiwan’s Excellence in Corporate Social Responsibility Award”.
Apr. 2007	28 units of employee stock warrants issued in 2002 were traded over-the-counter.
May 2007	Conversion of employee options to 28,000 common shares, and the paid-in capital was Four Hundred Seventy-One Million Nine Hundred and Thirty Thousand New Taiwan Dollars.
Jun. 2007	SIP IP Phone with PSTN Connectivity, and VDSL2 Router were awarded with the “2007 Taiwan Excellence Award”
Aug. 2007	Capitalization of retained earnings for Forty-four Million and Four Hundred and Seventy Thousand New Taiwan Dollars, and the paid-in capital was increased to Five Hundred and Sixteen Million Four Hundred Thousand New Taiwan Dollars.
Oct. 2007	Received “Certification for Networking Products” from Belarus.
Dec. 2007	36 units of employee stock warrants issued in 2002 were traded over-the-counter.
Jan. 2008	<ul style="list-style-type: none"> ▪ Conversion of employee options to 36,000 common shares, and the paid-in capital was Five Hundred Sixteen Million Seven Hundred and Sixty Thousand New Taiwan Dollars. ▪ The new official website of PLANET was launched. ▪ PoE/802.11g CMOS P/T IR Internet Camera was awarded with the “2008 Taiwan Excellence Award”.

Timeline	Key Events
Mar. 2008	Awarded again by Common Wealth Magazine with the “2008 Taiwan’s Excellence in Corporate Social Responsibility Award” as a top 10 mittelstand enterprise
Apr. 2008	RS-232/ RS-422/ RS-485 over Fast Ethernet Media Converter was selected as “Winner of Online Voting for Most Popular Product” in SecuTech Award 2008.
Sep. 2008	Capitalization of retained earnings for Thirty-Four Million and Five Hundred and Forty Thousand New Taiwan Dollars, and the paid-in capital was increased to Five Hundred and Fifty-One Million Three Hundred Thousand New Taiwan Dollars.
Oct. 2008	Passed the “CG6004 Corporate Governance System Evaluation Certification”, among one of the first certified TPEX listed companies.
Jan. 2009	To maintain the Company’s credit and the shareholders’ interests, treasury shares 310,000 shares were bought back.
Mar. 2009	Received two corporate social responsibility (CSR) awards consecutively as recognition: (1) The “2009 Corporate Social Responsibility Award” by Global Views Monthly Magazine, as the Model of the TPEX listed companies. (2) Recognized by CommonWealth Magazine as the “2009 Taiwan’s Excellence in Corporate Social Responsibility Award” winner for the 3 rd time, ranked the 5 th place in the group of mittelstand enterprises (annual revenue under NT\$ 20 billion)
Mar. 2009	Cancelled the treasury shares and thus reduced capital by Three Million and One Hundred Thousand New Taiwan Dollars, the paid-in capital became Five Hundred Forty-Eight Million and Two Hundred Thousand New Taiwan Dollars.
Sep. 2009	Capitalization of retained earnings for Sixteen Million and Four Hundred and Forty-Six Thousand New Taiwan Dollars, and the paid-in capital was increased to Five Hundred and Sixty-Four Million Six Hundred and Forty-Six Thousand New Taiwan Dollars.
Oct. 2009	Passed the ISO 9001 (renewal) and ISO 14001 (1 st time) certification without defects.
Dec. 2009	<ul style="list-style-type: none"> ▪ Passed the “CG6005 Corporate Governance System Evaluation Certification” again after review, and secured the highest scores among TPEX listed companies. ▪ Unified Office Gateway received the “2010 Taiwan Excellence Award”.
Feb. 2010	5 units of employee stock warrents issued in 2007 were traded over-the-counter.
Mar. 2010	<ul style="list-style-type: none"> ▪ Received the Five Star recognition of “Corporate Social Responsibility Award” by Global Views Monthly Magazine, as the 1st place of the TPEX listed companies. ▪ Conversion of employee options to 5,000 common shares, and the paid-in capital was Five Hundred Sixty-Four Million Six Hundred and Ninety-Six Thousand New Taiwan Dollars.
Apr. 2010	20 units of employee stock warrents issued in 2007 were traded over-the-counter.
Jun. 2010	Conversion of employee stock warrents to 20,000 common shares, and the paid-in capital was Five Hundred Sixty-Four Million Eight Hundred and Ninety-Six Thousand New Taiwan Dollars.
Aug. 2010	Awarded by CommonWealth Magazine with the “2010 Taiwan’s Excellence in Corporate Social Responsibility Award” for the 4 th time, ranked the 4 th place in the group of mittelstand enterprises (annual revenue under NT\$ 10 billion)
Sep. 2010	Capitalization of retained earnings for Sixteen Million and Nine Hundred and Forty-Six Thousand Eight Hundred and Eighty New Taiwan Dollars, and the paid-in capital was increased to Five Hundred and Eighty-One Million Eight Hundred and Forty-Two Thousand Eight Hundred and Eighty New Taiwan Dollars.
Oct. 2010	IP camera ICA-H312, fiber optic media converter FT-802S15, and Ethernet over VDSL2 converter VC-201A facilitated the rescue of Chilean miners to be successfully completed.
Dec. 2010	VDSL2 IP DSLAM, and Professional PoE IP Phone with Expansion Function received the “2011 Taiwan Excellence Award”.
Apr. 2011	One of the six finalists under the “Education Promotion” category of the “Corporate Social Responsibility Award” by Global Views Monthly Magazine, and was the only TPEX listed company among all finalists.

Timeline	Key Events
May 2011	The IP surveillance solution won “PC3 Platinum Brand Award 2010” in Hong Kong.
Aug. 2011	Ranked 1 st place of the “2011 Taiwan’s Excellence in Corporate Social Responsibility Award” in the group of mittelstand companies (annual revenue under NT\$ 10 billion) by CommonWealth Magazine.
Nov. 2011	The Wired Mega-Pixel Cube IP Camera (ICA-HM100) was awarded with “Editor’s Choice 2011” by PC Market Magazine in Hong Kong.
Dec. 2011	Five innovative network products received the “2012 Taiwan Excellence Award”, including IP67 Industrial M12 Fast Ethernet PoE Switch, Industrial VDSL2/PoE Ethernet Extender, PoE Solar Power System, Wireless Fisheye Panorama IP Camera, and Desktop Unified Office Gateway.
Jan. 2012	Selected as “The Top 10 Suppliers of 2011” by Taiwan’s largest ICT B2B e-commerce platform “Computex.biz”.
Feb. 2012	Obtained the award in the first term of “Excellent Corporate Award” under the “Social Responsibility” category by New Taipei City Government, Taiwan.
Jun. 2012	Passed the “CG6007 Corporate Governance System Evaluation Certification” for the 3 rd consecutive time.
Aug. 2012	<ul style="list-style-type: none"> ▪ Ranked 1st place of the “2012 Taiwan’s Excellence in Corporate Social Responsibility Award” in the group of mittelstand companies (annual revenue under NT\$ 10 billion) again by CommonWealth Magazine, received the honor for the 6th consecutive time. ▪ Received “Certification for Networking Products” from Belarus again.
Dec. 2012	Six innovative network products received the “2013 Taiwan Excellence Award”, including Industrial Solar Power PoE Switch, Industrial 802.11n 300Mbps Wireless Access Point, lightweight smart and energy saving 240 Watt high power Ethernet switch, Gigabit SSL VPN Security Router, 4-Ch NVR with HDMI, and 24-Port Gigabit Fiber plus 4-Port 10G Fiber Managed Metro Ethernet Switch.
Jan. 2013	<ul style="list-style-type: none"> ▪ Ranked the 1st place among “The Top 10 Suppliers of 2012” by Taiwan’s largest ICT B2B e-commerce platform “Computex.biz”. ▪ Passed the ISO 9001 and ISO 14001 certification without defects.
Jun. 2013	Selected as “Top 30 Suppliers” in all three categories including “Most-inquired”, “Most-viewed”, and “Most Active” by Taiwan’s largest ICT B2B e-commerce platform “Computex.biz” for the 2 nd consecutive year.
Aug. 2013	<ul style="list-style-type: none"> ▪ Awarded by CommonWealth Magazine with the “Corporate Citizenship Awards” for the 7th consecutive years, ranked 2nd place in the group of mittelstand companies (annual revenue under NT\$ 10 billion) ▪ Capitalization of retained earnings for Eleven Million and Six Hundred and Thirty Six Thousand Eight Hundred and Sixty New Taiwan Dollars, and the paid-in capital was increased to Five Hundred and Ninety-Three Million Four Hundred and Seventy-Nine Thousand Seven Hundred and Forty New Taiwan Dollars.
Oct. 2013	Conversion of employee stock warrants to 376,000 common shares, and the paid-in capital was Five Hundred Ninety-Seven Million Two Hundred and Thirty-Nine Thousand Seven Hundred and Forty New Taiwan Dollars
Dec. 2013	Five innovative network products received the “2014 Taiwan Excellence Award”, including Layer 2/4 24-port Gigabit 802.3at PoE plus 4-port 10G SFP+ Intelligent Security Switch, Industrial 8-port Gigabit 802.3at PoE+ Managed Switch, Wireless Fisheye Cloud IP Camera, PoE over Coaxial Extenders, and HDMI/Video Wall over IP PoE Transmitter and Receiver.

Timeline	Key Events
Dec. 2013	Certified as “Smoke-free Workplace” by Health Promotion Administration
Jan. 2014	Conversion of employee stock warrants to 350,000 common shares, and the paid-in capital was Six Hundred Million Seven Hundred and Thirty-Nine Thousand Seven Hundred and Forty New Taiwan Dollars.
Aug. 2014	Awarded by CommonWealth Magazine with the “2014 Corporate Citizenship Awards”, obtaining the honor for the 8th consecutive year, ranked 2nd place in the group of mittelstand companies (annual revenue under NT\$ 10 billion). In the eight-year history of the CSR award by CommonWealth Magazine, only twelve enterprises have won the award consecutively, among which, the Company was the only mittelstand enterprise listed.
Sep. 2014	Capitalization of retained earnings for Twelve Million Fourteen Thousand and Eight Hundred New Taiwan Dollars, and the paid-in capital was increased to Six Hundred and Twelve Million Seven Hundred and Fifty-Four Thousand Five Hundred and Forty New Taiwan Dollars.
Nov. 2014	Passed the ISO 9001 and ISO 14001 certification without defects.
Dec. 2014	Five innovative network products received the “2015 Taiwan Excellence Award”, including Industrial IP67 Rated Waterproof/Dustproof Gigabit Managed Switch with 4-port PoE+, Industrial 8-port Gigabit Wall-mounted Switch with 4-port 802.3at PoE+, 1200Mbps 802.11ac Dual Band Ceiling Mount Wireless Access Point, 5 Mega-pixel Wireless Fisheye IP Camera, and Industrial Internet Video Server.
Mar. 2015	Selected as “2015 Potential Taiwan Mittelstand Award” by MOEA, as well as the first enterprise won the “Taiwan Mittelstand Award for Gender Equality”.
Apr. 2015	Certified an ‘A+’ grade for information disclosure in the 2014 Information Disclosure and Transparency Ranking Evaluation for TWSE/TPEX Companies in Taiwan.
May 2015	At the first “Corporate Governance Evaluation System” organized by the Taiwan Stock Exchange (TWSE) and TPEX in 2014, the Company was ranked among the top 5% of all TPEX listed companies.
Aug. 2015	Awarded by CommonWealth Magazine with the “Corporate Citizenship Awards” for the 9th consecutive year, ranked 3rd place in the group of mittelstand companies (annual revenue under NT\$ 10 billion).
Sep. 2015	Capitalization of retained earnings for Twelve Million and Two Hundred and Fifty Five Thousand One Hundred New Taiwan Dollars, and the paid-in capital was increased to Six Hundred Twenty Five Million Nine Thousand Six Hundred and Forty New Taiwan Dollars.
Nov. 2015	Passed the ISO 9001:2015 and ISO 14000:2015 certification without defects; leading the enterprises in Taiwan.
Dec. 2015	Three innovative networking and communication products and solutions received the “2016 Taiwan Excellence Award”, including Smart Cloud Home Automation with VoIP Solution, Long Reach PoE/PoC Solution, and 16-port Ultra PoE Managed Gigabit Switch.
Apr. 2016	Ranked among the top 5% of all TPEX listed companies in the 2015 Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX, obtaining the honor for the 2nd consecutive year.
Aug. 2016	Awarded by CommonWealth Magazine with the “2016 Corporate Citizenship Awards”, obtaining the honor for the 10th consecutive year, ranked the 2nd place among the mittelstand companies (annual revenue under NT\$ 10 billion)
Nov. 2016	Passed the ISO 9001:2015 and ISO 14001:2015 certification without defects.
Dec. 2016	Five innovative network products and solutions received the “2017 Taiwan Excellence Award”, including Renewable Energy Industrial 802.3at PoE Managed Ethernet Switch, Industrial Gigabit plus 10G Fiber Managed Switch Series, Industrial L2+ 24-Port 802.3at PoE+ plus 4-Port Shared Gigabit Fiber Managed Switch, L2+ Centralized Wireless APs Management Solution, and H.265 IP Surveillance Total Solution.

Timeline	Key Events
Apr. 2017	Ranked among the top 6%~20% of all TPEX listed companies in the 2016 Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX.
Jun. 2017	The Auditing Committee was established voluntarily, to enhance the corporate governance.
Aug. 2017	Recognized by CommonWealth Magazine with the “2017 Corporate Citizenship Awards”, ranked 4th in the group of mittelstand companies (annual revenue under NT\$ 10 billion). The Company was the only TPEX listed company receiving this award for 11 consecutive years.
Sep. 2017	Invited by MOEA to participate in World Congress on Information Technology (WCIT) 2017 sponsored by Taiwan. In this Olympics of the world's information technology industry, PLANET Technology presented its innovative network transmission products and technologies to fulfill diversified market needs for network infrastructure of IoT and IIoT applications. The Company successfully demonstrated the development and trend of digital technology in Taiwan to the world.
Oct. 2017	Four innovative network products and solutions received the “2018 Taiwan Excellence Award”, including L2+ 2.5G 802.3at PoE+ Managed Multigigabit Switch, L2+ Managed Switch Series with Color Touch LCD, Industrial Modbus L2+ Ultra PoE Managed Ethernet Switch, and L2+ 12-Port 10GbE SFP+ Managed Switch with DC Redundant Power.
Jan. 2018	Certified with the Taiwantrade Supplier Business Information Verification by TÜV Rheinland, Germany, which recognized the good operating, R&D, and production capabilities of PLANET, as well as its compliance and management system, and thus improved the reputation of PLANET brand.
Apr. 2018	Ranked among the top 5% of all TPEX listed companies in the 2017 Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX.
May 2018	Enterprise-class Wireless LAN Controller won “Best Choice Award 2018”, the official award of Computex Taipei.
Jun. 2018	Recognized as a global CSR model, PLANET is the only company in Taiwan receiving the first “Humane Entrepreneurship Award” from the International Council for Small Business (ICSB)
Aug. 2018	Awarded by CommonWealth Magazine with the “2018 Corporate Citizenship Awards”, obtaining the honor for the 12th consecutive year, ranked 2nd place in the group of mittelstand companies (annual revenue under NT\$ 10 billion)
Nov. 2018	Received “Taiwan Excellence Silver Award” for the first time: The Company’s first Color touch LCD wireless AP management switch WS-2864PVR won “2019 Taiwan Excellence Silver Award”.
Feb. 2019	Four of PLANET’s green networking and communication equipment products were awarded with “2019 Taiwan Excellence Award”: Color touch LCD wireless AP management switch, smart wireless AP central controller series, intelligent touch flat information security router, and color touch LCD flat network management switch series.
Apr. 2019	The Company received the “2019 Taiwan Excellence Achievement Award” for the Company’s more than 50 products that have been awarded with the honors Received D&B D-U-N-S Certification. Ranked among the top 6%~20% of all TPEX listed companies in the 2018 Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX.

Timeline	Key Events
May 2019	Won the “Asia Responsible Enterprise Awards 2019 - Social Empowerment”, organized by Enterprise Asia.
Jun. 2019	The Company's technological equipment and products with innovative designs debuted at 2019 Computex Taipei for the first time, which reinforced PLANET's brand identity and image of its professional technology, and was also recognized by the CITD program, a technological R&D plan through industry-academia cooperation jointly sponsored by the Industrial Development Administration of Ministry of Economic Affairs and the Ministry of Science and Technology.
Jul. 2019	The Company established the Chief Corporate Governance Officer voluntarily, to enhance its corporate governance operation.
Aug. 2019	Received the “2019 Potential Taiwan Mittelstand Award” from MOEA, and received the “Taiwan Mittelstand Award for Workplace Friendliness”
Sep. 2019	Recognized by CommonWealth Magazine with the “2019 Corporate Citizenship Awards”, obtaining the honor for the 13th consecutive year, ranked 2nd place in the group of mittelstand companies (annual revenue under NT\$ 10 billion).
Oct. 2019	Chen, Ching-Kang, the Chairman, won the “Asia Pacific Entrepreneurship Awards 2019” under the Outstanding category, organized by Enterprise Asia.
Nov. 2019	Three smart network products and solutions won the “2020 Taiwan Excellence Award”: Universal Network Management System, L3 Industrial 8-Port 90-Watt PoE++ Managed Ethernet Switch with 20G SFP+ Uplink, and Industrial VPN Security Gateway Series.
Nov. 2019	Chen, Ching-Kang, the Chairman, received the “2019 Taiwan EY Sustainable Leader Entrepreneur of the Year” from EY Taiwan.
Mar. 2020	Due to the global outbreak of COVID-19, the Company has established the “Contingency Task Force for Pandemic”, as the decision-making unit for the Company-wide containment measures, and various possible operating patterns responding to the development of the outbreak, with the aim to safeguard employees’ health and maintain the Company’s operations
Apr. 2020	Ranked among the top 6%~20% of all TPEX listed companies in the 2019 Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX.
Aug. 2020	Started to use a new corporate slogan of “Shaping Future Networking” to highlight the core spirit of PLANET, which lies on continuous innovation in the transmission technology and equipment of digital network, seamless connection between Internet application and service platform to create a new technology era with futuristic intelligence, friendliness and sustainability.
Sep. 2020	Recognized by CommonWealth Magazine with the “2020 Corporate Citizenship Awards”, obtaining the honor for the 14th consecutive year.
Nov. 2020	Won “Taiwan Excellence Award” for the 18th consecutive year! Four innovative network products were awarded with the “2021 Taiwan Excellence Award”- Renewable energy for power supply intelligent network management controller series, industrial 4G LTE IOT gateway series, Industrial Modbus gateway series, layer-3 gateway 24-port 95-watt 802.3 bt Ethernet power supply switch with 2,400 watt double-slot hot plug power supply.
Dec. 2020	Voluntarily established functional committees including Corporate Social Responsibility Committee and Risk Management Committee to strengthen its corporate governance.
Dec. 2020	Established the Occupational Safety and Health (OSH) Management Committee to improve the management of occupational safety and health.
Apr. 2021	Ranked among the top 5% of all TPEX listed companies in the 2020 Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX.
Sep. 2021	Ranked the 1st place in the group of mittlestand enterprises in the “2021 Excellence in Corporate Social Responsibility” of the Commonwealth Magazine and was the only typical mittelstand enterprise listed in the top 100 enterprises awarded with honor of “Excellence in Corporate Social Responsibility” for 15 consecutive years, which enhanced the Company’s competitive advantage in sustainable development.
Nov. 2021	Industrial 5G NR IoT gateway series (ICG-2515-NR series) was granted “2022 Taiwan Excellence Award”.
Dec. 2021	The friendly and innovation design of “intelligent webmaster controller NMS-360V of renewable energy power supply” was recognized by awards at home and abroad: “2021 Best Choice Award - Smart City Category Award”, COMPUTEX’s official award.
Dec. 2021	Passed 2021 health workplace certification ~ Health Start Mark.
Feb. 2022	The Board approved the proposal to rename the “Corporate Social Responsibility Committee” as “Sustainable Development Committee”. The Company entered a new era of sustainable development.
Apr. 2022	Ranked among the top 5% of of all TPEX listed companies in the 8th Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX

Timeline	Key Events
May 2022	“Industrial 5G NR IoT Gateway ICG-2515W-NR” was granted the “2022 Best Choice Award - Golden Award”, i.e., the official award of COMPUTEX. The Company was once again recognized by the technology indicator award of the networking and communication industry after obtaining the 2022 Taiwan Excellence Award.
Jun. 2022	Passed the ISO/IEC 27001:2013 Information Security Management System certification for the first time
Aug. 2022	Obtained the external evaluation report on performance of Board for the first time. Appointed the “Taiwan Association of Board Governance”, a professional independent organization, to evaluate the performance of the Board to improve the functions and operational efficiency of the Board.
Aug. 2022	Passed IEC 62443-4-1 Product Security Development System certification to enhance the protection of industrial network information security
Sep. 2022	Consecutively ranked the 1st place in the group of middlestand enterprises in the “2022 Excellence in Corporate Social Responsibility” of the Commonwealth Magazine, and was listed in the top 100 enterprises awarded with honor of “Excellence in Corporate Social Responsibility” for the 16th consecutive year, which enhanced the Company’s competitive advantage in sustainable development
Sep. 2022	For the first time, participated in the world's biggest trade exhibition for transportation technology “InnoTrans 2022”, Berlin International Trade Exhibition for Rail Transport Equipment, and presented intelligent transportation network infrastructure solutions.
Nov. 2022	Received “iSports Enterprise Certificate” for the first time
Nov. 2022	Received the “2022 Taiwan Corporate Sustainability Awards - Gold Award for Sustainability Report”
Nov. 2022	Won “Taiwan Excellence Award” for the 20th consecutive year! Three latest innovative network communication solutions and products were awarded with the “2023 Taiwan Excellence Award”: LoRa AIoT intelligent Internet of Things solution, cross-domain network central management platform, industrial grade 10Gbps fiber optic network management switch
Mar. 2023	Obtained the Healthy Workplace Certification ~ Health Promotion Mark in 2022.
Apr. 2023	Ranked among the top 5% of of all TPEX listed companies in the 2022 Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX, and listed in the top 5% TPEX listed companies with a market value of more than NT\$ 5 billion to NT\$ 10 billion.
Apr. 2023	Became a TCFD Supporter of the Task Force on Climate-Related Financial Disclosures (TCFD) to develop a systematic framework to effectively address Climate risks and opportunities.
Apr. 2023	Awarded with the Bronze Medal in the group of enterprises in the first “Let’s Go Green” Competition organized by the Environmental Protection Administration.
Apr. 2023	Passed the ISO 14064-1 Greenhouse Gas Inventory Management System certification for the first time
May 2023	The 2022 Sustainability Report passed independent third party verification (BSI) and is in compliance with: * GRI Standards 2021 * AA1000AS V3 Type 1 at a moderate level of assurance * SASB Standards for Hardware Industry under the Technology & Communications Sector.
May 2023	For the first time, independently published the 2022 TCFD Climate-related Financial Disclosure Report, which passed Independent third-party verification (BSI)
May 2023	Became a partner in the UN's “4/1000 Initiative” to work globally to combat soil degradation, ensure food security and support climate-resilient agriculture
Jun. 2023	[Sustainable Logistics] PLANET is the first company in Taiwan to use the DHL GoGreen Plus service for sustainable aviation fuel solutions to reduce carbon emissions in PLANET's global product transportation and achieve its goal of sustainable supply chain.
Jun. 2023	Passed the ISO 45001 Occupational Safety and Health management system certification for the first time
Jul. 2023	Received the Silver Medal for its micro sustainability film “Clean Air, Clear Mind Action” at the “2023 Taipei Golden Eagle Micro-movie Festival”.

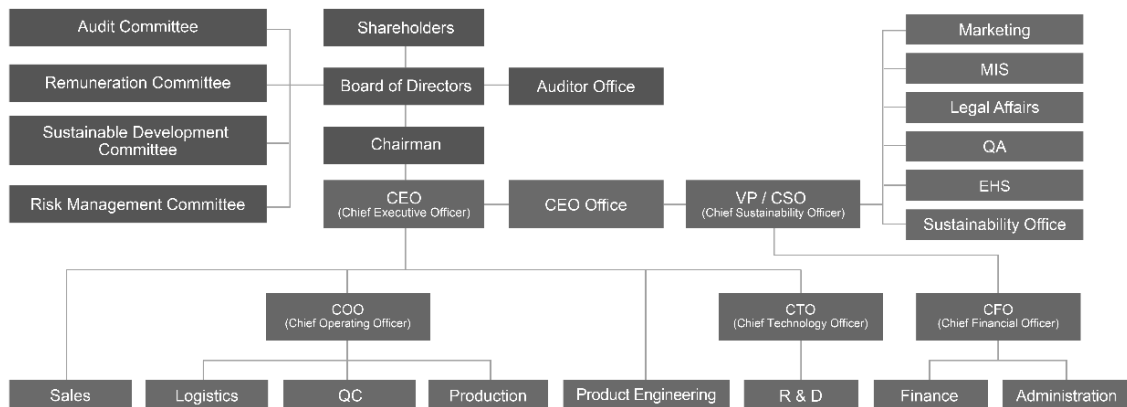
Timeline	Key Events
Sep. 2023	Ranked the 1st Place in the group of mittelstand enterprises in the “2023 Excellence in Corporate Social Responsibility” award sponsored by Commonwealth Magazine, and was listed in the top 100 enterprises awarded with honor of “Excellence in Corporate Social Responsibility” for the 17th consecutive year, which enhanced the Company’s competitive advantage in sustainable development.
Sep. 2023	Ranked the 1st place in the group of mittelstand enterprises in the first “CommonWealth Talent Sustainability Award”.
Nov. 2023	Won “Taiwan Excellence Award” for the 21th consecutive year! Three innovative network communication solutions and products were awarded with the “2024 Taiwan Excellence Award”: Power cycle PoE load tester, industrial grade modular 10-inch rack network management switch, and enterprise carrier-grade 10G managed fiber optic network converter series.
Nov. 2023	Actively improves ESG performance and discloses the information transparently in its Sustainability Report. Received the highest honor: “2023 Taiwan Corporate Sustainability Awards - Platinum Award for Sustainability Report”.
Dec. 2023	Committed to building a happy and healthy workplace and cultivating sustainable talents. Won its first “Family Friendly Workplace Award” in 2023.
Mar. 2024	Engaged in the care and counseling of emotionally impaired disadvantaged students for 20 years, providing customized remedial teaching and psychological counseling programs for each child to help emotionally impaired disadvantaged students have the strength to stand up again. Won its first “Linking ASSET Corporate Humanities Award - Community Support Outstanding Achievement Award” in 2024.
Apr. 2024	The innovative development of AIoT LoRaWAN application platform is conducive to the collection and management of environmental big data and the improvement of carbon reduction benefits of smart networks.
Apr. 2024	Ranked among the top 5% of all TPEX listed companies in the 2023 Corporate Governance Evaluation System officially and jointly held by the TWSE and TPEX, and listed in the top 5% TPEX listed companies with a market value of more than NT\$ 5 billion to NT\$ 10 billion.

Three. Corporate Governance Report

I. Organizational Structure

(1) Current Organizational Structure:

PLANET Technology Corporation – Organization Chart



(2) Operations and functions of the major departments:

Auditor Office: Responsible for internal control cycle and system audit.

CEO Office: Responsible for the planning of the company's business policies and strategies, the guidance and approval on product R&D, the establishment of the company's various systems and document control, cybersecurity management, intellectual property, ISO system implementation and supervision, promotion and execution of employee safety and health, implementation of sustainability policies, coordination of public relations and promotion in domestic and foreign media.

Sales Department: Responsible for development, maintenance and credit investigation of domestic and foreign customers, market intelligence collection, analysis and presentation, exhibition plan implementation, order processing, shipment, customer complaint handling and payment collection.

Logistics: Responsible for the management of product production and outsourcing, procurement of raw materials and products, handling of goods-in and goods-out of warehouse and inventory management planning, making arrangement on matters such as shipping, customs declaration, vehicle dispatch and document processing.

Quality Control Department: Responsible for inspection of incoming products and quality assurance of outgoing products, responsible for product quality maintenance and management.

Production Department: Responsible for introduction of production technology to outsourcing contractors and provision of support, product maintenance, production scheduling, delivery and cost control, etc.

Product Engineering: Responsible for formulation of product strategies, search and control of related new technologies, R&D of new products. And also responsible for providing product technical support to customers, composing product technical documents, providing staff education and training and verification of product reliability and functions.

R&D: Responsible for designing hardware and software of electronic and information products, and related design works for structures and size.

Finance Department: Responsible for capital planning and scheduling, risk management, cashier, processing of accounting transactions and related affairs and review of annual budgets and final accounts.

Management Department: Responsible for the planning and execution of general administration operation processes, human resources management and planning, employee welfare planning and implementation.

II. Information on Directors, Supervisors, CEO, Deputy CEO, Assistant Managers, Heads of Departments and Branches

(I) Directors and Supervisors

Unit :Share
March 26, 2024

Information on Directors & Supervisors (I)

Title	Nationality/Country of Origin	Name	Gender/Age	Date of Being Elected (Appointment)	Term	Date of First Appointment	Shareholding When Elected		Current Shareholding		Current Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience	Position Concurrently Held in the Company and Other Companies	Executives, Directors or Supervisors Who Are Spouse or within Two Degrees of Kinship			Remarks
							Number of Shares	%	Number of Shares (Note 6)	%	Number of Shares	%	Number of Shares	%			Title	Name	Relation	
Chairman	R.O.C	Chen, Ching-Kang	Male, 61~70years old	2023.5.24	3 years	1993.1.5	4,211,978	6.74%	4,211,978	6.74%	3,030,241	4.85%	—	—	Phd in Business Administration, Macau University of Science and Technology. Chairman of Puyang Investment Co., Ltd. Chief of International Marketing, Wang Laboratories Chief Supervisor of National Innovation and Entrepreneurship Association, R.O.C. President of National Innovation and Entrepreneurship Association, R.O.C.	CEO of PLANET Technology Corporation Director of Puyang Investment Co., Ltd. Founder of the Public Trust Planet Education Fund Director of Sin Trend Video Co., Ltd. Independent Director of Apex Technology Inc. Director of JiaTech International Investment Co., Ltd.	Director	Hsu, Hwa-Lin	Spouse	(Note 5)

Director	R.O.C	Representative of Puyang Investment Co., Ltd.: Li, I-Chuan	Male, 61~70years old	2023.5.24	3 years	2001.8.8 2005.6.17	16,856,237 43,195	26.97% 0.07%	16,856,237 43,195	26.97% 0.07%	— 9,323	— 0.01%	—	—	PhD in Business Administration, Macau University of Science and Technology EMBA, National Taiwan University Audit Office and Assistant Manager of Department of Finance, Pacific SOGO Department Stores Co., Ltd.	President of Zhan Yue Construction Corporate President of Lan Bou Wan Development Co., Ltd. Independent Director of Test Rite Group Co., Ltd.	N/A	N/A	N/A	Remarks									
																					Director	R.O.C	Hsu, Hwa-Lin	Female, 61~70years old	2023.5.24	3 years	1993.1.5	3,030,241	4.85%
Title		Nationality/Country of Origin		Name		Gender/Age		Date of Being Elected (Appointment)		Term		Date of First Appointment		Shareholding When Elected		Current Shareholding		Current Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience		Position Concurrently Held in the Company and Other Companies		Executives, Directors or Supervisors Who Are Spouse or within Two Degrees of Kinship		Remarks	
Number of Shares		%		Number of Shares (Note 6)		%		Number of Shares		%		Number of Shares		%		Number of Shares		%		Title		Name		Relation					

Independent Director	R.O.C	Chen, Shuh	Male, 61~70years old	2023.5.24	3 years	2017.6.13	Shareholding When Elected		Current Shareholding		Current Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience	Position Concurrently Held in the Company and Other Companies	Executives, Directors or Supervisors Who Are Spouse or within Two Degrees of Kinship			Remarks
							Number of Shares	%	Number of Shares (Note 6)	%	Number of Shares	%	Number of Shares	%			Title	Name	Relation	
							—	—	—	—	—	—	—	—	PhD, in Business Administration, National Taiwan University Chairman of Financial Supervisory Commission, Executive Yuan Chairman, Taiwan Stock Exchange Independent Director of Accton Technology Corporation.	Chairman of Central Investment Co., Ltd. Chairman of Zhong Dao Association of Leadership and Culture Independent Director of Asia Cement Corporation Independent Director of O-TA Precision Industry Co., Ltd Director of Hotron Precision Electronic Industrial Co., Ltd.	N/A	N/A	N/A	

Independent Director	R.O.C	Chang, Pao-Thai	Female, 51~60years old	2023.5.24	3 years	2017.6.13	Shareholding When Elected		Current Shareholding		Current Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience	Position Concurrently Held in the Company and Other Companies	Executives, Directors or Supervisors Who Are Spouse or within Two Degrees of Kinship			Remarks
							Number of Shares	%	Number of Shares (Note 6)	%	Number of Shares	%	Number of Shares	%			Title	Name	Relation	
Independent Director	R.O.C	Huang, Hsin Hsien	Male, 61~70years old	2023.5.24	3 years	2017.6.13	—	—	—	—	—	—	—	—	Passed Examination for Judges and Prosecutors and Bar Examination at Department of Law, Soochow University Judge at Chiayi, Taoyuan, and Shilin District Courts Director and member of Remuneration Committee of Test Rite International Co., Ltd. Director of Tsai Won Industrial Co., Ltd Member of Committee of the Taipei City Center for Prevention of Domestic Violence and Sexual Assault	Head of Chian-Yuan Law Firm Director of Jinghua Society Cultural Foundation Independent Director of Test Rite Group Co., Ltd.	N/A	N/A	N/A	
Independent Director	R.O.C	Chang, Pao-Thai	Female, 51~60years old	2023.5.24	3 years	2017.6.13	—	—	—	—	—	—	—	—	Executive Class, Antai College of Economics and Management, Shanghai Jiao Tong University President, 360D HR Consultancy Co., Ltd.	Chairperson, Premier International Development Incorporation Independent Director of Apex Science & Engineering Corp. Independent Director of Brinno Incorporated	N/A	N/A	N/A	

Title	Nationality/Country of Origin	Name	Gender/Age	Date of Being Elected (Appointment)	Term	Date of First Appointment	Shareholding When Elected		Current Shareholding		Current Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience	Position Concurrently Held in the Company and Other Companies	Executives, Directors or Supervisors Who Are Spouse or within Two Degrees of Kinship			Remarks
							Number of Shares	%	Number of Shares (Note 6)	%	Number of Shares	%	Number of Shares	%			Title	Name	Relation	
Independent Director	R.O.C	Chen, Chun-Mei	Female, 61~70years old	2023.5.24	3 years	2023.5.24	—	—	—	—	—	—	—	—	Passed examination for international business personnel at Department of International Business, Feng Chia University Group Leader at Bank of Communications Special Assistant to the CEO, Pacific Securities Underwriting Manager, Asia Securities	Director/General Manager of The First Leasing Corporation Supervisor of Commonwealth Publishing Co., Ltd.	N/A	N/A	N/A	

Note 1: For an institutional shareholder, the name of the institutional shareholder and its representative shall be listed respectively, (when listing the representative of an institutional shareholder, the name of the institutional shareholder shall be noted correspondingly), and Table 1 below shall also be completed.

Note 2: Please indicate the true age by using age range, e.g., 41~50, 51~60.

Note 3: Specify the time the person first began to serve as a director or supervisor of the Company. If there has been any break within a term or between terms, a note specifying the circumstances should be added.

Note 4: Specify experience and qualifications related to the current position. If during a period specified above the person has served in a position at a CPA firm or an affiliate of the Company, specify the position held and the duties for which the person was responsible.

Note 5: Where the chairman of the Board of Directors and the CEO or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, the reason, rationality, necessity thereof, and the measures adopted in response shall be given. (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer)

At PLANET, the position of Chairman and CEO are held by the same person, which is arranged based on the needs of the Company's operations and can improve the efficiency in the Company's decision-making, execution and business operations. More than half of the current board members are not concurrently working as employees or managers at PLANET. At the shareholders' re-election on May 24, 2023, the Company elected one additional independent director (a total of four independent directors), bringing the proportion of independent directors to 57%, which would improve the performance of the Board of Directors and strengthen its supervision function. PLANET has also established a succession plan for directors and key management positions to facilitate the Company's progress towards sustainable governance.

Note 6: The number of shares shown is based on the shareholders' register.

Major Shareholders of the Institutional Shareholder

March 26, 2024

Name of Institutional Shareholder	Major Shareholders of the Institutional Shareholders	
	Name of Top 10 Shareholders	Ratio of Shareholding
Puyang Investment Co., Ltd	Hsu, Hwa-Lin	50%
	Chen, Ching-Kang	50%

Information on Directors and Supervisors (II)

I. Disclosure of Information on the Professional Qualifications of Directors and Supervisors and the Independence of Independent Directors:

Qualification Name	Professional Qualifications and Experience (Note 1)	Status of Independence (Note 2)	Number of other public companies at which the person concurrently serves as an independent director
Chen, Ching-Kang	<p>Chen, Ching-Kang holds a Phd in Business Administration from Macau University of Science and Technology. He is currently the Chairman and CEO of PLANET Technology Corporation and member of the Sustainable Development Committee. He concurrently serves as the Director of Puyang Investment Co., Ltd., Director of JiaTech International Investment Co., Ltd., Founder of the Public Trust Planet Education Fund, Director of Sin Trend Video Co., Ltd., Independent Director, member of Audit Committee and Remuneration Committee of Aplex Technology Inc. Chen also has the experience of working as the Chief of International Marketing at Wang Laboratories, Chief supervisor and President of National Innovation and Entrepreneurship Association, R.O.C.</p> <p>Chen has the work experience required by the Company's business and the competence of operational judgment, corporate management and risk management. He has a vision of the international market and possesses strong leadership, outstanding capability in dealing with sustainability matters, professional competence in networking & communication and knowledge of the technology industry. Chen Ching-Kang is not under any of the circumstances provided in Article 30 of The Company Act.</p>	N/A	1

Qualification Name	Professional Qualifications and Experience (Note 1)	Status of Independence (Note 2)	Number of other public companies at which the person concurrently serves as an independent director
Hsu, Hwa-Lin	<p>Hsu, Hwa-Lin holds a B.A. from Department of Music, Chinese Culture University. She is currently the Deputy CEO and Chief Sustainability Officer of PLANET Technology Corporation and the convener of the Company's Sustainable Development Committee. She is concurrently the Chairman of Puyang Investment Co., Ltd., representative director of Planet International Inc., a subsidiary of PLANET, and director of First Commercial Bank Culture and Education Foundation.</p> <p>Hsu, Hwa-Lin has the work experience required by the Company's business and the competence of operational judgment, corporate management and risk management. She also has a vision of the international market and possesses strong leadership, outstanding capability in dealing with sustainability matters, professional competence in networking & communication and knowledge of the technology industry.</p> <p>Hsu, Hwa-Lin is not under any of the circumstances provided in Article 30 of The Company Act.</p>	N/A	0

Qualification Name	Professional Qualifications and Experience (Note 1)	Status of Independence (Note 2)	Number of other public companies at which the person concurrently serves as an independent director
Representative of Puyang Investment Co., Ltd.: Li, I-Chuan	<p>Li, I-Chuan holds a PhD in Business Administration from Macau University of Science and Technology. He is currently the President of Zhan Yue Construction Corporate, President of Lan Bou Wan Development Co., Ltd., Independent Director, member of Audit Committee, Remuneration Committee and Sustainable Development Committee of Test Rite Group Co., Ltd. Li has the experience of working as the Assistant Manager in charge of Audit Office and Department of Finance, Pacific SOGO Department Stores Co., Ltd.</p> <p>Li has the business and financial work experience and expertise required by the Company's business. He has the competence of operational judgment, business management, risk management, and a vision of the international market. Li, I-Chuan also possesses strong leadership, outstanding capability in dealing with sustainability matters, professional competence in corporate management and knowledge of the construction industry.</p> <p>Li, I-Chuan is not under any of the circumstances provided in Article 30 of The Company Act.</p>	N/A	1

Qualification Name	Professional Qualifications and Experience (Note 1)	Status of Independence (Note 2)	Number of other public companies at which the person concurrently serves as an independent director
Chen, Shuh (Independent Director)	<p>Chen, Shuh holds a PhD in Business Administration from National Taiwan University. He is currently the Chairman of Central Investment Co., Ltd., Director of Hotron Precision Electronic Industrial Co., Ltd., Independent Director, member of Audit Committee, convener of Sustainable Development Committee of Asia Cement Corporation, Independent Director, member of Audit Committee and Remuneration Committee, convener of Sustainable Development Committee of O-TA Precision Industry Co., Ltd., and Chairman of Zhong Dao Association of Leadership and Culture. He also has the experience of working as the Chairman of Financial Supervisory Commission, Executive Yuan, Chairman, Taiwan Stock Exchange and Independent Director of Accton Technology Corporation. Chen, Shuh has the qualifications of college teacher for subjects of business, finance, accounting, etc. He holds an accountant certificate and has the work experience required by the Company's business. Chen also has the competence of operational judgment, business management, risk management, and a vision of the international market. Chen also possesses strong leadership, outstanding capability in dealing with sustainability matters, and profound financial & accounting knowledge. Chen is currently the meeting convener of the Company's Audit Committee, member of Remuneration Committee and Sustainable Development Committee, and has the qualification for working as an Audit Committee member.</p> <p>Chen, Shuh is not under any of the circumstances provided in Article 30 of The Company Act.</p>	<p>Chen, Shuh is an Independent Director of the Company, whose status of independence is specified below.</p> <ul style="list-style-type: none"> ● Including but not limited to the following: the person concerned or the person's spouse or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates. ● The person concerned, or the person's spouse or any relative within the second degree of kinship does not hold the shares of the Company. ● The person concerned is not a director, supervisor or employee of any company under special relationship with the Company. ● The person concerned did not gain any reward by providing business, legal, financial and accounting services for the Company or the Company's affiliates within the past 2 years. 	2

Qualification Name	Professional Qualifications and Experience (Note 1)	Status of Independence (Note 2)	Number of other public companies at which the person concurrently serves as an independent director
Huang, Hsin Hsien (Independent Director)	<p>Huang, Hsin Hsien holds a Bachelor Degree from Department of Law, Soochow University. He has passed the Examination for Judges and Prosecutors and Bar Examination. Huang is currently head of Chian-Yuan Law Firm and an independent director, member of Audit Committee, member of Remuneration Committee, member of Sustainable Development Committee of Test Rite International Co., Ltd.. Huang has the experience of working as the judge at Chiayi, Taoyuan, and Shilin District Courts. Huang is also a director of Tsai Won Industrial Co., Ltd., a director of Jinghua Society Cultural Foundation, and a member of Committee of the Taipei City Center for Prevention of Domestic Violence and Sexual Assault.</p> <p>Huang has the qualification of lawyer and the required work experience in the fields of law, finance and business. Huang possesses the competence of operational judgment, business management, risk management and a vision of the international market. Huang has strong leadership, outstanding capability in dealing with sustainability matters and profound knowledge of the legal industry. Huang is the meeting convener of the Company's Risk Management Committee, a member of the Audit Committee, a member of the Remuneration Committee, a member of Sustainable Development Committee, and has the qualification for working as an audit member.</p> <p>Huang, Hsin Hsien is not under any of the circumstances provided in Article 30 of The Company Act.</p>	<p>Huang, Hsin Hsien is an Independent Director of the Company, whose status of independence is specified below.</p> <ul style="list-style-type: none"> ● Including but not limited to the following: the person concerned or the person's spouse or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates. ● The person concerned, or the person's spouse or any relative within the second degree of kinship does not hold the shares of the Company. ● The person concerned is not a director, supervisor or employee of any company under special relationship with the Company. ● The person concerned did not gain any reward by providing business, legal, financial and accounting services for the Company or the Company's affiliates within the past 2 years. 	1

Qualification Name	Professional Qualifications and Experience (Note 1)	Status of Independence (Note 2)	Number of other public companies at which the person concurrently serves as an independent director
Chang, Pao-Thai (Independent Director)	<p>Chang, Pao-Thai obtained a Master Degree from the Executive Class, Antai College of Economics and Management, Shanghai Jiao Tong University. She is currently the Chairman of Premier International Development Incorporation, an independent director, the meeting convener of Remuneration Committee and member of Audit Committee of Apex Science & Engineering Corp. and Brinno Incorporated. She also has the experience of working as the CEO of 360D HR Consultancy Co., Ltd. Chang has expertise in the fields of business and finance and the work experience required by the Company's business. She has the competence of operational judgment, business management, risk management and a vision of the international market. She has strong leadership, outstanding capability in dealing with sustainability matters and profound knowledge of human resources management. Chang is the meeting convener of the Company's Remuneration Committee, a member of Audit Committee, Risk Management Committee and Sustainable Development Committee and possesses the qualification for working as an audit member. Chang, Pao-Thai is not under any of the circumstances provided in Article 30 of The Company Act.</p>	<p>Chang, Pao-Thai is an Independent Director of the Company, whose status of independence is specified below.</p> <ul style="list-style-type: none"> ● Including but not limited to the following: the person concerned or the person's spouse or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates. ● The person concerned, or the person's spouse does not hold the shares of the Company. The person's relative within the second degree of kinship holds 103,000 shares of the Company, accounting for 0.16% of the Company's shares. ● The person concerned is not a director, supervisor or employee of any company under special relationship with the Company. ● The person concerned did not gain any reward by providing business, legal, financial and accounting services for the Company or the Company's affiliates within the past 2 years. 	2

Qualification Name	Professional Qualifications and Experience (Note 1)	Status of Independence (Note 2)	Number of other public companies at which the person concurrently serves as an independent director
Chen,Chun-Mei (Independent Director)	<p>Chen,Chun-Mei holds a Bachelor's Degree from Department of International Business, Feng Chia University. She has passed the examination for international business personnel. She is currently the Director/General Manager of The First Leasing Corporation and the Supervisor of Commonwealth Publishing Co., Ltd. She has the experience of working as the Group Leader at Bank of Communications, the Underwriting Manager at Asia Securities and Special Assistant to the CEO of Pacific Securities.</p> <p>Chen,Chun-Mei has expertise in the fields of business and finance and the work experience required by the Company's business. She has the competence of operational judgment, business management, risk management and a vision of the international market. She has strong leadership, outstanding capability in dealing with sustainability matters and profound knowledge of human resources management. Chen,Chun-Mei is a member of the Company's Audit Committee, Remuneration Committee, and Sustainable Development Committee.</p> <p>Chen,Chun-Mei is not under any of the circumstances provided in Article 30 of The Company Act.</p>	<p>Chen,Chun-Mei is an Independent Director of the Company, whose status of independence is specified below.</p> <ul style="list-style-type: none"> ● Including but not limited to the following: the person concerned or the person's spouse or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates. ● The person concerned, or the person's spouse or any relative within the second degree of kinship does not hold the shares of the Company. ● The person concerned is not a director, supervisor or employee of any company under special relationship with the Company. ● The person concerned did not gain any reward by providing business, legal, financial and accounting services for the Company or the Company's affiliates within the past 2 years. 	0

Note 1: Professional qualifications and experience: Specify the professional qualifications and experience of each director and supervisor. If a member of the Audit Committee has accounting or finance expertise, his/her accounting or finance background and relevant work experience shall be specified. In addition, specify whether each director or supervisor is under any of the circumstances provided in the subparagraphs of Article 30 of the Company Act.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: Is the person concerned or the person's spouse or any relative within the second degree of kinship serving as a director, supervisor, or employee of the Company or any of its affiliates? Specify the number and ratio of shares of the Company held by the independent Director, or his/her spouse, or any of the relatives within the second degree of kinship (or held in the name of other people). Does the independent director serve as a director, supervisor, or employee of any company having a special relationship with the Company (see subparagraphs 5 to 8 of paragraph 1 of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)? Specify the amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.

II. Diversification and Independence of Board of Directors

(I) Diversification of the Board of Directors:

To optimize the structure of its Board of Directors, PLANET considers a number of factors, including the independence of Board supervision, each director's professional competence, gender equality, etc., when appointing directors, with the aim to ensure diversification.

Subject	Goal of Diversification Policies	Results
Profession Competence	To have at least one director specializing in business, law, finance & accounting or other expertise and knowledge required by the Company, so as to complement each other's strength, better supervise the Company's operation and maximize shareholders' rights and interests.	Among the current seven directors, there are one or two directors with expertise respectively in business, sustainability, legal affairs, accounting and other professional and industrial knowledge required by the Company's business operations such as technology, construction, finance, law and human resources. All those have comprehensive benefits for the Company's future development.
Gender Equality	To have no less than one-third of Board seats held by women.	At present, three of the seven directors are women, accounting for 43%.
Independence	The number of independent directors shall not be less than 1/3 of the total number of directors.	At present, four of the seven directors are independent directors, accounting for 57%.

Diversification of Board Members:

Name	Basic Information						Professional Ability and Industrial Experience								
	Nationality	Gender	Age Group		Term of office as an Independent Director		Work Concurrently as the Company's Employee	1 Competence of Operational Judgement	2 Competence of Corporate Management	3 Competence of Risk Management	4 Vision of the International Market	5 Leadership	6 Capability of Dealing With Sustainability	7 Professional Competence	8 Industry knowledge
			51 to 60	61 to 70	Less than three years	Three to nine years									
Chen, Ching-Kang	R.O.C.	Male		√			√	√	√	√	√	√	√	Network communications	Technologies
Hsu, Hwa-Lin	R.O.C.	Female		√			√	√	√	√	√	√	√	Network communications	Technologies
Puyang Investment Co., Ltd. (Representative: Li, I-Chuan)	R.O.C.	Male		√				√	√	√	√	√	√	Business administration	Construction
Chen, Shuh (Independent director)	R.O.C.	Male		√		√		√	√	√	√	√	√	Finance and accounting	Finance
Huang, Hsin Hsien (Independent director)	R.O.C.	Male		√		√		√	√	√	√	√	√	Legal Affairs	Legal Affairs
Chang, Pao-Thai (Independent director)	R.O.C.	Female	√			√		√	√	√	√	√	√	HR	HR
Chen, Chun-Mei (Independent Director)	R.O.C.	Female		√	√			√	√	√	√	√	√	Finance and accounting	Finance

(II) Independence of the Board:

1. Structure of the Board

- (1) PLANET elects and designates directors through open and fair procedures and in compliance with the provisions of the Company's Articles of Association, Rules for the

Election of Directors, Code for the Company's Governance, Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and Article 14-2 of Securities and Exchange Act, Appointment and Qualifications of Independent Directors. The present Board of Directors consists of seven directors, including four independent directors (57%) and three non-independent directors (43%). Among the seven directors, there are two directors concurrently working as employee and manager (29%) of the Company. One of them is the Chairman, who concurrently acts as the CEO of the Company, and the other one is the Deputy CEO. Among all the seven directors, only Chen, Ching-Kang and Hsu, Hwa-Lin are in spousal relationship. The Company's present Board of Directors consists of seven directors, three of whom are female (43%), and among the four independent directors, there are two female directors.

- (2) PLANET's Chairman and CEO are the same person. This arrangement is made in accordance with the needs of the Company's operation, with the aim to improve the efficiency in decision-making, execution and operation. However, all motions subject to Board decision have been fully communicated and discussed and approved by all the directors, and more than half of the current Board members are not concurrently employees or managers of the Company. To strengthen corporate governance, the Company elected an additional independent director (totally four independent directors) at the re-election of the shareholders' meeting in 2023, so as to optimize the structure of the Board and strengthen its supervision function.

2. Independence of the Board:

- (1) To safeguard shareholders' rights and interests, PLANET has established a fair, just, and open procedure for the election of directors to encourage shareholders to involve, and has adopted the cumulative voting mechanism pursuant to the Company Act in order to fully reflect shareholders' views.

At present, only two of the Company's seven directors are in spousal relationship (29%). This complies with the provisions of Subparagraph 3 and 4 of Paragraph 3 of Article 26 of the Securities and Exchange Act, which states that a spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors of the Company. At the same time, there is no circumstance that the number of directors falls below five due to the discharge of a director for any reason. The Company has, in accordance with the laws and regulations of the competent authorities, specified in its Articles of Association that it adopts the candidate nomination system for elections of directors and carefully reviews the qualifications, education and work experience of a nominated candidate to ensure that the candidate is not under any of the circumstances set forth in Article 30 of the Company Act. When dealing with the aforesaid matters, the Company acts in accordance with Article 192-1 of the Company Act.

- (2) PLANET has implemented a qualification review mechanism for independent directors. The Chief Corporate Governance Supervisor reviews the compliance and suitability of the qualifications of all independent directors annually on a regular basis, including the qualifications of independent directors at the time of nomination, election and term of office, and reports the results of the review to the Board. According to the results of the review conducted by the Chief Corporate Governance Supervisor, the qualifications of the independent directors of the Company have not been inconsistent with the relevant laws and regulations, and the results of the 2023 and 2024 reviews have been reported to the Board on November 3, 2023 and February 29, 2024 respectively.

(II) CEO, Deputy CEO, Assistant Managers, Heads of Departments and Branches

Unit: share
March 26, 2024

Title	Nationality	Name	Gender	Date of Being Elected (Appointment)	Shareholding		Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience	Position Concurrently Held in Other Companies	Executives Who Are Spouse or within Two Degrees of Kinship			Remarks
					Number of Shares	%	Number of Shares (Note 1)	%	Number of Shares	%			Title	Name	Relation	
CEO	R.O.C.	Chen, Ching-Kang	Male	1993.01.05	4,211,978	6.74%	3,030,241	4.85%	—	—	Phd in Business Administration, Macau University of Science and Technology. Chairman of Puyang Investment Co., Ltd. Director of International Marketing, Wang Laboratories Chief Supervisor of National Innovation and Entrepreneurship Association, R.O.C. President of National Innovation and Entrepreneurship Association, R.O.C.	Director of Puyang Investment Co., Ltd. Founder of the Public Trust Planet Education Fund Director of Sin Trend Video Co., Ltd. Independent Director of Aplex Technology Inc Director of JiaTech International Investment Co., Ltd.	Deputy CEO	Hsu, Hwa-Lin	Spouse	(Note4)
Deputy CEO	R.O.C.	Hsu, Hwa-Lin	Female	1993.01.05	3,030,241	4.85%	4,211,978	6.74%	—	—	Department of Music, Chinese Culture University	Chairman of Puyang Investment Co., Ltd. Representative Director of Planet International Inc. Director of First Commercial Bank Culture and Education Foundation.	CEO	Chen, Ching-Kang	Spouse	

Title	Nationality	Name	Gender	Date of Being Elected (Appointment)	Shareholding		Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience	Position Concurrently Held in Other Companies	Executives Who Are Spouse or within Two Degrees of Kinship			Remarks
					Number of Shares	%	Number of Shares (Note 1)	%	Number of Shares	%			Title	Name	Relation	
CFO	R.O.C.	Lin, Man-Tsu	Female	1999.07.19	323,555	0.52%	5,665	0.01%	—	—	EMBA, National Chengchi University Department of Accounting, Tunghai University Manager of Wei-Feng Security Engineering Manager of Ju-Ba Electrical Engineering Vice Manager of Taishin Diandian.	None	None	None	None	
CTO	R.O.C.	Shih, Yi-Shen	Male	1995.08.28	297,775	0.47%	86,414	0.14%	—	—	EMBA, National Central University Department of Information Management, National Central University Manager of R&D Engineering Department, PLANET Technology Corporation	None	None	None	None	
COO	R.O.C.	Wu, Hsueh-Ju	Female	1994.10.24	301,057	0.48%	—	—	—	—	EMBA, National Taiwan University of Science and Technology Department of International Business, Pingtung Commercial Junior College Manager, Department of Procurement, PLANET Technology Corporation Manager, Department of Materials, PLANET Technology Corporation	None	None	None	None	

Title	Nationality	Name	Gender	Date of Being Elected (Appointment)	Shareholding		Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience	Position Concurrently Held in Other Companies	Executives Who Are Spouse or within Two Degrees of Kinship			Remarks
					Number of Shares	%	Number of Shares (Note 1)	%	Number of Shares	%			Title	Name	Relation	
Senior Assistant Manager	R.O.C.	Kang, Shih-Sheng	Male	2015.08.01	87,398	0.14%	—	—	—	—	Department of Industrial Engineering, Tunghai University Digital Engineer, Yam Co., Ltd SME Micro and Macro Service Engineer, Acer Co., Ltd Level Two Coordinator of Institute, Quanta Computer Inc. Senior Manager, Department of Product Development, PLANET Technology Corporation	None	None	None	None	
Assitant Manager	R.O.C.	Leong, Chi-Tong	Male	2020.01.01	13,000	0.02%	—	—	—	—	Department of Information Management, Fujen Catholic University Vice Engineer, China Productivity Center Senior Engineer, Siemens Telecommunication Systems Limited Manager, Askey Computer Corporation Chief, Delta Networks Inc. Senior Engineer, Departmenrt of Software, PLANET Technology Corporation	None	None	None	None	

Title	Nationality	Name	Gender	Date of Being Elected (Appointment)	Shareholding		Shareholding of Spouses & Minor Children		Shareholding in Someone Else's Name		Major Education and Experience	Position Concurrently Held in Other Companies	Executives Who Are Spouse or within Two Degrees of Kinship			Remarks
					Number of Shares	%	Number of Shares (Note 1)	%	Number of Shares	%			Title	Name	Relation	
Assistant Manager	R.O.C.	Chen Yi-Ting	Male	2023.07.01	67,468	0.11%	—	—	—	—	University of Exeter International Business MSc Department of Economics, Tunghai University Sales Specialist. Thecus Tech. Corp. Sales Manager, Digifocus Technology Inc. Sales Manager, PLANET Technology Corporation	None	None	None	None	

Note 1: The number of shares shown is based on the shareholders' register.

Note 2: The information should be disclosed for the CEO, Deputy CEO, Assistant Managers, and the heads of all the Company's divisions and branches, including all persons in positions equivalent to CEO, Deputy CEO or Assistant Manager, regardless of job title.

Note 3: Specify experience and qualifications related to the current position. If during a period specified above, the person has served in a position at a CPA firm or an affiliate of the Company, specify the position held and the duties for which the person was responsible.

Note 4: Where the chairman of the Board of Directors and the CEO or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, the reason, rationality, necessity thereof, and the measures adopted in response shall be given (e.g. increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer):

At PLANET, the position of Chairman and CEO are held by the same person, which is arranged to improve the efficiency in the Company's decision-making, execution and business operations. More than half of the current board members are not concurrently working as employees or managers at PLANET. During the re-election of Board members at the shareholders' meeting held on May 24, 2023, the Company elected one additional independent director (a total of four independent directors), bringing the proportion of independent directors to 57%, which would improve the performance of the Board of Directors and strengthen its supervision function.

III. Remuneration paid to directors, supervisors, the CEO, Deputy CEO in the most recent year

Remuneration paid to directors, supervisors, the CEO and Deputy CEO

(I) Remuneration to non-independent and independent directors

Unit: NT\$ Thousand

Title	Name	Remuneration to directors						Sum of A, B, C and D, and ratio to net income after tax (%)		Remuneration received by directors for concurrent service as an employee				Sum of A, B, C, D, E, F and G, and ratio to net income after Tax (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company								
		Remuneration (A)		Pension (B)		Remuneration to directors (C)		Business execution fee (D)		Salaries, bonus and special subsidies (E)		Pension (F)		Remuneration to employees (G)										
		The Company	All Entities Included in the Consolidated Financial Report	The Company	All Entities Included in the Consolidated Financial Report	The Company	All Entities Included in the Consolidated Financial Report	The Company	All Entities Included in the Consolidated Financial Report	The Company	All Entities Included in the Consolidated Financial Report	The Company	All Entities Included in the Consolidated Financial Report	Cash Amount	Shares Amount		Cash Amount	Shares Amount						
Director	Chairman	Chen, Ching-Kang																						
	Director	Hsu, Hwa-Lin																						
	Director	Puyang Investment Co., Ltd Representative: Li, I-Chuan		-	-	-	-	6,502	6,502	30	30	6,532 1.29%	6,532 1.29%	9,192	9,192	118 (Note 1)	118 (Note 1)	1,800	-	1,800	-	17,642 3.48%	17,642 3.48%	N/A
	Director	Puyang Investment Co., Ltd Representative: Lin, Man-Tsu (Note 2)																						
Independent director	Independent director	Chen, Shuh																						
	Independent director	Huang, HsinHsien						3,501	3,501	115	115	3,616 0.71%	3,616 0.71%	-	-	-	-	-	-	-	-	3,616 0.71%	3,616 0.71%	N/A
	Independent director	Chang, Pao-Thai																						
	Independent director	Chen, Chun-Mei (Note 3)																						

1. Please specify the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid:
- PLANET’s principle of remuneration payment to directors is established pursuant to Article 16 of the Articles of Association: “The Board is authorized to discuss and decide the remunerations to directors (including independent directors) based on their participation, contributions to the Company’s operations, and by referring to the payments made by peers.”, and Article 19-1 of the Articles of Association: “Should there be profit in a year, no less than 5% shall be allocated as the remuneration to employees and no higher than 2% as the remuneration to directors. However, profits must first be set aside to offset cumulative losses if any. The aforesaid remuneration to employees may be made in cash or shares; the eligible receivers may include the employees of the Company or the subsidiaries. The aforesaid remuneration to directors may only be made in cash. The remuneration to employees and directors shall be determined by the Board and reported to the shareholders’ meeting”. In addition to the remuneration stipulated in the Articles of Association, only the external directors and independent directors attending each Board meeting may get reimbursement for the transportation expenses, and no other remuneration is paid.
 - Remuneration of the Company’s directors and independent directors is determined as per the Articles of Association. In addition, the Company also conducts performance evaluations of directors on a regular basis every year in accordance with the “Measures for the Performance Evaluation of the Board of Directors”, and submits the evaluation results to the annual Board meeting as a reference for determining individual directors’ salaries and compensation. The Company also evaluates the performance of the Board through external third parties
2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company/any entities included in the financial report/invested enterprises): N/A

Note 1: This is the pension contribution.

Note 2: The Company re-elected its directors on May 24, 2023, and Puyang Investment Co., Ltd Representative Lin, Man-Tsu resigned from the Board on May 24, 2023.

Note 3: Independent Director Chen, Chun-Mei took office on May 24, 2023, therefore only business execution fee is included.

Remuneration Range Table

Ranges of remuneration paid to each of the Company's directors	Name of Director			
	Sum of A, B, C and D		Sum of A, B, C, D, E, F and G	
	The Company	All Entities Included in the Consolidated Financial Report	The Company	All Entities Included in the Consolidated Financial Report
Less than NT\$1,000,000	Chen, Shuh; Huang, Hsin Hsien; Chang, Pao-Thai; Chen, Chun-Mei	Chen, Shuh; Huang, Hsin Hsien; Chang, Pao-Thai; Chen, Chun-Mei	Chen, Shuh; Huang, Hsin Hsien; Chang, Pao-Thai; Chen, Chun-Mei	Chen, Shuh; Huang, Hsin Hsien; Chang, Pao-Thai; Chen, Chun-Mei
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)	Puyang Investment Co., Ltd; Chen, Ching-Kang; Hsu, Hwa-Lin	Puyang Investment Co., Ltd; Chen, Ching-Kang; Hsu, Hwa-Lin	Puyang Investment Co., Ltd	Puyang Investment Co., Ltd
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)	--	--	--	--
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)	--	--	--	--
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)	--	--	Chen, Ching-Kang; Hsu, Hwa-Lin	Chen, Ching-Kang; Hsu, Hwa-Lin
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)	--	--	--	--
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)	--	--	--	--
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)	--	--	--	--
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)	--	--	--	--
NT\$100,000,000 or above	--	--	--	--
Total	7	7	7	7

(II) Remuneration to supervisors

The Company has established the Audit Committee to replace the supervisors, therefore this not applicable.

(III) Remuneration to the CEO and Deputy CEO

Unit: NT\$ Thousand

Title	Name	Salary (A)		Pension (B)		Bonus and special disbursements (C)		Remuneration received by directors for concurrent service as an employee (D)				Sum of A, B, C and D, and the ratio to net income after tax (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The Company	All Entities Included in the Consolidated Financial Report	The Company	All Entities Included in the Consolidated Financial Report	The Company	All Entities Included in the Consolidated Financial Report	The Company		All Entities Included in the Consolidated Financial Report		The Company	All Entities Included in the Consolidated Financial Report	
								Cash Amount	Shares Amount	Cash Amount	Shares Amount			
CEO	Chen, Ching-Kang	5,348	5,348	118 (Note 1)	118 (Note 1)	3,844 (Note 2)	3,844 (Note 2)	1,800	-	1,800	-	11,110 2.19%	11,110 2.19%	N/A
Deputy CEO	Hsu, Hwa-Lin													

Note 1: This is the pension contribution.

Note 2: Including vehicle fees of 1,694 (NT\$ thousand) and driver assignment fee of 932 (NT\$ thousand).

Remuneration Range Table

Ranges of remuneration paid to THE Company's CEO and Deputy CEO	Name of the CEO and Deputy CEO	
	The Company	All Entities Included in the Consolidated Financial Report
Less than NT\$1,000,000	--	--
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)	--	--
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)	Hsu, Hwa-Lin	Hsu, Hwa-Lin
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)	--	--
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)	Chen, Ching-Kang	Chen, Ching-Kang
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)	--	--
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)	--	--
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)	--	--
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)	--	--
NT\$100,000,000 or above	--	--
Total	2	2

(III-I) Remuneration of the top five highest-paid executives of TWSE/TPEX Companies: Not applicable.

Name of Managers Who Receive Remuneration for Concurrent Service as an Employee, and the Current Remuneration Payment Status

Unit:NT\$ Thousand
March 31, 2024

	Title	Name	Share Amount (proposed amount)	Cash Amount (proposed amount)	Total	Sum to the net income after tax in 2023 (%)
Managers	CEO	Chen, Ching-Kang	0	8,300	8,300	1.64%
	Deputy CEO	Hsu, Hwa-Lin				
	CFO	Lin, Man-Tsu				
	CTO	Shih, Yi-Shen				
	COO	Wu, Hsueh-Ju				
	Senior Assistance Manager	Kang, Shih-Sheng				
	Assistance Manager	Leong, Chi-Tong				
	Assistance Manager	Chen Yi- Ting				

(IV) Specify, compare and analyze the total remuneration paid to directors, supervisors, CEO and Deputy CEO of the Company to the net income after tax generated by the Company in individual or individual financial statements and all entities included in the consolidated financial report in the most recent two years, and specify the policies, standards and structure of remuneration payment, procedure of determining remuneration and the relation between remuneration and business performance and future risk.

1. Analysis of the total remuneration paid to directors, supervisors, CEO and Deputy CEO of the Company to the net income after tax generated by the Company in individual or individual financial statements and all entities included in the consolidated financial report in the most recent two years

	Directors	CEO and Deputy CEO
2022	2.01%	2.15%
2023	2.00%	2.19%

Explanation of Changes:

Director: The remuneration for the Company's directors was calculated in accordance with the Company's Articles of Association, which was 1.5% of the pretax income. In 2022 and 2023, the remuneration paid to the Company's directors was around 2% of the net income after tax.

Supervisors: The Company has established the Audit Committee to replace the supervisors, therefore this not applicable.

CEO and Deputy CEO: The proportion of remuneration for the CEO and Deputy CEO complies with the Articles of Association and the Company's management regulations. The proportions of remuneration for the CEO and Deputy CEO in 2023 and 2022 were about the same. A slight increase in the proportion of total remuneration to net income after tax in 2023 compared with that of 2022 was due to inflation factor taken into account by the Company, the salary increase for all employees in 2023, and the increase in net income after tax in 2023, which resulted in an increase in the distribution of employees' remuneration.

2. Policies, standards and structure of remuneration payment, procedure of determining remuneration and the relation between remuneration and business performance and future risk:

(1) Policy on directors' remuneration

The remuneration policy for directors of the Company is determined by the Board, set out in the Articles of Association of the Company and submitted to the shareholders' meeting for approval and implementation. The remuneration of directors of the Company is paid in accordance with Article 16 of the Articles of Association of the Company: "The Board is authorized to determine the remuneration of directors of the Company (including independent directors) according to the directors' participation in the Company's operations and their contribution to the Company, and the norm of the industry should also be taken into account when determining remuneration for directors".

In addition, when the Company determines the remuneration of individual directors according to the "Measures for the Performance Evaluation of the Board of Directors", it refers to the results of the annual performance evaluation of the Board of directors, and the evaluation items include six aspects: "Familiarity with the Company's objectives and tasks", "Awareness of directors' responsibilities", "Degree of participation in the Company's operations", "Internal relationship management and communication", "Expertise and continuing education of directors" and "Internal control".

At the same time, the remuneration of directors is handled in accordance with Article 19-1 of the Articles of Association, which states: "If the Company makes a profit in the year, it shall set aside not less than 5% for the compensation of employees and not more than 2% for the compensation of directors. However, if the Company has accumulated losses, it shall set aside the amount to cover the loss. The aforesaid remuneration of employees shall be paid in stock or cash, and the payment shall be made to the employees of the Company and its subsidiaries. The aforesaid remuneration of directors shall be paid in cash only. The remuneration of employees and directors shall be decided by the Board of Directors and reported to the shareholders' meeting."

Since 2009, the Company has been purchasing liability insurance for directors to thoroughly protect their liabilities and the assets.

(2) Policy on managers' remuneration

A. Salary (regular remuneration)

This includes basic salary, allowances and welfare. When the Company is appointing and promoting a manager, or adjusting the manager's salary, the Company will take into account the manager's position and rank, education and work experience, and job

duties to determine the salary. The proposal on the manager's salary is submitted to the Remuneration Committee for review and then to the Board for approval in accordance with the regulations.

B. Year-end bonus and employee compensation (non-regular remuneration)

These are determined based on the Company's annual operating performance, future risks, and the results of the manager's annual performance evaluation. Items in the performance evaluation include core duties, job characteristics, professional functions and sustainability issues. After comprehensive consideration, the HR Department will draw up a proposal for payment, which will then be submitted to the Remuneration Committee for review and to the Board for approval.

C. Linkage to ESG sustainability performance

To motivate managers to pay attention to long-term and comprehensive business performance to achieve sustainable management, the Company has linked ESG sustainability performance to managers' remuneration since 2023. The Company's ESG sustainability issues include eight aspects: sustainable governance, green research and development, sustainable supply chain, environmental sustainability, information security, business marketing, sustainable manpower and social participation. The proposal on remuneration of the manager is submitted to the Board of Directors after the review of the Sustainable Development Committee. In accordance with the regulation, the results of the manager's annual sustainability performance evaluation will be verified at different level and submitted to the Remuneration Committee for review and then to the Board for approval.

a. Sustainability performance evaluation indicators for the CEO and Deputy CEO:

This performance evaluation focuses on the CEO and Deputy CEO's operational management ability in dealing with sustainability issues, including staff cultivation ability (weight accounting for 20%), planning and evaluation ability (weight accounting for 20%), organization, integration and application ability (weight accounting for 20%), operation management improvement ability (weight accounting for 20%) and leadership and control ability (weight accounting for 20%).

b. Sustainability performance evaluation indicators for other manager:

This performance evaluation is established according to the Company's annual objectives, including the three major assessment elements: the manager's core functions (weight accounting for 30%), functional characteristics (weight accounting for 20%) and professional functions (weight accounting for 50%), and takes into account the manager's performance in achieving the annual target of sustainable development issues (depending on the manager's position), which is taken as an important factor for granting extra points.

In determining the remuneration of directors, CEO and Deputy CEO, the Company takes full account of their professional competence, the company's operating conditions and future risks, and links the Company's ESG sustainability performance to individual's performance as a calculation criterion for remuneration. The Company monitors future operational risks closely and reviews its remuneration system in a timely manner to optimize the Company's sustainable operations and risk management.

IV. Corporate Governance

(I) Operations of the Board

1. Key Works of the Board in 2023:

- (1) Approval on the 2024 business plan
- (2) Review of the 2022 annual financial reports and the 2023 quarterly financial reports
- (3) Evaluation of the effectiveness of internal control system
- (4) Revision of the internal control system
- (5) Appointment of head of internal audit
- (6) Appointment of certified accountants and review of remuneration
- (7) Re-election of directors and review of the name list and qualifications of candidates
- (8) Review of the works related to the issuance of employee stock warrants
- (9) Promotion and Implementation of Sustainable Development Action Plans for TWSE and TPEX Listed Companies (2023)

2. The Company held a total of 7 Board meetings in 2023, and the operation of the Board was as follows:

●February 23, 2023:

Discussed:

- (1) Proposal of employee remuneration and director remuneration for 2022
- (2) 2022 “Declaration of Internal Control System”
- (3) 2022 Consolidated financial statements and individual financial statements
- (4) Proposal of director re-election
- (5) Matters related to convening of shareholders’ regular meeting in 2023, acceptance of proposals from shareholders with 1% shareholding
- (6) 2022 Board performance evaluation
- (7) 2022 functional committee performance evaluation
- (8) Evaluation of the independence and suitability of certified accountants in 2022
- (9) Appointment of certified accountants in 2023 and remuneration
- (10) 2022 annual managers’ performance review and auditor evaluation

●April 12, 2023:

Discussed:

- (1) 2022 business operation report
- (2) Statement of earning distribution for 2022
- (3) Amendment of Rules of Procedures for Shareholders’ Meeting
- (4) Amendment of Procedures for Preventing Insider Trading
- (5) Amendment of Measures for the Administration of Major Information Processing
- (6) Review of the list of candidates for the 12th term of directors and independent directors and their qualifications
- (7) Lift the non-compete restrictions on newly elected directors

●May 9, 2023:

Discussed:

Consolidated financial statements for the first quarter of 2023

●May 24, 2023:

Discussed:

- (1) Election of the Chairman
- (2) Matters relating to the appointment of the Remuneration Committee
- (3) Matters relating to the appointment of the Sustainable Development Committee
- (4) Matters relating to the appointment of the Risk Management Committee

●August 7, 2023:

Discussed:

- (1) Consolidated financial statements for the first half of 2023
- (2) Application to Shanghai Commercial Bank for credit line extension
- (3) Appointment of head of internal audit
- (4) First issuance of employee stock warrants in 2023
- (5) Review of remuneration system and allocation of directors' remuneration and managers' remuneration in 2022

●November 3, 2023:

Discussed:

- (1) Consolidated financial statements for the first three quarters of 2023
- (2) 2024 Audit Plan

●December 20, 2023:

Discussed:

- (1) 2024 Business Operating Plan and Budget
- (2) Amendment of Corporate Governance Best-Practice Principles
- (3) Amendment of Rules Governing Financial and Business Matters Between the Company and Its Related Companies
- (4) Investment in JiaTech International Investment Co., Ltd.
- (5) 2023 year-end bonus for managers and fixed salary adjustment for 2024

c. The Board convened 7 (A) meetings in the most recent year (2023). The attendance of directors and supervisors is as follows:

Title	Name	Actual Attendance (present) (B)	Attendance By Proxy	Actual Attendance (present) rate(%) 【B/A】	Remark
Chairman	Chen, Ching-Kang	7	0	100%	-
Director	Hsu, Hwa-Lin	7	0	100%	-
Director	Representative of Puyang Investment Co., Ltd: Li, I-Chuan	7	0	100%	-
Director	Representative of Puyang Investment Co., Ltd: Lin, Man-Tsu	3	0	100%	Left office on May 24, 2023

Independent director	Chen, Shuh	7	0	100%	-
Independent director	Huang, Hsin Hsien	7	0	100%	-
Independent director	Chang, Pao-Thai	7	0	100%	-
Independent director	Chen Chun-Mei	4	0	100%	Took office on May 24, 2023

Other information required to be disclosed:

I. If any of the following circumstances exists in Board operation, specify the Board meeting date, meeting session number, content of the motion(s), the views of all the independent directors, and the measures taken by the Company based on the views of the independent directors:

(I) Circumstances under Article 14-3 of the Securities and Exchange Act

(II) In addition to those described above, any dissenting or qualified opinion of independent director that is on record or stated in writing with respect to any Board resolution.

7 Board meetings were convened in 2023, and 100% of the directors and independent directors attended these meetings. Prior to the meetings, the Company provided appropriate and sufficient information for the reference of the participants, and at the meetings, the directors and independent directors made decisions after thorough discussions, and no attending directors and independent directors had dissenting or qualified opinions to the matters listed in Article 14-3 of the Securities and Exchange Act. All Board resolutions were passed with the consent of all directors present, and the contents of Board meetings were recorded in the meeting minutes and disclosed on the Company's website.

Board of Directors Term Date of Meeting	Motions	Independent director's dissenting opinion or qualified opinion or contents of major project proposal	Resolutions of the Board of Directors	Handling of the opinions from the Company's independent directors
The 17 th meeting of the 11 th Board February 23, 2023	Discussed: (1) Proposal of employee remuneration and director remuneration for 2022 (2) 2022 "Declaration of Internal Control System" (3) 2022 Consolidated financial statements and individual financial statements (4) Proposal of director re-election (5) Matters related to convening of shareholders' regular meeting in 2023, acceptance of proposals from shareholders with 1% shareholding (6) 2022 Board performance evaluation (7) 2022 functional committee performance evaluation (8) Evaluation of the independence and suitability of certified accountants in 2022 (9) Appointment of certified accountants in 2023 and remuneration (10) 2022 annual managers' performance review and auditor evaluation	No dissenting opinions	It was ratified by all attending directors	N/A
The 18 th meeting of the 11 th Board	Discussed: (1) 2022 business operation report (2) Statement of earning distribution for 2022	No dissenting opinions	It was ratified by all attending directors	N/A

April 12, 2023	<ul style="list-style-type: none"> (3) Amendment of Rules of Procedures for Shareholders' Meeting (4) Amendment of Procedures for Preventing Insider Trading (5) Amendment of Measures for the Administration of Major Information Processing (6) Review of the list of candidates for the 12th term of directors and independent directors and their qualifications (7) Lift the non-compete restrictions on newly elected directors 			
The 19 th meeting of the 11 th Board May 9, 2023	<p>Discussed:</p> <ul style="list-style-type: none"> (1) Consolidated financial statements for the first quarter of 2023 	No dissenting opinions	It was ratified by all attending directors	N/A
The 1 st meeting of the 12 th Board May 24, 2023	<p>Discussed:</p> <ul style="list-style-type: none"> (1) Election of the Chairman (2) Matters relating to the appointment of the Remuneration Committee (3) Matters relating to the appointment of the Sustainable Development Committee (4) Matters relating to the appointment of the Risk Management Committee 	No dissenting opinions	It was ratified by all attending directors	N/A
The 2 nd meeting of the 12 th Board August 7, 2023	<p>Discussed:</p> <ul style="list-style-type: none"> (1) Consolidated financial statements for the first half of 2023 (2) Application to Shanghai Commercial Bank for credit line extension (3) Appointment of head of internal audit (4) First issuance of employee stock warrants in 2023 (5) Review of remuneration system and allocation of directors' remuneration and managers' remuneration in 2022 	No dissenting opinions	It was ratified by all attending directors	N/A
The 3 rd meeting of the 12 th Board November 3, 2023	<p>Discussed:</p> <ul style="list-style-type: none"> (1) Consolidated financial statements for the first three quarters of 2023 (2) 2024 Audit Plan 	No dissenting opinions	It was ratified by all attending directors	N/A
The 4 th meeting of the 12 th Board December 20, 2023	<p>Discussed:</p> <ul style="list-style-type: none"> (1) 2024 Business Plan and Budget (2) Amendment of Corporate Governance Best-Practice Principles (3) Amendment of Rules Governing Financial and Business Matters Between the Company and Its Related Companies (4) Investment in JiaTech International Investment Co., Ltd. (5) 2023 year-end bonus for managers and fixed salary adjustment for 2024 	No dissenting opinions	It was ratified by all attending directors	N/A

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

The Company has reminded the directors and independent directors in every notice of convening a

Board meeting that those participating in discussion and decision-making should be aware of recusal due to conflicts of interest and prevention of insider trading. If a motion has a conflict of interest with a director or independent director or a legal person represented by him/her, the Company will, once again, remind the person who should recuse him/herself from the meeting before the motion is read, so that the person concerned can avoid the conflicts of interest by not participating in the discussion and voting.

(I) Board Meeting held on August 7, 2023

Discussion on the remuneration of directors and managers as reported by the Remuneration Committee:

In accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies, the Chairman instructed the managers to leave the meeting before it was held. Then the Chairman reminded all the participants of the meeting, including Chen, Ching-Kang (the Chairman himself), Chen, Shuh (Independent Director), Huang, Hsin Hsien (Independent Director), Chang, Pao-Thai (Independent Director), Hsu, Hwa-Lin (Director), Li, I-Chuan (Director, representative of legal person), that any one who would have interest in the motion to be discussed should not participate in the discussion and voting. When discussing the remuneration and performance of individual directors, the director concerned recused him/herself from the discussion and voting. The rest of the motion was approved after the Chairman consulted the attending directors with voting power in accordance with the Remuneration Committee's proposal.

(II) Board meeting held on December 20, 2023

Discussion on the 2023 year-end bonus for managers and 2024 fixed salary adjustment plan submitted by the Remuneration Committee:

In accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies, the Chairman instructed the managers to leave the meeting before it was held. Since Chairman Chen, Ching-Kang concurrently acted as the CEO, and Director Hsu, Hwa-Lin as the Deputy CEO of the Company, both of them recused themselves from the discussion and voting. Designated by Chairman Chen, Ching-Kang, Chang, Pao-Thai (Independent Director) served as the acting chairman of the meeting to chair the discussion of this motion. The motion was approved after the acting chairman consulted the rest of the attending directors with voting power in accordance with the Remuneration Committee's proposal.

III. TWSE or TPEX listed companies shall disclose information including the cycle, period(s), scope, method and details of the board's self-evaluations (or peer evaluations), and provide information on the implementation of board evaluations in the table below:

To implement corporate governance, enhance the functions of the Company's Board and establish performance objectives for improving the operational efficiency of the Board, the Company has formulated its "Measures for the Performance Evaluation of the Board of Directors" in accordance with Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies for compliance purpose.

The performance evaluation measures for the Company's Board, including the main evaluation cycle, evaluation period(s), scope and method of evaluation, evaluation agency, evaluation procedures, etc., shall be conducted in accordance with the provisions of its Measures for the Performance Evaluation of the Board of Directors.

It shall be stipulated in the procedures of each functional committee that an internal committee performance evaluation be conducted at least once a year. The results of the Board's internal evaluation shall be completed by the end of the first quarter of the following year.

The performance evaluation of the Board of the Company shall be carried out at least once every three years by an external professional independent body or an external team of experts and scholars.

Implementation of internal and external evaluation of the Board is as follows:

(I) Implementation of internal evaluation of the Board

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Method	Details of Evaluation
Annually	The evaluation of the Board was conducted based on their performance between Jan. 1, 2023 to Dec. 31, 2023	Board of directors	Internal self-evaluation of the Board	<p>Board of Directors:</p> <ol style="list-style-type: none"> 1. Degree of participation in the Company’s operation: accounts for 20%. 2. Improvement on the quality of decision-making of the Board: accounts for 20%. 3. Composition and structure of the Board: accounts for 20%. 4. Election and continuing education of directors: accounts for 20% 5. Internal control: accounts for 20% <p>Self-evaluation result: 100 points; approved by the Board on February 29, 2024.</p> <ol style="list-style-type: none"> 1. The Board members are diverse and professional, all of whom have actively participated in the formulation of the Company’s strategic objectives, attended the shareholders’ meetings and the Board meetings (100%), and completed the required training hours (100%). 2. The audit supervisor attended the Board meeting as a non-voting member, brought forth internal audit report, and submitted the report to the independent directors in accordance with the regulations. The Company has appointed a Chief Corporate Governance Supervisor, and systematically managed details on agenda planning, meeting preparation, information provision, meeting minutes and post-meeting follow-up of Board meetings. The Company has provided proper and full information for all directors 7 days ahead of the meeting. All directors made resolution after full discussion in meetings, interacted with the management team actively and gave feedback and actively communicated on the team’s reports, so as to exert the Board’s role fully. 3. Four functional committees, namely, Remuneration Committee, Audit Committee, Sustainable Development Committee, and Risk Management Committee, are set up under the Board to enhance the governance effectiveness of the Board.
Annually	The performance of Board members was evaluated for the period between Jan. 1, 2023 to Dec. 31, 2023.	Individual Directors	Self-evaluation of individual directors	<p>Self-evaluation of individual directors:</p> <ol style="list-style-type: none"> 1. Familiarity with the Company’s goals and missions: accounts for 15% 2. Awareness of the director’s duties: accounts for 10% 3. Degree of participation in the Company’s operation: accounts for 30% 4. Management of internal relationships and communication: accounts for 15% 5. Expertise and continuing education of the directors: accounts for 15% 6. Internal control: accounts for 15% <p>Self-evaluation result: 100 points; approved by the Board on February 29, 2024.</p> <ol style="list-style-type: none"> 1. The Board has provided the core values, discipline, mission, honor, vision and other concepts of the Company to each director at regular intervals, so that they could have a clear understanding of the Company’s all strategic objectives. The management team has provided operational reports to the directors and independent directors at the Board meeting, and the Sustainable Development Committee has also reported the ESG performance to the directors, so that they could have a clear understanding of the industry to which the Company belongs. The directors

				<p>have also provided professional opinions and communicated with the management team so that the directors could make professional and appropriate judgment.</p> <p>2. Besides contributing their professional experience, all directors have chosen continuous learning, with a participation rate of 100%, and provided professional advice for the management team.</p> <p>3. Directors have also given professional guidance to internal audit reports.</p>
Annually	The performance of the Audit Committee was evaluated for the period between Jan. 1, 2023 to Dec. 31, 2023.	Functional Committee: Audit Committee	Internal self-evaluation of Audit Committee	<p>Functional committee - Audit Committee:</p> <p>1. Degree of participation in the Company's operation: accounts for 15%</p> <p>2. Awareness of the duties of the Audit Committee: accounts for 25%</p> <p>3. Quality of decision-making of the Audit Committee: accounts for 30%</p> <p>4. Composition and member election of the Audit Committee: accounts for 15%</p> <p>5. Internal control: accounts for 15%</p> <p>Self-evaluation result: 100 points; approved by the Board on February 29, 2024.</p> <p>1. The Audit Committee consisted of 4 independent directors. The attendance rate of all the members of the Audit Committee was 100%.</p> <p>2. Members of the Audit Committee received proper and sufficient information for reference before the meeting, and each committee member participated in decision-making after full discussion. The Audit Committee held communication meetings with the accountants and the accounting supervisor at least twice a year and with the accountants and the chief auditor at least four times a year, so as to facilitate the Audit Committee members to timely evaluate and supervise the effectiveness of the Company's accounting system and internal control system.</p>
Annually	The performance of the Remuneration Committee was evaluated for the period between Jan. 1, 2023 to Dec. 31, 2023.	Functional Committee: Remuneration Committee	Internal self-evaluation of the Remuneration Committee	<p>Functional committee - Remuneration Committee:</p> <p>1. Degree of participation in the Company's operation: accounts for 20%</p> <p>2. Awareness of the duties of the Remuneration Committee: accounts for 25%</p> <p>3. Improvement on the quality of decision-making of the Remuneration Committee: accounts for 35%</p> <p>4. Composition and member election of the Remuneration Committee: accounts for 15%</p> <p>5. Internal control: accounts for 5%</p> <p>Self-evaluation result: 100 points; approved by the Board on February 29, 2024.</p> <p>1. The Remuneration Committee consisted of 4 independent directors. The attendance rate of all the members of the Committee was 100%. All the committee members received proper and sufficient information for reference before the meeting, and each committee member participated in decision-making after full discussion.</p> <p>2. Performance evaluation and the policy, system, standard and structure of remuneration of directors and managers were reviewed regularly, and submitted to the Board for approval. The remuneration of directors was determined based on the results of performance evaluation. In case of any relevant proposal requiring recusal of committee members due to conflicts of interest, the members concerned indeed recused themselves from it, and the</p>

				situation was recorded in the corresponding meeting minutes.
Annually	The performance of the Sustainable Development Committee was evaluated for the period between Jan. 1, 2023 to Dec. 31, 2023.	Functional Committee: Sustainable Development Committee	Internal self-evaluation of the Sustainable Development Committee	<p><u>Functional Committee – Sustainable Development Committee:</u></p> <p>1. Degree of participation in the Company’s operation: accounts for 20%</p> <p>2. Awareness of the duties of the Sustainable Development Committee: accounts for 15%</p> <p>3. Improvement of the quality of decision-making of the Sustainable Development Committee: accounts for 35%</p> <p>4. Composition and member election of the Sustainable Development Committee: accounts for 15%</p> <p>5. Internal control: accounts for 15%</p> <p>Self-evaluation result: 100 points; approved by the Board on February 29, 2024.</p> <p>1. The attendance rate of the committee members was 100%. The committee consisted of 5 members, including 4 independent directors and 1 director, who had expertise of sustainable development and the professional competence required by the committee.</p> <p>2. The Sustainability Promotion Group reported to the Sustainable Development Committee twice a year, including the sustainability blueprint, sustainable governance strategy, ESG performance and target planning. The committee members indeed inspected the Company’s implementation and performance tracking, and gave professional and objective recommendations to the Board as reference for discussion and decision-making</p> <p>3. Committee members continued to study sustainability related courses every year to enhance their professional capabilities.</p>
Annually	The performance of the Risk Management Committee was evaluated for the period between Jan. 1, 2023 to Dec. 31, 2023.	Functional committee: Risk Management Committee	Internal self-evaluation of Risk Management Committee	<p><u>Functional Committee - Risk Management Committee:</u></p> <p>1. Degree of participation in the Company’s operation: accounts for 20%</p> <p>2. Awareness of the duties of the Risk Management Committee: accounts for 15%</p> <p>3. Improvement on the quality of decision-making of the Risk Management Committee: accounts for 35%</p> <p>4. Composition and member election of the Risk Management Committee: accounts for 15%</p> <p>5. Internal control: accounts for 15%</p> <p>Self-evaluation result: 100 points; approved by the Board of on February 29, 2024.</p> <p>1. The attendance rate of the members was 100%. There were 3 members in total. The convener had legal expertise and the professional competence required by the Committee.</p> <p>2. Report on the implementation of risk management was made twice a year to the Board. Risk management policies and procedures proposed by the Company were discussed regularly, and the Company’s potential risks were evaluated and monitored, and objective recommendations were given.</p> <p>3. The rules and regulations of various risk management related systems were learnt and risk control and risk management were properly carried out.</p>

(II) Implementation of external evaluation of the Board:

In 2022, PLANET entrusted Taiwan Association of Board Governance, an external professional and independent organization, to conduct external evaluation of the Board. The evaluation results and recommendations given by Taiwan Association of Board Governance are as follows:

- The Company has established four functional committees under the Board, namely “Remuneration Committee”, “Audit Committee”, “Sustainable Development Committee” and “Risk Management

Committee”, to fully exert directors’ expertise, better allocate the Company’s resources and enhance the effectiveness of the Board’s governance.

- The Company has included CSR (Corporate Social Responsibility) into its core business strategy since its early years. In recent years, the Company has extensively promoted the ESG framework in its business operations and set up a “Sustainable Development Committee” under the Board. Thanks to the joint effort of all its employees, the Company has received many overseas and local awards over the years.
- The Company has been taking the lead in the industry in actively promoting carbon reduction. Three years ago, it started to build a Green Product platform, which would serve as a supplier carbon inventory system.
- Board members are diverse in terms of gender and profession. Currently, the Board has three female directors, and the three independent directors possess expertise in financial accounting, law and human resources.
- Board members performed their duties diligently. In 2022, all of them attended all the Board meetings and regular shareholders’ meetings that they were supposed to participate.
- The Board set an example for the whole company in performance evaluation. In addition to the annual self-evaluation, the Board also commissioned an external independent body to conduct performance evaluation, which demonstrates the self-discipline and accountability of the Board of directors.
- The Chinese version of the Company’s annual financial statement for 2021 was published on February 24, 2022 after CPA’s auditing, reflecting the Company’s emphasis on protecting the interests of shareholders and the timeliness and transparency of its information disclosure.
- In the future, the matters reflected by the Company’s shareholders and stakeholders can be reported to the Board.
- It is recommended to set up a synchronous e-mail sending and receiving function on the Company’s website for the convener of the Audit Committee to receive and send emails instantly, which will facilitate whistle-blowing within the Company. As for the evaluation institution’s suggestion, the Company regularly submits to its Board an annual report on its communication with stakeholders. The status of the Company’s communications with stakeholders in 2023 was reported to the Board on February 29, 2024. In March 2023, the Company set up a synchronous e-mail sending and receiving function on the Company’s website to enable members of the Audit Committee to send and receive messages instantly, which would facilitate whistle-blowing within the Company.

IV. The objectives set in the current and recent years to strengthen the functions of the Board (such as establishment of the Audit Committee, enhancement of information transparency, etc.) and evaluation of the progress in achieving these objectives:

1. The Regulations Governing Election of Directors established by the Company specifies that the Company must take into account the background and competence of individual directors during the election. Therefore, the election of Board members of the Company adopts a diversification policy with special attention to gender equality, such as the proportion of female directors of the Company shall not be less than one-third of the Board seats. In terms of professional competence, each of the Board directors has expertise in one of the professional fields, which are business, law, finance, accounting or professional competence required by the Company’s business, so that the professional abilities of the Board members can cover all aspects of the Company’s operation.

The Company currently has seven directors, of which four are independent directors, accounting for 57%, and three are female directors, accounting for 43%. These seven directors have profound professional competence in different fields such as technology, construction, finance, banking, accounting, law, human resources, etc. The capabilities of the seven directors can cover every aspect of

the Company's operation, which has a comprehensive effect on the Company's future development. The following table reveals the diversification of Board members' background:

Name	Gender	Age		Term of office as an independent director		Work Concurrently as the Company's employee	1 Competence of operational judgement	2 Competence of corporate management	3 Competence of risk management	4 Vision of the international market	5 Leadership	6 Capability of Dealing With Sustainability Matter	7 Professional capability	8 Industry knowledge
		51 to 60	61 to 70	Less than 3 years	3 to 9 years									
Chen, Ching-Kang	Male		√			√	√	√	√	√	√	√	Network communications	Technologies
Hsu, Hwa-Lin	Female		√			√	√	√	√	√	√	√	Network communications	Technologies
Li, I-Chuan	Male		√				√	√	√	√	√	√	Business administration	Construction
Chen, Shuh	Male		√		√		√	√	√	√	√	√	Finance and accounting	Finance
Huang, Hsin Hsien	Male		√		√		√	√	√	√	√	√	Legal Affairs	Legal Affairs
Chang, Pao-Thai	Female	√			√		√	√	√	√	√	√	HR	HR
Chen, Chun-Mei	Female		√	√			√	√	√	√	√	√	Finance and accounting	Banking

- At PLANET, the positions of Chairman and CEO are held by the same person, which is arranged to improve the efficiency in the Company's decision-making, execution and business operations. At the same time, more than half of the current Board directors do not concurrently serve as employees or managers. To strengthen corporate governance, the regular meeting of shareholders held on May 24, 2023 fully re-elected 7 directors and added 1 independent director. As a result, the Company currently has a total of 4 independent directors and 3 directors. The director who concurrently served as the CFO of the Company during the previous term of the Board has resigned from her position of director, making the number of directors who concurrently work as employees less than one-third of the Board seats, which will optimize the functions of the Board and strengthen its supervision.
- Independent director Chen, Shuh, Independent director Huang, Hsin Hsien and Independent director Chang, Pao-Thai were first elected on June 13, 2017 and assumed their third term of office on May 24, 2023. Independent director Chen, Chun-Mei was first elected on May 24, 2023. None of the independent directors has served more than three terms.
- The Company has been purchasing liability insurance for its directors and key employees every year since 2009, and reported relevant information to the Board on November 3, 2023, which would enable the directors to effectively perform their functions and balance their responsibilities in exercising corporate supervision and governance.
- All the seven Board directors, including Chen, Ching-Kang (Chairman), Chen, Shuh (Independent Director and convener of the Audit Committee), Chang, Pao-Thai (Independent Director and convener of the Remuneration Committee), Huang, Hsin Hsien (Independent Director and convener of the Risk Management Committee), Hsu, Hwa-Lin (Director and convener of the Sustainable Development Committee), Li, I-Chuan (Director and representative of legal person) and Lin Man-Tsu (Director and

- representative of legal person), attended the Company's 2023 shareholder's regular meeting.
6. To strengthen the internal control mechanism, the Company voluntarily established its Audit Committee in 2017. In 2023, six Audit Committee meetings were respectively held on February 23, April 12, May 9, August 7, November 3 and December 19. At these meetings, the 2022 financial report, assessment of the effectiveness of the internal control system, evaluation of CPAs, business report, distribution of earnings, audit plan and appointment of audit supervisor were discussed and submitted to the Board for approval. The 2023 Audit Committee performance evaluation was conducted in accordance with the Measures for the Performance Evaluation of the Board of Directors, and the results of the evaluation was approved by the Board at the Board meeting held on February 29, 2024 for approval of performance evaluation of functional committees.
 7. The management team, internal audit supervisor and accountants of the Company attended the Board meeting as non-voting participants to report major financial and business matters and internal control situation to the Board. Independent directors who had questions related to audit and finance also asked the auditors and accountants for explanation at the meeting. In 2023, independent directors and accountants discussed the matters related to the preparation of financial reports and auditing on February 22, August 7, October 26 and December 25 respectively. The audit supervisor reported audit implementation to the independent directors on a monthly basis, and the independent directors communicated with the audit supervisor through E-mail or telephone.
 8. The Remuneration Committee held three meetings on February 23, August 7, and December 19, 2023 respectively. According to Paragraph 1 of Article 7 of the Regulations of the Remuneration Committee that "the committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the Board for discussion":
 - (1) Regularly review the performance evaluation and remuneration policy, system, standards, and structure for directors and managers.
 - (2) Regularly review and determine the remuneration of directors and managers. The performance evaluation of individual directors and managers shall be submitted to the Board for approval after full discussion

The performance of the Remuneration Committee for 2023 was evaluated in accordance with the Measures for the Performance Evaluation of the Board of Directors, and the Board approved the results of the performance evaluation of functional committees on February 29, 2024.

9. On November 4, 2020, the Board approved the amendments to the Regulations of Risk Management Committee. On May 24, 2023, the Board approved the appointment of the members of the 2nd Risk Management Committee, which consists of more than half of the independent directors. Huang, Hsin Hsien was elected as the convenor, who possesses expertise in legal affairs, The Risk Management Committee meets at least twice a year and reports to the Board on its operations. In 2023, the committee held two meetings, on April 10 and October 26 respectively, to report on climate risk management and IFRS regulations and trends.
10. On February 24, 2022, the Board approved the amendments to the Regulations of Corporate Social Responsibility Committee, and the title of the regulations was changed to Regulations of Sustainable

Development Committee. On May 24, 2023, the Board approved the appointment of the members of the 2nd Sustainable Development Committee, which consists of four independent directors and one director, and director Hsu, Hwa-Lin was elected as the convener, who possesses the expertise in sustainability related field. The Sustainable Development Committee holds at least two meetings a year and reports on its operations to the Board. In 2023, the committee held a total of two meetings, on May 8 and December 20 respectively, to discuss the sustainability issues identified by the Company and report on the review of sustainable development in 2023 and the sustainable development plan for 2024.

(II) Operations of the Audit Committee or supervisors' participation in the operation of the Board: On June 13, 2017, the Company held a general re-election, and the Audit Committee was established to replace the supervisors. The Audit Committee of the Company, consisting of four independent directors, regularly reviews the Company's internal control system and the implementation of internal audits and major financial and business activities on a quarterly basis, and communicates and exchanges with CPAs to ensure effective supervision on the company's operations and risk control.

1. Major works of the Audit Committee in 2023 are as follows:

- (1) Review financial statements for correct presentation
- (2) Appointment, remuneration and evaluation of the independence and performance of CPAs in 2023
- (3) Monitoring and evaluation of the effectiveness of the internal control system
- (4) Amendments to the Rules Governing Financial and Business Matters Between the Company and Its Related Companies
- (5) Review of the annual audit plan and declaration of internal control system
- (6) Evaluation of qualifications for appointment of head of internal audit
- (7) Review of the issuance of employee stock warrants
- (8) Various risks and regulatory control

2. In 2023, the Company convened a total of 6 Audit Committee meetings, and its operations are as follows:

● February 23, 2023:

Internal audit report

Discussed:

- (1) 2022 "Declaration of Internal Control System"
- (2) Consolidated financial statements and individual financial statements for 2022
- (3) Evaluation of the independence and suitability of CPAs for 2022
- (4) Appointment and remuneration of CPAs for 2023

● April 12, 2023:

Internal audit report

Discussed:

- (1) 2022 Annual Business Report
- (2) 2022 Annual Surplus Distribution Form

- May 9, 2023:
Internal audit report
Discussed:
(1) Consolidated financial statements for the first quarter of 2023
- August 7, 2023:
Internal audit report
Discussed:
(1) Consolidated financial statements for the first half of 2023
(2) Appointment of head of internal audit
(3) The first issuance of the employee stock warrants in 2023
- November 3, 2023:
Internal audit report
Discussed:
(1) Consolidated financial statements for the Q1, Q2 and Q3 of 2023
(2) 2024 Audit Plan
- December 19, 2023:
Internal audit report
Discussed:
(1) Amendments to the Rules Governing Financial and Business Matters Between the Company and Its Related Companies
(2) Investment in JiaTech International Investment Co., Ltd.

3. Operation of the Audit Committee:

The Audit Committee convened 6 (A) meetings in the most recent year (2023); the attendance of independent directors are as follows:

Position	Name (Note)	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A) (Note)	Remarks
Independent director	Chen, Shuh	6	0	100%	-
Independent director	Huang, Hsin Hsien	6	0	100%	
Independent director	Chang, Pao-Thai	6	0	100%	
Independent director	Chen, Chun-Mei	3	0	100%	

Other notes:

- I. Where the operation of the Audit Committee exhibits any of the following, the minutes concerned shall clearly state the meeting date, session number, the motions, independent director's dissenting opinion or qualified opinion or contents of major project proposals, the Audit Committee's resolution and the Company's response to the Audit Committee's opinions.
- (I) Circumstances specified in Article 14-5 of the Securities and Exchange Act
 - (II) Other than those specified above, any resolutions that are not approved by the Audit Committee but passed by more than 2/3 of the directors of the Board.

In 2023, the Company convened a total of 6 Audit Committee meetings:

Audit Committee Date of Meeting (session/Term)	Motions	Independent director's dissenting opinion or qualified opinion or contents of major project proposal	Resolutions of the Audit Committee	Handling of the opinions from the members of the Audit Committee
The 12 th meeting of the 2 nd Audit Committee February 23, 2023	Discussed: (1)2022 "Declaration of Internal Control System" (2)Consolidated financial statements and individual financial statements for 2022 (3)Evaluation of the independence and suitability of CPAs for 2022 (4)Appointment and remuneration of CPAs for 2023	No dissenting opinions	It was ratified by all attending committee members	N/A
The 13 th meeting of the 2 nd Audit Committee April 12, 2023	Discussed: (1)2022 Annual Business Report (2)2022 Annual Surplus Distribution Form	No dissenting opinions	It was ratified by all attending committee members	N/A
The 14 th meeting of the 2 nd Audit Committee May 9, 2023	Discussed: (1)Consolidated financial statements for the first quarter of 2023	No dissenting opinions	It was ratified by all attending committee members	N/A
The 1 st meeting of the 3 rd Audit Committee August 7, 2023	Discussed: (1)Consolidated financial statements for the first half of 2023 (2)Appointment of head of internal audit (3)The first issuance of the employee stock warrants in 2023	No dissenting opinions	It was ratified by all attending committee members	N/A
The 2 nd meeting of the 3 rd Audit Committee November 3, 2023	Discussed: (1)Consolidated financial statements for the Q1, Q2 and Q3 of 2023 (2)2024 Audit Plan	No dissenting opinions	It was ratified by all attending committee members	N/A
The 3 rd meeting of the 3 rd Audit Committee December 19, 2023	Discussed: (1)Amendments to the Rules Governing Financial and Business Matters Between the Company and Its Related Companies (2)Investment in JiaTech International Investment Co., Ltd.	No dissenting opinions	It was ratified by all attending committee members	N/A

All the motions above have been discussed fully and agreed by the all committee members before its submission to the Board, and all the motions above have been approved in accordance with the opinions of the independent directors. These motions contain no circumstances specified in Article 14-5 of the Securities and Exchange Act or other matters that are not approved by the Audit Committee but passed by more than 2/3 of the directors of the Board.

II. In the cases where independent director(s) recuses him/herself from the motions due to conflicts of interest, name of the independent director(s), contents of the motion, reason for recusal and situation of the participation and decision-making shall be specified:

Independent directors of the Company held 6 Audit Committee meetings in 2023:

1. February 23, 2023:

Discussed:

- (1) 2022 “Declaration of Internal Control System”
- (2) Consolidated financial statements and individual financial statements for 2022
- (3) Evaluation of the independence and suitability of CPAs for 2022
- (4) Appointment and remuneration of CPAs for 2023

2. April 12, 2023:

Discussed:

- (1) 2022 Annual Business Report
- (2) 2022 Annual Surplus Distribution Form

3. May 9, 2023:

Discussed:

- (1) Consolidated financial statements for the first quarter of 2023

4. August 7, 2023:

Discussed:

- (1) Consolidated financial statements for the first half of 2023
- (2) Appointment of head of internal audit
- (3) The first issuance of the employee stock warrants in 2023

5. November 3, 2023:

Discussed:

- (1) Consolidated financial statements for the Q1, Q2 and Q3 of 2023
- (2) 2024 Audit Plan

6. December 19, 2023:

Discussed:

- (1) Amendments to the Rules Governing Financial and Business Matters Between the Company and Its Related Companies
- (2) Investment in JiaTech International Investment Co., Ltd.

All motions above did not involve any independent directors’ conflicts of interest, therefore no recusal was required, and the motions above were approved by all independent directors.

III. Communication between independent directors and audit supervisor and accountants (including any significant matters communicated about with respect to the state of the Company's finances and business and the method(s) and outcomes of the communication):

The independent directors of the Company communicate with accountants, audit supervisor, accounting supervisor and governance units on financial and business matters on an irregular basis.

Communications between Independent Directors, Accountants and the Audit Supervisor

1. Four times a year

Date	Form of Communication	Matters Communicated	Results of Communication
Feb. 22, 2023	Video conference discussion	Discussion on 2022 mid-term internal control audit	All the independent directors agreed with the accountants and audit reports.
Aug. 7, 2023	Offline meeting discussion	Internal audit performance in the first half of 2023	
Oct. 26, 2023	Video conference discussion	Presentation of and discussion on the 2024 Internal Audit Plan	
Dec. 25, 2023	Video conference discussion	2023 Internal control audit and discussion on key audit matters	

2. Monthly

Date	Form of Communication	Matters Communicated	Results of Communication
Jan. 31, 2023	E-mail submission	Submitting audit report for Dec. 2022	The independent directors had no objection to the audit report for the current period.
Feb. 24, 2023	E-mail submission	Submitting audit report for Jan. 2023	The independent directors had no objection to the audit report for the current period.
Mar. 30, 2023	E-mail submission	Submitting audit report for Feb. 2023	The independent directors had no objection to the audit report for the current period.
Apr. 28, 2023	E-mail submission	Submitting audit report for Mar. 2023	The independent directors had no objection to the audit report for the current period.
May 31, 2023	E-mail submission	Submitting audit report for Apr. 2023	The independent directors had no objection to the audit report for the current period.
Jun. 30, 2023	E-mail submission	Submitting audit report for May 2023	The independent directors had no objection to the audit report for the current period.
Jul. 31, 2023	E-mail submission	Submitting audit report for Jun. 2023	The independent directors had no objection to the audit report for the current period.
Aug. 31, 2023	E-mail submission	Submitting audit report for Jul. 2023	The independent directors had no objection to the audit report for the current period.
Sep. 28, 2023	E-mail submission	Submitting audit report for Aug. 2023	The independent directors had no objection to the audit report for the current period.
Oct. 31, 2023	E-mail submission	Submitting audit report for Sep. 2023	The independent directors had no objection to the audit report for the current period.
Nov. 30, 2023	E-mail submission	Submitting audit report for Oct. 2023	The independent directors had no objection to the audit report for the current period.
Dec. 26, 2023	E-mail submission	Submitting audit report for Nov. 2023	The independent directors had no objection to the audit report for the current period.
Jan. 25, 2024	E-mail submission	Submitting audit report for Dec. 2023	The independent directors had no objection to the audit report for the current period.
Feb. 26, 2024	E-mail submission	Submitting audit report for Jan. 2024	The independent directors had no objection to the audit report for the current period.

Communications between Independent Directors, Accountants and the Accounting Supervisor

Date	Form of Communication	Matters Communicated	Results of Communication
Feb. 22, 2023	Video conference discussion	Report and discussion on the results of the audit of consolidated and individual financial reports in 2022	All the independent directors agreed with the accounting and audit reports.
Aug. 07, 2023	Offline meeting discussion	Presentation and discussion of the audit of consolidated financial statements for the first half of 2023	
Oct. 26, 2023	Video conference discussion	Presentation and discussion of the consolidated financial reports for the first three quarters of 2023	

Communications between Independent Directors, Accountants and the Governance Unit

Date	Form of Communication	Matters Communicated	Results of Communication
Dec. 21, 2022	Written report	The accountant reported to the governance unit the audit plan for the parent-subsiary consolidated and individual financial reports for 2022, and the assessed risks	The governance unit agreed with the written report of the accountants.
Feb. 18, 2023	Written report	The accountant reported to the governance unit the results of the audit of the parent-subsiary consolidated and individual financial reports for 2022.	
Dec. 21, 2023	Written report	The accountant reported to the governance unit the audit plan for the parent-subsiary consolidated and individual financial reports for 2023, and the assessed risks.	
Feb. 26, 2024	Written report	The accountant reported to the governance unit the results of the audit of the parent-subsiary consolidated and individual financial reports for 2023.	

(III) PLANET’s Corporation Governance Implementation Status and Deviation from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No		
I. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	√		<p>I. PLANET established its Corporate Governance Best-Practice Principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies on June 13, 2008. The Company has disclosed the Corporate Governance Best-Practice Principles in the “Corporate Governance Zone” of its website and in the Market Observation Post System (MOPS). https://www.planet.com.tw/tw/ir/corporate-governance</p> <p>The Company abides by laws and regulations and has established a sound corporate governance structure. The Company has also formulated its regulations governing safeguarding of shareholders' rights and interests, strengthening of the functions of the Board of Directors, protection of stakeholders' rights and interests, and enhancement of information transparency. On July 18, 2019, the Board of Directors approved the appointment of the Chief Corporate Governance Officer, who possessed the qualifications required by the law, to carry out matters related to corporate governance, protection of shareholders' rights and interests and strengthening of the functions of the Board, and to continuously implement and enhance corporate governance.</p> <p>On December 20, 2023, the Board approved the amendment to the Company’s Corporate Governance Best-Practice Principles and the inclusion of legal compliance with regard to qualifications of independent directors (including independent director candidates and current independent directors) in the key functions of its corporate governance. In addition, the Audit Committee was required by the Board to make reference to the AQIs (Audit Quality Indicators) provided by the accounting firm when assessing the independence and suitability of the accountants.</p>	No
II. Shareholding Structure and Shareholders’ Rights (I) Has the Company established its internal operation procedures for handling shareholders’ suggestions, concerns, disputes	√		<p>(I) The “Stakeholders’ Zone” in the Company’s website provides the telephone numbers and email addresses of spokespersons, acting spokespersons and the Audit Committee. In addition, the Company has set up communication channels for different stakeholders and multiple communication channels for shareholders to fully express their views through an open and transparent platform. The Company has also formulated its Investor Relations Management Procedures, by which the spokesperson and the acting spokesperson handle the shareholder's suggestions,</p>	No

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
and litigation matters. If yes, have these procedures been implemented accordingly?			questions, disputes and litigation, and prepare an investor relations report at the beginning of each year. The matters reflected by stakeholders in 2023 were reported to the Board of Directors on February 29, 2024.	
(II) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	√		(II) In accordance with the law, the Company reports the changes in the shareholding of the insiders on a monthly basis to be fully aware of the major shareholders who actually control the Company. The Company also obtains relevant information through the assistance of the stock agency, such as the list of major shareholders, and acquires the list of major shareholders with a shareholding of 5% on a quarterly basis.	No
(III) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	√		(III) To have better risk control between PLANET and its affiliated enterprises, the Company has, in accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies, established a number of rules and regulations in its internal control system and internal audit system, such as Regulations Governing Operation of Long-term and Short-term Investment, Rules Governing Financial and Business Matters Between the Company and Its Related Companies, Operation Procedures for Transactions with Specific Companies, Group Enterprises and Affiliated Persons, Regulations Governing Monitoring of Subsidiaries and other relevant rules and regulations. The Audit Office is responsible for reviewing the implementation of the above regulations according to the annual audit plan to ensure the effectiveness of the formulation and implementation of the regulations, so as to establish a sound risk control mechanism and a good firewall between the Company and its affiliated enterprises. To ensure that transactions with affiliated parties (including affiliated enterprises) do not harm the interests of the Company or shareholders' rights and interests, the Board approved on December 20, 2023 an amendment to the Rules Governing Financial and Business Matters Between the Company and Its Related Companies, and added that: Relevant major transactions shall be submitted to the Board for approval and reported to the shareholders' meeting for consent. In 2023, there were no transactions with affiliated persons (enterprises).	No
(IV) Has the	√		(IV) The directors and employees of the Company should	No

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
Company established internal rules prohibiting insider trading of securities based on undisclosed information?			<p>not only comply with the Securities and Exchange Act, but also the Corporate Governance Best-Practice Principles, Operational Procedures to Prevent Insider Trading, the Regulations Governing the Handling of Material Information, Ethical Business Operations Best-Practice Principles, Procedures for Ethical Business Operations and Code of Conducts, and Regulations Governing Corporate Ethic set up by the Company, which strictly prohibit insiders and related personnel from gaining improper advantage, such as trading marketable securities with undisclosed internal information, or leaking such information to others.</p> <p>In 2020, all employees of the Company re-sign the Ethical Business Operations Best-Practice Principles and the Procedures for Ethical Business Operations and Code of Conducts. Starting from 2021, all new employees are required to receive education and training on ethical operation and sign the labor contract. The labor contract states that employees must strictly abide by the Company's Ethical Business Operations Best-Practice Principles and the Procedures for Ethical Business Operations and Code of Conducts. In addition, the Company organizes education activities for insiders every year. On December 20, 2023, 12 directors and managers were given a 30-minute training session on Ethical Business Operations Best-Practice Principles and Prevention of Insider Trading.</p>	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
<p>III. Composition and responsibilities of the Board of directors</p> <p>(I) Have a diversification policy and specific management objectives been established by the Board and has the policy been fully implemented?</p>	√		<p>(I) The Company should consider diversification when determining the composition of the Board members according to Corporate Governance Best-Practice Principles. To improve Board structure, the Company elects directors by taking the professional competence of individual directors and gender equality into account, so as to ensure a diverse Board team.</p> <p>■ <u>Diversification policy</u></p> <p>1. The Board's implementation of diversification policy:</p> <p>(1) Basic condition and value: Gender, age, nationality, culture, etc. In particular, the proportion of female directors accounts for 1/3 of the total number of directors.</p> <p>(2) Professional knowledge and skills: Having industrial experience and professional competence in technology, construction, finance, banking, accounting, law, human resources management, etc., so that the professional abilities of the Board members can cover all aspects of the Company's operation, which will have comprehensive effect on its future development.</p> <p>(3) Independence: The number of independent directors accounts for half of the total number of directors, which strengthens the supervisory function of the Board.</p> <p>2. All Board members should possess the knowledge, skills and quality required for performing their duties. To achieve the goal of corporate governance, the Board as a whole should have following abilities:</p> <p>(1) Competence of operational judgement</p> <p>(2) Competence of corporate management</p> <p>(3) Competence of risk management</p> <p>(4) A vision of the international market</p> <p>(5) Leadership</p> <p>(6) Competence in dealing with sustainability related issues</p> <p>(7) Professional competence</p> <p>(8) Industry knowledge</p>	No

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>■ <u>Specific goals of diversification policy</u> The Board should guide the Company's strategies, supervise its management and be responsible to the Company and its shareholders. All operations and arrangements of the corporate governance system should ensure that the Board exercises its functions and powers in accordance with laws, the Articles of Association or resolution of shareholders' meetings. Specific goals are formulated as follows in line with the Company's business development:</p> <p>(1) Professional competence: Having industrial experience and professional competence in technology, construction, finance, banking, accounting, law, human resources management, sustainability, etc., so that the professional abilities of the Board members can cover all aspects of the Company's operation, which can enhance the professionalism of Board decisions, help to oversee company operations and maximize shareholders' interest.</p> <p>(2) Gender equality: Proportion of female directors is not less than 1/3 of all directors.</p> <p>(3) Independence: The number of independent directors is no less than 1/3 of the total number of directors,</p> <p>■ <u>Implementation of diversification policy and its achievement</u></p> <p>(1) Among the current seven directors, there are one or two directors with expertise respectively in business, sustainability, legal affairs, accounting and other professional and industrial knowledge required by the Company's business operations such as technology, construction, finance, law and human resources. All those have comprehensive benefits for the Company's future development.</p> <p>(2) At present, three of the seven directors are female, accounting for 43%.</p> <p>(3) In 2023, the company's shareholders' meeting held a comprehensive re-election and added an independent director, so that there were a total of seven directors, including four independent directors and three</p>	

Evaluation Item	Implementation Status				Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons																																																																																																																																		
	Yes	No	Summary Description																																																																																																																																				
			<p>directors, and the number of independent directors reached 57%. Meanwhile, two of the four independent directors were female, accounting for 50% of the total.</p> <p>(4) At PLANET, the position of Chairman and CEO are held by the same person, which is arranged to improve the efficiency in the Company's decision-making, execution and business operations. More than half of the current Board members are not concurrently working as employees or managers at the Company. In 2023, the company's shareholders' meeting held a re-election and added an independent director, so that the number of independent directors reached 57%, which would improve the performance of the Board and strengthen its supervision function.</p> <table border="1"> <thead> <tr> <th rowspan="2">Name</th> <th rowspan="2">Gender</th> <th colspan="2">Age</th> <th rowspan="2">Independent director Term/Tenure</th> <th rowspan="2">Work Concurrently as the Company's employee</th> <th colspan="2">Competence of operational judgement</th> <th rowspan="2">Competence of corporate management</th> <th rowspan="2">Competence of risk management</th> <th rowspan="2">Vision of the international market</th> <th rowspan="2">Leadership</th> <th rowspan="2">Capability of Dealing With Sustainability</th> <th rowspan="2">Professional capability</th> <th rowspan="2">Industry knowledge</th> </tr> <tr> <th>09 to 15</th> <th>16 to 19</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>8</th> </tr> </thead> <tbody> <tr> <td>Chen, Ching-Kang</td> <td>M</td> <td>√</td> <td></td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>Network communications</td> <td>Technologies</td> </tr> <tr> <td>Hsu, Hwa-Lin</td> <td>F</td> <td>√</td> <td></td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>Network communications</td> <td>Technologies</td> </tr> <tr> <td>Li, I-Chuan</td> <td>M</td> <td>√</td> <td></td> <td></td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>Business administration</td> <td>Construction</td> </tr> <tr> <td>Chen, Shuh</td> <td>M</td> <td>√</td> <td></td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>Finance and accounting</td> <td>Banking</td> </tr> <tr> <td>Huang, Hsin Hsien</td> <td>M</td> <td>√</td> <td></td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>Legal Affairs</td> <td>Legal Affairs</td> </tr> <tr> <td>Chang, Pao-Thai</td> <td>F</td> <td>√</td> <td></td> <td>√</td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>HR</td> <td>HR</td> </tr> <tr> <td>Chen, Chun-Mei</td> <td>F</td> <td>√</td> <td>√</td> <td></td> <td></td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>√</td> <td>Finance and accounting</td> <td>Banking</td> </tr> </tbody> </table>		Name	Gender	Age		Independent director Term/Tenure	Work Concurrently as the Company's employee	Competence of operational judgement		Competence of corporate management	Competence of risk management	Vision of the international market	Leadership	Capability of Dealing With Sustainability	Professional capability	Industry knowledge	09 to 15	16 to 19	1	2	3	4	5	6	7	8	Chen, Ching-Kang	M	√			√	√	√	√	√	√	√	√	Network communications	Technologies	Hsu, Hwa-Lin	F	√			√	√	√	√	√	√	√	√	Network communications	Technologies	Li, I-Chuan	M	√				√	√	√	√	√	√	√	Business administration	Construction	Chen, Shuh	M	√		√		√	√	√	√	√	√	√	Finance and accounting	Banking	Huang, Hsin Hsien	M	√		√		√	√	√	√	√	√	√	Legal Affairs	Legal Affairs	Chang, Pao-Thai	F	√		√		√	√	√	√	√	√	√	HR	HR	Chen, Chun-Mei	F	√	√			√	√	√	√	√	√	√	Finance and accounting	Banking	
Name	Gender	Age		Independent director Term/Tenure			Work Concurrently as the Company's employee	Competence of operational judgement			Competence of corporate management	Competence of risk management								Vision of the international market	Leadership	Capability of Dealing With Sustainability	Professional capability	Industry knowledge																																																																																																															
		09 to 15	16 to 19		1	2		3	4	5			6	7	8																																																																																																																								
Chen, Ching-Kang	M	√			√	√	√	√	√	√	√	√	Network communications	Technologies																																																																																																																									
Hsu, Hwa-Lin	F	√			√	√	√	√	√	√	√	√	Network communications	Technologies																																																																																																																									
Li, I-Chuan	M	√				√	√	√	√	√	√	√	Business administration	Construction																																																																																																																									
Chen, Shuh	M	√		√		√	√	√	√	√	√	√	Finance and accounting	Banking																																																																																																																									
Huang, Hsin Hsien	M	√		√		√	√	√	√	√	√	√	Legal Affairs	Legal Affairs																																																																																																																									
Chang, Pao-Thai	F	√		√		√	√	√	√	√	√	√	HR	HR																																																																																																																									
Chen, Chun-Mei	F	√	√			√	√	√	√	√	√	√	Finance and accounting	Banking																																																																																																																									
(II) Has the Company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?	√		<p>(II) The Company's Board approved the establishment of the "Remuneration Committee" on April 27, 2011, and voluntarily established the "Audit Committee" on June 13, 2017. On November 4, 2020, the Board approved formulation of the Organizational Regulations of the Corporate Social Responsibility Committee, and on December 22, 2020, the Board voluntarily set up the "Corporate Social Responsibility Committee" as a functional committee under the Board. In line with the international development trend and to achieve the goal of sustainable development and strengthen the implementation of sustainable development of listed</p>		No																																																																																																																																		

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No		
			<p>companies in Taiwan, the Board, on February 24, 2022, approved the renaming of the "Corporate Social Responsibility Committee" as "Sustainable Development Committee". On May 24, 2023, the Board approved the appointment of the members of the second Sustainable Development Committee, which consisted of one Director and four independent directors.</p> <p>On November 4, 2020, the Company formulated the Regulations of Risk Management Committee, and on December 22, 2020, the Board decided to form the "Risk Management Committee" consisting of more than half of the independent directors, which was a functional committee under the Board. On December 21, 2022, in accordance with the Risk Management Best-Practice Principles for TWSE/TPEX Listed Companies, the Company renamed the Regulations of Risk Management Committee into Organizational Regulations of Risk Management Committee and revised the regulations and added the Risk Management Policies and Procedures to strengthen the Company's risk management and improve its crisis response ability, so as to achieve the goal of risk control and lay a solid foundation for the sustainable operation of the company. On May 24, 2023, the Board approved the appointment of the members of the second Risk Management Committee, which consisted of two independent directors and the CFO.</p>	
(III) Has the Company established rules and method for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the Board and used them as reference in determining remuneration for individual directors and their nomination	√		<p>(III) To implement corporate governance and enhance the functions of the Board, PLANET has developed its Measures for the Performance Evaluation of the Board of Directors, which stipulates that the Company should conduct an internal Board performance evaluation at least once a year and an external professional and independent body should be engaged to conduct an evaluation at least once every three years.</p> <p>In 2022, PLANET entrusted Taiwan Association of Board Governance, an external professional and independent organization, to conduct external evaluation of the Board. On December 21, 2022, the evaluation results were reported to the Board.</p> <p>Each year, the Company conducts self-evaluation of individual Board members, internal evaluation of the Board and internal evaluation of the functional committees. The relevant evaluation items include the familiarity of the Company's objectives and tasks,</p>	No

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
and additional office terms?			<p>awareness of duties, operation participation, internal relation management and communication, professional functions and continuing education, internal control and specific opinions, etc., which assess the effectiveness of the Board's operation.</p> <p>In 2023, individual directors actively participated in the Company's operation discussions, interacted well with the management team, and helped the Company to improve its sustainable governance. The attendance rate of directors and independent directors was 100%. Appropriate and sufficient information was obtained for the directors' reference before the meeting, and all directors fully participated in the discussions and made resolutions, which fully demonstrated the self-discipline, excellent operation of the Board and its great contribution to the Company. The evaluation results were approved by the Board on February 29, 2024.</p> <p>It is set forth in Article 19-1 of the Articles of Association that:</p> <p>“I. Should there be profit in a year, no less than 5% shall be distributed as the remuneration to employees and no higher than 2% as the remuneration to directors. Profits must first be set aside to offset cumulative losses if any. II. The aforesaid remuneration to employees may be made in cash or shares; the eligible receivers may include the employees of the Company or the subsidiaries or companies under the Company’s control. The aforesaid remuneration to directors may only be made in cash. The remuneration to employees and directors shall be resolved by the Board and reported to the Shareholders’ meeting”</p> <p>The performance evaluation results of individual directors of the Company will be taken into consideration by the Remuneration Committee when discussing the remuneration of individual directors, and will be considered when nominating directors.</p>	
(IV) Does the Company regularly evaluate the independence of its CPAs?	√		(IV) The accounting firm and CPAs that the Company employed have no stake in the Company and comply with the principle of independence in good faith. The Company regularly assesses the CPAs, to see if they comply with the “Integrity, Objectivity and Independence” specified in The Bulletin of Norm of Professional Ethics for Certified Public Accountant No.10, and Article 29 of Corporate Governance Best-	No

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No		
			Practice Principles for TWSE/TPEX Listed Companies. The Company also evaluates CPAs by using factors including self-interest, self-review, advocacy, familiarity and intimidation, and the five indicators of AQIs (Audit Quality Indicators), namely Profession, Quality Control, Independence, Monitoring and Innovation. In 2023, the Company's CPAs met the independence and suitability evaluation and the result was discussed and passed by the Audit Committee on February 29, 2024 and submitted to the Board of Directors for approval on the same day.	
IV. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a Chief Corporate Governance Officer with responsibility of corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing Board meetings and annual general meetings of shareholders as required by law, and compiling minutes of Board meetings and annual general meetings of shareholders)?	√		<p>The Company has formulated its Corporate Governance Best-Practice Principles. In addition to deploying adequate number of competent corporate governance staff, on Jul. 18, 2019, the Board appointed the CFO, Lin, Man-Chu, as the Chief Corporate Governance Officer. Ms. Lin has been a qualified manager handling financial affairs and stock affairs of public company for more than three years, and thus meets the criteria. .</p> <p>The duties of the Chief Corporate Governance Officer include:</p> <ol style="list-style-type: none"> 1. Handling of matters relating to Board meetings and shareholders' meetings in accordance with law 2. Preparation of meeting minutes for Board meetings and shareholders' meetings; 3. Assisting directors in taking office and continuing education 4. Provision of information required for performance of duties by the directors 5. Assisting directors in legal compliance 6. Reporting to the Board on the review of whether the qualifications of independent directors at the time of nomination, election and during the term of office are in compliance with relevant laws and regulations. 7. Handling changes related to directors 8. Other matters stipulated in the Articles of Association or contracts of the Company <p>Major works of business execution for 2023 are as follows:</p> <ol style="list-style-type: none"> 1. Ensure the favorable communication between directors and heads of departments and provide the Company's financial or business operation information as per directors' request. 	No

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No		
			<ol style="list-style-type: none"> 2. Purchase the “liability insurance of directors and key personnel” every year, so all directors are protected. The insurance coverage are reported to the Board periodically. 3. Hold Board meetings, shareholders’ meetings and meetings of all the functional committees in accordance with the regulations. Formulate various meeting agendas and implement the rules of procedure. Notify directors seven days ahead of the meeting and provide complete meeting data. Remind directors to recuse themselves from the motions in which there are conflicts of interest before the meeting, and provide minutes of Board meeting to all directors within 20 days after the meeting. In 2023, 7 Board meetings, 6 Audit Committee meetings, 3 Remuneration Committee meetings, 2 Sustainable Development Committee meetings and 2 Risk Management Committee meetings were held. 4. After the Board meeting and shareholders’ meeting, check and release important resolutions of the Board, ensure legitimacy and correctness of significant information and protect investor’s transaction information. 5. Provide information on continuing education to directors from time to time, and arrange directors to take courses pursuant to the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies. 6. Conduct pre-meeting registration before the meeting date of shareholders’ meeting as per laws and make announcement of the meeting handbook 30 days ahead of the shareholders’ meeting and the annual report 14 days ahead of meeting, announce the resolutions and voting situation of the shareholders’ meeting immediately after the meeting, extend electronic voting of shareholders’ meetings and intensify operation of shareholders’ meetings. On March 7, 2024, the Company signed the "Video Meeting Service Contract" and the "Appointment Contract for Electronic Stock Affairs Notification 	

Evaluation Item	Implementation Status			Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																											
	Yes	No																														
				<p>Service" with Taiwan Depository and Clearing Corporation (TDCC), to provide shareholders with diversified channels to participate in shareholders' meetings. At the same time, the Company is able to use digital technology to help shareholders have instant access to dividend information, which is a practice in response to the global trend of carbon reduction.</p> <p>7. Review the achievement of corporate governance evaluation indicators one by one.</p> <p>8. Arrange communication meeting for independent directors, internal audit supervisor and CPAs to enable them to fully understand the Company's audit and finance status.</p> <p>9. 30 days before the release of the annual financial report, and 15 days before the release of the quarterly financial report, to remind insiders of the closure period via email, during which no trading of the Company's shares is allowed.</p> <p>10. Regularly review whether the qualifications of independent directors comply with relevant laws and regulations, and report the results to the Board.</p> <p>11. Continuing education of the Chief Corporate Governance Officer in 2023 is as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Period of Continuing Education</th> <th rowspan="2">Institute</th> <th rowspan="2">Course Title</th> <th rowspan="2">Hours</th> <th rowspan="2">Have the courses met the requirement?</th> </tr> <tr> <th>Starting Date</th> <th>Ending Date</th> </tr> </thead> <tbody> <tr> <td>2023/07/13</td> <td>2023/07/13</td> <td rowspan="2">Taipei Exchange</td> <td>Publicity seminar for Sustainable Development Action Plans for TWSE and TPEX Listed Companies</td> <td>3</td> <td rowspan="4">Yes</td> </tr> <tr> <td>2023/08/09</td> <td>2023/08/09</td> <td>Publicity seminar for stock held by insiders of issuers emerging or Over-the-Counter listing in Taiwan</td> <td>3</td> </tr> <tr> <td>2023/11/16</td> <td>2023/11/16</td> <td rowspan="2">Accounting Research and Development Foundation</td> <td>ESG Summit - Carbon Inventory and Carbon Management</td> <td>3</td> </tr> <tr> <td>2023/11/16</td> <td>2023/11/16</td> <td>ESG Summit - Digital Technology and Sustainable Transformation</td> <td>3</td> </tr> </tbody> </table>	Period of Continuing Education		Institute	Course Title	Hours	Have the courses met the requirement?	Starting Date	Ending Date	2023/07/13	2023/07/13	Taipei Exchange	Publicity seminar for Sustainable Development Action Plans for TWSE and TPEX Listed Companies	3	Yes	2023/08/09	2023/08/09	Publicity seminar for stock held by insiders of issuers emerging or Over-the-Counter listing in Taiwan	3	2023/11/16	2023/11/16	Accounting Research and Development Foundation	ESG Summit - Carbon Inventory and Carbon Management	3	2023/11/16	2023/11/16	ESG Summit - Digital Technology and Sustainable Transformation	3	
Period of Continuing Education		Institute	Course Title	Hours	Have the courses met the requirement?																											
Starting Date	Ending Date																															
2023/07/13	2023/07/13	Taipei Exchange	Publicity seminar for Sustainable Development Action Plans for TWSE and TPEX Listed Companies	3	Yes																											
2023/08/09	2023/08/09		Publicity seminar for stock held by insiders of issuers emerging or Over-the-Counter listing in Taiwan	3																												
2023/11/16	2023/11/16	Accounting Research and Development Foundation	ESG Summit - Carbon Inventory and Carbon Management	3																												
2023/11/16	2023/11/16		ESG Summit - Digital Technology and Sustainable Transformation	3																												
V. Has the Company established channels	√			At PLANET, the spokesperson and the acting spokesperson are appointed to handle the questions and	No																											

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons															
	Yes	No																	
for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?			<p>opinions of stakeholders, and the Company has established the “Stakeholder Section” at its official website, where email addresses of the spokesperson (natalie@planet.com.tw), acting spokesperson (shallon@planet.com.tw), and the Audit Committee (supervisor@planet.com.tw) are provided. Other communication channels are also provided to different groups of stakeholders, so that every stakeholder is able to fully express his/her opinion through an open and transparent platform. At the “Stakeholder Section”, the issues regarding sustainable development, corporate governance, and financial status are responded. The issues raised by stakeholders in 2023 and the Company’s communication with the stakeholders were reported to the Board on Feb. 29, 2024.</p> <p>Issues of concern to stakeholders and channels of communication:</p> <table border="1"> <thead> <tr> <th>Stakeholder</th> <th>Issue of Concern</th> <th>Communication Channel</th> </tr> </thead> <tbody> <tr> <td>Employees</td> <td> <ul style="list-style-type: none"> Talent development Talent attraction and retention Human rights Diversification, equality and friendly workplace Occupational health and safety </td> <td>CEO email: ceo@planet.com.tw</td> </tr> <tr> <td>Investors/shareholders</td> <td> <ul style="list-style-type: none"> Corporate governance and operation performance Integrity management and compliance with laws and regulations Risk management Privacy right protection Safeguarding investors’ interest Green product and innovative R&D </td> <td>Spokesperson email: natalie@planet.com.tw Acting Spokesperson email: shallon@planet.com.tw Audit Committee email: supervisor@planet.com.tw</td> </tr> <tr> <td>Customer</td> <td> <ul style="list-style-type: none"> Green product and innovative R&D Product quality and safety Information security management Supply chain management Customer relation management Human rights Privacy right protection </td> <td>Dept. of Sales email: sales@planet.com.tw</td> </tr> <tr> <td>Suppliers:</td> <td> <ul style="list-style-type: none"> Corporate governance and operation performance Supply chain management Green product and innovative R&D </td> <td>COO email: shallon@planet.com.tw</td> </tr> </tbody> </table>	Stakeholder	Issue of Concern	Communication Channel	Employees	<ul style="list-style-type: none"> Talent development Talent attraction and retention Human rights Diversification, equality and friendly workplace Occupational health and safety 	CEO email: ceo@planet.com.tw	Investors/shareholders	<ul style="list-style-type: none"> Corporate governance and operation performance Integrity management and compliance with laws and regulations Risk management Privacy right protection Safeguarding investors’ interest Green product and innovative R&D 	Spokesperson email: natalie@planet.com.tw Acting Spokesperson email: shallon@planet.com.tw Audit Committee email: supervisor@planet.com.tw	Customer	<ul style="list-style-type: none"> Green product and innovative R&D Product quality and safety Information security management Supply chain management Customer relation management Human rights Privacy right protection 	Dept. of Sales email: sales@planet.com.tw	Suppliers:	<ul style="list-style-type: none"> Corporate governance and operation performance Supply chain management Green product and innovative R&D 	COO email: shallon@planet.com.tw	
Stakeholder	Issue of Concern	Communication Channel																	
Employees	<ul style="list-style-type: none"> Talent development Talent attraction and retention Human rights Diversification, equality and friendly workplace Occupational health and safety 	CEO email: ceo@planet.com.tw																	
Investors/shareholders	<ul style="list-style-type: none"> Corporate governance and operation performance Integrity management and compliance with laws and regulations Risk management Privacy right protection Safeguarding investors’ interest Green product and innovative R&D 	Spokesperson email: natalie@planet.com.tw Acting Spokesperson email: shallon@planet.com.tw Audit Committee email: supervisor@planet.com.tw																	
Customer	<ul style="list-style-type: none"> Green product and innovative R&D Product quality and safety Information security management Supply chain management Customer relation management Human rights Privacy right protection 	Dept. of Sales email: sales@planet.com.tw																	
Suppliers:	<ul style="list-style-type: none"> Corporate governance and operation performance Supply chain management Green product and innovative R&D 	COO email: shallon@planet.com.tw																	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons												
	Yes	No														
			<table border="1"> <tr> <td>Government agencies</td> <td> <ul style="list-style-type: none"> • Corporate governance and operation performance • Integrity management and compliance with laws and regulations • Safeguarding investors' interest • Climate change • Net zero commitment and carbon management </td> <td> CFO email: natalie@planet.com.tw </td> </tr> <tr> <td></td> <td> <ul style="list-style-type: none"> • Information security management </td> <td> MIS email: robinc@planet.com.tw </td> </tr> <tr> <td>NPO/NGO</td> <td> <ul style="list-style-type: none"> • Environment protection • Climate change • Social influence </td> <td> Special assistant email: jennys@planet.com.tw </td> </tr> <tr> <td>Community</td> <td> <ul style="list-style-type: none"> • Environmental protection • Social influence </td> <td> Special assistant email: jennys@planet.com.tw </td> </tr> </table>	Government agencies	<ul style="list-style-type: none"> • Corporate governance and operation performance • Integrity management and compliance with laws and regulations • Safeguarding investors' interest • Climate change • Net zero commitment and carbon management 	CFO email: natalie@planet.com.tw		<ul style="list-style-type: none"> • Information security management 	MIS email: robinc@planet.com.tw	NPO/NGO	<ul style="list-style-type: none"> • Environment protection • Climate change • Social influence 	Special assistant email: jennys@planet.com.tw	Community	<ul style="list-style-type: none"> • Environmental protection • Social influence 	Special assistant email: jennys@planet.com.tw	
Government agencies	<ul style="list-style-type: none"> • Corporate governance and operation performance • Integrity management and compliance with laws and regulations • Safeguarding investors' interest • Climate change • Net zero commitment and carbon management 	CFO email: natalie@planet.com.tw														
	<ul style="list-style-type: none"> • Information security management 	MIS email: robinc@planet.com.tw														
NPO/NGO	<ul style="list-style-type: none"> • Environment protection • Climate change • Social influence 	Special assistant email: jennys@planet.com.tw														
Community	<ul style="list-style-type: none"> • Environmental protection • Social influence 	Special assistant email: jennys@planet.com.tw														
VI. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	√		The Company has engaged the profession shareholders' affairs agency - Yuanta Securities Co., Ltd., to handle the affairs of Shareholders' meeting. The internal audit of the Company annually checks the qualifications of the stock operations personnel of Yuanta Securities Co., Ltd. to ensure that they are in compliance with the provisions of the Regulations Governing the Administration of Shareholder Services of Public Companies.	No												
VII. Information Disclosure (I) Has the Company established a corporate website to disclose information regarding its finance, business, and corporate governance status?	√		(I) PLANET has established its official website in both Chinese and English to introduce the related business activities of the Company. The Sustainable Development Section, the Stakeholder Section and the Corporate Governance Section are established and maintained by designated personnel to disclose the information related to finance, business, and corporate governance. http://www.planet.com.tw/tw/ir/corporate-governance	No												
(II) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information	√		(II) The Company's website has both Chinese and English versions to provide the information related to its brands, products, and financial statements. Designated personnel are in charge of collecting and disclosing the Company's information, and updating the Company's website as appropriate. In addition, the spokesperson or acting spokesperson is appointed to respond to investors' questions and suggestions, which ensures the full implementation of the Company's spokesperson system. In 2023, the Company held two	No												

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons																												
	Yes	No																														
collection and disclosure, appointing spokespersons, webcasting institutional investors conference etc.)?			investors' conferences. On May 12, 2023 and Nov. 23, 2023, the Company participated in performance press conference at TPEX. Information of the investors' conference in both Chinese and English was disclosed in the the Market Observation Post System (MOPS) and on the Stakeholder Section/shareholder service/investors' conference of the Company's websites, for reference of shareholders and stakeholders. (https://planet.com.tw/tw/ir/financial-meetings)																													
(III) Does the company publish and report its annual financial reports within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	√		(III) The Company published and declared the 2023 financial report on February 29, 2024 (within two months after the end of the accounting year). The financial reports of Q1 to Q3 were published on May 9, Aug. 7 and Nov. 3 respectively, and the monthly operation performance report was released before 10th in every month. These dates were earlier than the dates required by law. Monthly revenue report for 2023 is listed below: <table border="1"> <thead> <tr> <th>Revenue</th> <th>Publishing Date</th> <th>Revenue</th> <th>Publishing Date</th> </tr> </thead> <tbody> <tr> <td>Jan. 2023</td> <td>Feb. 2, 2023</td> <td>Jul. 2023</td> <td>Aug. 7, 2023</td> </tr> <tr> <td>Feb. 2023</td> <td>Mar. 8, 2023</td> <td>Aug. 2023</td> <td>Sep. 7, 2023</td> </tr> <tr> <td>Mar. 2023</td> <td>Apr. 7, 2023</td> <td>Sep. 2023</td> <td>Oct. 6, 2023</td> </tr> <tr> <td>Apr. 2023</td> <td>May 8, 2023</td> <td>Oct. 2023</td> <td>Nov. 7, 2023</td> </tr> <tr> <td>May 2023</td> <td>Jun. 8, 2023</td> <td>Nov. 2023</td> <td>Dec. 7, 2023</td> </tr> <tr> <td>Jun. 2023</td> <td>Jul. 7, 2023</td> <td>Dec. 2023</td> <td>Jan. 5, 2024</td> </tr> </tbody> </table>	Revenue	Publishing Date	Revenue	Publishing Date	Jan. 2023	Feb. 2, 2023	Jul. 2023	Aug. 7, 2023	Feb. 2023	Mar. 8, 2023	Aug. 2023	Sep. 7, 2023	Mar. 2023	Apr. 7, 2023	Sep. 2023	Oct. 6, 2023	Apr. 2023	May 8, 2023	Oct. 2023	Nov. 7, 2023	May 2023	Jun. 8, 2023	Nov. 2023	Dec. 7, 2023	Jun. 2023	Jul. 7, 2023	Dec. 2023	Jan. 5, 2024	No
Revenue	Publishing Date	Revenue	Publishing Date																													
Jan. 2023	Feb. 2, 2023	Jul. 2023	Aug. 7, 2023																													
Feb. 2023	Mar. 8, 2023	Aug. 2023	Sep. 7, 2023																													
Mar. 2023	Apr. 7, 2023	Sep. 2023	Oct. 6, 2023																													
Apr. 2023	May 8, 2023	Oct. 2023	Nov. 7, 2023																													
May 2023	Jun. 8, 2023	Nov. 2023	Dec. 7, 2023																													
Jun. 2023	Jul. 7, 2023	Dec. 2023	Jan. 5, 2024																													
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management	√		(I) Employees' rights and interests 1. Well-established employee welfare system: (1) Basic Benefits: Labor insurance and national health insurance, group insurance, marriage & death subsidy, childbirth subsidy. (2) Remuneration/cash gift: Employee dividend, year-end bonus, operation performance bonus, festival cash for Dragon Boat, Mid-Autumn and Chinese New Year and birthday cash gift. (3) Talent cultivation: Orientation training, managerial training and online learning platform, employee training allowance. (4) LOHAS activity: Employee tours, family day, volunteer day, society and cultural and recreational activities. (5) Employee health care: Regular annual health	No																												

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
<p>policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?</p>			<p>examination, regular on-site medical care, consultation of traditional Chinese and Western medicine and physiotherapist consultation.</p> <p>(6) Employee child care and education subsidies: pregnancy care packs, pregnancy car service, birth allowance, parenting subsidy, children's education subsidy.</p> <p>2. PLANET has established the Employee Benefit Committee, which takes charge of employee benefit fund planning and custody and holds various employee exchange activities.</p> <p>3. Talent cultivation and succession: The company has always attached importance to long-term talent development and provides multiple learning resources to enhance the skills and professionalism of employees. At the same time, the Company actively cultivates middle and senior level of executives and implements employee succession plans to achieve sustainable talent cultivation.</p> <p>(1) Professional competence development: The Company has formulated the Regulations Governing Implementation of Education and Training. According to the training survey and demand analysis, the Company formulates the next year's training and continuing education plan for employees, and implements it in accordance with the plan. The Company provides multiple training channels including both online and offline training for its employees. Employees can take physical or online professional training courses when needed. The Company has also established the "PLANET e Academy" through self-creation and external purchase. Its innovative e-learning cloud learning platform enables employees to study independently online at any time and place, when it is convenient for them to do so.</p> <p>(2) Employee learning map The Company has established an education and training system. The system plans the core</p>	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>function courses, professional function courses and management function courses according to the functional structure of the Company, and designs the corresponding learning map according to the staff's mastery level, position and management level. Employees can gradually complete various training courses according to the instructions of the map.</p> <p>(3) Annual performance evaluation and human resource inventory: Job promotion and job transfer are applied to employees based on their performance. The principle is to give the right job to the right person, so that the potential talents in the Company can fully use their capabilities and realize their career development. All employees undergo annual performance evaluation. For salary-related issues, employees may consult their supervisors directly before being approved by the management. Performance bonuses are granted to these who performed well as an incentive.</p> <p>4. Active promotion of diversity, equality and inclusion in the workplace: (1) The Company has long been respecting gender equality and personal dignity at workplace, and has established the Guidelines for Prevention of Sexual Harassment, which has been approved by the Labor Bureau, New Taipei City Government. In addition, the Company has established the Regulations Governing Management of Gender Equality at Workplace, the Program for Protection of Maternal Health at Workplace and the Preventive Program against Unlawful Infringement during Performance of Official Duties. Regular consultancy by the professional occupational doctors is provided to the pregnant female employees and those who have given birth as cares to their mental and physical status. The breastfeeding room and contracted day-care services are also provided to establish a good</p>	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>gender-equal workplace.</p> <p>(2) The Company respects “gender equality”, and actively promotes this concept. Regardless of their genders, all employees with the same job have common compensation and job contents. Equal employment and promotion opportunity for women in their career development are emphasized by the Company. Among the total number of employees in 2023 (168 persons), women accounted for 52% and men accounted for 48%. The number of managerial employees was 45, 53% of which were female. In 2015, the Company was rated as “Taiwan Mittelstand Award for Gender Equality” by MOEA. In 2019, the Company was recognized by MOEA with the “Taiwan Mittelstand Award for Workplace Friendliness”. In 2023, the Company received the “CommonWealth Talent Sustainability Award” and the “Family Friendly Workplace Award”.</p> <p>5. Comprehensive environment, safety and health risk assessment and management:</p> <p>(1) The Company has set up the Environment, Security and Sanitation Office, a Level-one unit, in accordance with the the Occupational Safety and Health Act, and has established the Occupational Safety and Health Committee with 11 members, among which 4 are workers’ representatives elected by employees, accounting for 36.3% of the members of the committee. The committee holds quarterly meetings to invite heads of all units and representatives of workers to discuss the Company's safety and health issues and set occupational safety performance targets.</p> <p>(2) The Environment, Security and Sanitation Office has 2 full-time staff, a Class-1 manager and a safety and health administrator, and has a complete and good documents management mechanism. Both the 2 full-time employees hold the license of “Level B technician for labor health management” and “Safety and health education and training for Class-</p>	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>1 manager of occupational safety and health affairs”.</p> <p>(3) The Company conducts hazard identification, risk assessment and regulation identification regularly every quarter, and formulates relevant management measures.</p> <p>(4) Every year, the Company holds fire and first-aid drill twice and provides on-the-job occupational safety and health education and training for current employees to enhance fire safety awareness.</p> <p>(5) The Company carries out workplace environment monitoring, drinking water testing, air quality monitoring to ensure a safe and healthy working environment.</p> <p>(6) The Company has established a chemical management mechanism to impose control measures through hazards knowledge training, automatic inspections and chemical inventory, etc.</p> <p>(7) The Company has set up an on-site medical service mechanism, with professional nurses and physicians conducting health examinations for employees.</p> <p>6. To ensure that the liabilities and risks of the directors of the Board and key officers of the Company are under control and diversified, the liability insurance is provided every year and policy contents are reviewed regularly every year, so as to lower the risks of directors, key officers and the Company and to establish complete corporate governance mechanism. The insurance is reported to the Board of Directors when the contract is renewed.</p> <p>(II) Employee care:</p> <p>1. PLANET’s “Healthcare 360”: PLANET’s “Healthcare 360” protects the health of its employees through "prevention", "maintenance" and "consultation". The Company strives to help employees maintain health and happiness through proactive care mechanism, health promotion activities, maternity and mom-friendly environment, and well-established welfare measures.</p> <p>(1) Optimization of employee health checks: The</p>	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>number of health checks provided by the Company to each age group is better than the requirement in the regulations, and it is adjusted and optimized annually according to the results of physical examinations of employees. To avoid the inconvenience for employees, all the physical examination procedures are carried out in the Company, so employees can complete health checks in the Company</p> <p>(2) Comprehensive health consultations: PLANET arranges medical professionals to provide its employees with a full range of health consultation services in the Company, including PLANET Family Physicians (quarterly), TCM Consultations (quarterly), Physiotherapy consultations (quarterly), On-site Medical consultations (monthly)</p> <p>(3) Biweekly massage parlour and weekly office stretching exercises are held to provide staff with physical and mental relaxation. The Company has also established the "Sports and massage club", "Healthy weight losing club", the "Badminton club" and the "Rock climbing club" with the assistance of professional trainers, who guide employees to develop regular exercise habits and maintain physical health.</p> <p>2. Well-established maternal care program: The Company provides pregnant employees with the pregnancy care packs, helping pregnant mothers prepare a variety of practical greeting gifts for their new babies. At the same time, the Company provides pregnancy car service- taxi fare subsidy to facilitate pregnant mothers to take car to and from the workplace. The Company also has a special nursing room for female colleagues to use during working hours. In addition, the Company has signed a contract with a nursery school nearby to provide exclusive child care services for employees with discounted service charge and group pickup, thus to give peace of mind to employees and their family members.</p> <p>3. Employee support schemes:</p>	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>PLANET cares about employees' life and provides various support schemes to help employees better balance their work, family, study and life.</p> <p>(1) PLANET Mentor Program: Under the PLANET Mentor Program, senior employees in each unit are assigned to act as mentors to new employees to help them adapt to their job and the Company's operation processes, as well as keep them up to date on the latest company news and events. The "PLANET e-learning platform", an information sharing platform on the Company's Intranet, helps new employees get familiar with the corporate culture, promotes understanding and exchange between employees and departments, and builds team consensus in the units.</p> <p>(2) Emergency assistance for employees: When an employee faces a serious emergency in their life that also affects their work, special emergency assistance packages are available at the Company to help alleviate the impact and to provide temporary protection of their livelihood so that the employee can focus on getting their work and life back in order</p> <p>4. Education subsidies for employees' children: To reward the employees for their long-term commitment and contribution, PLANET provides children's education subsidies to reduce the burden of employees' education expenses. During the period in which employees' children grow from the age of 0 to the age for going to the university, the Company grants NT\$20,000 per child per year to reduce the burden of employees' parenting and education costs. In 2023, the Company received applications from 116 employees for education subsidies for 179 children, paying a total amount of NT\$ 1.79 million for the subsidies.</p> <p>5. Multiple communication channels for employees' opinions:</p> <p>(1) The Company has a HR mailbox and a CEO mailbox, so that employees can directly express their opinions to the HR manager and the CEO.</p>	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>(2) The Company conducts regular satisfaction surveys, through which employees can express their opinions across departments.</p> <p>(3) The Company allows employees to express their views through the regular annual performance review. Employees are free to express their opinions about job responsibilities, organization, supervisor or management systems. The Company aims to establish free communication channels to encourage employees to express their views freely.</p> <p>(III) Investor Relations: PLANET discloses information on its finance, corporate governance, and sustainability at the “Stakeholder Section” of the Company’s website for investors to view at any time. The mailboxes of the Audit Committee, spokesperson, acting spokesperson are also provided as the communication channels between investors and the Company. Moreover, the Procedures of Handling Investor Relationship is established, to set up the spokesperson system. Investors’ recommendations, questions, disputes, and litigation are handled by the spokesperson and acting spokesperson appropriately in accordance with the aforesaid procedures. Such events are also presented to senior managers and the CEO. Every year, the investor relations report of the previous year is submitted to the CEO. Issues raised by investors and follow-up communication status in 2023 were reported to the Board on February 29, 2023.</p> <p>(IV) Supplier relations: PLANET actively promotes the construction of a sustainable supply chain. The Company has gradually incorporated environmental, social and corporate governance requirements into the regulations for suppliers. Through these measures, the Company expects to improve the effectiveness of responsible supply chain and green supply chain management, reduce supply chain operational risks, establish sustainable business partnership, and disclose relevant management policies on the Company’s website.</p>	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>The Company keeps in touch with suppliers at all times and communicates product policies, quality objectives and cooperation progress through meetings, video conference, telephone, exclusive mailbox on the website, and green materials management platform.</p> <p>In line with the international trend of environmental protection, the Company has fully carried out the R&D of green energy products, and has signed the Declaration of Compliance with Supply Chain Code of Conduct with suppliers to improve the sustainability of its supply chains. The Company has always adhered to the principles of integrity operation and strived to uphold fairness and mutual respect in its business operations. In accordance with its no-gifts/anti-bribery policy, the Company prohibits employees from taking advantage of their positions to receive gifts directly or indirectly. At the same time, the Company strictly regulates commercial presents provided by its business partners with the aim to maintain integrity in the business relations between the Company and its suppliers.</p> <p>The company conducts annual economic, environmental and social risk assessments and audits to ensure that suppliers fulfill their corporate social responsibilities, thereby strengthening supply chain resilience and implementing PLANET's policy on sustainable operations.</p> <p>(V) Rights of stakeholders: The Company has established the Regulations Governing the Handling of Material Information to protect the interests of investors. Abiding by the requirements on information disclosure and transparency pursuant to laws, the Company uploads all material information to the MOPS in both Chinese and English. At the same time, such information is communicated to all employees, managers, and directors through e-mail, to prevent insider trading or violation to the regulations. The Company also attaches great importance to the protection of the interests of stakeholders. In addition to profit generation, corresponding communication channels</p>	

Evaluation Item	Implementation Status			Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons																						
	Yes	No																									
				<p>are provided to the different groups of stakeholders. To provide a safe workplace to employees, various trainings and activities are provided from time to time, to enhance their professional techniques and capabilities, protect their mental and physical health, and to safeguard employees' rights and interest.</p> <p>(VI) Status of directors' & supervisors' continuing education in 2023: On June 13, 2017, the Company established Audit Committee, which would supersede the supervisors. Currently all directors possess relevant professional knowledge and have participated in professional continuing education courses every year according to relevant laws and specification. Directors of the Board choose the suitable courses based on their schedule and professional background. In 2023, every re-elected director participated in continuing education for at least 6 hours, while each of the newly elected directors participated in continuing education for at least 12 hours, both of which met the requirement set forth in the Company's Directions for the Implementation of Continuing Education for Directors. Information on participation in the aforesaid continuing education courses has been reported and published on the MOPS as per regulations.</p> <p>Status of continuing education arranged by the Company is as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Title</th> <th rowspan="2">Name</th> <th colspan="2">Period</th> <th rowspan="2">Institute</th> <th rowspan="2">Course Title</th> <th rowspan="2">Hours</th> <th rowspan="2">Have the courses met the requirement?</th> </tr> <tr> <th>Starting Date</th> <th>Ending Date</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Chairman</td> <td rowspan="2">Chen, Ching-Kang</td> <td>2023/04/13</td> <td>2023/04/13</td> <td rowspan="2">SECURITIES AND FUTURES INSTITUTE</td> <td>CORPORATE GOVERNANCE AND SECURITIES REGULATION</td> <td>3</td> <td rowspan="2">Yes</td> </tr> <tr> <td>2023/08/10</td> <td>2023/08/10</td> <td>INFORMATION DISCLOSURE AND PREVENTION OF INSIDER TRADING</td> <td>3</td> </tr> </tbody> </table>	Title	Name	Period		Institute	Course Title	Hours	Have the courses met the requirement?	Starting Date	Ending Date	Chairman	Chen, Ching-Kang	2023/04/13	2023/04/13	SECURITIES AND FUTURES INSTITUTE	CORPORATE GOVERNANCE AND SECURITIES REGULATION	3	Yes	2023/08/10	2023/08/10	INFORMATION DISCLOSURE AND PREVENTION OF INSIDER TRADING	3	
Title	Name	Period		Institute			Course Title	Hours					Have the courses met the requirement?														
		Starting Date	Ending Date																								
Chairman	Chen, Ching-Kang	2023/04/13	2023/04/13	SECURITIES AND FUTURES INSTITUTE	CORPORATE GOVERNANCE AND SECURITIES REGULATION	3	Yes																				
		2023/08/10	2023/08/10		INFORMATION DISCLOSURE AND PREVENTION OF INSIDER TRADING	3																					

Evaluation Item	Implementation Status						Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons			
	Yes	No	Summary Description							
			Director	Hsu, Hwa-Lin	2023/07/13	2023/07/13	TAIPEI EXCHANGE	PUBLICITY SEMINAR FOR SUSTAINABLE DEVELOPMENT ACTION PLANS FOR TWSE AND TPEx LISTED COMPANIES	3	Yes
					2023/08/09	2023/08/09		PUBLICITY SEMINAR FOR STOCK HELD BY INSIDERS OF ISSUERS EMERGING OR OVER-THE-COUNTER LISTING IN TAIWAN	3	
			Representative of juridical person	Li, Ichuan	2023/10/30	2023/10/30	TAIWAN CORPORATE GOVERNANCE ASSOCIATION	ANALYSIS OF DIRECTOR'S DUTY OF LOYALTY AND LEGAL RESPONSIBILITY	3	Yes
					2023/10/30	2023/10/30		GLOBAL ECONOMIC TRENDS AND INDUSTRY OUTLOOK	3	
			Independent Director	Chen, Shuh	2023/07/11	2023/07/11	Taiwan Academy of Banking and Finance	CORPORATE GOVERNANCE LECTURE - TODAY AND TOMORROW OF INDUSTRIAL AI-CHAT GPT IMPACT AND CORPORATE RESPONSE	3	Yes
					2023/11/15	2023/11/15	Securities and Futures Institute	2023 PUBLICITY SEMINAR FOR INSIDER EQUITY TRADING LAW COMPLIANCE	3	
			Independent Director	Huang, Hsin Hsien	2023/11/24	2023/11/24	Securities and Futures Institute	BUSINESS JUDGMENT RULE AND CASE ANALYSIS	3	Yes
					2023/12/21	2023/12/21		ECONOMIC OUTLOOK AND INDUSTRY TRENDS FOR 2024	3	
			Independent Director	Chang, Pao-	2023/06/02	2023/06/02	Chinese National Association of Industry and Commerce, Taiwan	2023 TAISHIN NET ZERO SUMMIT GO TOWARDS GREEN ENERGY	3	Yes

Evaluation Item	Implementation Status				Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons																																																							
	Yes	No																																																											
					<table border="1"> <tr> <td></td> <td></td> <td>2023/08/23</td> <td>2023/08/23</td> <td>Securities and Futures Institute</td> <td>HOW SHOULD THE BOARD OF DIRECTORS SUPERVISE ENTERPRISE RISK MANAGEMENT AND CRISIS MANAGEMENT?</td> <td>3</td> <td></td> </tr> <tr> <td rowspan="5">Independent Director</td> <td rowspan="5">Chen Chun-Mei</td> <td>2023/08/17</td> <td>2023/08/17</td> <td>Securities and Futures Institute</td> <td>INTRODUCTION AND CASE ANALYSIS OF SHORT-TERM TRADING OF COMPANY INSIDERS</td> <td>3</td> <td rowspan="5">Yes</td> </tr> <tr> <td>2023/08/18</td> <td>2023/08/18</td> <td>Taiwan Corporate Governance Association</td> <td>BIG DATA ANALYSIS AND FRAUD DETECTION</td> <td>3</td> </tr> <tr> <td>2023/09/15</td> <td>2023/09/15</td> <td>Securities and Futures Institute</td> <td>HOW TO ENHANCE THE CREDIBILITY OF CORPORATE SUSTAINABILITY REPORTS?</td> <td>3</td> </tr> <tr> <td>2023/10/04</td> <td>2023/10/04</td> <td>Taiwan Corporate Governance Association</td> <td>HOW DOES THE BOARD DEVELOP AN ESG SUSTAINABLE GOVERNANCE STRATEGY?</td> <td>3</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table> <p>The courses of continuing education for the accounting supervisor in 2023 met the requirements, and the status of the continuing education is as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Title</th> <th rowspan="2">Name</th> <th colspan="2">Period</th> <th rowspan="2">Institute</th> <th rowspan="2">Course Title</th> <th rowspan="2">Hours</th> <th rowspan="2">Have the courses met</th> </tr> <tr> <th>Starting Date</th> <th>Ending Date</th> </tr> </thead> <tbody> <tr> <td>Accounting Supervisor</td> <td>Lin, Man-Tsu</td> <td>2023/09/21</td> <td>2023/09/22</td> <td>Accounting Research and Development Foundation</td> <td>CONTINUING EDUCATION COURSES FOR ACCOUNTING SUPERVISOR OF ISSUERS, SECURITIES FIRM, AND SECURITIES EXCHANGES</td> <td>12</td> <td>Yes</td> </tr> </tbody> </table> <p>The courses of continuing education for the corporate governance supervisor in 2023 met the requirements, and the status of the continuing education is as follows:</p>			2023/08/23	2023/08/23	Securities and Futures Institute	HOW SHOULD THE BOARD OF DIRECTORS SUPERVISE ENTERPRISE RISK MANAGEMENT AND CRISIS MANAGEMENT?	3		Independent Director	Chen Chun-Mei	2023/08/17	2023/08/17	Securities and Futures Institute	INTRODUCTION AND CASE ANALYSIS OF SHORT-TERM TRADING OF COMPANY INSIDERS	3	Yes	2023/08/18	2023/08/18	Taiwan Corporate Governance Association	BIG DATA ANALYSIS AND FRAUD DETECTION	3	2023/09/15	2023/09/15	Securities and Futures Institute	HOW TO ENHANCE THE CREDIBILITY OF CORPORATE SUSTAINABILITY REPORTS?	3	2023/10/04	2023/10/04	Taiwan Corporate Governance Association	HOW DOES THE BOARD DEVELOP AN ESG SUSTAINABLE GOVERNANCE STRATEGY?	3							Title	Name	Period		Institute	Course Title	Hours	Have the courses met	Starting Date	Ending Date	Accounting Supervisor	Lin, Man-Tsu	2023/09/21	2023/09/22	Accounting Research and Development Foundation	CONTINUING EDUCATION COURSES FOR ACCOUNTING SUPERVISOR OF ISSUERS, SECURITIES FIRM, AND SECURITIES EXCHANGES	12	Yes	
		2023/08/23	2023/08/23	Securities and Futures Institute	HOW SHOULD THE BOARD OF DIRECTORS SUPERVISE ENTERPRISE RISK MANAGEMENT AND CRISIS MANAGEMENT?	3																																																							
Independent Director	Chen Chun-Mei	2023/08/17	2023/08/17	Securities and Futures Institute	INTRODUCTION AND CASE ANALYSIS OF SHORT-TERM TRADING OF COMPANY INSIDERS	3	Yes																																																						
		2023/08/18	2023/08/18	Taiwan Corporate Governance Association	BIG DATA ANALYSIS AND FRAUD DETECTION	3																																																							
		2023/09/15	2023/09/15	Securities and Futures Institute	HOW TO ENHANCE THE CREDIBILITY OF CORPORATE SUSTAINABILITY REPORTS?	3																																																							
		2023/10/04	2023/10/04	Taiwan Corporate Governance Association	HOW DOES THE BOARD DEVELOP AN ESG SUSTAINABLE GOVERNANCE STRATEGY?	3																																																							
Title	Name	Period		Institute	Course Title	Hours	Have the courses met																																																						
		Starting Date	Ending Date																																																										
Accounting Supervisor	Lin, Man-Tsu	2023/09/21	2023/09/22	Accounting Research and Development Foundation	CONTINUING EDUCATION COURSES FOR ACCOUNTING SUPERVISOR OF ISSUERS, SECURITIES FIRM, AND SECURITIES EXCHANGES	12	Yes																																																						

Evaluation Item	Implementation Status						Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons		
	Yes	No	Summary Description						
			Starting Date	Ending Date	Institute	Course Title		Hours	Have the courses met the requirement?
			2023/07/13	2023/07/13	Taipei Exchange	PUBLICITY SEMINAR FOR SUSTAINABLE DEVELOPMENT ACTION PLANS FOR TWSE AND TPEX LISTED COMPANIES	3	Yes	
			2023/08/09	2023/08/09	Taipei Exchange	PUBLICITY SEMINAR FOR STOCK HELD BY INSIDERS OF ISSUERS EMERGING OR OVER-THE-COUNTER LISTING IN TAIWAN	3		
			2023/11/16	2023/11/16	Accounting Research and Development Foundation	ESG SUMMIT - CARBON INVENTORY AND CARBON MANAGEMENT	3		
			2023/11/16	2023/11/16	Accounting Research and Development Foundation	ESG SUMMIT - DIGITAL TECHNOLOGY AND SUSTAINABLE TRANSFORMATION	3		
<p>(VII) Risk management policies and implementation of risk assessment standards: On November 4, 2020, the Company formulated the Regulations of Risk Management Committee, and on December 22, 2020, the Board approved the establishment of the "Risk Management Committee" consisting of more than half of the independent directors. On December 19, 2022, in accordance with the Risk Management Best-Practice Principles for TWSE/TPEX Listed Companies, the committee</p>									

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>renamed the Regulations of Risk Management Committee into Organizational Regulations of Risk Management Committee and revised the regulations and added the Risk Management Policies and Procedures to the regulations, which were approved by the Board of Directors on December 21, 2022. The renaming and revision of the regulations have strengthened the Company's risk management and improved its crisis response ability, so as to achieve the goal of risk control and lay a solid foundation for the sustainable operation of the Company.</p> <p>On May 24, 2023, the Board passed a resolution appointing the second Risk Management Committee with a total of three members (including two independent directors). Under the supervision of the Board, the relevant operating units regularly reported the implementation status of risk management to the Risk Management Committee, and held risk management meetings at least twice a year. Meanwhile, the Audit Office carried out risk monitoring and reported to the Board to ensure the effectiveness of risk management.</p> <p>In 2023, the Risk Management Committee held two meetings, on April 10 and October 26 respectively, and reported the situation of the Company's risk management to the Board.</p> <p>(VIII) Implementation of customer policy: PLANET has always responded quickly, actively and effectively to customers' reactions to the market and products, and has established regulations to protect customers' rights and fulfill its product responsibilities.</p> <ol style="list-style-type: none"> 1. Disclosure of complete product information and provision of a customized sales contract: PLANET discloses all its product information on the global marketing website and in its product catalog, so customers can consult at any time. When selling products to customers, the Company provides "General Terms of Sales" and enters into an agreement of the transaction between the two parties, including price, payment method, delivery 	

Evaluation Item	Implementation Status		Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No		
			<p>of goods, handling of product complaints, warranty and other information.</p> <ol style="list-style-type: none"> 2. Establishment of a "Partner Zone" on PLANET's global corporate website to assist distributors in local marketing: Global distributors have access to the website and resources related to product promotion and training & education, thereby accelerating the breadth and depth of distributors' local marketing of PLANET's products and solutions. 3. Customer service mailbox and technical consultancy services: the business unit and the technical engineers must reply clients' questions within 24 hours. 4. Visits or video conference on an irregular basis: Product training is provided to customers to enable them to understand the functions and applications of the products. 5. After-sale service: The Warranty Policy is established to specify the complete after-sale services, providing the return and exchange of goods, maintenance, and recovery services for the global distributors. 6. Handling of customer complaints: The channels for customer to file complaints are provided, and the consumption compensation application procedure is established. 7. Customer satisfaction survey: The Guidelines of Customer Satisfaction Survey is established to conduct regular customer satisfaction survey every year. The outcomes of such surveys are taken into account as one of the evaluation items when evaluating the performance of the related departments. In the customer satisfaction survey of 2023, the overall satisfaction rate to the Company was 99.56%. <p>(IX) Purchase of liability insurance for directors and supervisors</p> <p>To ensure that the liabilities, assets, and risks of the directors and supervisors are under control and diversified, on July 25, 2008, the Board approved the amendments to some clauses of the Articles of Association, and the amendments were approved by the shareholders' meeting in 2009. Since 2009, PLANET has been purchasing liability insurance</p>	

Evaluation Item	Implementation Status			Summary Description	Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons
	Yes	No			
				<p>every year for the directors. Purchase of the insurance is reported to the Board of Directors every year, so that the directors may fulfill their duties of supervising and governing the Company without concern.</p> <p>In 2023, the Company renewed the liability insurance for directors and key staff to MSIG Mingtai Insurance Co., Ltd., with insured amount of USD 1 million and term of insurance from September 1, 2023 to September 1, 2024. It was reported in Board meeting on November 3, 2023 and disclosed on the MOPS.</p>	

IX. Please specify improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority improvement objectives and measures planned for any matters still awaiting improvement.

Presentation of the outcomes of the 9th (2022) Corporate Governance Evaluation and the Improvements Made by the Company

Question Number	Indicator	Type	Self-evaluation by the Company	Actual points received	Description of Deviation	Improvements
2.3	Are the chairman of the Board and the CEO or person of an equivalent post (the highest level manager) of the Company the same person, spouses, or relatives within the first degree of kinship?	A	0	0	The Chairman and CEO of the Company are the same person, so the Company could not score any points on this indicator.	The regular meeting of shareholders held on May 24, 2023 fully re-elected seven directors and added one independent director, so that the Board had a total of four independent directors and three directors, which optimized the structure of the Board and strengthened its supervisory function.
2.5	Is it true that the number of the directors in the Company's Board who are concurrently employees of the Company or of its parent company, subsidiary, or sister company is less than (or equal to) one-third of the total number of directors?	A	0	0	Of the seven members of the current Board, three directors are concurrently employees of the Company, including the Chairman, who concurrently working as the CEO, one director working as Deputy CEO, and one director working as CFO, which is more than one-third of the directors.	The regular meeting of shareholders held on May 24, 2023 fully re-elected seven directors and added one independent director, so that the Board had a total of four independent directors and three directors, among whom only two directors concurrently acted as employee. Therefore, the number of directors concurrently working as employees in the Company, its parent company, subsidiary, or sister company was less than one-third of the total number of directors.
2.11	Have the interim financial reports of the Company been approved by the Audit Committee and submitted to the Board for discussion and resolution?	A	0	0	The Company's financial reports for the first three quarters of 2022 were approved by all members of the Audit Committee. However, only the financial report for the first quarter of 2022 was submitted to the Board for resolution.	From the financial report for the second quarter of 2022, each of the Company's quarterly interim financial report has been approved by the Audit Committee and submitted to the Board for discussion and resolution.

(IV) If a company has a remuneration committee, it shall disclose its composition and operation:
PLANET's Remuneration Committee is composed of four independent directors.

(1) Information on Remuneration Committee Members

March 26, 2024

<u>Title</u>	Qualifications Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
Independent Director (Convener)	Chang, Pao-Thai	<p>Independent director Chang, Pao-Thai obtained a Master Degree from the Executive Class, Antai College of Economics and Management, Shanghai Jiao Tong University. She is currently the Chairman of Premier International Development Incorporation, independent director, member of Audit Committee and the meeting convener of Remuneration Committee of Apex Science & Engineering Corp. and Brinno Incorporated. She also has the experience of working as the CEO of 360D HR Consultancy Co., Ltd. Chang has worked in the HR field for many years and possesses profound knowledge and professional competence. She has expertise in the fields of business and finance and the work experience required by the Company's business. She has the competence of operational judgment, business management, risk management and a vision of the international market. She also has strong leadership and outstanding capability in dealing with sustainability matters. Chang meets the requirement on acting as the meeting convener of the Company's Remuneration Committee. Chang, Pao-Thai is not under any of the circumstances provided in Article 30 of The Company Act.</p>	<p>Chang, Pao-Thai is an Independent Director of the Company, whose status of independence is specified below.</p> <ol style="list-style-type: none"> 1. Including but not limited to the following: the person concerned or the person's spouse or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates. 2. The person concerned, or the person's spouse does not hold the shares of the Company. The person's relative within the second degree of kinship holds 103,000 shares of the Company, accounting for 0.16% of the Company's shares. 3. The person concerned is not a director, supervisor or employee of any company under special relationship with the Company. 4. The person concerned did not gain any reward by providing business, legal, financial and accounting services for the Company or the Company's affiliates within the past 2 years. 	2
Independent Director (Committee Member)	Chen, Shuh	<p>Independent director Chen, Shuh holds a PhD in Business Administration from National Taiwan University. He is currently the Chairman of Central Investment Co., Ltd., Director of Hotron Precision Electronic Industrial Co., Ltd., Independent Director, member of Audit Committee, convener of Sustainable Development Committee of Asia Cement Corporation, Independent Director, member of Audit Committee and Remuneration Committee, convener of Sustainable Development Committee of O-TA Precision Industry Co., Ltd., and Chairman of Zhong Dao Association of Leadership and Culture. He also has the experience of working as the Chairman of Financial Supervisory Commission, Executive Yuan, Chairman of Taiwan Stock Exchange and Independent Director of Accton Technology Corporation. Chen, Shuh has the qualifications of college teacher for subjects of business, finance,</p>	<p>Chen, Shuh is an Independent Director of the Company, whose status of independence is specified below.</p> <ol style="list-style-type: none"> 1. Including but not limited to the following: the person concerned or the person's spouse or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates. 2. The person concerned, or the person's spouse or any relative within the second degree of kinship does not hold the shares of the Company. 3. The person concerned is not a director, supervisor or employee of any company under special relationship with the Company. 4. The person concerned did not gain any reward by providing 	2

<u>Title</u>	Qualifications Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
		accounting, etc. He holds an accountant certificate and has the work experience required by the Company's business. Chen also has the competence of operational judgment, business management, risk management, and a vision of the international market. Chen also possesses strong leadership, outstanding capability in dealing with sustainability matters, and profound financial & accounting knowledge. Chen meets the requirement on acting as a member of the Remuneration Committee. Chen, Shuh is not under any of the circumstances provided in Article 30 of The Company Act.	business, legal, financial and accounting services for the Company or the Company's affiliates within the past 2 years.	
Independent Director (Committee Member)	Huang, Hsin Hsien	Independent director Huang, Hsin Hsien holds a Bachelor's Degree from Department of Law, Soochow University. He has passed the Examination for Judges and Prosecutors and Bar Examination. Huang is currently head of Chian-Yuan Law Firm and an independent director, member of Audit Committee, member of Remuneration Committee, member of Sustainable Development Committee of Jinghua Society Cultural Foundation and Test Rite International Co., Ltd.. Huang has the experience of working as the judge at Chiayi, Taoyuan, and Shilin District Courts. Huang is also a director of Tsai Won Industrial Co., Ltd., and a member of Committee of the Taipei City Center for Prevention of Domestic Violence and Sexual Assault. Huang has the qualification of lawyer and the required work experience in the fields of law and business. Huang possesses the competence of operational judgment, business management, risk management and a vision of the international market. Huang has strong leadership, outstanding capability in dealing with sustainability matters and profound knowledge of the legal industry. Huang meets the requirement on acting as a member of the Remuneration Committee. Huang, Hsin Hsien is not under any of the circumstances provided in Article 30 of The Company Act.	Huang, Hsin Hsien is an Independent Director of the Company, whose status of independence is specified below: 1. Including but not limited to the following: the person concerned or the person's spouse or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates. 2. The person concerned, or the person's spouse or any relative within the second degree of kinship does not hold the shares of the Company. 3. The person concerned is not a director, supervisor or employee of any company under special relationship with the Company. 4. The person concerned did not gain any reward by providing business, legal, financial and accounting services for the Company or the Company's affiliates within the past 2 years.	1
Independent Director (Committee Member)	Chen Chun-Mei	Chen, Chun-Mei holds a Bachelor's Degree from Department of International Business, Feng Chia University. She has passed the examination for international business personnel. She is currently the Director/General Manager of The First Leasing Corporation and the Supervisor of Commonwealth Publishing Co., Ltd. She has the experience of working as the Group Leader at Bank of Communications, the Underwriting Manager at Asia Securities and Special Assistant to the CEO of Pacific Securities. Chen, Chun-Mei has expertise in the fields of business and finance and the work experience	Chen, Chun-Mei is an Independent Director of the Company, whose status of independence is specified below: 1. Including but not limited to the following: the person concerned or the person's spouse or any relative within the second degree of kinship is not a director, supervisor, or employee of the Company or any of its affiliates. 2. The person concerned, or the person's spouse or any relative within the second degree of kinship does not hold the shares of	0

<u>Title</u>	Qualifications Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
		<p>required by the Company's business. She has the competence of operational judgment, business management, risk management and a vision of the international market. She has strong leadership, outstanding capability in dealing with sustainability matters and profound knowledge of human resources management. Chen, Chun-Mei meets the requirement on acting as a member of the Audit Committee, Remuneration Committee and Sustainable Development Committee.</p> <p>Chen, Chun-Mei is not under any of the circumstances provided in Article 30 of The Company Act.</p>	<p>the Company.</p> <p>3. The person concerned is not a director, supervisor or employee of any company under special relationship with the Company.</p> <p>4. The person concerned did not gain any reward by providing business, legal, financial and accounting services for the Company or the Company's affiliates within the past 2 years.</p>	

(2) Operation of the Remuneration Committee

I. PLANET's Remuneration Committee consists of four members, all of which are independent directors.

II. Term of office of the members: from May 24, 2023 to May 23, 2026. In the most recent fiscal year (2023), the Remuneration Committee convened 3 (A) meetings. The qualifications and attendance of members are as follows:

III. The major works of the Remuneration Committee in 2023 are as follows:

- Reviewed the results of performance evaluation of directors and managers and remuneration policies, systems, standards and structures.
- Discussed and determined the remunerations of directors and managers.

IV. In 2023, the Company convened a total of 3 Remuneration Committee meetings, and the details are as follows:

- Feb. 23, 2023:

Reviewed the distribution of remunerations to employees and directors for 2022

- Aug. 7, 2023:

Evaluated the current remuneration system and determined the distribution of remunerations to directors, managers and employees for 2022

- Dec. 19, 2023:

Reviewed the year-end bonus for managers for 2023 and the plan of fixed remuneration adjustment for 2024

Position	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Chang, Pao-Thai	3	0	100%	These three persons were previous members, and were re-elected on May 24, 2023.
Member	Chen, Shuh	3	0	100%	
Member	Huang, Hsin Hsien	3	0	100%	
Member	Chen, Chun-Mei	2	0	100%	Took office for the first time on May 24, 2023

Other information required to be disclosed:

I. If the Board does not accept, or amends, any recommendation of the Remuneration Committee, specify the Board meeting date, meeting session number, content of the motion(s), the outcome of the resolution(s) of the Board, and the measures taken by the Company with respect to the opinions given by the remuneration committee (e.g., if the salary/compensation approved by the Board is higher than the recommendation of the Remuneration Committee, specify the difference and the reason).

In 2023, PLANET convened a total of three Remuneration Committee meetings:

Remuneration Committee Date of Meeting (session/Term)	Motions	Independent director's dissenting opinion or qualified opinion or contents of major project proposal	Resolutions of the Remuneration Committee	Handling of the opinions from the members of the Remuneration Committee
The 9 th meeting of the 4 th Remuneration	Discussed: Distribution of remunerations to employees and directors for 2022	No dissenting opinions	It was ratified by all attending committee	No such situation. The Board approved the

Committee Feb. 23, 2023	Distributed in accordance with the provisions of the Articles of Association and the Company Act, and the resolution was made after full discussion and submitted to the Board for discussion.		members	proposal of the Remuneration Committee.
The 1 st meeting of the 5 th Remuneration Committee Aug. 7, 2023	Discussed: The current remuneration system and distribution of remunerations to directors, managers and employees for 2022. The committee reviewed the current remuneration system. With reference to the usual salary level of the industry, and based on the results of performance evaluation on core functions, job characteristics, professional functions and sustainability issues, as well as the company's annual operating performance and future risk consideration, the recommendation on distribution of remuneration was made. The recommended distribution of remuneration was then presented to the Board for discussion. When discussing the remuneration and performance of individual members, the members concerned recused themselves from the discussion and voting.	No dissenting opinions	It was ratified by all attending committee members	No such situation. The Board approved the proposal of the Remuneration Committee.
The 2 nd meeting of the 5 th Remuneration Committee Dec. 19, 2023	Discussed: Year-end bonus for managers for 2023 and the plan of fixed remuneration adjustment for 2024. The committee reviewed the current remuneration system. With reference to the usual salary level of the industry, and in consideration of the business performance in 2023, future risks of the Company and the results of performance evaluation on core functions, job characteristics, professional functions and sustainability issues, the recommendation on 2023 year-end bonus and fixed remuneration adjustment for 2024 was made. The recommendation was then presented to the Board for discussion.	No dissenting opinions	It was ratified by all attending committee members	No such situation. The Board approved the proposal of the Remuneration Committee.

The aforesaid proposals were presented to the Board of Directors after obtaining the approval from the Remuneration Committee. After full discussions by the Board, all the proposals presented by the Remuneration Committee were passed with the unanimous agreement of all the directors. Therefore, there is no situation of unacceptance or amendments to the proposals of the Remuneration Committee.

II. With respect to any matter for resolution by the Remuneration Committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the Remuneration Committee meeting date, meeting session number, content of the motion(s), the opinions of all members, and the measures taken by the Company with respect to the members' opinion:

In 2023, the Company has convened a total of three Remuneration Committee meetings:

1. Feb. 23, 2023:
Discussed: Distribution of remunerations to employees and directors for 2022
2. Aug. 7, 2023:
Discussed: The current remuneration system and distribution of remunerations to directors, managers and employees for 2022.
3. Dec. 19, 2023:
Discussed: Year-end bonus for managers for 2023 and the plan of fixed remuneration adjustment for 2024

When discussing the above motions, members of the Remuneration Committee referred to the usual salary level of the industry and considered individuals' performance and future risks of the

Company, and fully discussed the remuneration to directors and managers. When discussing the remuneration and performance of individual members, the members concerned recused themselves from the discussion and voting. All aforesaid motions were passed with the unanimous agreement of all the members, and the contents of the discussion were recorded in detail in the meeting minutes. There were no members of the Remuneration Committee holding dissenting opinion or qualified opinion.

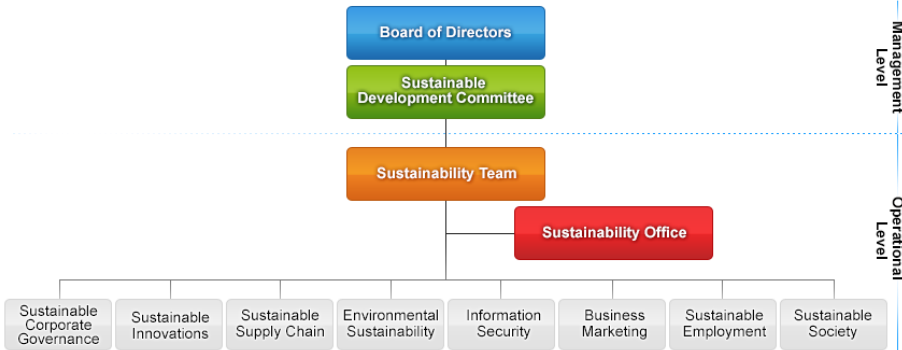
Note: (1) If any member(s) of the Remuneration Committee left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their actual attendance rate (%) should be calculated based on the number of Remuneration Committee meetings held and the number of meeting they actually attended during the period they were on the committee.

(2) If any re-election for Remuneration Committee was held before the end of the fiscal year, the names of the new and old committee members should be provided, with a note stating whether the member left office was elected before, or elected for the first time, or elected for consecutive terms, and the date of the re-election. The actual attendance rate (%) should be calculated based on the number of Remuneration Committee meetings held and the number of meeting actually attended during the period each such person was on the committee.


(3) Operation of the Nomination Committee

PLANET has not established its Nomination Committee, therefore, there is no such information.

(V) Promotion of Sustainable Development – Implementation Status and Deviations from the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies” and the Reasons

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) responsible unit to be in charge of promoting sustainable development? Has the Board authorized senior management to handle related matters under the supervision of the Board? (TWSE/TPEX listed company shall report the implementation status. This is not a comply-or-explain provision).	√		<p>The Company has a functional Committee under the Board, the Sustainable Development Committee, which is the highest governance unit of the Company to promote sustainable development. [A Governance Framework for Sustainable Development]</p>  <pre> graph TD Board[Board of Directors] --- SDCom[Sustainable Development Committee] SDCom --- ST[Sustainability Team] ST --- SO[Sustainability Office] SO --- SCG[Sustainable Corporate Governance] SO --- SI[Sustainable Innovations] SO --- SSC[Sustainable Supply Chain] SO --- ES[Environmental Sustainability] SO --- IS[Information Security] SO --- BM[Business Marketing] SO --- SE[Sustainable Employment] SO --- SS[Sustainable Society] </pre> <p>The “Sustainable Development Committee”, which was formerly known as “Corporate Social Responsibility Committee”, is a functional committee voluntarily established by Board of directors on December 22, 2020. In line with international development trend and to achieve its sustainable development goals, the Company’s Board approved to rename the “Corporate Social Responsibility Committee” as “Sustainable Development Committee” on February 24, 2022. The Sustainable Development Committee is an operational unit of the Company.</p> <p>The members of the Sustainable Development Committee are appointed by the Board of Directors and currently comprise four independent directors and one director, for a total of five members, all of whom have relevant professional competence in sustainability related fields. The Sustainable Development Committee assists the Board in continuously optimizing sustainability policies and corporate governance, and to integrate sustainable development into the Company's operation activities and direction of development. Its duties include:</p> <ol style="list-style-type: none"> 1. Setting corporate social responsibilities, sustainable development direction and objectives, and formulating related management policies and specific promotion plans. 2. Publicizing and implementing ethical corporate management and risk management related works. 3. Tracking and reviewing the implementation status and effectiveness of sustainable development of the Company, and revising relevant management measures, procedures and plans. 	No

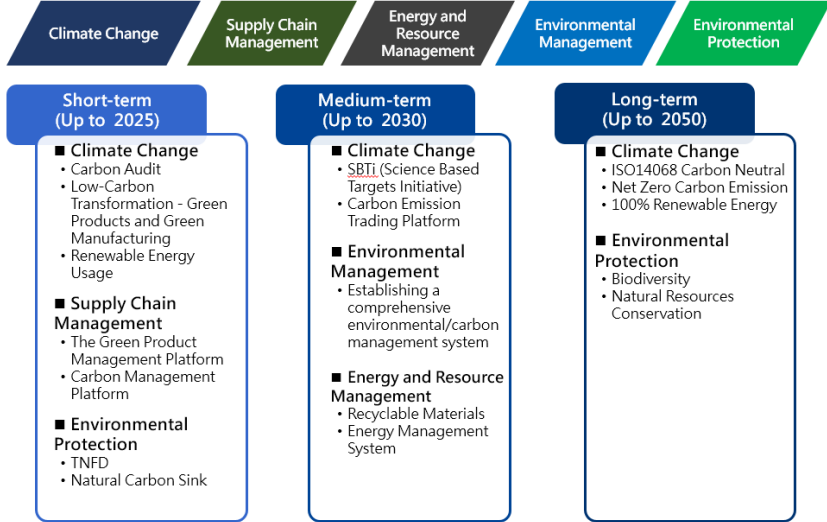
Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>4. Other matters resolved by the Board of Directors to be handled by the Committee.</p> <p>The Sustainable Development Committee reports to the Board at least twice a year on sustainability related works. On May 29 and December 20, 2023, the committee reported to the Board on sustainability issues, specific strategies and approaches, global risk assessments and short-, medium- and long-term sustainability governance goals. The Board gave positive feedback on the contents of the report and the review of the strategies.</p> <p>Under the Sustainable Development Committee, the "Sustainable Development Promotion Team" is the operational unit of the Company's sustainability related works. The committee is headed by the Chief Sustainability Officer and has established the Sustainability Office, which is responsible for promoting the Company's sustainable development and strategy implementation. On May 8 and December 20, 2023, the Sustainable Development Promotion Team reported to the committee on the global risk assessment and risks on concern, governance strategies, ESG performance and target planning, and the schedule for 2023 sustainability projects, and adopted the sustainability topics.</p>	
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and	√		<p>The Company conducts risk assessments in the environmental, social and corporate governance aspects of its operations in accordance with the principle of materiality. To reduce operational risks and implement corporate governance, the "Risk Management Committee" was established on December 22, 2020 as a functional committee under the Board of Directors.</p> <p>On May 24, 2023, the Board passed a resolution appointing the members of the second Risk Management Committee, consisting of two independent directors and the CFO. Among them, the convenor of the Committee, Huang, Hsin Hsien, has expertise in law and meets the professional competence required by the Committee.</p> <p>[Risk Management Committee Organization Chart]</p>	No

Item	Implementation status		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons				
	Yes	No						
formulate relevant risk management policies or strategies? (TWSE/TPEX listed company shall report the implementation status. This is not a comply-or-explain provision).			<div style="text-align: center;">  <pre> graph TD A[Board of Directors] --- B[Risk Management Committee] B --- C[Operating Unit] </pre> </div> <p>On December 21, 2022, in accordance with the Risk Management Best-Practice Principles for TWSE/TPEX Listed Companies, the Company renamed the Regulations of Risk Management Committee as Organizational Regulations of Risk Management Committee and revised the regulations and added the Risk Management Policies and Procedures to the regulations, which strengthened the Company’s risk management, and enhanced its ability to respond to crisis related to the environmental, social and corporate governance aspects of its operations, so as to achieve the objectives of risk control and lay the foundation for sustainable development.</p> <p>The Risk Management Committee has an operating unit, which holds risk management meeting at least twice a year. The management team regularly reports the risk management implementation status to the Risk Management Committee and the report is then submitted to the Board of Directors. At the same time, the Audit Office regularly carries out risk monitoring to ensure the effectiveness of risk management. The management team reported the risk management operation to the Board on April 12 and November 3, 2023, and the Board gave positive feedback on the status of risk management implementation at both meetings.</p> <p>The Company’s Risk Management Policies and Procedures cover the following items:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Item</th> <th style="width: 50%;">Details</th> </tr> </thead> <tbody> <tr> <td>1.Risk management objectives</td> <td>(1)Achieve business goals (2)Improve management efficiency</td> </tr> </tbody> </table>	Item	Details	1.Risk management objectives	(1)Achieve business goals (2)Improve management efficiency	
Item	Details							
1.Risk management objectives	(1)Achieve business goals (2)Improve management efficiency							

Item	Implementation status		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons																
	Yes	No																		
			<table border="1"> <tr> <td></td> <td>(3)Provide reliable information (4)Efficient allocation of resources</td> </tr> <tr> <td>2.Risk governance and culture</td> <td>(1)Establish a sound risk governance and management structure (2)Deepen risk culture (3)Provide adequate resources and support (4)Integration and coordination</td> </tr> <tr> <td>3.Risk management organizational structure and responsibilities</td> <td>(1)The Board (2)Risk Management Committee (3)Operational Unit</td> </tr> <tr> <td>4. Risk management program</td> <td>(1)Risk identification (2)Risk analysis (3)Risk assessment (4)Risk response (5)Risk monitoring and review</td> </tr> <tr> <td>5. Risk reporting and disclosure</td> <td>Adhere to the principles of strengthening corporate governance, timeliness in reporting information to stakeholders, and transparency of information</td> </tr> </table> <p>The Company's Risk Management Policies and Procedures define various types of risks in its operations in accordance with its internal control system. At the same time, the Company conducts risk assessment on the issues of major concern to stakeholders in environmental, social and corporate governance aspect, analyzes and identifies the impact and degree of influence of each issue, and generates a materiality matrix accordingly. The company develops risk prevention strategies and practices for issues that have high degree of influence on the decision-making of stakeholders and have high impact on the ESG performance of the society.</p> <table border="1"> <thead> <tr> <th>Aspect</th> <th>Material Topics</th> <th>Risk Prevention Strategies and Practices</th> </tr> </thead> <tbody> <tr> <td>Corporate governance</td> <td>Corporate governance and operational performance</td> <td>Focus on sustainability issues at home and abroad, including TNFD, TIFD, and “Sustainable Development Action Plans for TWSE and TPEX Listed Companies”. Comply with the blueprint for IFRS sustainable disclosure standards, etc.</td> </tr> </tbody> </table>		(3)Provide reliable information (4)Efficient allocation of resources	2.Risk governance and culture	(1)Establish a sound risk governance and management structure (2)Deepen risk culture (3)Provide adequate resources and support (4)Integration and coordination	3.Risk management organizational structure and responsibilities	(1)The Board (2)Risk Management Committee (3)Operational Unit	4. Risk management program	(1)Risk identification (2)Risk analysis (3)Risk assessment (4)Risk response (5)Risk monitoring and review	5. Risk reporting and disclosure	Adhere to the principles of strengthening corporate governance, timeliness in reporting information to stakeholders, and transparency of information	Aspect	Material Topics	Risk Prevention Strategies and Practices	Corporate governance	Corporate governance and operational performance	Focus on sustainability issues at home and abroad, including TNFD, TIFD, and “Sustainable Development Action Plans for TWSE and TPEX Listed Companies”. Comply with the blueprint for IFRS sustainable disclosure standards, etc.	
	(3)Provide reliable information (4)Efficient allocation of resources																			
2.Risk governance and culture	(1)Establish a sound risk governance and management structure (2)Deepen risk culture (3)Provide adequate resources and support (4)Integration and coordination																			
3.Risk management organizational structure and responsibilities	(1)The Board (2)Risk Management Committee (3)Operational Unit																			
4. Risk management program	(1)Risk identification (2)Risk analysis (3)Risk assessment (4)Risk response (5)Risk monitoring and review																			
5. Risk reporting and disclosure	Adhere to the principles of strengthening corporate governance, timeliness in reporting information to stakeholders, and transparency of information																			
Aspect	Material Topics	Risk Prevention Strategies and Practices																		
Corporate governance	Corporate governance and operational performance	Focus on sustainability issues at home and abroad, including TNFD, TIFD, and “Sustainable Development Action Plans for TWSE and TPEX Listed Companies”. Comply with the blueprint for IFRS sustainable disclosure standards, etc.																		

Item	Implementation status			Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No			
				<p>Implement and ensure the effectiveness of sustainable governance, risk management mechanisms and internal control. Continue to expand its brand in the global market.</p> <p>Information security management Comply with ISO 27001 international standard and develop an information security management policy, and regularly enroll in "information security liability insurance"</p> <p>Supply chain management Follow the RBA and develop the Supply Chain Code of Conduct to regularly evaluate and inspect the supply chain. Through the establishment of a "green supply chain management platform" linked to the supply chain, the Company can cooperate with suppliers on green products, carbon inventory and carbon footprint.</p> <p>Human rights Following the human rights conventions and norms recognized by the international community, such as UN's Universal Declaration of Human Rights, the UN Global Compact, and the International Labor Office Tripartite Declaration of Principles, PLANET considers decisions in all aspects of its operations and regularly reviews and evaluates human rights systems and practices in accordance with its Policy on Human Rights.</p> <p>Environment Green products and innovative R&D Formulate Green Energy Product Development Principles to ensure that the product life cycle meets environmental requirements. Continue to develop advanced technology and consolidate the Company's leading position in the industry through patent management and trade secret protection measures.</p> <p>Climate change Climate change management is carried out according to the four core elements of TCFD, and four core strategies such as "GHG management", "green products", "carbon reduction management" and "environmental sustainability management mechanism" are developed to adapt to and mitigate the impact of climate change.</p> <p>Environmental protection Conduct regular environmental risk assessments of the Company's operations based on ISO 14001 Environmental management. Actively improve the efficiency</p>	

Item	Implementation status			Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No			
				<p>of energy use and implement energy, water and waste management.</p> <p>Net zero commitment and carbon management</p> <p>Promote the PLANET 2050 Net Zero Carbon Emission Roadmap. Comply with international standards, such as ISO 14064-1 GHG inventory and ISO 14067 product carbon footprint, to pragmatically manage GHG emissions in the operating value chain. Response to the RE 100 Initiative to increase the proportion of renewable energy consumption year by year.</p> <p>Social</p> <p>Talent development</p> <p>Build employee learning map and key talent development programs with the concept of digital transformation and sustainable transformation. Incorporate sustainability goals into talent assessment every year.</p> <p>Diversity, equality and friendly workplace</p> <p>Promote the "DEI Workplace Culture" project. To take action to build a diverse, equal and friendly workplace with indicators from the four aspects of talent selection, talent cultivation, talent retention and talent use, so that employees can work with peace of mind and achieve self-value in their careers.</p> <p>Social influence</p> <p>Use the core competence of the enterprise and integrate social resources. Carry out long-term and deep cultivation and focus on the promotion of equal education, inheritance of arts and culture, environmental sustainability and conservation and social care and support, with the aim to exert its long-term influence.</p>	
<p>III. Environmental Issues</p> <p>(I) Has the Company set an environmental management system designed to industry characteristics?</p>	√			<p>(I) PLANET has established its environmental sustainability policy based on the characteristics of the network & communications industry and its operational needs. The Company has then set environmental sustainability targets and formulated corresponding strategies based on the policy to guide its actions towards environmental sustainability.</p> <p>【Environmental Sustainability Policy】</p> <ol style="list-style-type: none"> 1. Develop green products that reduce carbon and protect the planet 2. Implement carbon reduction management to mitigate climate change 3. Deepen environmental education and enhance environmental sustainability awareness <p>【Environmental Sustainability Goals】</p>	No

Item	Implementation status		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons				
	Yes	No						
			 <p>In the face of global climate change issues, PLANET pays attention to its growth risks and potential market opportunities in the goal of maintaining the global temperature rise not exceeding 1.5°C. PLANET actively implements climate action, systematically practices forward-looking management, sets its short-, medium- and long-term environmental sustainability goals, and has developed the PLANET 2050 Net Zero Carbon Emission Roadmap.</p> <p>【Environmental sustainability strategy】 To achieve its environmental sustainability goals, the Company has developed the following strategies:</p> <p>1. <u>Obtain ISO 14001 Environmental Management System certification for implementation of environmental management</u> The Company has established a complete environmental management system. On July 29, 2010, it passed the “ISO14001 Environmental Management System” certification for the first time, and maintained a record of passing the management system certification with zero defectives every year. The latest certification period is:</p> <table border="1" data-bbox="467 1738 1353 1861"> <tr> <td>International environmental management certification body</td> <td>Management system validity period</td> </tr> <tr> <td>TUV Nord</td> <td>July 29, 2022 – February 8, 2025</td> </tr> </table> <p>2. <u>Obtained ISO 14064-1 Greenhouse Gas Inventory certification for active carbon reduction management</u> PLANET has set 2022 as the base year and developed a GHG and carbon reduction management strategy that aims to achieve a 50%</p>	International environmental management certification body	Management system validity period	TUV Nord	July 29, 2022 – February 8, 2025	
International environmental management certification body	Management system validity period							
TUV Nord	July 29, 2022 – February 8, 2025							

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>reduction in emissions by 2030 and net zero carbon emissions by 2050. The Company conducted GHG inventory according to ISO14064-1 standards and obtained the ISO14064-1 GHG verification report in March 2024. In 2020, the Company promoted the use of renewable energy and signed a letter of intent to purchase green electricity with renewable energy electricity sellers. In 2021, the Company signed the Agreement on Purchase of Renewable Energy and Electricity with Certificates, and in 2022, it participated in the RE10X10 Climate Declaration, declaring that its consumption of green electricity would reach at least 10% of the total power consumption by 2025. The Company obtained a total of 85 Renewable Energy Certificates in 2023, using 88,722 KWH of green electricity, and reducing about 43.92 metric tons of CO₂e.</p> <p><u>3. Implement green procurement and enhance the resilience of sustainable supply chains</u></p> <p>The Company constantly improves its green supply chain by developing a supply chain code of conduct and a responsible mineral sourcing policy. The Company has signed the Declaration of Compliance with Supply Chain Code of Conduct with all its suppliers as a guarantee for green product and environmental protection, which would ensure that the Company's products comply with environmental protection and energy saving standards, and minimize the environmental impact of products from raw materials to finished products.</p>	
(II) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?			<p>(II) PLANET actively promotes the improvement of resource utilization efficiency, including energy efficiency improvement, product efficiency improvement, raw material utilization efficiency improvement, the use of recycled materials with low environmental impact, in order to reduce environmental impact and implement responsible production.</p> <p>1. PLANET has established the Green Action Plan, Environmental Maintenance Code of Conduct, Regulations Governing Office Energy Conservation, etc., and has carried out various energy-saving and carbon reduction projects to promote “innovative carbon reduction” and “energy-saving competition”, such as the office LED lamp replacement project, air conditioning energy-saving operation project, and energy-saving fan replacement project. The Company also encourages the use of green office products with energy saving, water saving, environmental protection labels or environmentally friendly labels to cope with climate change.</p>	

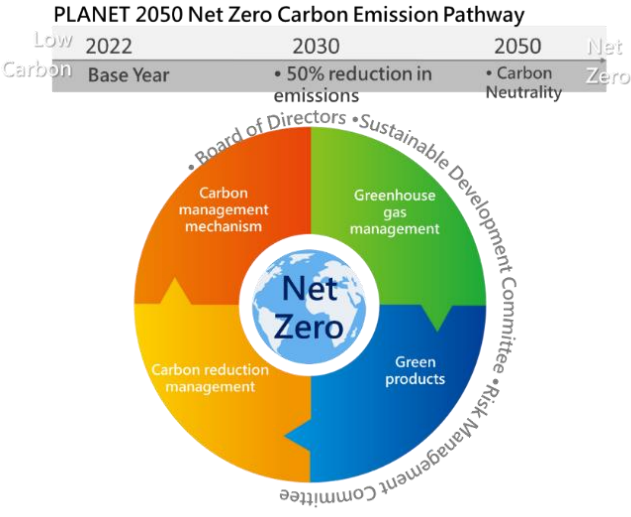
Item	Implementation status			Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons															
	Yes	No																		
				<p>2. PLANET has fully carried out the R&D of green energy products, and has formulated the Eco-friendly Product Design Principles, to strictly follow the requirements of environmental standards throughout the technology R&D, designing, manufacturing, transportation and recycling stage. The Company is using energy-saving wafers and developing power-saving PoE switches, and all product lines of the Company have adopted the Switch Mode Power Supply conforming to the "Energy Star" standard stipulated in the United States Energy Law to improve product efficiency. The outer boxes of the products adopt environmentally-friendly design, and the packaging material is made of degradable/recyclable environmental buffer material, which can improve the efficiency of resource reuse and reduce the environmental impact.</p> <p>3. In July 2022, the Company's operating sites began to partially use green electricity, which would reduce carbon emissions through the use of renewable energy.</p> <p>In 2023, the Company's total electricity consumption was 650,260 KWH, of which 88,722 KWH was green electricity, accounting for 13.6% of the Company's total electricity consumption. The Company's total power supply decreased by 3.5% from 2022, which was the third consecutive year of decline. The decrease in electricity consumption in 2023 is mainly due to the replacement of central air conditioning units in public areas, which saved energy and improved air conditioning efficiency.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Electricity consumed in office (kWh)</th> <th>Electricity consumed by public facilities (kWh)</th> <th>Total electricity consumed (kWh)</th> <th>Drop in electricity usage</th> </tr> </thead> <tbody> <tr> <td>2022 Note</td> <td>354,258</td> <td>319,419</td> <td>673,677</td> <td>-2.4%</td> </tr> <tr> <td>2023</td> <td>395,022</td> <td>255,238</td> <td>650,260</td> <td>-3.5%</td> </tr> </tbody> </table> <p>Note: The revision of electricity consumption statistics in 2022 was due to the third-party verification conducted in 2023. The verification re-calculated and re-apportioned the electricity consumption based on the 2022 GHG emissions during the period 1/1-12/31, the beginning and end date on the electricity bill.</p>	Year	Electricity consumed in office (kWh)	Electricity consumed by public facilities (kWh)	Total electricity consumed (kWh)	Drop in electricity usage	2022 Note	354,258	319,419	673,677	-2.4%	2023	395,022	255,238	650,260	-3.5%	
Year	Electricity consumed in office (kWh)	Electricity consumed by public facilities (kWh)	Total electricity consumed (kWh)	Drop in electricity usage																
2022 Note	354,258	319,419	673,677	-2.4%																
2023	395,022	255,238	650,260	-3.5%																
(III) Has the Company evaluated the potential risks and opportunities				<p>(III) Based on the TCFD framework, the Company analyzes the risks and opportunities brought by climate change and presents its due responsibilities and strategies, with the aim to allocate capital more reasonably and effectively and to achieve the vision of net zero carbon emission.</p> <p>1. Governance in response to climate change: PLANET establishes its Climate Governance Report based on the TCFD framework. The Sustainable Development Promotion Team is</p>																

Item	Implementation status			Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons	
	Yes	No				
posed by climate change for its business now and in the future and adopted relevant measures to address them?			<p>responsible for inspecting relevant operations and composing the contents of the report. Upon completion of the report, it is presented to the Company’s Risk Management Committee for review, and then submitted to the Board for supervision, decision-making and inspections in relation to the Company’s risk management strategies.</p> <p>2. Strategy in response to climate change: Based on the TCFD framework, PLANET identifies the transition risks, physical risks and opportunities brought by climate change to its value chain across the organizations and develops relevant response measures.</p> <p>【PLANET's response measures to issues of climate-related risks and opportunities】</p>			
			Type of Risk	Topic of Climate-related Risk		Response Measure
			Transition Risk	Policies and regulations Carbon fee, carbon tariff and related regulations		<ul style="list-style-type: none"> PLANET is not subject to regulation and its products do not use regulated raw materials. However, to avoid being included in the subjects of taxation in the future, or customer requirements and other factors, the Company conducts GHG inventory and product carbon footprint, implements energy-saving and carbon reduction measures, and provides products with energy-saving design to reduce or avoid fees and tariff. Establish diversified supply chains and increase inventory of key products and components to avoid passing on related costs by suppliers.

Item	Implementation status			Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No			
			Market	Customer changes supplier selection criteria	<ul style="list-style-type: none"> Adhere to the Green Energy Product Development Principles and conduct product life cycle assessments to reduce the impact of products on the environment and climate change. Design products in accordance with the social, economic and technological background of customers, so as to ensure that the Company's products conform to environmental protection and energy-saving standards. Develop patents of green energy innovation for network infrastructure to meet requirements on energy saving, storage or production capacity. PLANET does not have its own production processes, it will assist in low-carbon transition of supply chains.
			Physical Risk	Long-term/immediate The severity of extreme weather incidents	<ul style="list-style-type: none"> Increase inventory of key products and components and ensure logistics access. Assess plant risks and alternatives. Make adjustment to the risk of flood in storage, and develop and implement risk mitigation measures.
			Type of Opportunity	Topic of Climate-related Opportunity	Response Measure
			Resilience	Promote low-carbon and green production	<ul style="list-style-type: none"> Make good use of relevant government resources to drive suppliers to undertake low-carbon transformation. Establish a green components platform and a carbon management platform to promote green supply chain management. Replace the test equipment for constant temperature and humidity.
			Energy source	Use renewable energy	<ul style="list-style-type: none"> Implement an energy management system. It is expected that management and energy saving measures will be more actively introduced, and inefficient facilities will be actively replaced. Set ambitious carbon reduction targets to meet the demand for green electricity through multiple channels.

Item	Implementation status			Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No			
			<p>Products and services</p> <p>Develop low-carbon products or services</p> <ul style="list-style-type: none"> To inject the concept of "green intelligence" into the design of the products at the source. Develop green, intelligent and energy-saving products for network infrastructure. Reduce power loss in product development and thus reduce the use of cooling materials. Assist customers to achieve "green energy" network infrastructure. Artificial Intelligence Internet of Things (AIoT) enables real-time monitoring and intelligent control of various devices and systems, which can optimize systems and reduce energy waste by analyzing historical and real-time data to predict future energy needs. 		
			<p>Market</p> <p>Enhance corporate reputation and brand awareness</p> <ul style="list-style-type: none"> Introduce various management systems to strengthen ESG management performance and reduce risks. Disclose ESG information through annual sustainability report, websites and other platforms, and actively respond to stakeholder expectations. In 2022, the Company began to use TCFD framework to identify and disclose climate change-related risk information, and participated in the CDP to enhance the presentation and communication of sustainable performance, and to further increase revenue and goodwill. 		
			<p>3. Risk and opportunity management in response to climate change: PLANET's Sustainability Office collects domestic and international climate-related regulations and information from time to time. The Sustainable Development Promotion Team assesses relevant risks and opportunities to formulate response measures, and meets twice a year to present management information and implementation performance on climate-related risks and opportunities that affect business operations to the Sustainable Development Committee and the Board. At the same time, the climate-related risk management process is managed by the Risk Management Committee, a functional committee under the Board, which has established the Risk Management Policies and Procedures to ensure that risk management mechanism adequately addresses the risks facing</p>		

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>the Company and is integrated into daily operational processes. With these policies and procedures, the risk management mechanism can extend the scope of its detection and management on risks and opportunities, and to better respond to climate change and enhance the Company's low-carbon competitiveness.</p> <p>4. Indicators and targets in response to climate change: To comply with the Paris Agreement, PLANET sets its GHG reduction target in line with the global net zero target for 2050, including absolute GHG reduction target and GHG emission intensity for Scope 1 and Scope 2 GHG. And by 2030, a 50% absolute GHG emission reduction compared to the base year 2022 for Scope 1 and Scope 2 GHG will be realized.</p> <p>5. PLANET completed the BSI assurance for the "2022 TCFD PLANET Technology Corporation Climate-related Financial Disclosure Report" in 2023, and obtained the level-4 assurance certificate.</p>	
(IV) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management	√		<p>(IV) Policies on reduction of GHG emissions, water consumption and waste generation and the total weight</p> <p>1. GHG reduction management policies and emission statistics PLANET has developed four core strategies to address the issue of climate change including GHG reduction:</p> <p>(1) GHG management: Calculate GHG emissions and plan carbon reduction roadmap.</p> <p>(2) Green products: Uphold the "Eco-friendly Product Design Principles" and continue to develop low-carbon, energy-saving products.</p> <p>(3) Carbon reduction management: Purchase renewable energy and carry out internal/external carbon reduction actions.</p> <p>(4) Carbon management mechanism: Participate in carbon disclosure projects (CDP), join Science Based Target initiative (SBTi), and implement internal carbon pricing.</p>	No

Item	Implementation status		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No		
of other wastes?			<p style="text-align: center;">PLANET 2050 Net Zero Carbon Emission Pathway</p>  <p>To comply with the Paris Agreement, PLANET sets its GHG reduction target in line with the global net zero target for 2050. The Company has set 2022 as the base year and developed short-term, medium-term, and long-term targets, with the aim to achieve a 50% carbon reduction by 2030 and net zero carbon emissions by 2050.</p> <p>With reference to ISO14064-1 standard, the Company has set its organizational boundary in accordance with the "Operational Control Approach". The Company's GHG emissions in 2022 and 2023 were assured by a third party. For 2023, the Company has set a phased target of 15% reduction in GHG emissions, but the actual GHG emissions in 2023 were 323.39 metric tons of CO₂e (calculated based on the GHG emission of Scope 1 and Scope 2 - market), and therefore the reduction rate was only 12.51%. The main reason is that the renewable energy supply contract was not established in time in 2023, resulting in lower consumption of renewable energy. The Company will meet the demand for green power through a variety of procurement channels, analyze the trend of electricity consumption, and adjust green power strategy in a rolling manner.</p> <p>The Company's GHG emissions statistics for 2022 and 2023 are as follows:</p>	

Item	Implementation status		Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons																											
	Yes	No																													
			<p style="text-align: right;">Unit: Metric tons of CO₂e</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Scope 1 GHG emissions</td> <td>41.50^{Note}</td> <td>45.42</td> </tr> <tr> <td>Scope 2 GHG emissions (Regions)</td> <td>342.90</td> <td>321.89</td> </tr> <tr> <td>Scope 2 GHG emissions (Markets)</td> <td>328.13</td> <td>277.97</td> </tr> <tr> <td>Scope 3 GHG emissions (category 3-4)</td> <td>136.28</td> <td>514.44</td> </tr> </tbody> </table> <p>Note: The Scope 1 GHG emissions for 2022 assured by the third party were 24.39 metric tons of CO₂e, but 17.11 metric tons of CO₂e from the source of fugitive emission - testing facility was omitted in 2022, so the final result was revised to 41.50 metric tons of CO₂e.</p> <p>2. Water reduction management policy and water consumption statistics PLANET is a technology-intensive enterprise mainly engaged in research and development, therefore it does not have water consumption generated from production processes. The water used by the Company comes from the domestic water consumption of the office building in the Xindian District. PLANET participated in the "Green Office" campaign launched by the Ministry of Environment in 2022, and is actively practicing daily water conservation to protect water resources. In terms of water management, the Company regularly records water consumption, inspects and repairs pipelines, installs water-saving devices, trains employees on the importance of water resources, and sets a water intensity index of 3% reduction in annual water consumption (metric tons) per person. In 2023, annual water consumption per person reduced from 20.47 metric tons to 18.55 metric tons, a decrease of 9.4%, achieving the annual target. The water consumption statistics of the Company for 2022 and 2023 are as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Water consumption (metric tons)</td> <td>3,235</td> <td>3,117</td> </tr> <tr> <td>Number of employees in the Company</td> <td>158</td> <td>168</td> </tr> <tr> <td>Annual water consumption per person (metric tons)</td> <td>20.47</td> <td>18.55</td> </tr> </tbody> </table> <p>3. Waste reduction management policy and waste statistics The main sources of waste produced by the Company are waste from research and development, testing and maintenance processes and packaging materials used in the transport and storage by manufacturers, including waste electronic, electrical and information technology products, waste paper, waste plastics, etc. To reduce the impact on the environment, the Company</p>	Year	2022	2023	Scope 1 GHG emissions	41.50 ^{Note}	45.42	Scope 2 GHG emissions (Regions)	342.90	321.89	Scope 2 GHG emissions (Markets)	328.13	277.97	Scope 3 GHG emissions (category 3-4)	136.28	514.44	Year	2022	2023	Water consumption (metric tons)	3,235	3,117	Number of employees in the Company	158	168	Annual water consumption per person (metric tons)	20.47	18.55	
Year	2022	2023																													
Scope 1 GHG emissions	41.50 ^{Note}	45.42																													
Scope 2 GHG emissions (Regions)	342.90	321.89																													
Scope 2 GHG emissions (Markets)	328.13	277.97																													
Scope 3 GHG emissions (category 3-4)	136.28	514.44																													
Year	2022	2023																													
Water consumption (metric tons)	3,235	3,117																													
Number of employees in the Company	158	168																													
Annual water consumption per person (metric tons)	20.47	18.55																													

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons																		
	Yes	No	Summary description																			
			<p>continuously promotes green design of products, vigorously carries out waste recycling projects and waste management, to reduce the consumption of raw materials from the source and to recycle reusable materials. For the waste that has been generated, the Company entrusts waste manufacturer to recycle. Waste that cannot be recycled is eventually incinerated or disposed of in landfills. PLANET has set up a waste storage area that complies with the regulations and developed the Environmental Maintenance Code of Conducts to implement waste separation and resource recycling. PLANET's annual target for waste reduction is to recover more than 98% of general industrial waste. In 2023, the recovery rate of general industrial waste was 98.18%, achieving the Company's annual target.</p> <p>The Company's waste statistics for 2022 and 2023 are as follows:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>General industrial waste (metric tons)</td> <td>4.052</td> <td>7.130</td> </tr> <tr> <td>Recyclable electronic waste (metric tons)</td> <td>0.391</td> <td>1.718</td> </tr> <tr> <td>Recyclable general industrial waste (metric tons)</td> <td>4.046</td> <td>7.000</td> </tr> <tr> <td>Electronic waste recovery rate</td> <td>9.65%</td> <td>24.09%</td> </tr> <tr> <td>General industrial waste recovery rate</td> <td>99.84%</td> <td>98.18%</td> </tr> </tbody> </table>	Year	2022	2023	General industrial waste (metric tons)	4.052	7.130	Recyclable electronic waste (metric tons)	0.391	1.718	Recyclable general industrial waste (metric tons)	4.046	7.000	Electronic waste recovery rate	9.65%	24.09%	General industrial waste recovery rate	99.84%	98.18%	
Year	2022	2023																				
General industrial waste (metric tons)	4.052	7.130																				
Recyclable electronic waste (metric tons)	0.391	1.718																				
Recyclable general industrial waste (metric tons)	4.046	7.000																				
Electronic waste recovery rate	9.65%	24.09%																				
General industrial waste recovery rate	99.84%	98.18%																				
<p>IV. Social issues</p> <p>(I) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international</p>	√		<p>(I) PLANET has established the Sustainable Development Best Practice Principles and Sustainable Development Systems and Policies, which stipulate that the Company should comply with relevant labor laws and international human rights conventions and follow the UN's Universal Declaration of Human Rights, the UN Global Compact, Guiding Principles on Business and Human Rights, and the International Labor Office Tripartite Declaration of Principles to establish its Policy on Human Rights. The Company's Policy on Human Rights is as follow:</p> <ol style="list-style-type: none"> 1. Fair and reasonable pay and working conditions. 2. Elimination of discrimination to ensure equal opportunities at work. 3. Prohibition of child labor. 4. No forced labor. 5. Respect freedom of association. 6. Respect freedom of speech and provide a complaint mechanism and channel. 7. Create a diverse, equal and inclusive corporate culture. 8. Assist employees in work/family life balance. 	No																		

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
human rights conventions?			<p>9. Establish a safe and healthy working environment. 10. Protection of privacy. 11. Prevention of harassment. 12. Improve living and ecological environment. 13. Improve digital human right.</p> <p>PLANET has also established major implementation procedures. It has established the Employee Work Rules in accordance with the Labor Standards Act and related laws. The Company prohibits the employment of illegal labor and child labor and does not allow any other forms of illegal employment. At the same time, the Company protects the rights of employees with physical and mental disabilities, and gives priority to job seekers with physical and mental disabilities who meet the requirement of the job. In 2023, the number of employees with physical and mental disabilities accounted for 1.19% of the Company's total staff, which was better than “no less than 1% and one person” stipulated in the People with Disabilities Rights Protection Act. The Company has always adhered to the principle of equal employment and does not consider a job seeker's religion, race or political party affiliation as a factor in deciding whether to hire or not. There have been no cases of discrimination in PLANET’s employment. The Company has placed the relevant norms and principles of the Employees Work Rules approved by the Bureau of Labor Insurance on its internal sharing platform for employees to inquire at any time. In addition, the Company holds regular quarterly labor-management meetings to maintain good labor-management communication and protect the rights and interests of employees.</p> <p>PLANET has been actively promoting "Equal Rights for Male and Female Employees”. The Company has established the Measures for Prevention of Sexual Harassment at Workplace, Regulations Governing Gender Equality in Employment and Directions for Prevention and Management of Unlawful Infringement in the Performance of Duties, and organizes “Sexual Harassment Prevention and Human Rights Protection Education and Training" for all staff regularly every year. At PLANET, employees doing the same work receive equal treatment and compensation regardless of their gender. Female employees’ opportunities for employment and job promotion throughout their professional career is also emphasized at the Company. Currently the gender ratio of all employees in the Company is: female: 52.4%, male: 47.6%, and the gender ratio of managerial employees is: female: 53.3%, male: 46.7%, which shows that the</p>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>percentage of female employees has outnumbered that of male employees in both categories.</p> <p>PLANET strives to create an equal, friendly, healthy and happy workplace environment. It has received the “Taiwan Mittelstand Award for Gender Equality” and the “Taiwan Mittelstand Award for Workplace Friendliness” awarded by the Ministry of Economic Affairs (MOEA). In 2023, the Company was ranked the 1st place in the group of mittelstand enterprises in the “CommonWealth Talent Sustainability Award” and received the “Family Friendly Workplace Award” from CommonWealth Magazine.</p>	
(II) Has the Company established and implemented reasonable employee welfare measures (include salary, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	√		<p>(II)</p> <ul style="list-style-type: none"> ● <u>Remuneration</u> The Company has set forth in Article 19-1 of the Articles of Association: “I. Should there be profit in a year, no less than 5% shall be contributed as the remuneration to employees and no higher than 2% as the remuneration to directors. Profits must first be set aside to offset cumulative losses if any”. During the recent years, the Company allocated 6% of its profit as employees’ remuneration every year, which was distributed to all employees annually. The Company has established operation bonus for achieving operating goals, performance bonus, sales bonus and also formulated a sound salary adjustment system. Employees holding the same position do the same works and are paid equally, regardless of their gender. The Company has also paid special attention to female employees’ equal rights in employment and promotion during their career path. The total salary of full-time non-supervisory employees in 2023 was NT\$137,386,000, an increase of 17.68% compared with 2022, and the average salary of full-time non-supervisory employees in 2023 was NT\$913,000, an increase of 7.16% compared with 2022. At the same time, the median salary of full-time non-supervisory employees reached NT\$875,000, an increase of 18.24% over 2022. ● <u>Leave system</u> PLANET has established sound leave system in accordance with the Labor Standards Act, including “regular leave”, “rest days”, “national holidays”, and “special leave”. Employees who have been working in the Company for more than 6 months may enjoy a special vacation of 3 to 30 days based on the length of the period they have worked in the Company. In addition to 	No

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>special vacation above, the Company also has personal leave, sickness and injury leave, official leave, work illness and injury leave, marriage leave, funeral leave, menstrual leave, pre-maternity check-up leave, maternity leave, paternity leave and accompanying check-up leave, pregnancy leave, volunteer leave, family care leave, indigenous people's leave and natural disaster leave, etc. If an employee has military service, serious injury, child care or other personal factors, he or she may apply for job suspension without pay in accordance with regulations. The period of parental leave without pay may be applied on a "day" basis until the child reaches the age of three, and the total period shall not exceed two years.</p> <ul style="list-style-type: none"> ● <u>Pension</u> Every month, the 6% new-system pensions are contributed to the labor's accounts under the Ministry of Labor. For the employees employed before July 2005, 2% of their salaries are contributed to their accounts at Bank of Taiwan. Every year, actuaries are engaged regularly to provide the actuary report. Employees qualified for retirement may apply for retirement based on the Managerial Regulations of Human Resources. Until January 2024, the contributed pensions at Bank of Taiwan has reached NTD 13,697,000, sufficient to pay pensions to those who are qualified for retirement. During the period from 2021 to 2023, three employees completed the application procedures and have received their pensions under the old system. ● <u>Welfare measures</u> Besides the basic welfares for employees, including health insurance, group insurance, year-end bonus, festival bonus, birthday cash gift, marriage and funeral allowance, education and training and annual health examination, PLANET's employees are also entitled to education subsidy for their children (from age 0 to university graduation, NT\$20,000 per person per year), birth allowance, subsidy for special car service for pregnant employees, pregnancy caring pack, child care service provider, exclusive family physician consultation service (Traditional Chinese Medicine/Western medicine/physiotherapy consultation), health lecture, employee travel, community subsidy, external training grant, etc. so that they could work without burden. 	
(III) Does the Company provide	√		(III) PLANET has established a Grade 1 responsible unit, the Environment, Health and Safety Office, which is responsible for projecting, planning and promoting occupational safety and health issues. The Company obtained the ISO 45001 Occupational Safety and Health Management System	No

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons																		
	Yes	No	Summary description																			
employees with a safe and healthy working environment, and implement regular safety and health education for employees?			<p>certification in 2023 (valid period: July 13, 2023-July 12, 2026).</p> <ol style="list-style-type: none"> 1. Work environment: The Company conducts regular workplace inspections and equipment and environment improvement works, including: chemical storage equipment improvement, operating environment monitoring, air quality monitoring, equipment safety labeling, etc. The Company also provides staff with ergonomic mouse pads and personal protective equipment, such as safety shoes, goggles, etc., to enhance staff safety at work. Through the self-inspection systems, such as quarterly safety equipment inspection and inventory, monthly 5S inspection and inventory, daily workplace inspection, etc., the Company regularly inspects fire equipment, electrical equipment, environment and even elevator hygiene situation in common areas to proactively discover problems and make improvement, so as to provide employees with a safe and healthy work environment. 2. Education & training: The Company organizes online education and training programs, such as: new staff occupational safety training, fire safety training, sexual harassment prevention seminar, and strengthens staff safety and fire awareness through online tests. The Company holds fire drills every six months to implement the measures for the Self-guard Fire Protection Group and fire escape to improve the emergency response ability of employees. 3. The Company has established its occupational safety and health related certificate management system, and allocated management personnel according to the laws and regulations. For occupational safety and health, there are operation supervisors, administrators, firefighting personnel, and for first aid, there are adequate fire prevention administrators and first-aid personnel. The Company also conducts regular training through external institutions to maintain the validity of certificates and improve the safety and health management of the Company. <table border="1"> <thead> <tr> <th>Title of license</th> <th>Number of persons stipulated by law</th> <th>Number of qualified employees</th> </tr> </thead> <tbody> <tr> <td>Class A Manager of Occupational Safety and Health Affairs</td> <td>1</td> <td>3</td> </tr> <tr> <td>Class B Occupational Safety and Health Specialist</td> <td>1</td> <td>2</td> </tr> <tr> <td>Fire prevention administrator</td> <td>1</td> <td>2</td> </tr> <tr> <td>First-aid personnel</td> <td>4</td> <td>4</td> </tr> <tr> <td>Organic Solvent Safety Supervisor</td> <td>1</td> <td>1</td> </tr> </tbody> </table> <ol style="list-style-type: none"> 4. Staff's physical and mental health: In addition to the "employee family day", employee trips and volunteer activities, the Company has been implementing the "Health 360" program since 2016 to help 	Title of license	Number of persons stipulated by law	Number of qualified employees	Class A Manager of Occupational Safety and Health Affairs	1	3	Class B Occupational Safety and Health Specialist	1	2	Fire prevention administrator	1	2	First-aid personnel	4	4	Organic Solvent Safety Supervisor	1	1	
Title of license	Number of persons stipulated by law	Number of qualified employees																				
Class A Manager of Occupational Safety and Health Affairs	1	3																				
Class B Occupational Safety and Health Specialist	1	2																				
Fire prevention administrator	1	2																				
First-aid personnel	4	4																				
Organic Solvent Safety Supervisor	1	1																				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>employees maintain their own health and that of their family members in an all-round way. The measures of the program include setting up health management equipment in the offices, monthly on-site health services provided by medical personnel, quarterly consultations with physicians of TCM and Western Medicine, and annual regular employee health examinations. In addition, the Company organizes physical and mental health lectures and activities from time to time, such as "How to relieve life pressure", "How to get rid of sarcopenia", "How to relieve shoulder and neck pains", "Physiotherapy consultation" and other health lectures to help employees maintain physical and mental health in an all-round way.</p> <p>The Company had no occupational disasters and fire accidents in 2023. To better respond to emergencies and disasters, PLANET has established an emergency response team to coordinate administrative support resources. The Company conducts fire drill and education training every six months to improve disaster prevention and rescue efficiency, reduce accident losses, and ensure the normal operation of the workplace and employee safety.</p>	
(IV) Has the Company established effective career development training programs for employees?	√		<p>(IV) PLANET takes talent development as a long-term strategy, providing multiple learning resources and channels to encourage independent learning, thus to improve the knowledge, skills and professionalism of employees. At the same time, the Company attaches great importance to the cultivation of middle and high-level executives, with the aim to implement the Company's talents succession plan and achieve its goal of sustainable human resources management.</p> <ol style="list-style-type: none"> 1. Development of professional ability Every year, PLANET formulates an annual plan for employee training and continuing education in accordance with the Regulations Governing Education and Training to improve the core functions, professional functions and management functions of employees. The Company has also established the "PLANET e Academy", and its innovative e-Learning cloud learning platform enables employees to study independently online at any time and place, when it is convenient for them to do so. In addition, the Company also provides different physical or online professional training courses for different departments to strengthen the professional and management capabilities of employees. 2. Development of functional behavior Executive function courses are planned and designed by the 	No

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons		
	Yes	No	Summary description			
			<p>Company itself, and the Company's supervisor serves as the lecturers of these courses. The Company plans course structure and designs course introduction leaflets according to the course theme, and gathers team consensus through course training, brainstorming, experience sharing and departmental reporting.</p> <p>In the executive succession consensus camp program held in 2023, the Company planned two topics of "corporate sustainability" and "Chat-GPT" according to the future trends, and a total of 176 executives from all levels participated. The program delivered information on the topic of corporate sustainability trends, sustainable development response strategies, and digital transformation planning with integration of emerging AI technologies to the participants in multiple and interactive ways, and promoted the consensus of the executives participating in the course on major issues.</p> <p>3. Annual performance assessment and manpower inventory: The Company provides job promotion or job transfer to employees according to their performance, with the aim to put the right people into the right positions, so that potential talents can play their strengths in the Company and realize their own career goals. All employees undergo regular performance evaluation every year, during which supervisors conduct performance interviews with employees and have two-way communication on topics such as target setting, achievement, job demands, promotion and transfer, salary and compensation. The evaluation results are then submitted to the management for approval. Performance bonuses are given to employees with outstanding performance for encouragement.</p>			
(V) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of	√		<p>(V) PLANET has been marketing its products under its own brand "PLANET" to nearly 160 countries on the five continents, and has established close and long-term partnerships with distributors all over the world. The Company has always been quick, active and effective in dealing with the customers' response to the market and products, and has established regulations to protect the rights and interests of customers and fulfilled its product responsibility.</p> <table border="1" data-bbox="459 1832 1377 2047"> <tr> <td>Disclosing complete product information and providing standardized contract</td> <td>All of the Company's product information is publicly available on the global marketing website and product catalog, which can be accessed by customers at any time. When selling products to customers, the Company establishes "General Terms of Sales" in the sale contracts, which also include terms regarding price, payment method, delivery of goods, after-sale services, warranty and other</td> </tr> </table>	Disclosing complete product information and providing standardized contract	All of the Company's product information is publicly available on the global marketing website and product catalog, which can be accessed by customers at any time. When selling products to customers, the Company establishes "General Terms of Sales" in the sale contracts, which also include terms regarding price, payment method, delivery of goods, after-sale services, warranty and other	No
Disclosing complete product information and providing standardized contract	All of the Company's product information is publicly available on the global marketing website and product catalog, which can be accessed by customers at any time. When selling products to customers, the Company establishes "General Terms of Sales" in the sale contracts, which also include terms regarding price, payment method, delivery of goods, after-sale services, warranty and other					

Item	Implementation status			Summary description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No			
products and services, and implement consumer protection and grievance policies?			when selling	information.	
			Setting up a "Partner Zone" on the global website and assisting distributors in localization of marketing	Global distributors have access to resources related to product promotion and education, which can expand the breadth and depth of the distributor's local marketing of PLANET's products and solutions.	
			Compliance with international certification standards	The green energy design of the product and its compliance with the relevant certifications and standards of environmental protection are shown and explained on the product specification and packaging box.	
			24-hour instant response	The Company's global corporate website has a "Customer Service Mailbox" and "Technical Support Services". Business units and technical engineers are required to respond promptly to customer comments and inquiries within 24 hours.	
			Multiple communication channel	The Company responds to customer questions instantly through email, Skype, Facebook page, LinkedIn page, international professional technology website and other channels. Through irregular visits or video conferences, the Company can grasp market trends and needs and conduct product education and training for customers, so that customers can understand the products and their applications.	
			Complete after-sales service	The Company's warranty policy can guide distributors around the world to deal with product return, repair, and recall.	
			Customer complaint channels	The Company has set up customer complaint channels and consumer compensation application procedures. The Measures for Handling Customer Complaints sets out the channels and procedures for handling customer complaints.	
			PLANET has established the Regulations Governing Customer Satisfaction Surveys and conducts a regular customer satisfaction survey every year. The results of the survey are included in the performance evaluation items of the relevant business units. The results of the customer satisfaction survey conducted in 2023 showed that the overall satisfaction rate was 99.56%.		
(VI) Has the	√		(VI) PLANET is committed to promoting sustainable supply chains,	No	












Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary description	
company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation ?			<p>implementing responsible supply chain management, and developing long-term and efficient partnerships with suppliers. Through economic, environmental and social risk assessment and audit verification, the Company is able to ensure that suppliers share corporate social responsibilities with the Company, which can enhance the sustainability of the supply chain and reduce operational risks, so as to realize PLANET's goal of sustainable business operation.</p> <p>Honesty and integrity are the primary qualities that PLANET considers when selecting suppliers and building business partnerships. Currently about 81.86% of the Company's suppliers are from Taiwan. The communication channels between the Company and its suppliers have been open and effective, and the business transactions have been executed satisfactorily. Facing the future environmental trends, the Company attaches greater importance to the cooperation with chip manufacturers with energy-saving design, and has signed the "Declaration of Compliance with Supply Chain Code of Conduct" with all its suppliers (except spot suppliers) to ensure that products of the Company are made in green manner. In 2023, 100% of the suppliers signed the "Declaration of Compliance with Supply Chain Code of Conduct".</p> <p>PLANET has included RBA code of conduct in supplier selection and auditing, which covers the aspects of labor rights, environmental protection, safety and health, ethics and management system and requires suppliers to comply with local laws and regulations and PLANET's Supply Chain Code of Conduct. Based on the results of the assessments, the Company develops improvement measures and assists suppliers to make continuous improvement, with the aim to improve the effectiveness of responsible supply chain management.</p> <p>In the face of the environmental sustainability trend, the Company has established the Supply Chain Code of Conduct, the Environmental Protection Specification for Green Products and the Responsible Mineral Procurement Policy. The following contents are included:</p> <ol style="list-style-type: none"> 1. Suppliers shall adopt lead-free processes for production. 2. Product design shall adhere to environmental protection and energy-saving principles. 3. Suppliers shall ensure no use of hazardous substances. 4. Products shall comply with EU RoHS, REACH, WEEE and EuP directives. 5. New outsourcing factories shall have ISO 14001 certification. 6. The workshops of outsourcing factories shall comply with 	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>safety standards.</p> <p>7. Suppliers shall not use any illegal workers (protect legal workers) and child labor.</p> <p>8. Supplier’s materials shall not contain conflict minerals from Congo and surrounding countries.</p> <p>PLANET has conducted ISO 14001 environmental system declaration for all its suppliers to ensure that the supply chain complies with environmental management regulations. The contract between the Company and its major suppliers expressly stipulates that any violation of the Company's sustainable development and corporate social responsibility policies by the suppliers, which has a significant impact on the environment and society, shall be regarded as a breach of contract and the Company may terminate or rescind the contract at any time. The Quality Assurance Center of the Company conducts environmental, quality and ESG management audit and consultation for outsourced factories on a quarterly basis to ensure that the Company's manufacturing complies with international environmental protection and human rights standards. The Company also regularly conducts ESG sustainability audit and guidance for major partners to ensure the proper operation of the responsible supply chain.</p>	
<p>V. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?</p>	√		<p>Since 2011, PLANET has been voluntarily preparing the Corporate Social Responsibility Report every year. In 2021, the title of the report was changed to Sustainability Report, which was published in the “Sustainable Development” section of the Company’s website. Since 2014, the Company has uploaded the report to the MOPS by the end of June every year. Since 2019, the report has been compiled in accordance with the GRI Standards published by the Global Reporting Initiative (GRI).</p> <p>The 2023 Sustainability Report was compiled in accordance with GRI Standards 2021, the SASB (Sustainability Accounting Standards Board) Standards for Hardware of Technology & Communications, and the TCFD (Task Force on Climate-related Financial Disclosures) Framework. Meanwhile, the compilation of the report responded to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies and the UN’s Sustainable Development Goals (SDGs).</p> <p>The 2023 Sustainability Report and the TCFD were assured by the BSI, a third-party international assurance body, and the Sustainability Report met the AA 1000 assurance standards, GRI standards, and the SASB standards. Meanwhile, the TCFD Report obtained the Maturity Level V assurance.</p>	No

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			Third-party assurance certificate: (https://www.planet.com.tw/tw/sustainability/reports)	

VI. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please specify any deviation from the principles in the Company's operations:

PLANET has established the "Sustainable Development Best Practice Principles" and sound sustainability systems and policies which incorporate sustainability as part of the Company's core business strategy. The Company actively implements corporate social responsibility in accordance with the principles and manages the economic, environmental and social risks and impacts of its business activities in order to promote economic, environmental and social progress and achieve the goal of sustainable development. Over the years, the Company has made continuous efforts to improve ESG performance, and has repeatedly won recognition from domestic and foreign governments and media society. Today, the Company is an ESG benchmark enterprise recognized globally. The ESG sustainability awards won by the Company in 2023 are as follows:

<h3>ESG Performance</h3>		
<p>3 YEARS IN A ROW</p> <p>Top 1 medium-sized companies Excellence in Corporate Social Responsibility Award (CommonWealth Magazine, 2023.09)</p> 	<p>17 YEARS IN A ROW</p> <p>Taiwan's Top 100 Excellence in Corporate Social Responsibility Award (CommonWealth Magazine, 2023.09)</p> 	<p>Platinum Award Sustainability Reporting Taiwan Corporate Sustainability Awards (TAISE, 2023.11)</p> 
<h3>Corporate Governance</h3>		<h3>Product Innovation</h3>
<p>3 YEARS IN A ROW</p> <p>Top 5% among TPEX-listed companies Corporate Governance Evaluation (TWSE, TPEX, 2023.05)</p> 	<p>Top 5% among all listed companies in Taiwan Corporate Governance Evaluation With a market value NTD 5~10 billion (TWSE, TPEX, 2023.05)</p> 	<p>21 YEARS IN A ROW</p> <p>Taiwan Excellence Award (TAITRA, 2023.11)</p> 
<h3>Environmental Sustainability</h3>		<h3>Social Inclusion</h3>
<p>First-time Nominating</p> <p>Bronze Medal Award Let's Go Green Competition (Taiwan Ministry of Environment, 2023.04)</p> 	<p>Silver Medal Sustainability Film "Clean Air, Clear Mind Action" Taipei Golden Eagle Micro-movie Festival (TAISE, 2023)</p> 	<p>Accredited Healthy Workplace (HPA, Ministry of Health and Welfare, 2023)</p> 
<h3>Social Inclusion</h3>		
<p>First-time Nominating</p> <p>Top 1 medium-sized companies Talent Sustainability Award (CommonWealth Magazine, 2023.09)</p> 	<p>First-time Nominating</p> <p>Family Friendly Workplace Award (CommonWealth Parenting Magazine, 2023.12)</p> 	<p>First-time Nominating</p> <p>Corporate Humanities Award - Community Support Outstanding Achievement Award (Linking Publishing and ASSET, 2023.12)</p> 

VII. Other important information for understanding the company's implementation of sustainable development:

Adhering to the concept of integrity, excellence, mutual benefits, innovation and sustainability, the Company's own brand "PLANET" is marketed worldwide. The Company continues to provide innovative and sustainable network & communication transmission equipment and solutions to the global market, actively improves the performance of its ESG practices and strives to fulfill its corporate social responsibility to create corporate sustainable value.

I. ESG policies and commitments for sustainable development

PLANET's ESG policy for sustainable development:

1. Implementation and Improvement of corporate governance

Establishment of corporate ethics, the independence of the Board, the timely and transparent disclosure of information to safeguard the rights and interests of shareholders, the implementation of fair competition, the protection of labor rights, ESG risk management

2. Actively fulfill corporate commitments

Commitment to customers and suppliers, nurturing and caring for employees, investment in innovation and research and development

3. Protection of the environment, regeneration of resources, environmental sustainability

Promotion of environmental recycling and reusing, energy conservation and carbon reduction, green product development, green manufacturing process, and sustainable supply chain

4. Broadening social participation and exerting a long-term influence



Using the core functions of the enterprise to practice social participation and exert long-term influence


PLANET's Sustainability Commitment:

1. Maintain good corporate governance and abide by law and business ethics
2. Provide a healthy and safe working environment for employees
3. Protect the rights and interests of employees, so that they can give full play to their talents
4. Develop green energy and carbon reduction products, actively engage in environmental protection and energy conservation education, and achieve carbon neutrality
5. Establish win-win partnership with customers and suppliers
6. Ensure transparent financial information
7. Create company value and enhance shareholder equity
8. Fulfill corporate citizenship responsibilities and participate in social welfare

In the spirit of corporate sustainability, PLANET takes a strategic and long-term approach to keep pace with the international trends. The Company strictly implements corporate governance, corporate commitment, environmental sustainability and social welfare, to optimize its business indicators and brand value and achieve sustainable enterprise development.

II. Sustainability performance in 2023

Aspect	Achievement	SDGs
Governance	<ul style="list-style-type: none"> • PLANET's profits from global market grew steadily, with EPS reaching NT\$ 8.12 in 2023, the best in the past years. • Ranked in the top 5% OTC companies, and ranked in the top 5% TWSE and TPEX companies with market value between NT\$ 5 billion and NT\$10 billion in the "Corporate Governance Evaluation". • Ranked No. 1 among the mittelstand companies in the "Excellence in Corporate Social Responsibility Award" for the 5th time, and received the award for the 17th consecutive year. • Voluntarily issued the first TCFD Climate-related Financial Disclosure Report, obtained third party assurance, with a maturity model of Level 4. • PLANET's Sustainability Report adopted GRI and SASB Standards and obtained third party assurance. • Sustainability information disclosure received the highest honor: "2023 Taiwan Corporate Sustainability Awards - Platinum Award for Sustainability Report" 	 <p>工業、創新基礎建設 就業與經濟成長 減少不平等 氣候行動 和平與正義制度 全球夥伴</p>
Environmental	<ul style="list-style-type: none"> • PLANET's pioneering Ethernet power energy cycle technology and the innovative network & communication equipment "Power Cycle PoE Load Tester" won the "2024 Taiwan Excellence Award". • Enhanced responsible supply chain management. In 2023, 100% of the suppliers signed the "Declaration of Compliance with Supply Chain Code of Conduct". • The scope of GHG inventory extended to suppliers, and the Company obtained ISO 14064-1 GHG inventory certification in 2023 for the first time. • Awarded with the Bronze Medal in the group of enterprises in the first "Let's Go Green" Competition organized by the Environmental Protection Administration. • In response to the RE100 Initiative, the Company carried out energy transformation. In 2023, the use of renewable energy accounted for 13.64%. • Committed to mitigation of climate change and moved towards net zero carbon emissions, reducing GHG emissions by 12.51% (compared to the base 	 <p>淨水與衛生 責任消費與生產 氣候行動</p>

	<p>year 2022).</p> <ul style="list-style-type: none"> PLANET worked with International Nature Restoration Action Association to promote the “Good Air and Happy Farm Life in Taiwan” program. The program aimed to reduce air pollution and carbon emission caused by burning rice straw and to increase soil organic substances to protect biodiversity. In 2023, the program expanded its influence and received the response of customers and suppliers. Through two years of efforts from 2022 to 2023, the program helped 7,800 hectares of rice fields stop burning rice straw, reducing carbon emissions by 70,200 metric tons, equivalent to the annual carbon adsorption of 5.84 million trees. Received the Silver Medal for its micro sustainability film “Clean Air, Clear Mind Action” at the “2023 Taipei Golden Eagle Micro-movie Festival”. PLANET participated in the adoption of Pinglin organic tea plantation for the 13th consecutive year. In 2023, employee adoption rate was 90%, expending the area of Pinglin organic tea plantations from 1 hectare in 2010 to 55 hectares in 2023. 	
Social	<p>(Corporate Commitments)</p> <ul style="list-style-type: none"> PLANET strives to maintain a happy workplace of equity, diversity and inclusion. In 2023, there were no cases of discrimination in its employment. The total training hours of all employees in 2023 was 3,931 hours, with an average of 23.40 hours per person, an increase of 4.56 hours per person compared with 2022. In 2023, the education subsidy for employees' children was paid to 179 children. From 2006 to 2023, 1,278 children benefited from the education subsidy for employees' children. PLANET realized, for six consecutive years, the record of zero job disaster and zero occupational disease. Obtained ISO 45001 Occupational Safety and Health Management System certification. Obtained the “Healthy Workplace Certification ~ Health Promotion Mark” awarded by Health Promotion Administration in 2023. Ranked the 1st place among mittelstand enterprises in the first “CommonWealth Talent Sustainability Award”. Won the “Family Friendly Workplace Award” for the first time. <p>(Social Participation)</p> <ul style="list-style-type: none"> PLANET has been implementing the “Remedial education/ psychological counseling for disadvantaged children” since 2004. From 2004 to 2023, a total of 10,945 disadvantaged children benefited from the remedial education and counseling, and 2,355 teachers and volunteers were sponsored by PLANET through development group activities. In total, 13,300 persons were sponsored by the Company. PLANET has been supporting the “Program for Promoting Children’s Reading Habits in Rural Areas - Give Children a Bright Future” since 2014. From 2014 to 2023, the Company sponsored 21 elementary schools and 1 junior high school in Changhua County, helping students of 1,639 classes cultivate the habit of regular reading and develop an international view. PLANET has been supporting the innovation and inheritance of culture and art, co-organizing the "Send good songs to campus" campaign for 18 consecutive years, to inherit the Chinese and foreign arts and songs and meaningful folk songs. The Company also supports the “OneSong Orchestra”, which brings classic Taiwanese music to the world. In addition, the Company supports the “Contemporary Legend Culture and Art Foundation” to pass on traditional opera. PLANET supported the “Good Air and Happy Farm Life in Taiwan” program. 	

	<p>The Company called on 202 enterprises including its clients and suppliers, 175 individuals, environmental protection organizations, farmers in Hualien/Changhua to support the using of rice straw decomposing bacteria to replace the burning of rice straws, which covered 7,800 hectares of rice field and reduced carbon emission by 70,200 tons. The new method can enhance soil carbon sequestration and prevent air pollution, thus creating a better environment.</p>	
--	--	--

III. Active social participation to exert long-term influence

Adhering to its principle of “from the society and for the society”, the Company continued to actively participate in social affairs in 2023 to promote harmonious relations with residents in the community.

PLANET has been actively engaged in various social engagement projects, paying attention to the “impact on people” rather than the “number of people”.

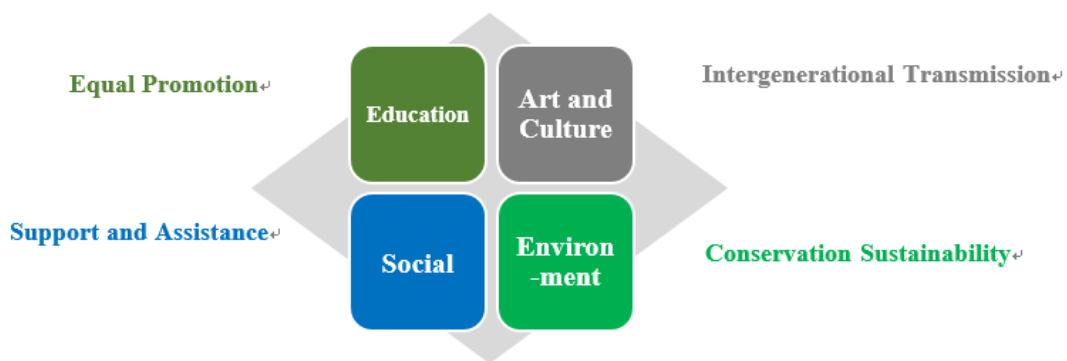
PLANET’s social engagement goal is to “build a society that is equal, inclusive and respectful of diversity”. The Company takes “exerting long-term substantive influence” as the first priority and sets short-, medium- and long-term phased promotion goals. Over the years, the Company has supported the community in the following aspects: education, culture and art, society, life and health, and environmental education, with the aim to help improve the quality of social manpower and guide the positive development of society.

Just as PLANET’s diligent and unremitting efforts in running the Company for 30 years to promote Taiwan’s enterprise brand to the world, the Company also maintains a long-term, dedicated attitude and spirit when supporting social engagement projects.

PLANET has long been involved in social engagement projects in four aspects: education, arts and culture, society and environment, with a total of 22 social engagement projects, more than half of which have been supported by the Company for more than five years. Among all the projects supported by PLANET, the “Disadvantaged Children Remedial Education/Psychological Counseling/Diversified Learning” project has been sponsored by the Company for 20 years, and the “Program for Promoting Children’s Reading Habits in Rural Areas - Give Children a Bright Future”, which helps students cultivate the habit of regular reading, has been supported by PLANET for 10 years, and the Company will continue to support these projects in the future.

Four Aspects of PLANET’s Social Participation

Pride Social Engagement Four Major Aspects



2. [PLANET Educational Charitable Trust]

In August 2004, PLANET created “the first public welfare fund for education in Taiwan” – “PLANET Educational Charitable Trust”. The public welfare fund, with the focus on education and the principle of “promoting education and improving the quality of human resources”, carries out educational and cultural projects in Taiwan.

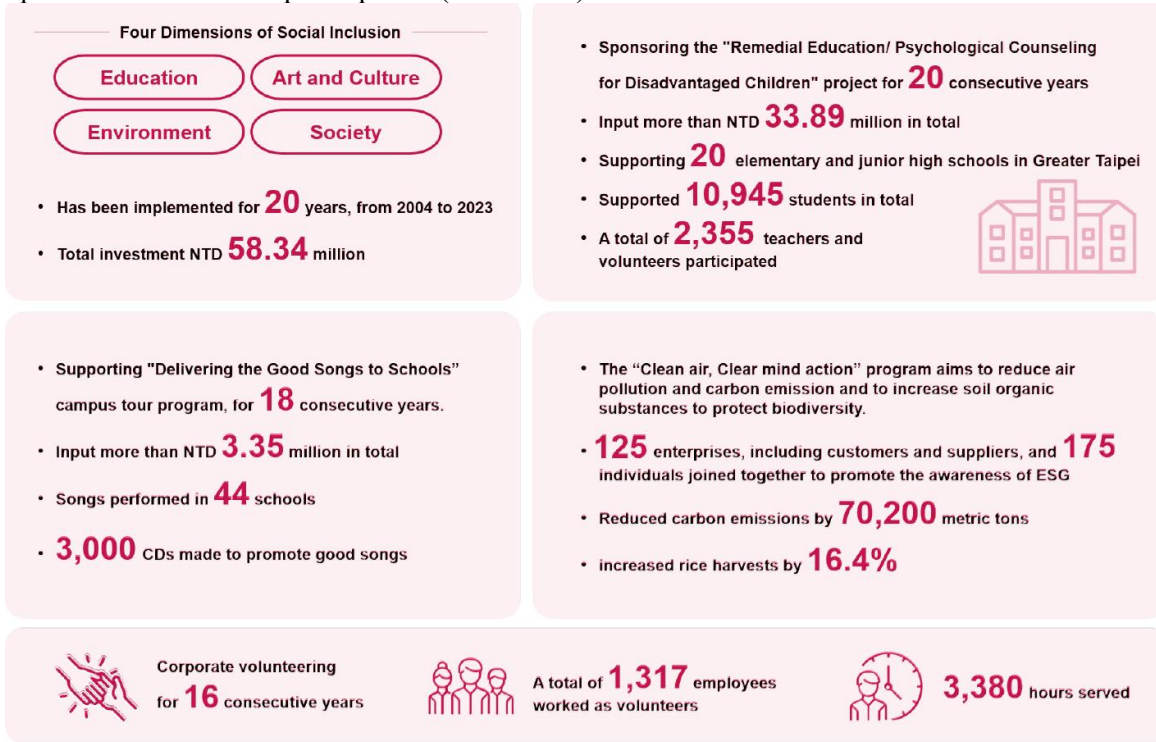
Leveraging its core business management capabilities, the Company establishes standard SOP when carrying out projects in order to execute projects strategically and effectively. PLANET expects to exert a tangible and positive impact on the society over the long term.

PLANET has been supporting education projects since 20 years ago. By sponsoring the “Disadvantaged

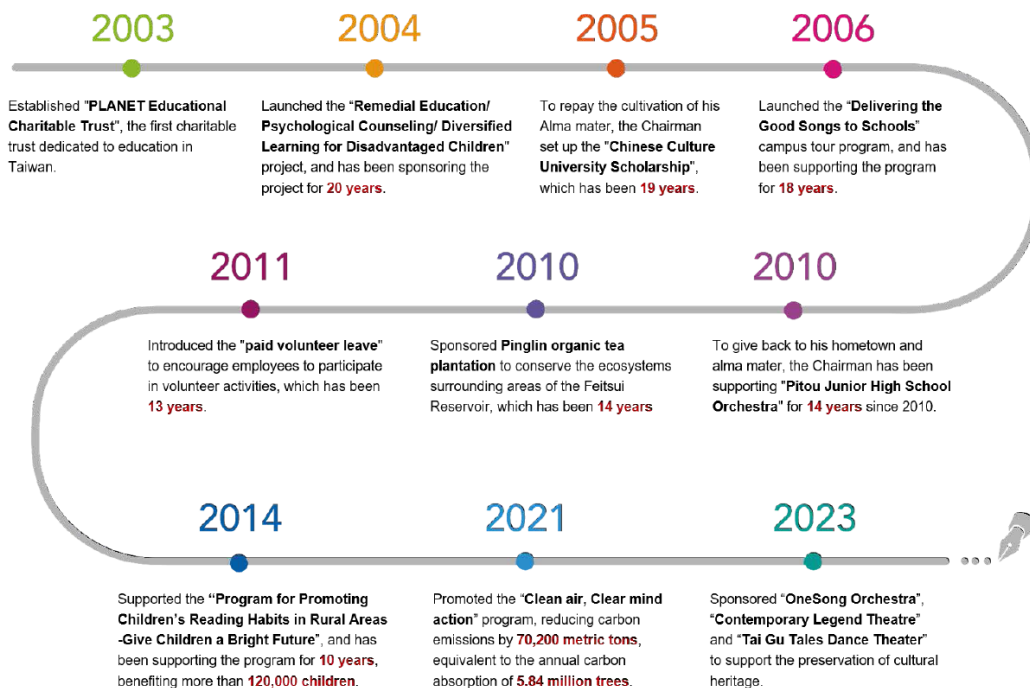
Children Remedial Education/Psychological Counseling/Diversified Learning” project, PLANET hopes to support the “education for disadvantaged groups” and bring “counseling” into schools to help “solve the inner poverty of children”. The Company believes that only by remediating from the “heart” can it help children regain their motivation and confidence in learning. Through customized remedial plan for each child, the project can “help disadvantaged children with psychological disabilities gain the strength to get back on their feet”, so that these disadvantaged children can have a good and healthy future life.

Starting from the PLANET’s operating base in Xindian District, New Taipei City, the Company's social participation has expanded to New Taipei City and Taipei City, providing subsidies to students in up to 20 schools in education, culture and art, and social charity.

3. Long-term performance of social participation (2004-2023):



4. Major events in the history of social participation:


























5. Overall framework and major projects of social participation:












4. 6. List of social participation projects and their benefits to the society:

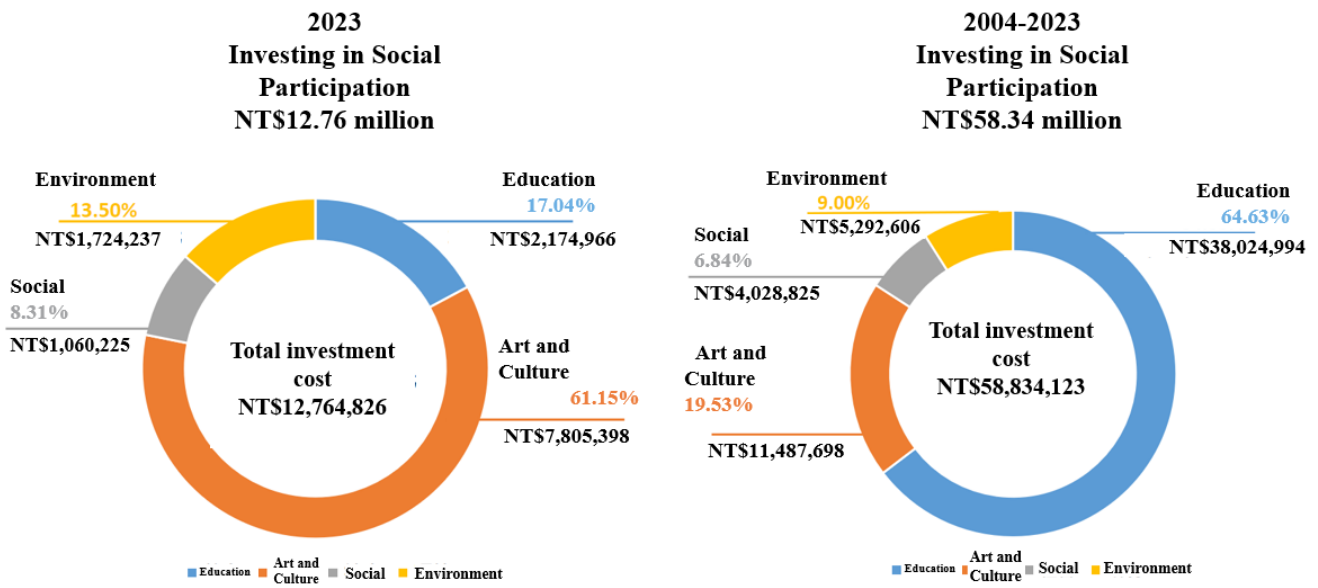
Category	Name of Project	Partner	Social Benefits	Period	Corresponding to SDGs
Education	Emotionally Disturbed Disadvantaged Students "Remedial Education" and "Psychological Counseling" program	A total of 18 primary and secondary schools in Shuangbei Two associations (Yongan Church and the Wheaten Association)	<ul style="list-style-type: none"> A total of 10,945 children were assisted A total of 2,355 teachers and volunteers have participated in 20 co-operating organizations 	2004 until now (20 consecutive years)	       
	Scholarships of Culture University	Cultural University	<ul style="list-style-type: none"> A total of 88 students were assisted 	2005 until now (19 consecutive years)	     
	Reading Education	"Leaving a big future for the children" - Elementary and Secondary Reading Programmes in Remote Areas	Vision World Culture Education Foundation	<ul style="list-style-type: none"> Cumulatively 40,000+ students have benefited from the program cumulatively. Cumulatively a total of 1,639 classes released Cumulatively a total of 21 co-operating schools Cumulatively a total of 19,668 magazines were donated 100 businesses responded Cumulatively 120,000+ students have benefited from the program. Cumulatively 4000+ classes released Cumulatively a total of 460 co-operating schools 	2014 until now (10 consecutive years)

Category	Name of Project	Partner	Social Benefits	Period	Corresponding to SDGs
Art and Culture	"Celestial Melody on Campus" Campus Singing Tour	Cantare Singers The Cantare Singers' Cover Band	<ul style="list-style-type: none"> Cumulatively a total of 15,805 students affected Cumulatively a total of 44 touring schools Promotion of good songs with 3,000 CD copies 	2006 until now (18 consecutive years)	       
	"Music Literacy Programme" supporting "The Wind Club of Pitou Junior High School"	Pitou Junior High School	<ul style="list-style-type: none"> Music classes with totally 1,066 participants. 	2010 until now (14 consecutive years)	     
	"Taiwan classic music promotion" supporting "the Sound of Wan Vocal Ensemble"	The Sound of Wan Vocal Ensemble	<ul style="list-style-type: none"> Two concerts Cumulatively a total of 400 participants affected 	2023 (First year investment)	     
	"To promote the inheritance of traditional Chinese opera among the younger generation" Supporting "The Legendary Youth Theater"	The Legendary Youth Theater	<ul style="list-style-type: none"> 1 show/2 performances Cumulatively a total of 135 participants affected 	2023 (First year investment)	     
	"Nurturing Talents in Performing Arts" Supporting "Ancient Step Dance Troupe"	Ancient Step Dance Troupe	<ul style="list-style-type: none"> 2 activities/1 show Cumulatively a total of 122 participants affected 	2023 (First year investment)	     

Category	Name of Project	Partner	Social Benefits	Period	Corresponding to SDGs	
Social	National Yang Ming Jiaotong University Lively Youth Society Health and Medical Service Team	Yang-Ming and Jiao Tong University Lively Youth Society	• Improving the quality of life in remote areas	2016 2022 2023	           	
	Healthcare	Taiwan ADHD Association	Taiwan ADHD Association	• Enhancement of ADHD Related Benefits		2023 (First year investment)
		Corporation aggregate of Lung Disease Prevention Foundation	Corporation aggregate of Lung Disease Prevention Foundation	• Promoting the importance of lung disease		2018 until now (6 consecutive years)
	Elderly care	Chibsh Elderly Health Preservation Association	Chibsh Elderly Health Preservation Association	• Alleviating the issue of elderly loneliness.		2019 until now (5 consecutive years)
		Huashan Foundation	Huashan Foundation	• Providing Healthy and Safe Housing for the Elderly		2023 (First year investment)
		The Private Guotai Elderly Long-Term Care Center in New Taipei City	The Private Guotai Elderly Long-Term Care Center in New Taipei City	• Caring for the physical and mental health of the elderly		2018 until now (6 consecutive years)
	World care	Taiwan World Vision	• Taiwan World Vision	• Improving the living environment of disadvantaged children		1998 until now (26 consecutive years)
	Doctors Without Borders	Doctors Without Borders	• Support for International Medical Assistance	2021 until now (3 consecutive years)		
	One-Forty Corporation Taiwan One-Forty Migrant Worker Education and Cultural Association	One-Forty Corporation Taiwan One-Forty Migrant Worker Education and Cultural Association	• Assisting migrant workers to adapt to life in a foreign country	2023 (First year investment)		
	Corporate Volunteers	Rotary International, Lions Clubs International, Autism Society of the Republic of China, Chinese Native Rehabilitation Association, Compassionate Organic Agriculture Development Foundation...	• Demonstrating Corporate Social Responsibility	2008 until now (16 consecutive years)		

Category	Name of Project	Partner	Social Benefits	Period	Corresponding to SDGs	
Environment	Water Source Protection	Pinglin Organic Tea Plantation	Corporate Cixin Organic Farming Development Foundation	<ul style="list-style-type: none"> • The area of adopted organic tea plantation is 53 hectares • Accumulated Carbon Emission Reduction of 0.53 Metric Tonnes CO2e • Organic farming reduces carbon emissions by 20% • 2021-2022 Employee adoption participation rate up to 84% • A total of 1,030 colleagues have participated in the adoption program over the past 14 years 	2010 until now (14 consecutive years)	        
	Clean Air	Good Air Cultivation	The Chinese International Native Restoration Association	<ul style="list-style-type: none"> • The cumulative area of adopted land reaches 7,800 hectares. • Accumulated Carbon Emission Reduction of 70,100 Metric Tonnes CO2e • Equivalent to the annual carbon sequestration of 5.84 million trees • Rice harvest increased by 16.4% • Customers, suppliers, 125 companies and 164 individuals have responded. • Won the 7th Taipei Golden Eagle Microfilm Exhibition in 2023 "Silver Award for Sustainable Microfilm" 	2021 until now (3 consecutive years)	
	Forest Protection and Carbon Reduction	International Tree Planting	Danish customer EET	<ul style="list-style-type: none"> • Planted a total of 21,000 trees • Accumulated Carbon Emission Reduction of 252 Metric Tonnes CO2e 	2022 until now (2 consecutive years)	

5. 7.The amount of fund input in social participation:



The Company's sustainable development policy and implementation status have been openly and transparently disclosed in the “Sustainable Development” section of its official website. The Company issues a Sustainability Report every year. For the latest Sustainability Report, please visit:

<https://www.planet.com.tw/tw/sustainability/reports>

Climate-related Information of Listed and OTC Companies

1. Implementation of climate-related information

Items	Implementation																
<p>1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and management.</p>	<p>(1) Monitoring of climate-related risks and opportunities by the Board of Directors PLANET follows the TCFD framework to complete the climate governance report, submits the report to the company's management for review after the work and report content is reviewed through the Sustainable Development Promotion Group, and then submits the report to the Board of Directors for supervision and decision review of various risk management strategies.</p> <ul style="list-style-type: none"> • Sustainable Development Committee: Convene at least two meetings every year to assist the Board of Directors in continuously promoting sustainable development policies and enhancing corporate governance and incorporating them into the company's operational activities and development direction. • Risk Management Committee: Convene at least two meetings every year to consider various risks that may affect the achievement of business goals for management through a sound risk management framework and integrate them into operational activities and daily management processes through risk management. <p>(2) Responsibilities of management in assessing and managing climate-related risks and opportunities The Sustainable Development Office analyzes issues that may be affected by climate change through cross-departmental collaboration model, rolling review and collection of relevant international dynamics and national development trends, and carries out climate governance review, assessment and management according to the following management processes:</p> <ol style="list-style-type: none"> a) The Sustainable Development Promotion Group reviews the risk and opportunity issues, management strategies and execution performance of the overall operation (including supply chain) management of the enterprise every two months and submits them to the Board of Directors. b) The Sustainable Development Office conducts a rolling review and collection of relevant international dynamics and national development trends, identifies potential risk and opportunity issues, develops response strategies and goals and reviews and improves execution performance. c) The Environmental Sustainability Group reports carbon risk/opportunity management information and performance to the Sustainability Manager every six months. 																
<p>2. Describe how the identified climate-related risks and opportunities affect the company's business, strategies and financial affairs (for a short term, medium term or long-term).</p>	<p>Financial impact of climate-related risks</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" rowspan="2">Risk type</th> <th rowspan="2">Climate-related risks</th> <th rowspan="2">Time frame</th> <th rowspan="2">Potential financial impact</th> <th colspan="2">Risk response measures</th> </tr> <tr> <th>Methods</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Transition risk</td> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Policies and regulations</td> <td>①Carbon charges, carbon tariffs and related regulations</td> <td style="text-align: center;">Medium term</td> <td>Increase in operating costs, including taxes and supplier shifting costs</td> <td style="text-align: center;">Control transfer</td> <td> <ul style="list-style-type: none"> • PLANET is not a controlled object or regulated raw material product. However, in order to avoid expanding the scope of taxation in the future or being affected by customer requirements and other factors, greenhouse gas </td> </tr> </tbody> </table>	Risk type		Climate-related risks	Time frame	Potential financial impact	Risk response measures		Methods	Description	Transition risk	Policies and regulations	①Carbon charges, carbon tariffs and related regulations	Medium term	Increase in operating costs, including taxes and supplier shifting costs	Control transfer	<ul style="list-style-type: none"> • PLANET is not a controlled object or regulated raw material product. However, in order to avoid expanding the scope of taxation in the future or being affected by customer requirements and other factors, greenhouse gas
Risk type							Climate-related risks	Time frame	Potential financial impact	Risk response measures							
		Methods	Description														
Transition risk	Policies and regulations	①Carbon charges, carbon tariffs and related regulations	Medium term	Increase in operating costs, including taxes and supplier shifting costs	Control transfer	<ul style="list-style-type: none"> • PLANET is not a controlled object or regulated raw material product. However, in order to avoid expanding the scope of taxation in the future or being affected by customer requirements and other factors, greenhouse gas 											

Items	Implementation						
							<p>inventory and product carbon footprint inventory are conducted, and measures such as energy-saving and carbon reduction and product energy-saving design are implemented to reduce or avoid collection costs.</p> <ul style="list-style-type: none"> Establish a diversified supply chain and increase inventory of key products and spare parts to avoid suppliers shifting related costs.
		Market	② Change of supplier selection criteria by customers	Short term	<p>Low carbon costs required to meet customer needs</p> <p>Being unable to meet customer needs resulting in reduced orders</p> <p>Decline in product competitiveness</p>	Control	<ul style="list-style-type: none"> Adhere to the Green Energy Product Development Principles and implement product lifecycle assessments to reduce the impact of products on the environment and climate change. Design product suitability based on the social, economic and technological background of customers to ensure that the company's products are environmentally friendly and energy-saving. Develop green energy innovation patents based on network infrastructure to achieve the goal of energy conservation, energy storage or production capacity. Due to the lack of production process, PLANET will assist in the low-carbon transformation of the supply chain.

Items	Implementation					
	Physical risk	Long term/immediate	③Severity of extreme weather events	Long term	<ul style="list-style-type: none"> Supply chain interruption and increase in raw material costs Affecting production and resulting in financial losses and decreased revenue Flooding goods and causing property damage 	Control transfer <ul style="list-style-type: none"> Increase inventory of key products and spare parts and ensure logistics channels. Assess the risks and alternative solutions of the processing plant. Make a rolling adjustment of warehouse flood risk and develop and implement risk mitigation measures.
Financial impact of climate-related opportunities						
	Opportunity type	Climate-related opportunities	Time frame	Potential financial impact	Opportunity response measures	
	Resilience	① Promotion of low-carbon and green production	Short term	<ul style="list-style-type: none"> Reduce operating costs Improve supply chain reliability and operational capabilities under different conditions Increase revenue through new products and services that ensure resilience 	<ul style="list-style-type: none"> Make good use of government-related resources to drive low-carbon transformation of suppliers. Establish a green material platform and carbon management platform to promote green supply chain management. Eliminate and replace constant temperature and humidity testing equipment. 	
	Energy	② Use of renewable energy	Short term	<ul style="list-style-type: none"> Reduce the risk of greenhouse gas emissions, and thus reduce sensitivity to changes in carbon trading prices 	<ul style="list-style-type: none"> Implement an energy management system. It is expected to actively introduce various management and energy-saving 	

Items	Implementation				
				<ul style="list-style-type: none"> • Reputation improvement 	<p>measures and actively eliminate and replace low-efficiency facilities.</p> <ul style="list-style-type: none"> • Set proactive carbon reduction goals and meet green electricity demand through multiple channels.
	Products and services	③ Development of low-carbon products or services	Short term	<ul style="list-style-type: none"> • Improve the green design system • Meet customers' green design needs • Strengthen ESG capabilities • Enhance green image 	<ul style="list-style-type: none"> • Inject the design thinking from the source of products into the concept of "green intelligent manufacturing". • Develop green energy, intelligent and energy-saving products based on network infrastructure construction. • Reduce power loss in product development and then reducing the use of heat dissipation materials. • Assist customers in achieving "green energy" network infrastructure construction. • Artificial Intelligence & Internet of Things (AIoT) can monitor and intelligently control various devices and systems in real time, predict future energy demand by analyzing historical and real-time data, achieve system optimization and reduce energy waste.
	Market	④ Enhancement of corporate reputation and brand awareness	Short term	Satisfy the expectations of stakeholders and enhance market sales and goodwill	<ul style="list-style-type: none"> • Introduce various management systems, strengthen ESG management performance across all aspects and reduce risks. • Expose ESG information through annual sustainability

Items	Implementation				
					<p>reports, websites and other platforms, and actively respond to the expectations of stakeholders.</p> <ul style="list-style-type: none"> • Introduce TCFD from 2022 to identify and expose risk information on climate change, participate in CDP, enhance the presentation and communication of sustainable performance and further increase revenue and goodwill.
<p>3. Describe the financial impact of extreme climate events and transformation actions.</p>	<p>The financial impact of risks associated with climate change is divided into transformation risk, physical risk, and derivative climate opportunities. The main transition risk of PLANET is the operating costs incurred in moving towards net-zero emissions by 2050 and related regulations, such as the shifting of suppliers' carbon costs, expenses for energy-saving and carbon reduction equipment projects, costs of using green electricity or renewable energy certificates, and expenses for purchasing carbon rights; and costs of transforming from product technology to low-carbon technology. Physical risk mainly assesses the increased electricity costs due to future temperature increases and the costs invested in responding to extreme weather events. The financial impact of opportunities related to climate change includes saving operational water and electricity costs by improving energy efficiency, increasing revenue from developing low-carbon products and services such as renewable energy products, POE power-saving patents and EEE energy-saving chips and improving corporate reputation and brand awareness and then enhancing market sales and leading to increased revenue.</p>				
<p>4. Describe how the identification, assessment and management processes of climate risks are integrated into the overall risk management system.</p>	<p>PLANET irregularly collects regulations and information related to domestic and international climate through the Sustainable Development Office and Environmental Sustainability Group. The Sustainable Development Promotion Group identifies relevant risks and opportunities and convenes two meetings every year to report risk and opportunity management information and execution performance related to the operating climate of the enterprise to the Sustainable Development Committee and Board of Directors, integrate the climate-related risk management process into the functional committee - Risk Management Committee under the Board of Directors for management, develop "risk management policies and procedures", ensure that the risk management mechanism can fully address the risks faced by the company and is integrated into daily operational processes to extend risk and opportunity detection and management, strengthen response to climate change and enhance low-carbon competitiveness.</p>				
<p>5. If scenario analysis is used to assess resilience to</p>	<p>PLANET uses scenario analysis to assess resilience to climate change risks and opportunities and to identify and evaluate potential main financial impacts of climate transition risks and physical risks and opportunities for circumstances that may occur within a certain range in the future.</p>				

Items	Implementation		
<p>climate change risks, the scenarios, parameters, assumptions and analysis factors used and main financial impacts should be explained.</p>	Climate-related risks	Transition risks - carbon charges, carbon tariffs and related regulations	
	Risk scenario description	<p>For the purpose of responding to climate change, the European Union gradually implemented a carbon border adjustment mechanism in 2023 and will officially implement a carbon border tax from 2026 to take the lead in implementing carbon tariffs on iron and steel, aluminum, cement, fertilizers and electricity and other products and industries with high carbon leakage risks. Taiwan passed the Climate Change Response Act in 2023, which stipulates the achievement of net-zero greenhouse gas emissions by 2050, greenhouse gas reduction measures and carbon charge collection. It is expected that carbon charges will be levied on enterprises with carbon emissions exceeding 25,000 metric tons in 2024 and direct emission sources such as petrochemicals and iron and steel from 2025. Given the trends in the international market and Taiwan regulations, PLANET evaluates the potential impact on the global sales market regarding climate transition risk issues related to carbon charges, carbon tariffs and related regulations.</p>	
	Projection of potential impact and financial impact on PLANET (including parameters, assumptions and analysis factors)	<p>PLANET products are currently sold by customers in the European Union, accounting for approximately 44% of the overall sales volume of PLANET products. In the face of the comprehensive implementation of carbon border tax in the future, there may be a risk of customers' tax shifting leading to increased costs. The estimated expenses for 2026 will increase by approximately NT\$9 million, and based on this, it is estimated that the cost expenses will increase by approximately NT\$44 million by 2030.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Calculation formula: Carbon content of products (complex products) x quantity of products exported to Europe x EU carbon trading market price x customers' shifting quota (50%)</p> <p>※Remarks</p> <ol style="list-style-type: none"> 1. Carbon content of products (complex products): As PLANET has not yet calculated the carbon content of its own products, data from the same industry is cited 2. EU carbon trading market price: The average price in 2023 is 85.12 euros per metric ton of CO₂e </div> <p>The greenhouse gas inventory and product carbon footprint inventory are implemented to grasp the carbon content of organizations and products, with an estimated expense increase of NT\$2.5 million from 2024 to 2030.</p> <div style="border: 1px solid black; padding: 5px;"> <p>Calculation formula: Product carbon footprint consulting fee (once)+carbon calculation platform usage fee (every year)+organizational greenhouse gas inventory verification fee (every year)+product carbon footprint verification fee (once)</p> </div>	
	Climate-related risks	Transition risks - change of supplier selection criteria by customers	
	Risk scenario description	<p>PLANET's main customers have further requirements for the utilization rate of recycled materials, energy efficiency and low-carbon manufacturing of products, so PLANET needs to deepen the capacity building of green design technology to avoid order losses caused by a decrease in product competitiveness. Meanwhile, in order to respond to the international trends in carbon reduction and meet the needs of customers or consumers (such as product carbon content and environmental declarations), PLANET reduces organizational carbon emissions through energy-saving measures and equipment introduction and requires the supply chain to conduct carbon inventory and reduce carbon emissions. If it is assumed that energy and electricity usage cannot be continuously reduced, additional carbon rights and certificates will need to be purchased to meet customers' requirements for low-carbon production.</p>	
	Projection of potential impact and financial	<p>PLANET's main customers are concentrated in Europe, and their sales proportion accounts for approximately 44% of PLANET's overall sales volume. If it is assumed that the order losses caused by the inability to meet the green</p>	

Items	Implementation	
	impact on PLANET (including parameters, assumptions and analysis factors)	<p>product requirements of main customers are calculated and that the proportion of order losses is 2%, the estimated decrease in operating revenue for 2024 will be NT\$17 million.</p> <p>Calculation formula: Turnover x sales proportion in Europe x proportion of order losses</p> <p>The estimated expenses for 2024 will increase by NT\$13 million.</p> <p>Calculation formula: Impact of recycled materials+use of renewable energy+R&D investment+product environmental declaration</p> <p>※Remarks</p> <ol style="list-style-type: none"> 1. Impact of recycled materials: Costs of recycled materials for product packaging. 2. Use of renewable energy: Costs of PLANET's use of renewable energy. 3. R&D investment: It is assumed that 5% of the turnover is invested as R&D expenses, 12% of which is used for green R&D.
	Climate-related risks	Physical risk - severity of extreme weather events
	Risk scenario description	<p>The intensity and frequency of climate risks change due to changes in the climate model. Acute climate risks such as extreme weather events may have an immediate impact of chain breakage without warning on the operational process, causing financial losses due to the impact on (or interruption of) production in the factory area, and the increased likelihood of natural disasters will also increase insurance premiums.</p>
	Projection of potential impact and financial impact on PLANET (including parameters, assumptions and analysis factors)	<p>PLANET projects and analyzes the temperature rise, rainfall, flooding and drought from 2020 to 2040 based on RCP2.6, RCP4.5, RCP8.5 and other scenarios by referring to the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP) and the National Science and Technology Center for Disaster Reduction (NCDR).</p> <p>As PLANET's operating base (New Taipei, Taiwan) is located in an area where typhoons and tropical cyclones frequently occur, rainstorm in the plum rain season may cause serious flooding in recent years, resulting in financial impact caused by cargo flooding. If it is assumed that PLANET's operating base is flooded, the financial impact of the loss of goods will account for approximately 0.9% of the annual turnover. Increasing the limit of warehouse flood insurance and increasing the inventory of key products and spare parts will result in an estimated increase of approximately NT\$3.7 million in expenses.</p>
	Climate-related opportunities	Promotion of low-carbon and green production
	Opportunity scenario description	<p>PLANET's products are marketed in global markets, with its main customers in Europe. PLANET spares no effort in promoting climate change issues, including carbon border adjustment mechanism regulation, product carbon footprint and product environmental declaration. Customer requirements and international reduction trends are driving the development and transformation of PLANET's technology; in order to effectively utilize government-related resources and assist PLANET's technology in breaking through the limitations of manpower, funds and resources, PLANET has applied for "subsidies for low-carbon and intelligent upgrading and transformation for leading small manufacturing enterprises with large enterprises" to strengthen energy-saving and carbon reduction technologies and green innovation services for the company and supply chain to respond to the international situation and to assist the company in enhancing industrial value and technological energy through diversified solutions and moving towards a new "blue ocean" market for carbon reduction.</p>
	Projection of potential impact and financial	<p>PLANET mainly engages in product design, research and development and testing operations, and its main product process operations are concentrated in suppliers, and low-carbon green production has a relatively low financial</p>

Items	Implementation	
	impact on PLANET (including parameters, assumptions and analysis factors)	impact on PLANET. PLANET plans to eliminate and replace constant temperature and humidity testing equipment in 2024, with an estimated increase of NT\$1.5 million in expenses. The green products developed based on low-carbon and green production processes are expected to generate an estimated operating revenue of NT\$258 million.
	Climate-related opportunities	Use of renewable energy
	Opportunity scenario description	PLANET has established the "Roadmap to Net-Zero Emissions by 2050", and the use of renewable energy is one of the key strategies in the net-zero emission path. PLANET laid out the use of renewable energy and signed a letter of intent for cooperation in green electricity purchase with renewable energy electricity sellers in 2020, signed the "Renewable Energy Electricity and Certificate Purchase and Sales Contract" in 2021, and announced that the company would use green electricity accounting for at least 10% of the total electricity consumption by 2025 in 2022 to respond to the RE10X10 Climate Declaration. In July of the same year, PLANET officially switched to green power supply.
	Projection of potential impact and financial impact on PLANET (including parameters, assumptions, analysis factors, etc.)	<p>By referring to the SSP5-8.5 emission scenarios and Nationally Determined Contribution (NDC) targets in the scientific assessment report of the Intergovernmental Panel on Climate Change (IPCC), PLANET proposed a Nationally Determined Contribution (NDC) emission reduction target of 24% ± 1% in the "Stage Objectives and Key Strategies for Net-Zero Transformation by 2050" in Taiwan in 2022.</p> <p>PLANET uses low-carbon energy such as solar energy to respond to the company's emission reduction target, enhance brand image and comply with the requirements of the Financial Supervisory Commission to establish greenhouse gas reduction strategies. Based on the assumption that the carbon charge is projected to be NT\$300 per metric ton of CO₂e in Taiwan, the carbon charges to be paid from 2024 to 2030 is approximately NT\$790,000. By using renewable energy to reduce carbon emissions, the carbon charges to be paid from 2024 to 2030 is projected to be approximately NT\$540,000.</p> <p>In the context of climate change and global energy transition, it is expected that the prices of general traditional electricity^{Note 1} and renewable energy will become more consistent, leading to a decrease in the financial impact of the use of renewable energy. Based on the projection of the electricity charges^{Note 2} from 2024 to 2030, in the context of the increase in general traditional electricity prices, the decrease in renewable energy prices and the company's renewable energy use targets, the total expenditure for the electricity charges from 2024 to 2030 is projected to be approximately NT\$16 million.</p> <div style="border: 1px solid black; padding: 5px; margin: 5px 0;"> <p>Calculation formula: Annual electricity charges=(annual electricity consumption x general traditional electricity consumption ratio x Taiwan Power's electricity charge rate)+(annual electricity consumption x green electricity consumption ratio x green electricity charge rate)</p> </div> <p>Note 1: General traditional electricity refers to any energy generated from direct utilization or treatment of non-solar energy, biomass energy, geothermal energy, ocean energy, wind power, non-pumped storage hydraulic power, domestic general waste and general industrial waste.</p> <p>Note 2: Projected based on electricity consumption in office areas.</p>
	Climate-related opportunities	Development of low-carbon products and services
	Opportunity scenario description	The company develops new low-carbon product technologies, increases the proportion of recycled materials used and uses green energy to meet customer demand for low-carbon products. The company applies for carbon footprint certification and third-party certification for EPD and uses market promotion to promote the sales of the company's environmentally friendly products.

Items	Implementation	
	<p>Projection of potential impact and financial impact on PLANET (including parameters, assumptions and analysis factors)</p>	<p>Completing the green design system, actively cooperating with customers, enhancing customer product value and image, declaring carbon neutrality targets and enhancing the organization's image towards customers and stakeholders lead to a financial impact of NT\$8.6 million caused by an increase in customer orders. The estimated expenses for 2024 will increase by NT\$13 million.</p> <p>Calculation formula: Impact of recycled materials+use of renewable energy+R&D investment+product environmental declaration</p> <p>※Remarks 1. Impact of recycled materials: Costs of recycled materials for product packaging. 2. Use of renewable energy: Costs of PLANET's use of renewable energy. 3. R&D investment: It is assumed that 5% of the turnover is invested as R&D expenses, 12% of which is used for green R&D. 4. Product environmental declaration: Including tutoring and environmental declaration certification fees.</p> <p>Calculation formula: Fixed orders (PLANET's turnover x proportion of major customers x new product opportunities)+new orders (PLANET's turnover x new customer opportunities x PLANET's turnover x new product opportunities)</p>
	<p>Climate-related opportunities</p>	<p>Enhancement of corporate reputation and brand awareness</p>
	<p>Opportunity scenario description</p>	<p>PLANET actively addresses climate change issues by establishing the Sustainable Development Committee in 2020, promoting greenhouse gas inventory and reduction plans in 2022 and strengthening the driving direction of climate operational resilience, including the deployment goals of the TCFD Climate Adaptation Program and the international Carbon Disclosure Project (CDP) evaluation, and responding to the RE10X10 Climate Declaration in 2022 and officially joining TCFD Supporter in April 2023, which will help to enhance PLANET's reputation and further strengthen customer cooperation willingness and increase orders and revenue.</p>
	<p>Projection of potential impact and financial impact on PLANET (including parameters, assumptions and analysis factors)</p>	<p>To meet customers' ESG requirements or expectations for PLANET, PLANET has completed greenhouse gas inventory and verification, publication of sustainability reports and TCFD reports and SASB coaching verification and various management system coaching verifications, supported CDP and RE100 initiatives and participated in ESG award evaluations. The relevant expenditure costs for 2024 are estimated to be NT\$1 million. The financial impact of increasing customer orders due to the enhancement of goodwill is NT\$6.5 million.</p>
<p>6. If there is a transition plan for managing climate-related risks, explain the content of the plan and the guidelines and goals for identifying and managing</p>	<p>PLANET focuses on climate change and international sustainability issues, actively works towards achieving net-zero carbon emissions by 2050 and implements a transition plan for managing climate-related risks, including establishing a carbon management mechanism, building a sustainable supply chain, implementing supply chain carbon inventory and carbon footprint inventory and passing ISO 14064-1 greenhouse gas inventory certification. PLANET also participates in international sustainability initiatives, including the CDP (Carbon Disclosure Project), the “4 per 1000” Initiative and becoming a TCFD supporter; PLANET drives all employees to innovate technology for carbon emission reduction in daily operations and implements environmental sustainability.</p> <p>PLANET has developed the following short-term, medium-term and long-term guidelines and goals for identifying and managing physical risks, transition risks and opportunities and regularly reviews the achievement of phased goals every year to</p>	

Items	Implementation					
physical risks and transition risks.	develop improvement plans.					
	PLANET's climate-related risk and opportunity issues			Corresponding indicators		
	Transition risks	1.	Carbon charges, carbon tariffs and related regulations	<ul style="list-style-type: none"> Greenhouse gas management Reduction of greenhouse gas emissions (Scopes 1 and 2) Reduction of the intensity of greenhouse gas emissions Green products Internal carbon pricing Sustainable supply chain management 		
		2.	Change of supplier selection criteria by customers	<ul style="list-style-type: none"> Green products 		
	Physical risks	1.	Severity of extreme weather events	<ul style="list-style-type: none"> Sustainable supply chain management 		
	Opportunities	1.	Promotion of low-carbon and green production	<ul style="list-style-type: none"> Sustainable supply chain management Waste management 		
		2.	Use of renewable energy	<ul style="list-style-type: none"> Increase the proportion of renewable energy used 		
		3.	Development of low-carbon products or services	<ul style="list-style-type: none"> Green products 		
		4.	Enhancement of corporate reputation and brand awareness	<ul style="list-style-type: none"> TCFD management and disclosure CDP (Carbon Disclosure Project) Biodiversity 		
	Indicators	Goals for 2023	Short-term goals (for 2025)	Mid-term goals (for 2028)	Long-term goals (for 2050)	
Greenhouse gas management	Pass the ISO 14064-1 verification	<ul style="list-style-type: none"> Pass the ISO14067 verification Establish a carbon management platform 	Establish a carbon management mechanism linked to suppliers	Net-zero emission RE 100		
Reduction of greenhouse gas emissions (Scopes 1 and 2)	≥15%	≥30%	≥42%			
Reduction of the intensity of greenhouse gas emissions	≥15.24%	≥40.01%	≥54.40%			
Green products	Review the performance of green products and innovative research and development	Development of renewable energy products, R&D and design of energy-saving products, reduction design of environmentally friendly materials and extension of renewable energy	<ul style="list-style-type: none"> Implement carbon reduction designs for production, packaging and transportation, etc Improve usage efficiency, 			

Items	Implementation			
			product lines	reduce quantity and recycle and reuse
Internal carbon pricing	Develop internal carbon pricing	Rolling adjustment of internal carbon pricing		<ul style="list-style-type: none"> Optimize the internal carbon pricing management mechanism
Sustainable supply chain management	Supplier RBA audit and evaluation	Completion of greenhouse gas inventory verification for 30% of suppliers		<ul style="list-style-type: none"> Strategically select manufacturers to set carbon emission intensity targets
Waste management	Recycling rate of over 98%	Recycling rate of over 98%		Recycling rate of over 98%
Increase the proportion of renewable energy used	≥15%	≥28%		≥40%
TCFD management and disclosure	The report passes external verification	The report passes external verification at maturity level 5		Strengthen decision mechanisms and integrate climate-related financial information
CDP (Carbon Disclosure Project)	Voluntary participation in CDP evaluation	Rated as Level B		Strengthen climate change information disclosure
Biodiversity	Focus on domestic and foreign biodiversity issues	<ul style="list-style-type: none"> Introduce TNFD to identify natural risks and opportunities Evaluate natural issues that should be addressed and drive them through projects 		Continuously following up on international initiatives to drive trends
7. If internal carbon pricing is used as a planning tool, explain the basis for price setting.	The internal carbon pricing (ICP) set in 2023 is NT\$3,058 per metric ton of CO ₂ e. The basis for price setting is to calculate the planned investment costs for achieving the carbon emission reduction goals set, including costs and expenses for eliminating and replacing equipment and using renewable energy, in order to achieve the goal of reducing greenhouse gas emissions by 30% by 2025. Internal carbon pricing promotes the attention and participation of various departments through internal education, training and meetings, collecting detailed information on ICP design, institutional reform mechanisms and setting appropriate carbon prices to plan the best method for practicing ICP.			

Items	Implementation
	<p>Calculation formula: Costs (NTD) invested in achieving emission reduction targets ÷ target emission reduction (metric tons of CO₂e)</p> <p>※Remarks:</p> <p>1. PLANET aims to reduce greenhouse gas emissions by 30% by 2025.</p>
<p>8. If climate-related goals are set, explain the activities covered, scope of greenhouse gas emissions, planning schedule, annual progress to be achieved and other information; if carbon offsets or renewable energy certificates (RECs) are used to achieve relevant goals, explain the source and quantity of reduction quota of carbon offset and the number of renewable energy certificates (RECs).</p>	<p>PLANET aims to control temperature rise below 1.5°C, sets carbon reduction percentages for each stage and develops short-term, medium-term and long-term climate change mitigation and adaptation goals from the perspective of climate change mitigation and adaptation, with the scope of activities covered being the overall value chain of the company, including the operations, upstream supply chain management and downstream product sales of the company, to demonstrate the management performance of climate change, drive low-carbon economic transition and reduce the impact of physical disasters.</p> <p>(1) Greenhouse gas management, emissions and intensity:</p> <p>The company has set a target of reducing greenhouse gas emissions by 15% by 2023, 30% in the short term (by 2025) and 42% in the medium term (by 2028) and achieving net-zero emissions in the long term (by 2050) based on Scopes 1 and 2 (market) greenhouse gas emissions in the base year 2022 as well as a target of reducing greenhouse gas emission density by 15.24% by 2023, 40.01% in the short term (by 2025) and 54.40% in the medium term (by 2028).</p> <p>The target of the greenhouse gas inventory conducted in 2023 is the headquarters, with the organizational boundary set with 100% operational control. The scope of inventory in 2023 covers addresses located at 5th to 11th floors and 2nd floor, No. 96 and B1 No. 96, B1 No. 98 and B1 No. 100 Minquan Road, Xindian District, New Taipei City. The main greenhouse gases emitted include carbon dioxide (CO₂), methane (CH₄) and hydrofluorocarbons (HFCs). The greenhouse gas emissions in 2023 were verified by a third party on March 29, 2024.</p> <p>The intensity of greenhouse gas emissions in 2023 was 0.1753 metric tons of CO₂e per million dollars, a decrease of 18.43% compared to 2022, which achieved the phased goal of reducing the greenhouse gas intensity by 15.24% in 2023, and the main reason is due to the growth of the company's operating revenue and the adoption of energy-saving measures and the use of renewable energy.</p> <p>The greenhouse gas emissions in 2023 were 323.39 metric tons of CO₂e (calculated by Scopes 1 and 2 - market), a decrease of 12.51% compared to 2022, which did not achieve the phased goal of reducing greenhouse gas emissions by 15% by 2023, and the main reason is due to the failure to establish the renewable energy transfer contract in a timely manner in 2023, resulting in insufficient renewable energy usage.</p> <p>The company will meet demand through diversified green electricity procurement channels, analyze electricity consumption trends and adjust green electricity strategies in a rolling manner.</p>

Items	Implementation				
Results of PLANET's Greenhouse Gas Emission Inventory in the Past Two Years					
Unit: Metric tons of CO ₂ e					
	Year	2022		2023	
Scope 1: Direct emissions		41.50 ^{Note}		45.42	
		Region	Market	Region	Market
Scope 2: Indirect energy emissions		342.90	328.13	321.89	277.97
Scope 3 (Categories 3-4): Other indirect emissions		136.28		514.44	
Note 1: Scope 1 greenhouse gas emissions verified by a third party in 2022 were 24.39 metric tons of CO ₂ e. However, the inventory of 17.11 metric tons of CO ₂ e greenhouse gas emissions from the fugitive emission sources - testing equipment was omitted in 2022, so they were revised to 41.50 metric tons of CO ₂ e.					
Intensity of PLANET's Greenhouse Gas Emissions over the Past Two Years					
Unit: Metric tons of CO ₂ e/NT\$ million					
	Year	2022		2023	
Scopes 1 and 2 (market) greenhouse gas emissions (metric tons of CO ₂ e)		369.63		323.39	
Turnover (NT\$ million)		1,720.23		1,844.67	
Intensity of greenhouse gas emissions		0.2149		0.1753	
(2) Green products:					
The company adheres to the "principles of green energy product development" and continuously researches and develops advanced technology to consolidate PLANET's leading position in the network communication industry. As of the end of 2023, PLANET has obtained a total of 42 patents, 6 of which are ESG-related patents, namely "energy-saving" and "renewable energy" patents, accounting for 14%. PLANET will continue to research and develop renewable energy products and energy-saving products and extend its renewable energy product lines in the future.					
(3) Internal carbon pricing:					
The internal carbon pricing set in 2023 is NT\$3,058 per metric ton of CO ₂ e, which is calculated based on the carbon reduction target of reducing by 30% in 2025 and the planned carbon reduction costs invested, including costs and expenses for eliminating and replacing equipment and using renewable energy. PLANET will adjust its internal carbon pricing in a rolling manner and optimize its internal carbon pricing management mechanism in the future.					

Items	Implementation
	<p>(4) Sustainable supply chain management:</p> <p>The company undertakes to establish a supply chain with the goal of sustainable development. To ensure the safety of the supply chain work environment, the dignity of and respect for employees and business operations promoting environmental protection and ethical compliance, the company expects to work together with the supply chain to implement corporate social responsibility and create a sustainable value chain.</p> <p>In 2023, the company managed the potential risks of suppliers in RBA's five major areas (including labor, health and safety, environment, ethical standards and management systems) through audits and investigations to avoid negative impacts on governance, environment and society and any impact on the operation of the supply chain. The supplier evaluation results show that among the 9 high-risk suppliers, the total number of RBA audit questions is 567, with a conformity rate of 76%, and the performance is the most inadequate in terms of environmental issues, including the failure to plan energy-saving and carbon reduction policies and greenhouse gas reduction targets. The company will strengthen its advocacy for suppliers and suggest that suppliers establish more comprehensive social responsibility measures. In addition, from the first quarter of 2024, the company has started coaching suppliers on carbon inventory and carbon management, assisting suppliers in reducing carbon emissions and transitioning towards low-carbon and intelligentization.</p> <p>(5) Waste management:</p> <p>The company's waste mainly comes from packaging materials used in research and development, testing, maintenance processes and manufacturer distribution and storage processes, including waste electronics and electrical appliances and information products, waste paper and waste plastics. To reduce environmental impact, the company will continue to promote green product design, waste recycling and reuse projects and waste management to reduce raw material consumption from the source and recycle reusable materials. For the waste generated, the company will entrust waste manufacturers to recycle and reuse it, and only those that cannot be recycled and reused are disposed of by incineration or burial. The company has established waste storage areas that comply with regulations, and has formulated "Environmental Maintenance Regulations" to implement waste classification and resource recovery. PLANET's annual goal for waste reduction is to achieve a general industrial waste recycling rate of over 98%. The general industrial waste recycling rate in 2023 is 98.18%, achieving a recycling rate of over 98%.</p>

Items	Implementation																
	<p>(6) Increase the proportion of renewable energy used: The company has set the goal of achieving a renewable energy usage ratio of 28% to total electricity consumption in the short term (by 2025), 40% in the medium term (by 2028) and RE100 in the long term (by 2050). The company used a total of 88,722 kWh of renewable energy electricity in 2023, accounting for 13.64% of the total renewable energy usage, which did not achieve the goal of 15% set for 2023, and the main reason is due to the failure to establish the renewable energy transfer contract in a timely manner, resulting in insufficient usage due to no use of renewable energy in July. The company will meet demand through diversified green electricity procurement channels, analyze electricity consumption trends and adjust green electricity strategies in a rolling manner. The consumption ratios of purchased electricity and renewable energy electricity are as follows:</p> <table border="1" data-bbox="352 855 1481 1037"> <thead> <tr> <th rowspan="2">Purchased electricity (electricity consumption)</th> <th rowspan="2">Renewable energy (transferred consumption)</th> <th rowspan="2">Proportion of renewable energy purchases</th> <th colspan="2">Calculation of emissions (CO₂e)</th> </tr> <tr> <th>Location benchmark</th> <th>Market benchmark</th> </tr> </thead> <tbody> <tr> <td>650,260</td> <td>88,722</td> <td>13.64%</td> <td>321.89</td> <td>277.97</td> </tr> </tbody> </table> <p>(7) TCFD management and disclosure and CDP (Carbon Disclosure Project): The company issued the first TCFD report in 2023, and it passed external verification (at maturity level 4). In 2023, the company participated in the Carbon Disclosure Project (CDP) for the first time, with a rating of Level C. The company will continue to strengthen climate change information disclosure to ensure that the impacts of climate change are incorporated into the company’s business and investment decisions for consideration.</p> <p>(8) Biodiversity: The company focuses on domestic and foreign biodiversity issues. Since 2021, the company has stopped burning rice straws under the Taiwan’s Good Air for Cultivating Fields to reduce air pollution, reduce carbon emissions and enhance biodiversity. Moreover, in May 2023, the company responded to the “4 per 1000” Initiative and became a member of the initiative partners to continuously dedicate itself to soil health, food security and climate change. In the future, the company will identify natural risks and opportunities in accordance with TNFD's nature-related financial disclosure standards and evaluate natural issues that should be addressed and promote them through project approach.</p>					Purchased electricity (electricity consumption)	Renewable energy (transferred consumption)	Proportion of renewable energy purchases	Calculation of emissions (CO ₂ e)		Location benchmark	Market benchmark	650,260	88,722	13.64%	321.89	277.97
Purchased electricity (electricity consumption)	Renewable energy (transferred consumption)	Proportion of renewable energy purchases	Calculation of emissions (CO ₂ e)														
			Location benchmark	Market benchmark													
650,260	88,722	13.64%	321.89	277.97													
9.	Greenhouse gas inventory and confirmation and reduction goals, strategies and specific action plans (to be filled out separately in Sections 1-1 and 1-2).																

1-1 Greenhouse gas inventory and confirmation of the company in the past two years

1-1-1 Greenhouse gas inventory information

Describe the greenhouse gas emissions (metric tons of CO₂e), intensity (metric tons of CO₂e/NT\$ million) and data coverage in the past two years.

The target of the greenhouse gas inventory conducted is the headquarters, with the organizational boundary set with 100% operational control. The scope of inventory in 2022 covers addresses located at 7th to 11th floors and 2nd floor, No. 96 and B1 No. 96, B1 No. 98 and B1 No. 100 Minquan Road, Xindian District, New Taipei City; the scope of inventory in 2023 covers addresses located at 5th to 11th floors and 2nd floor, No. 96 and B1 No. 96, B1 No. 98 and B1 No. 100 Minquan Road, Xindian District, New Taipei City.

Results of PLANET's Greenhouse Gas Emission Inventory In the Past Two Years

Unit: Metric tons of CO₂e

Year	2022	2023		
Scope 1:				
Direct emissions	41.50	45.42		
Scope 2:	Region	Market	Region	Market
Indirect energy emissions	342.90	328.13	321.89	277.97
Scope 3 (Categories 3-4):				
Other indirect emissions	136.28	514.44		

Intensity of PLANET's Greenhouse Gas Emissions Over the Past Two Years

Unit: Metric tons of CO₂e/NT\$ million

Year	2022	2023
Scopes 1 and 2 (market) greenhouse gas emissions (metric tons of CO ₂ e)	369.63	323.39
Turnover (NT\$ million)	1,720.23	1,844.67
Intensity of greenhouse gas emissions	0.2149	0.1753

Note 1: Direct emissions (Scope 1, direct emissions from emission sources owned or controlled by the company), indirect energy emissions (Scope 2, indirect greenhouse gas emissions caused by the input of electricity, heat or steam) and other indirect emissions (Scope 3, emissions generated by the company's activities, which are not indirect energy emissions, but rather emissions from emission sources owned or controlled by other companies).

Note 2: The data coverage for direct emissions and indirect energy emissions should be handled in accordance with the schedule stipulated in the order under Paragraph 2 of Article 10 of these Standards, and other indirect emission information may be voluntarily disclosed.

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

Note 4: The intensity of greenhouse gas emissions can be calculated based on per unit of product/service or turnover, but at least the data calculated based on turnover (NT\$ million) should be described.

1-1-2 Greenhouse gas confirmation information

Provide a description of the confirmation situation in the past two years up to the date of publication of the annual report, including the scope of confirmation, confirmation institution, confirmation criteria and confirmation comments.

Year	2022	2023
Scope of confirmation	7th to 11th floors and 2nd floor, No. 96 and B1 No. 96, B1 No. 98 and B1 No. 100 Minquan Road, Xindian District, New Taipei City	5th to 11th floors and 2nd floor, No. 96 and B1 No. 96, B1 No. 98 and B1 No. 100 Minquan Road, Xindian District, New Taipei City
Confirmation institution	Hong Kong BSI Pacific Limited Taiwan Branch	Hong Kong BSI Pacific Limited Taiwan Branch
Confirmation comments	<p>The results of the verification conducted according to ISO 14064-3:2006 are as follows:</p> <ul style="list-style-type: none"> • Scopes 1 and 2 greenhouse gas emissions are at a reasonable guarantee level; Scope 3 (Categories 3-4) greenhouse gas emissions are at a limited guarantee level. • No major errors were found in the calculation of greenhouse gas emissions during the disclosure period (from January 1, 2022 to December 31, 2022). • The data quality meets the requirements of ISO 14064-1:2018. 	<p>The results of the verification conducted according to ISO 14064-3:2019 are as follows:</p> <ul style="list-style-type: none"> • The guarantee level for Scope 1 direct greenhouse gas emissions and Scope 2 indirect greenhouse gas emissions from the input of energy (Categories 1 and 2 of ISO 14064-1:2018) in the greenhouse gas inventory report is the reasonable guarantee level. • Other indirect greenhouse gas emissions (Categories 3-4) are based on conclusions drawn through confirmation and protocol procedures. • The quality of the inventory data complies with the provisions of ISO 14064-1:2018.

Note 1: It should be handled in accordance with the schedule stipulated in the order under Paragraph 2 of Article 10 of these Standards. If the company does not obtain complete greenhouse gas confirmation comments by the date of publication of the annual report, it should indicate that "any complete confirmation information will be disclosed in the sustainability report". If the company has not prepared a sustainability report, it should indicate that "any complete confirmation information will be disclosed on the public information observation station" and disclose any complete confirmation information in the annual report for the next year.

Note 2: The confirmation institution should comply with the relevant regulations for sustainability report confirmation institutions established by Taiwan Stock Exchange Corporation and GreTai Securities Market.

1-2 Greenhouse gas reduction goals, strategies and specific action plans

Describe the greenhouse gas reduction base year and its data, reduction goals, strategies and specific action plans as well as the achievement of reduction goals.

- Greenhouse gas reduction base year and its data: 2022, the data shows Scopes 1 and 2 (market) greenhouse gas emissions.
- Reduction goals: reducing Scopes 1 and 2 greenhouse gas emissions by 30% in the short term (by 2025) and 42% in the medium term (by 2028), and achieving net-zero emissions in the long term (by 2050). Scopes 1 and 2 (market) greenhouse gas emissions in 2023 were 323.39 metric tons of CO_{2e}, which did not achieve the goal of reducing greenhouse gas emissions by 15% by 2023, and the main reason is due to the failure to establish the renewable energy transfer contract in a timely manner in 2023, resulting in insufficient renewable energy usage. The company will meet demand through diversified green electricity procurement channels, analyze electricity consumption trends and adjust green electricity strategies in a rolling manner.
- Greenhouse gas reduction strategies and specific actions:
 1. Implementation of greenhouse gas management: Continuously conduct ISO 14064-1 greenhouse gas inventory and pass verification to quantify our greenhouse gas emissions. Establish ISO 14067 product carbon footprint and pass verification to ensure that our product manufacturing process meets carbon reduction requirements.
 2. Green product design and development: Adhere to the principles of green energy product development and incorporate environmental considerations into product R&D and design. Promote renewable energy equipment products and encourage customers to choose more environmentally friendly products.
 3. Implementation of carbon reduction management: Establish a green supply chain management platform and promote greenhouse gas inventory and reduction cooperation among suppliers. Promote internal/external carbon reduction actions, including energy conservation and effective utilization of resources. Use renewable energy and incorporate renewable energy into our energy structure. Purchase renewable energy certificates and support the development of renewable energy. Undertake carbon offset projects to compensate for inevitable greenhouse gas emissions.
 4. Establishment of a carbon management mechanism: Participate in the CDP (Carbon Disclosure Project) and publicly disclose our progress in greenhouse gas inventory and reduction. Join the SBTi (Science Based Targets initiative) to ensure that our carbon reduction goals are scientifically feasible. Promote the ICP (Internal Carbon Pricing) and encourage internal departments to incorporate greenhouse gas emissions into cost considerations. Participate in domestic/foreign climate-related information disclosure platforms and share greenhouse gas management experience with other organizations. Participate in carbon trading platforms and explore diversified ways to reduce carbon emissions. Support the RE100 initiative, undertake to use 100% renewable energy and promote energy transition.
- Achievement of greenhouse gas reduction goals: Scopes 1 and 2 (market) greenhouse gas emissions in 2023 were 323.39 metric tons of CO_{2e}, which did not achieve the goal of reducing greenhouse gas emissions by 15% by 2023, and the main reason is due to the failure to establish the renewable energy transfer contract in a timely manner in 2023, resulting in insufficient renewable energy usage. The company will meet demand through diversified green electricity procurement channels, analyze electricity consumption trends and adjust green electricity strategies in a rolling manner.

Note 1: It should be handled in accordance with the schedule stipulated in the order under Paragraph 2 of Article 10 of these Standards.

Note 2: The base year should be the year in which the inventory of consolidated financial reports is completed, for example, in accordance with the order under Paragraph 2 of Article 10 of these Standards, companies with a total capital of more than NT\$10 billion should complete the inventory of their consolidated financial reports for 2024 by 2025, so the base year should be 2024. If these companies have completed the inventory of their consolidated financial reports in advance, the earlier year may be used as the base year, and the data for the base year may be calculated based on the average of data for a single year or several years.

(VI) Performance of ethical corporate management and deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” and reasons: Since its establishment, PLANET has put efficiency, innovation, quality, integrity into the Company's quality policy. To ensure the implementation of the Company’s ethical corporate management policy, the Company established the “Ethical Corporate Management Best Practice Principles” in 2010. In 2015, the Company made amendments to the “Ethical Corporate Management Best Practice Principles” and formulated the “Procedures for Ethical Management and Guidelines for Conduct”. In 2016, the Company designated the Finance Department as the responsible unit, under the Board of Directors, for handling the revision, implementation, interpretation, consultation services, reporting and registration and filing of the contents of the “Procedures for Ethical Management and Guidelines for Conduct” and supervising its implementation. The Finance Department is required to report the Company’s ethical corporate management status to the Board every year on a regular basis. On December 20, 2023, the Finance Department reported to the Board on the implementation of the Company’s ethical corporate management measures.

In 2021, the Board approved the formulation of the internal control system and internal audit implementation rules for the “Procedures for Ethical Corporate Management”, and included the “Procedures for Ethical Corporate Management” into the annual audit plan to ensure the inspection on the implementation situation. On February 29, 2024, the audit unit reported to the Board on the auditing of the “Procedures for Ethical Corporate Management”.

Implementation Status of Ethical Business Management

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Establishment of ethical corporate management policies and programs. (1) Does the company have an ethical corporate management policy approved by its Board of Directors, and	√		(1) PLANET established its “Ethical Corporate Management Best Practice Principles” in 2010 and formulated the “Procedures for Ethical Corporate Management and Guidelines for Conduct” in 2015. These rules and guidelines explicitly state that “the Company shall establish the ethic-based policies on the basis of the operational philosophy of integrity, transparency, and responsibility, which are subject to the approval of the Board, and establish effective corporate governance and risk control mechanism to build up an operating environment with sustainable development”. And “When engaging in commercial activities, directors, managers,	No

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
bylaws and publicly available documents addressing its policies and practices of ethical corporate management, and commitment regarding implementation of such policy from the Board and the top management team?			<p>employees, and mandataries of the Company or persons having substantial control over the Company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty for purposes of acquiring or maintaining benefits".</p> <p>PLANET has established the following prevention measures against unethical conduct:</p> <ol style="list-style-type: none"> 1. Offering and acceptance of bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits. 5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services. <p>All employees who joined the Company before 2020 have completed the training on ethical business operation. These employees signed the "Employee's Declaration for Compliance with the Regulations Governing Ethical Business Operations" in 2020, declaring that they would abide by the Company's "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" during their employment. Starting from 2020, all new employees will receive training on ethical business operation and sign the employment contract upon reporting to work, which will make employees understand the importance and necessity of observing the "Ethical Corporate Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct". Existing</p>	

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>employees are required to sign the “Employee’s Declaration for Compliance with the Regulations Governing Ethical Business Operations” when they take up their new positions.</p> <p>In 2023, the Company provided training to all new employees on ethical business operation, with a total of 20 sessions and 26 participants, to enable employees to fully understand the Company's governance related management measures. At the same time, employees learnt the work rules, corporate ethics, confidentiality and other norms, and were required to abide by the ethical management policy in the labor contract. In the first and second quarters of 2023, the Company provided 30-minute introduction courses titled "ethical corporate management" and "anti-corruption and anti-bribery" to all employees, with a total of 319 participants. On December 20, 2023, directors and managers, a total of 12 persons, attended 30-minute lectures on “Ethical Corporate Management Best Practice Principles” and “prevention of insider trading”. The Company’s ethical management performance in 2023 was reported to the Board on December 20, 2023. The relevant rules and regulations are disclosed in the "Corporate Governance Regulations" section of the Company's website and on the MOPS. For information on the Company’s website, please visit: (http://www.planet.com.tw/tw/ir/corporate-governance)</p>	
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a	√		(2) PLANET has established its risk assessment system and prevention measures. The Company regularly analyzes and assesses the risk of unethical conducts in all of its operation levels . In line with the prevention measures set forth in Paragraph 2 of Article 7 of the “Ethical Corporate Management Best Practice Principles”, the “Procedures for Handling Political Donations” are established to prevent briberies and illegal political donations and strictly restrict the limit and approval authorities for political donations. The accounting of such donations must comply with the Political Donations Act, other relevant laws and regulations and the accounting	No

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2 of Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?			<p>procedures. The Company has established the “Procedures for Handling Charitable Donations or Sponsorships”, which explicitly states that when making or offering Charitable donations and sponsorship, the Company’s directors, managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery. The procedures also strictly restricts the limit and approval authorities for charitable donations. The Company has established the “Regulations Governing Trade Secrets” to prevent unlawful infringement to the Company’s trade secrets, trademark rights, copyrights, patent rights and rights to other intellectual properties. The keepers of such intellectual properties are responsible to keep and protect the business secrets without leaking at will. Any loss or disclosure of the Company's business secrets shall be handled in accordance with the work rules or relevant regulations. PLANET reviews the effectiveness of the design and implementation of the internal control system and internal audit implementation rules as appropriate to establish a good corporate governance and risk control mechanism, so as to improve the sustainable development of the business environment. At the same time, the Company ensures the implementation of these systems in its internal management and external business activities. The relevant rules and regulations are disclosed in the "Corporate Governance Regulations" section of the Company's website and on the MOPS.</p> <p>For information on the Company’s website, please visit: (http://www.planet.com.tw/tw/ir/corporate-governance)</p>	
(3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for	√		(3) To implement the policy of ethical business operation and prevent unethical conduct, PLANET has established regulations such as the “Ethical Corporate Management Best Practice Principles”, the “Procedures for Ethical Management and Guidelines for Conduct”, the “Procedures for Handling Political Donations”, the “Procedures for Handling Charitable Donations and Sponsorship”, and the “Rules for the Implementation of	No

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?			<p>Awards and Punishments”. These regulations serve as the basis for the actions taken by the Board and management, and are regularly reviewed and revised as appropriate.</p> <p>The Company requires directors and senior managers to sign the “Employee’s Declaration for Compliance with the Regulations Governing Ethical Business Operations”, in which they declare that they will abide by the Company’s “Ethical Corporate Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”. In the employment contract, there are also terms and conditions requiring employees to observe the ethical corporate management policy. Article 20, “Accounting and Internal Control”, of the Company’s “Ethical Corporate Management Best Practice Principles” stipulates that the internal auditing unit shall, based on the results of assessment on risk of unethical behaviors, prepare relevant audit plans, including audit objects, scope, items, frequency, etc., and check the effectiveness in the implementation of the prevention measures accordingly. In 2021, the Company formulated the internal control system and internal audit implementation rules for the “Procedures for Ethical Corporate Management”, and on February 29, 2024, the Audit Committee reported to the Board on the auditing of the implementation of the newly established regulations to fulfill the commitment of the ethical management policy.</p> <p>The Company has established the “Operational Procedures to Prevent Insider Trading”. Every year, the Company holds educational sessions on prevention of insider trading and ethical business management for employees. The Company’s ethical corporate management status in 2023 was reported to the Board on December 20, 2023. On the same day, directors and managers, a total of 12 persons, attended a 30-minute lecture on “prevention of insider trading”. The Company also conducts education and training on "Business Ethics and Moral Code", "Ethical Corporate Management Best Practice Principles" and</p>	

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			"Employee Work Rules" for all new employees, and has formulated code of conducts and handling procedures for employee rewards and punishments, so as to strengthen employees' compliance with professional moral and ethical management principles. In addition, the Company has established a complete whistleblowing, complaint and disciplinary system to facilitate the implementation of its ethical business management.	
2. Ethical Management Practice (1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	√		(1) Adhering to the principle of ethical management, PLANET conducts business in the manner of fairness, honest, reliability, and transparency. Before doing business, the Company conducts investigations on the counterparties, including agencies, suppliers, clients, or other relevant parties, to check if they observe ethical business operation policy and are involved in any unethical conducts. The purpose of the investigation is to ensure that the counterparties conduct business in the manner of fairness and transparency. The Company may terminate or rescind the terms of the contract at any time if the counterparty is found involved in unethical conducts. To maintain fairness and mutual respect, the Company strictly applies a no-gift/anti-bribery policy, and does not allow any commission, rebate or any benefit to be paid for any reason, directly or indirectly, on the initiative or on demand or on contract, in order to safeguard the integrity of the Company's dealings with its business partners.	No
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate	√		(2) To better implement ethical business operation, the Company designated its Finance Department to be the responsible unit for execution of ethical corporate management and reporting the implementation status to the Board at the end of each year. On Dec. 20, 2023, the implementation situation of ethical corporate management in 2023 was reported to the Board and managers for a total of 12 people, which would facilitate the Board to better perform its function of supervision on the related matters. Major aspects of ethical corporate management implementation in 2023: 1. Ethical business activities: The Company operates with ethics and integrity and	No

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
management policy and program to prevent unethical conduct and monitor their implementation?			<p>conducts its business activities in a fair and transparent manner. In the year 2023, there were no cases of unethical conduct among business partners.</p> <p>2. Information disclosure: The Company's website, annual report and other open publications have disclosed the measures adopted for ethical management and the implementation of these measures. The contents of the "Ethical Corporate Management Best Practice Principles" are disclosed in the MOPS.</p> <p>3. Recusal due to conflicts of interest: When the Company's directors, managers and other interested parties attending or present at the Board meetings, or the legal persons represented by them, have an interest in the motions discussed at the 2023 Board meetings, they all voluntarily recused themselves from participating in the discussion and voting.</p> <p>4. Education and training: In 2023, the Company provided ethical corporate management related education and training courses for directors, managers, existing and newly recruited employees, including courses on "Ethical corporate management", "Anti-corruption, anti-bribery", "Introduction on prevention of insider trading" and other related topics.</p> <p>5. Whistleblowing system: Article 21 of the "Procedures for Ethical Management and Guidelines for Conduct" provides whistle-blowing channels and the complete processing procedures. The procedures stipulates that the identity of the whistleblower and the contents reported by the whistleblower shall be kept confidential, and the Company shall promise to protect the whistleblower from being improperly disposed of due to the whistle-blowing. Relevant provisions are disclosed on the Company's website. In 2023, there were no cases of whistle-blowing in the Company.</p> <p>6. Accounting and internal control: The Company has established effective accounting</p>	

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>system and internal control system, and conducts timely review and amendment to ensure that the design and implementation of the systems continues to be effective. In 2023, the Board approved amendments to 4 company regulations, namely the "Procedures for Preventing Insider Trading", "Regulations Governing Handling of Material Information", "Corporate Governance Best Practice Principles" and "Rules Governing Financial and Business Matters Between the Company and Its Related Companies".</p> <p>7. Charitable donations or sponsorships and political donations: The Company's charitable donations in 2023 are conducted in accordance with the Company's accounting system, internal control system and relevant laws and regulations, and there were no cases of bribery. In addition, the Company made no political donations in 2023.</p>	
(3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	√		<p>(3) To prevent any conflicts of interest, the Company has established the “Code of Conducts for Directors and Managers”, providing an appropriate channel for directors and managers to voluntarily declare their potential conflicts of interest with the Company.</p> <p>If any person attending or present at a Board meeting, or the juristic person represented by such person, is an interested party with respect to any motions to be discussed at the Board meeting, and such relationship is likely to prejudice the interests of the Company, the person present at the Board meeting, although allowed to state opinions and answer questions, may not participate in discussion or voting in relation to that motion, and further, shall recuse him/herself from the discussion and voting on that motion and may not act as another director's proxy to exercise voting rights on that motion. In such cases, directors shall not improperly support each other.</p> <p>If any attendee and participant of Board’s meetings, who has a personal interest in the motions under discussion at the meetings, which may impair the interest of the Company, although they may express their opinions and</p>	No

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			reply inquiries, they shall not discuss or vote, while recusing from the discussion and voting, nor exercise the voting right on behalf of another director. The directors shall not support each other in an inappropriate manner.	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	√		(4) The Company has formulated the internal control system and internal audit implementation rules for the "Procedures for Ethical Corporate Management", which has been included in the annual audit plan to undergo auditing every year. The Company has established effective accounting system and internal control system for business activities and operating procedures with higher potential risk of unethical conducts, and reviews it from time to time to ensure that the design and implementation of the systems are continuously effective for monitoring ethical corporate management. In addition to make annual audit plan based on risk assessment, the internal auditors also check the compliance status according to the annual audit plan and report to the Audit Committee by e-mail every month. The internal auditors also report the audit implementation status to the Board and the Audit Committee, and entrust CPAs to conduct the audit of the internal control system every year. On February 29, 2024, the auditors reported to the Board on the auditing of the "Procedures for Ethical Corporate Management".	No
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	√		(5) PLANET's newly recruited employees are provided with education and training programs on ethical corporate management. In 2023, a total of 20 training sessions were held for 26 participants. In the first and second quarters of 2023, the Company provided 30-minute introduction courses titled "ethical corporate management" and "anti-corruption and anti-bribery" to all employees, with a total of 319 participants. On December 20, 2023, directors and managers, a total of 12 persons, attended 30-minute lectures on "Ethical Corporate Management Best Practice Principles" and "prevention of insider trading".	No
3.Implementation of			(1) The Company has established the disciplinary action	No

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
whistleblowing system (1) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?	√		and complaint systems for the violations of ethical corporate management, with well-rounded whistle-blowing system and channels. The “Stakeholders” section at the Company’s website provides the mailboxes of the Audit Committee, the CEO, the spokesperson and acting spokesperson, and their contact numbers. Other ways of communication are also available to different groups of stakeholders. Complaints may be filed through multiple channels, and are handled by the dedicated personnel.	
(2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a	√		(2) The Company has multiple complaint channels in place. The complaints may be filed through the mailboxes or telephone of the CEO, the Audit Committee, HR, the spokesperson and acting spokesperson. Employees may file their opinions directly to the CEO or Dept. of Administration. The Company has established the “Guidelines of Preventing Sexual Harassment and the Penalties”. Anyone encounters any sexual harassment may report to HR directly. An investigation team will be organized by the Dept. of Administration immediately pursuant to the law. During the investigation and review, the rights of the plaintiff will be protected, without leaking his/her identity and information, and all outcomes of investigation are documented for retaining. The Company also has various confidentiality mechanisms, specified in the “Rules of Management “, the “Regulations Governing Business Secrets”, and “Labor Contract”.	No

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
confidential manner?				
(3) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints?	√		(3) In all of the Company's regulations, it is stipulated that the rights of whistleblowers must be safeguarded during the investigations and reviews, so that they can be protected from retaliation due to whistle-blowing. The complaints are handled in manner of absolute confidentiality, names of whistleblowers and any identifiable information are strictly prohibited from being disclosed to others.	No
4. Strengthening Information Disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	√		<p>PLANET's "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" are disclosed in the "Stakeholders" section and "Corporate Governance" section on the Company's website. Information on the Company's ethical corporate management and implementation status is also disclosed in the "Corporate Governance" section. At the same time, the Company's "Ethical Corporate Management Best Practice Principles" is disclosed on the MOPS.</p> <p>For information, please visit the "Corporate Governance" section on the Company's website:</p> <p>(https://www.planet.com.tw/tw/sustainability/governance) The Company's website (About Us/Overview/Ethical Corporate Management) (https://www.planet.com.tw/tw/about/manage) MOPS "Corporate Governance" section (http://mops.twse.com.tw)</p>	No
<p>5. If the company has established its own ethical corporate management best practice principles based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", please describe any deviations between the principles and their implementation:</p> <p>PLANET, pursuant to the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", has established its "Ethical Corporate Management Best Practice Principles". In 2015, the Company, pursuant to the amendments of the "Ethical Corporate Management Best Practice Principles", formulated the "Procedures for Ethical Management and Guidelines for Conduct". In 2020, pursuant to the Letter Tai-Cheng-Chi-Li-Zhi No. 1080008378 issued by TWSE, the "Ethical Corporate Management Best</p>				

Evaluation item	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>Practice Principles” were amended, and in the same year, pursuant to Letter Tai-Cheng-Chi-Li-Zhi No. 1090002299 issued by TWSE, the “Procedures for Ethical Management and Guidelines for Conduct” were amended, and both amendments were approved by the Board in 2020.</p> <p>At PLANET, the Board of Directors, managers and all employees actively implement the regulations in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies ", and the Audit Office regularly inspects and supervises the implementation of the Company’s ethical corporate management every year.</p>	
			<p>6. Other important information to facilitate a better understanding of the status of operation of the company’s ethical corporate management policies (e.g., the company’s reviewing and amending of its ethical corporate management best practice principles):</p> <p>PLANET has established the “Ethical Corporate Management Best Practice Principles”, and the “Procedures for Ethical Management and Guidelines for Conduct”. The Finance Department has been appointed as the dedicated unit, under the Board of Directors, to amend, implement, interpret, and consult the issues regarding the related affairs. In 2020, pursuant to the Letter Tai-Cheng-Chi-Li-Zhi No. 1080008378 issued by TWSE, the “Ethical Corporate Management Best Practice Principles” were amended, and in the same year, pursuant to Letter Tai-Cheng-Chi-Li-Zhi No. 1090002299 issued by TWSE, the “Procedures for Ethical Management and Guidelines for Conduct” were amended. In 2021, the Board approved the formulation of the internal control system and internal audit implementation rules for the “Procedures for Ethical Corporate Management”, which was included in the annual audit plan. On February 29, 2024, the Audit Committee reported to the Board on the auditing of the implementation of the “Procedures for Ethical Corporate Management”. PLANET’s newly recruited employees are provided with education and training programs on ethical corporate management. In 2023, a total of 20 training sessions were held for 26 participants. In the first and second quarters of 2023, the Company provided 30-minute introduction courses titled "ethical corporate management" and "anti-corruption and anti-bribery" to all employees, with a total of 319 participants. On December 20, 2023, directors and managers, a total of 12 persons, attended 30-minute lectures on “Ethical Corporate Management Best Practice Principles” and “prevention of insider trading”.</p>	

(VII) If the company has established its corporate governance best-practice principles or related regulations, its should disclose the way(s) how this information can be obtained.

1. The Company has established the following regulations and guidelines pursuant to its “Corporate Governance Best-Practice Principles”:
 - (1) The Rules of Procedure for Shareholders’ meetings
 - (2) The Rules of Procedure for Board’s Meetings
 - (3) The Rules of Responsibility Scope of Independent Directors
 - (4) The Organization Regulations for Audit Committee
 - (5) The Regulations Governing InterCompany Financial and Operation of Affiliates

- (6) The Regulations Governing Director Election
- (7) The “Code of Conducts for Directors and Managers”
- (8) The Procedures for Asset Acquisition and Disposal
- (9) The Procedures for Providing Endorsements/Guarantees.
- (10) The Procedures for Loaning Funds to Others.
- (11) The Organization Regulations for Risk Management Committee
- (12) Ethical Corporate Management Best Practice Principles
- (13) Sustainable Development Best-practice Principles
- (14) Guidelines of Performance Appraisal of the Board of Directors
- (15) Guidelines of Performance Evaluation of the Board of Directors
- (16) The Organization Regulations for Remuneration Committee
- (17) The Operational Procedures to Prevent Insider Trading
- (18) The Guidelines of Performance Appraisal of the Auditors
- (19) The Program to Evaluate the Quality of Internal Audit
- (20) Regulations Governing M&A Strategy and Examination
- (21) Regulations Governing the Handling of Material Information
- (22) The Procedures for Handling Political Donations
- (23) The Procedures for Handling Charitable Donations or Sponsorships
- (24) The Oversight Operation to Subsidiaries
- (25) The Operational Procedures for Transactions Among Certain Companies, Groups, Enterprises and Related Parties
- (26) Regulations Governing Operation of Long- and Short-Term Investment
- (27) Regulations Governing Liability Commitments and Contingencies
- (28) The Procedures for Ethical Management and Guidelines for Conduct
- (29) Sustainable Development Systems and Policies
- (30) Operational Procedures for Application for Suspension or Resumption of Transactions
- (31) Regulations Governing Shareholders’ Affairs
- (32) Regulations Governing Personal Information Protection
- (33) Standard Procedures for Handling Requests Made by Directors
- (34) The Organizational Regulations for Sustainable Development Committee
- (35) Regulations Governing Continuing Education of Directors
- (36) Risk Management Policies and Procedures

2. Enquiry: Information disclosed in the “Corporate Governance Regulations” section in the Company’s website (<https://www.planet.com.tw/tw/ir/corporate-governance>)
The “Corporate Governance” section on the MOPS website (<http://mops.twse.com.tw>)

(VIII) Other material information that facilitates a better understanding of the company’s corporate governance practices

1. Since the establishment of the Audit Committee on Jun. 13, 2017, it holds quarterly meetings on a regular basis to fully discuss the presentation of the Company’s financial statements, its internal control system and audit system, as well as the amendments to various management regulations. At the same time, the audit supervisor, accounting supervisor and accountants also communicate with the Audit Committee on a regular basis. Please refer to Page 52 to 57.
2. On November 4, 2020, the Company established the “Organizational Regulations for Corporate Social Responsibility Committee” and the “Regulations of Risk Management

Committee". On December 22, 2020, the Board approved the establishment of the Corporate Social Responsibility Committee and the Risk Management Committee". The Corporate Social Responsibility Committee was renamed as the Sustainable Development Committee in 2021. On May 24, 2023, the Board approved the appointment of the members of the second Sustainable Development Committee, which consisted of one Director and four independent directors. On December 21, 2022, the Risk Management Committee, approved by the Board, renamed the "Regulations of Risk Management Committee" as "Organizational Regulations of Risk Management Committee". On May 24, 2023, the Board approved the appointment of the members of the second "Risk Management Committee", which consisted of more than half of the independent directors, holding at least two meetings a year. Please refer to Page 348 to 352.

3. Generally, the Company sends email notifications to the directors seven days prior to a Board meeting. The notification of the meeting not only gives the reason of convening the meeting, but also provides adequate information for the directors' references. The meeting minutes are sent to the directors within 20 days after the meeting via email. During the meeting, if there are any independent directors holding dissenting or qualified opinion, such happening should be recorded in the meeting minutes. To establish sound corporate governance, assist directors to fulfill their duties, and improve the performance of the Board, the Company established the "Procedures for Handling Requests Made by Directors" on Mar. 21, 2019, stipulating that the requests made by directors shall be handled within five working days, to fully facilitate the directors to fulfill their duties with relevant information and resources.
4. To safeguard the interests of shareholders and protect their rights fairly, the Company has set out in its "Procedures for Preventing Insider Trading" the control measures for stock trading by insiders from the date when they are aware of the Company's financial reports or related results, including (but not limited to) that directors are not allowed to trade the Company's shares during the closed period, which is, 30 days before the release of the annual financial report, and 15 days before the release of each quarterly financial report. In 2023, 30 days before the release of the annual financial report and 15 days before the release of the quarterly financial reports, the Company sent emails to remind insiders not to trade the Company's shares during the aforesaid closed period.
5. The Company respects and values the recommendations of the independent directors. The management regularly presents various management reports to the Board of Directors, including the operation reports, sustainable development implementation report, internal audit report, ethical management implementation report, risk management implementation report, stakeholders communication report, intellectual property implementation report, and report on ethical management education and prevention of insider trading, to enable independent directors to have insights to the Company's operations in finance, business, R&D, and materials, and to assist them in compliance with related laws and regulations.
6. The Company is not only obliged to fully disclose its information to domestic investors, but also voluntarily discloses the following information in English to international investors:
 - (1) Material information
 - (2) Annual financial reports and financial reports of Q1, Q2 and Q3.
 - (3) Meeting notification and meeting handbook of shareholders' meetings
 - (4) Annual report of shareholders' meetings
 - (5) Sustainability report
 - (6) TCFD Report
 - (7) Briefing on investors' conference

7. In accordance with the “Sustainable Development Action Plans for TWSE and TPEX Listed Companies (2023)” issued by the competent authority, PLANET strived to improve the performance of its sustainable governance in the 5 major aspects. In 2023, the Company completed the following works ahead of schedule:
- (1) GHG inventory (including Scope 3 - Upstream transport, downstream transport, commercial transport, transmission and distribution power losses) and third-party assurance, disclosed in the Annual Report, TCFD Report and Sustainability Report.
 - (2) Disclosure of GHG reduction targets, strategies and specific action plans in Annual reports, TCFD Reports and Sustainability Reports.
 - (3) More than one director of different gender was appointed when holding directors' re-election. After that, the Board consisted of 3 female directors and 4 male directors, with a single gender ratio of more than 1/3.
 - (4) The number of independent directors accounted for 57% of the current elected directors, and the term of office of each independent director was not more than 3 terms.
 - (5) Appointment of the members of the second Sustainable Development Committee, which consisted of one director and four independent directors.
 - (6) Linking ESG sustainability performance to senior managers' remuneration.
 - (7) Preparation of sustainability report based on international standards, such as GRI, SASB, and TCFD, and obtained third-party assurance.
 - (8) Since 2014, the meeting handbook is published 30 days before the Board meeting and annual report of the shareholder meeting is released 16 days before the meeting.
 - (9) Obtained certifications of ISO 27001 Information Security Management System (valid from June 24, 2022 to June 15, 2025), ISO 14001 Environmental Management system (valid from July 29, 2022 to February 8, 2025) and ISO 45001 Occupational Safety and Health Management System (valid from July 13, 2023 to July 12, 2026). The 2023 GHG inventory emissions were certified by ISO 14064-1 GHG Inventory on March 29, 2024.

(IX) Internal control system implementation status

1. Declaration of Internal Control System

PLANET Technology Corporation

Declaration of Internal Control System

Date: February 29, 2024

Based on the results of a self-assessment, PLANET Technology Corporation states the following with regard to its internal control system for 2023:

- (1) The Company's Board of Directors and management are responsible for establishing, implementing, and maintaining the internal control system that has been established by the Company. The Company's internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of the Company's operations (including profitability, performance and safeguarding of assets), the reliability, timeliness, transparency of the Company's reporting, and its compliance with applicable rulings, laws and regulations.
- (2) An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three objectives stated above. Moreover, the effectiveness of an internal control system may be subject to changes in the environment and the conditions. Nevertheless, the Company's internal control system contains self-monitoring mechanisms, and it takes immediate remedial actions in response to any identified deficiencies.
- (3) The Company has assessed the effectiveness of the internal control system design and implementation based on the items and criteria provided in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as "the Regulations"). The items for assessment of internal control system stipulated in "the Regulations" consists of five main elements, each representing a different stage of internal control process: 1. Control environment; 2. Risk assessment; 3. Procedural control; 4. Information and communication; and 5. Supervision. Each of the five elements is then divided into a sub-category. Please refer to "the Regulations" for details.
- (4) The Company has adopted the aforesaid items and criteria to assess the effectiveness of the design and implementation of the internal control system.
- (5) Based on the result of the aforesaid assessment, the Company finally concluded that the design and implementation of its internal control system (including the supervision and management of subsidiaries) has been effective until December 31, 2023, because it could ensure that: 1. The Board of directors and the CEO understand the degree of achievement of operational effectiveness and efficiency objectives. 2. The reporting of the Company is reliable, timely, transparent, and complies with applicable rules. 3. applicable laws, regulations, and bylaws have been complied with. The Company's internal control system can reasonably ensure the achievement of the above objectives.
- (6) The Declaration of Internal Control System forms the main content of the Company's annual report and prospectus published. Any false and concealment of the published contents referred to above involves the liability illustrated in Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act.
- (7) The Declaration of Internal Control System was approved at the Board meeting with no objections from any of the 7 directors attending the meeting on Feb. 29, 2024, at which all the attending directors present declared that they agreed with the contents of this statement.

PLANET Technology Corporation

Chairman : Chen, Ching-Kang

Signature/Seal

CEO : Chen, Ching-Kang

Signature/Seal

2. When the Company commissions CPAs to conduct a special audit of the internal control system, the audit report of the accountants shall be disclosed: N/A

(X) If there has been any legal penalty against the Company or its internal personnel, or any disciplinary penalty by the Company against its internal personnel for violation of the internal control system, during the most recent fiscal year or during the current fiscal year up to the publication date of the annual report, where the result of such penalty could have a material effect on shareholder equity or securities prices, the annual report shall disclose the penalty, the main shortcomings, and condition of improvement: None

(XI) Material resolutions of shareholders' meetings or Board meetings during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

1. Shareholders' meeting

Meeting Date	Type of Meeting	Major Issues	Result	Execution Status
May 24, 2023	Offline shareholders' meeting	1. To acknowledge the 2022 Business Report and financial statements.	Voting result-The voting rights of the shareholders present at the time of the voting were 32,647,186. Votes in favor: 32,480,350 (30,801,528 votes were exercised electronically), accounting for 99.48% of the total votes cast. Votes against: 2,577 (2,577 votes were exercised electronically). Invalid votes: 0. Abstention votes/unvoted: 164,259 (144,776 votes were exercised electronically) Passed as proposed by the Board of Directors.	Financial statements and minutes of the shareholders' meeting have been released to shareholders.
		2. To acknowledge the allocation of profits for 2022	Voting result- The voting rights of shareholders present at the time of voting were 32,647,186. Votes in favor: 32,553,350 (30,874,528 votes were exercised electronically), accounting for 99.71% of the total votes cast. Votes against: 2,577 (2,577 votes were exercised electronically). Invalid votes: 0. Abstention votes/unvoted: 91,259 (71,776 votes were exercised electronically) Passed as proposed by the Board of Directors.	August 3, 2023 was determined to be the Ex-Dividend Date. On August 25, 2023, cash dividends of NTD 400,006,170 were paid.

Meeting Date	Type of Meeting	Major Issues	Result	Execution Status																											
May 24, 2023	Offline shareholders' meeting	3. Re-election of the Board of directors	<p>Passed as proposed by the Board of Directors</p> <p>(1) Director</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Name</th> <th>Electoral vote count</th> </tr> </thead> <tbody> <tr> <td>2</td> <td>Chen, Ching-Kang</td> <td>38,838,864</td> </tr> <tr> <td>3</td> <td>Hsu, Hwa-Lin</td> <td>35,195,289</td> </tr> <tr> <td>1</td> <td>Puyang Investment Co., Ltd</td> <td>32,228,157</td> </tr> </tbody> </table> <p>(2) Independent director</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Name</th> <th>Electoral vote count</th> </tr> </thead> <tbody> <tr> <td>P1019XXXXXX</td> <td>Chen, Shuh</td> <td>31,224,658</td> </tr> <tr> <td>D1208XXXXXX</td> <td>Huang, Hsin-Hsien</td> <td>27,764,273</td> </tr> <tr> <td>G2200XXXXXX</td> <td>Chang, Pao-Thai</td> <td>26,902,423</td> </tr> <tr> <td>R2214XXXXXX</td> <td>Chen Chun-Mei</td> <td>26,469,687</td> </tr> </tbody> </table>	No.	Name	Electoral vote count	2	Chen, Ching-Kang	38,838,864	3	Hsu, Hwa-Lin	35,195,289	1	Puyang Investment Co., Ltd	32,228,157	No.	Name	Electoral vote count	P1019XXXXXX	Chen, Shuh	31,224,658	D1208XXXXXX	Huang, Hsin-Hsien	27,764,273	G2200XXXXXX	Chang, Pao-Thai	26,902,423	R2214XXXXXX	Chen Chun-Mei	26,469,687	Results of the election have been published at MOPS and the Company's website.
		No.	Name	Electoral vote count																											
2	Chen, Ching-Kang	38,838,864																													
3	Hsu, Hwa-Lin	35,195,289																													
1	Puyang Investment Co., Ltd	32,228,157																													
No.	Name	Electoral vote count																													
P1019XXXXXX	Chen, Shuh	31,224,658																													
D1208XXXXXX	Huang, Hsin-Hsien	27,764,273																													
G2200XXXXXX	Chang, Pao-Thai	26,902,423																													
R2214XXXXXX	Chen Chun-Mei	26,469,687																													
		4. Lifting the non-compete restrictions on newly elected directors	<p>Voting result-The voting rights of the shareholders present at the time of the voting were 32,647,186.</p> <p>Votes in favor: 31,992,549 (30,668,727 votes were exercised electronically), accounting for 97.99% of the total votes cast.</p> <p>Votes against: 66,449 (66,449 votes were exercised electronically).</p> <p>Invalid votes: 0.</p> <p>Abstention votes/unvoted: 588,188 (213,705 votes were exercised electronically)</p> <p>Passed as proposed by the Board of Directors.</p>	Passed.																											

2.Board meeting

Meeting Date	Type of Meeting	Important Resolutions
February 23, 2023	Board meeting	<ol style="list-style-type: none"> 1. Proposal for employee and director remuneration in 2022 2. 2022 “Declaration of Internal Control System” 3. 2022 consolidated financial statements and individual financial statements 4. Re-election of the Board of directors. 5. Matters related to the convention of the regular shareholder’s meeting in 2023, acceptance of proposals from shareholders with 1% shareholding 6. Matters related to performance evaluation for Board of Directors in 2022 7. Matters related to performance evaluation for functional committees in 2022 8. Matters related to assessment on independence and suitability of CPAs in 2022 9. Matters related to appointment and remuneration of CPAs in 2023 10. Matters related to managers’ performance evaluation and auditors’ assessment in 2022
April 12, 2023	Board meeting	<ol style="list-style-type: none"> 1. Business report for 2022 2. Earnings distribution plan for 2022 3. Amendment to the “Rules of Procedures for Shareholders’ Meeting” 4. Amendment to the “Procedures for Preventing Insider Trading” 5. Amendment to the “Regulations Governing the Handling of Material Information” 6. Review of the list of candidates of directors and independent directors of the 12th Board and their qualifications 7. Lifting the non-compete restrictions on newly elected directors
May 9, 2023	Board meeting	<ol style="list-style-type: none"> 1. Consolidated financial statements for the first quarter 2023
May 24, 2023	Board meeting	<ol style="list-style-type: none"> 1. Election of the Chairman of the Board 2. Matters related to the appointment of members of the Remuneration Committee 3. Matters related to the appointment of members of the Sustainable Development Committee 4. Matters related to the appointment of members of the Risk Management Committee
August 7, 2023	Board meeting	<ol style="list-style-type: none"> 1. Consolidated financial statements for the first half of 2023 2. Application to Shanghai Commercial Bank for credit line extension 3. Appointment of internal audit supervisor 4. The first issuance of employee share subscription warrants in 2023 5. Review of remuneration system and allocation of remuneration for directors, managers and employees in 2022
November 3, 2023	Board meeting	<ol style="list-style-type: none"> 1. Consolidated financial statements for the first three quarters of 2023 2. 2024 Audit Plan

Meeting Date	Type of Meeting	Important Resolutions
December 20, 2023	Board meeting	<ol style="list-style-type: none"> 1. 2024 Operating Plan and Budget 2. Amendment to the “Corporate Governance Best-Practice Principles” 3. Amendments to the “Rules Governing Financial and Business Matters Between the Company and Its Related Companies” 4. Investment in JiaTech International Investment Co., Ltd 5. 2023 year-end bonus for managers and 2024 fixed salary adjustment plan
February 29, 2024	Board meeting	<ol style="list-style-type: none"> 1. Proposal for employee and director remuneration in 2023 2. 2023 “Declaration of Internal Control System” 3. 2023 consolidated financial statements and individual financial statements 4. Amendment to “Rules of Procedure for Board of Directors Meetings” 5. Amendment to the “Organizational Regulations of Audit Committee” 6. Matters related to the convention of the regular shareholder’s meeting in 2024, acceptance of proposals from shareholders with 1% shareholding 7. Matters related to assessment on independence and suitability of CPAs in 2023 8. Matters related to appointment and remuneration of CPAs in 2024 9. Matters related to performance evaluation for Board of Directors in 2023 10. Matters related to performance evaluation for functional committees in 2023 11. Matters related to managers’ performance evaluation and auditors’ assessment in 2023
April 2, 2024	Board meeting	<ol style="list-style-type: none"> 1. Business report for 2023 2. Earnings distribution plan for 2023 3. Amendment to the “Regulations Governing the Handling of Material Information” 4. Lifting the non-compete restrictions on directors of the 12th Board

(XII) Recorded or written statements made by any director or supervisor which specified dissent to important resolutions passed by the Board of Directors during the most recent year and up to the date of publication of this annual report: None

(XIII) Summary of resignations or dismissals of the Chairman, CEO, head of accounting, head of finance, chief internal auditor, chief corporate governance officer or head of R&D in the most recent year and up to the publication date of annual report:

April 10, 2024

Title	Name	Arrived Date	Resignation Date	Reason for Resignation or Dismissal
Chief internal auditor	Hsieh, Ching-Yi	May 1, 2019	July 7, 2023	Personal career planning

V. CPA (External Auditor) Professional Fees

(1) The Company shall disclose the amount of audit fees and non-audit fees, as well as the contents of the non-audit service of CPA, CPA firm and their affiliates

Information on CPA Professional Fees

Unit Amount : NT\$ Thousand Dollars

Firm Name	CPA Name	Audit Period of the Accountant	Audit Fee	Non-audit Fee (Note 2)	Total	Remarks
Baker Tilly Clock & CO	Lai, Yung-Chi; Wu, Hsin-Liang	2023	2,310	498	2,808	-

Note 1: The audit period covered the complete fiscal year of 2023.

Note 2: Non - audit fees refer to the tax attestation fee of NT\$ 360,000, annual report review consultant fee of NT\$ 30,000, application fee of NT\$ 8,000 for registration of change related to directors' re-election, and NT\$ 100,000 of entrusted declaration fee for issuance of employee share subscription warrants.

1. If the Company replaces its CPA firm, which results in reduction of audit fee from the previous year, disclose the audit fee before and after the replacement and the cause of such replacement: No replacement of accounting firm, and thus not applicable.
2. If there is a reduction in audit fee by more than 10% compared to the previous year, state the amount of the reduction, and the percentage and reason of such change: None, and thus not applicable.

(2) The audit fees stated above refer to the fees paid to CPAs by the Company for audit, review and re-audit of financial reports and review of financial forecasts.

VI. Replacement of CPAs

There has been no replacement of CPAs by the Company in the last two years and beyond.

VII. Whether the chairman, CEO, manager in charge of financial or accounting affairs of the Company has worked for the firm of the CPAs or its affiliated enterprises within the last year: No.

VIII. Any changes in transfer of equity interests and pledge of equity interests by directors, supervisors, managerial officers or shareholders with a shareholding of more than 10% in the most recent year and up to the date of publication of the annual report.

(1) Changes in shareholding of directors, managers and shareholders holding more than 10% of the shares

Unit: Share

Title	Name	2023		2024 until March 26	
		Increase (decrease) in shares held	Increase (decrease) in shares pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Chairman/ CEO	Chen, Ching-Kang	—	—	—	—
Chairman/ Deputy CEO	Hsu, Hwa-Lin	—	—	—	—
Director	Representative of Puyang Investment Co., Ltd: Li, I-Chuan	—	—	—	—
Independent director	Chen, Shuh	—	—	—	—
Independent director	Huang, Hsin-Hsien	—	—	—	—
Independent director	Chang, Pao-Thai	—	—	—	—
Independent director	Chen Chun-Mei	—	—	—	—
CFO	Lin, Man-Chu	—	—	—	—
CTO	Shih-Yi-Kun	—	—	—	—
COO	Wu, Hsueh-Ju	—	—	—	—
Senior Assistant Manager	Kang, Shih-Sheng	—	—	—	—
Assistant Manager	Leong, Chi-Tong	—	—	—	—
Assistant Manager	Chen Yi-Ting	—	—	—	—

Note: 1. Number of shares is based on the shareholders' register.

2. None of the directors or managers pledged shares.

(2) Information on transfer of equity interests: Where the counterparty in any such transfer or pledge of equity interests is a related party, disclose the counterparty's name, its relationship between that party and the company as well as the company's directors, supervisors, managerial officers, and shareholders with a shareholding of more than 10%, and the number of shares transferred or pledged: None.

IX. Information on relationships among the top 10 shareholders including related party or spouse or relative within the 2nd degree of kinship

Information on the relationships among the Company's 10 shareholders

March 26, 2024

Name	One's own shareholding		Shareholding of spouse and minor children		Total shareholding arranged under other people's name		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree of kinship		Remark
	shares	%	shares	%	shares	%	Title (or name)	Relationship	
Puyang Investment Co., Ltd: Responsible person Hsu, Hwa-Lin	16,856,237	26.97%	--	--	--	--	Hsu, Hwa-Lin Chen, Ching-Kang	Chairman Director	--
Chen, Ching-Kang	4,211,978	6.74%	3,030,241	4.85%	--	--	Hsu, Hwa-Lin Puyang Investment Co., Ltd	Spouse Chen, Ching-Kang is a director of Puyang Investment	--
Hsu, Hwa-Lin	3,030,241	4.85%	4,211,978	6.74%	--	--	Chen, Ching-Kang Puyang Investment Co., Ltd	Spouse Hsu, Hwa-Lin is the Chairman of Puyang Investment	--
PLANET fund dedicate trust account, Bank of Taiwan	1,506,293	2.41%	--	--	--	--	--	--	--
Fengteng Investment Co., Ltd	530,000	0.85%	--	--	--	--	--	--	--
Huang, Wei-Jen	511,511	0.82%	--	--	--	--	--	--	--
Chou, Hsiao-Chuan	483,917	0.77%	--	--	--	--	--	--	--
Lin, Man-Chu	323,555	0.52%	--	--	--	--	--	--	--
Wu, Hsueh-Ju	301,057	0.48%	--	--	--	--	--	--	--
Liu Ru-Lin	300,000	0.48%	--	--	--	--	--	--	--

X. For the total number of shares held in any single enterprise by the Company, its directors and supervisors, managers, and any companies controlled either directly or indirectly by the Company, calculate the consolidated shareholding percentage of the above persons and entities.

Unit : share ; %
December 31, 2024

Co- investment	Invested by the Company		Invested by directors, supervisors, managers, and entities controlled by the Company directly or indirectly		Combined investment	
	shares	%	shares	%	shares	%
Planet International Inc.	100,000	100.00%	--	--	100,000	100.00%

Note: This is the long-term equity investment made by the Company.

Four: Sources of Capital

I. Capital and shares

(1) Source of share capital

1. Categories of issued shares in the most recent year and up to the printing date of the annual report

Unit : Share : NT\$

March 26, 2024

Year/ Month	Issuance price (NTD)	Authorized share capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Source of share capital	Capital paid in by assets other than cash	Other
1992.12	10	500,000	5,000,000	500,000	5,000,000	Share capital at the Incorporation	N/A	—
1997.05	10	2,000,000	20,000,000	2,000,000	20,000,000	Cash capitalization 15,000,000	N/A	Note1
2000.11	10	11,000,000	110,000,000	11,000,000	110,000,000	Cash capitalization 90,000,000	N/A	Note2
2001.05	10	14,340,000	143,400,000	14,340,000	143,400,000	Capital increase upon recapitalization of employee bonus 400,000 Capital increase upon recapitalization of earnings 33,000,000	N/A	Note3
2002.07	10	43,620,000	436,200,000	21,660,000	216,600,000	Capital increase upon recapitalization of employee bonus 4,368,000 Capital increase upon recapitalization of earnings 68,832,000	N/A	Note4
2003.07	10	43,620,000	436,200,000	28,000,000	280,000,000	Capital increase upon recapitalization of employee bonus 4,918,000 Capital increase upon recapitalization of earnings 58,482,000	N/A	Note5
2004.08	10	43,620,000	436,200,000	34,200,000	342,000,000	Capital increase upon recapitalization of employee bonus 6,000,000 Capital increase upon recapitalization of earnings 56,000,000	N/A	Note6
2005.04	10	43,620,000	436,200,000	34,343,000	343,430,000	Conversion of employee share subscription warrants to 143,000 common shares	N/A	Note7

2005.08	10	64,471,000	644,710,000	41,125,000	411,250,000	Capital increase upon recapitalization of employee bonus 6,002,600 Capital increase upon recapitalization of earnings 61,817,400	N/A	Note8
2006.04	10	64,471,000	644,710,000	41,163,000	411,630,000	Conversion of employee share subscription warrants to 38,000 common shares	N/A	Note9
2006.08	10	64,471,000	644,710,000	47,165,000	471,650,000	Capital increase upon recapitalization of employee bonus 6,508,100 Capital increase upon recapitalization of earnings 53,511,900	N/A	Note10
2007.05	10	64,471,000	644,710,000	47,193,000	471,930,000	Conversion of employee share subscription warrants to 28,000 common shares	N/A	Note11
2007.09	10	64,471,000	644,710,000	51,640,000	516,400,000	Capital increase upon recapitalization of employee bonus 6,715,600 Capital increase upon recapitalization of earnings 37,754,400	N/A	Note12
2008.01	10	64,471,000	644,710,000	51,676,000	516,760,000	Conversion of employee share subscription warrants to 36,000 common shares	N/A	Note 13
2008.09	10	64,471,000	644,710,000	55,130,000	551,300,000	Capital increase upon recapitalization of employee bonus 8,702,000 Capital increase upon recapitalization of earnings 25,838,000	N/A	Note 14
2009.04	10	64,471,000	644,710,000	54,820,000	548,200,000	Cancellation of treasury shares to reduce capital of NTD 3,100,000	N/A	Note 15
2009.09	10	64,471,000	644,710,000	56,464,600	564,646,000	Capital increase upon recapitalization of earnings 16,446,000	N/A	Note 16
2010.03	10	64,471,000	644,710,000	56,469,600	564,696,000	Conversion of employee share subscription warrants to 5,000 common shares	N/A	Note 17

2010.04	10	64,471,000	644,710,000	56,489,600	564,896,000	Conversion of employee share subscription warrants to 20,000 common shares	N/A	Note 18
2010.09	10	64,471,000	644,710,000	58,184,288	581,842,880	Capital increase upon recapitalization of earnings 16,946,880	N/A	Note 19
2013.08	10	64,471,000	644,710,000	59,347,974	593,479,740	Capital increase upon recapitalization of earnings 11,636,860	N/A	Note 20
2013.10	10	64,471,000	644,710,000	59,723,974	597,239,740	Conversion of employee share subscription warrants to 376,000 common shares	N/A	Note 21
2014.01	10	64,471,000	644,710,000	60,073,974	600,739,740	Conversion of employee share subscription warrants to 350,000 common shares	N/A	Note 22
2014.09	10	64,471,000	644,710,000	61,275,454	612,754,540	Capital increase upon recapitalization of earnings 12,014,800	N/A	Note 23
2015.09	10	64,471,000	644,710,000	62,500,964	625,009,640	Capital increase upon recapitalization of earnings 12,255,100	N/A	Note 24
2019.07	10	100,000,000	1,000,000,000	62,500,964	625,009,640	–	N/A	Note 25

Note 1: May 8, 1997, Jing-Chien-Yi-Zhi No.86290601

Note 2: Dec. 18, 2000, Jing (89) Shang-Zhi No.089145887

Note 3: May 18, 2001, Jing (90) Shang-Zhi No.09001178620

Note 4: Aug. 5, 2002, Jing (91) Shang-Zhi No.09101312500

Note 5: Jul. 17, 2003, Jing-Shou-Zhong-Zhi No.09232366230

Note 6: Aug. 6, 2004, Jing-Shou-Zhong-Zhi No.09332521780

Note 7: Apr. 21, 2005, Jing-Shou-Zhong-Zhi No.09431988860

Note 8: Aug. 25, 2005, Jing-Shou-Zhong-Zhi No.09432723610

Note 9: Apr. 19, 2006, Jing-Shou-Zhong-Zhi No.09532043620

Note 10: Aug. 22, 2006, Jing-Shou-Zhong-Zhi No.09532715340

Note 11: May 21, 2007, Jing-Shou-Zhong-Zhi No.09632131340

Note 12: Sep. 28, 2007, Jing-Shou-Zhong-Zhi No.09601234250

Note 13: Jan. 15, 2008, Jing-Shou-Zhong-Zhi No.09701009640

Note 14: Sep.11, 2008, Jing-Shou-Zhong-Zhi No.09701229750

Note 15: Apr. 6, 2009, Jing-Shou-Zhong-Zhi No.09801065870

Note 16: Sep.4, 2009, Jing-Shou-Zhong-Zhi No.09801201880

Note 17: Apr. 19, 2010, Jing-Shou-Zhong-Zhi No.09901077640

Note 18: Jun. 24, 2010, Jing-Shou-Zhong-Zhi No.09901130940

Note 19: Sep.13, 2010, Jing-Shou-Zhong-Zhi No.09901205760

Note 20: Aug. 27, 2013, Jing-Shou-Zhong-Zhi No.10201176380

Note 21: Oct. 16, 2013, Jing-Shou-Zhong-Zhi No.10201212740

Note 22: Jan. 20, 2014, Jing-Shou-Zhong-Zhi No.10301010040

Note 23: Sep.1, 2014, Jing-Shou-Zhong-Zhi No.10301180350

Note 24: Sep.4, 2015, Jing-Shou-Zhong-Zhi No.10401183390

Note 25: Jul. 2, 2019, Jing-Shou-Zhong-Zhi No.10801079940

Note 26: Jun. 15, 2022, Jing-Shou-Zhong-Zhi No.11101102360 (Revised company articles, no change in share capital.)

Note 27: Jun. 12, 2023, Jing-Shou-Zhong-Zhi No. 11230102960 (Revised company articles, no change in share capital.)

Unit : Share
March 26, 2024

Type of share	Authorized share capital (Note)			Remarks
	Outstanding shares (TPex listed shares)	Unissued shares	Total	
Common registered share	62,500,964	37,499,036	100,000,000	—

Note: The Shareholders' meeting in 2012 approved the share capital to be NT\$ 1 billion. Due to the fact that the latest enforced Company Act deleted Article 278 on November 1, 2018, which stated: "No capital shall be increased unless a Company has fully issued the total of authorized shares. The total shares after the capital increase may be issued in different batches". Therefore, the Company changed the registration in 2019 to apply for an increase of authorized share capital, and the application was approved by the MOEA with the official letter Jing-Shou-Shang-Zhi No. 10801079940, dated Jul. 2, 2019.

2. If approval has been granted to offer and issue securities by shelf registration, additionally disclose the approved amount and information regarding securities to be issued or already issued: None

(2) Composition of shareholders

Unit : share ; shareholder ; %
March 26, 2024

Quantity	Composition of shareholders					
	Government agencies	Financial institution	Other juristic persons	Individual	Foreign institutions and foreigners	Total
Number of person	4	1	91	10,567	36	10,699
Shares held	265,530	1,506,293	18,473,705	41,468,563	786,873	62,500,964
Ratio of shareholding	0.42%	2.41%	29.56%	66.36%	1.25%	100.00%

Note: TWSE and TPex listed, and emerging companies shall disclose the shareholding ratio of Mainland Chinese shareholders: "Mainland Chinese shareholders" refer to people, legal persons, organization, other institutions from Mainland China, or the companies invested by them in a 3rd place, which are set forth in Article 3 of the "Regulations Governing Investment Permits to Mainland Chinese in Taiwan".

(3) Distribution of shareholding

Distribution of ShareholdingUnit : Shareholder ; share
March 26, 2024

Range of Shares	Number of Shareholders	Shares held	Ratio of shareholding
1 to 999	3,562	618,024	0.99%
1,000 to 5,000	6,000	10,866,116	17.39%
5,001 to 10,000	581	4,352,947	6.96%
10,001 to 15,000	210	2,607,824	4.17%
15,001 to 20,000	99	1,793,657	2.87%
20,001 to 30,000	75	1,823,502	2.92%
30,001 to 40,000	44	1,565,873	2.51%
40,001 to 50,000	28	1,250,918	2.00%
50,001 to 100,000	58	4,003,962	6.41%
100,001 to 200,000	22	3,015,898	4.83%
200,001 to 400,000	13	3,472,066	5.56%
400,001 to 600,000	3	1,525,428	2.44%
600,001 to 800,000	0	0	0.00%
800,001 to 1,000,000	0	0	0.00%
Over 1,000,001	4	25,604,749	40.95%
Total	10,699	62,500,964	100.00%

Note: No preferred shares are issued by the Company.

(4) Major shareholders: If the number of shareholders with more than 5% shareholding is less than ten, disclose the 10 shareholders with the highest shareholding among all the shareholders.

Unit : shares
March 26, 2024

Name of Major Shareholder	Share	Shares held	Ratio of shareholding
Puyang Investment Co., Ltd		16,856,237	26.97%
Chen, Ching-Kang		4,211,978	6.74%
Hsu, Hwa-Lin		3,030,241	4.85%
PLANET fund dedicate trust account, Bank of Taiwan		1,506,293	2.41%
Fengteng Investment Co., Ltd		530,000	0.85%
Huang, Wei-Jen		511,511	0.82%
Chou, Hsiao-Chuan		483,917	0.77%
Lin, Man-Chu		323,555	0.52%
Wu, Hsueh-Ju		301,057	0.48%
Liu Ru-Lin		300,000	0.48%

(5) Information on market value, net value, earnings and dividends per share in the most recent two years

Information on market value, net value, earnings and dividends per share

Unit:NT\$: share

Item		Year			
		2022	2023	2024 Until Apr 10 (Note 8)	
Market price per share (Note 1)	The Highest	96.00	150.50	181.00	
	The Lowest	68.40	85.60	133.00	
	Average	76.12	118.90	154.54	
Net value per share (Note 2)	Before distribution	24.82	26.52	-	
	After distribution	18.42	19.12	-	
EPS	Weighted average shares		62,500,964	62,500,964	62,500,964
	EPS (Note 3)	Before adjustment	7.01	8.12	-
		After adjustment	-	-	-
Dividend per share	Cash dividend		6.4	7.4 (Note 9)	-
	Free-Gratis dividends	Retained Shares Distribution	-	-	-
		Capital Reserve Shares Distribution	-	-	-
	Accumulated undistributed dividends (Note 4)		-	-	-
Return on investment analysis	Price-Earnings Ratio (Note 5)		10.86	14.64	-
	Price-Dividend Ratio (Note 6)		11.89	16.07	-
	Cash dividend yield (Note 7)		8.41%	6.22%	-

* If shares are distributed in connection with a capital increase out of earnings or capital reserve, further disclose information on market prices and cash dividends retroactively adjusted based on the number of shares after distribution.

Note 1: Setting forth the highest and lowest market price per share of common stock for each fiscal year, and calculating each fiscal year's average market price based upon each fiscal year's actual transaction prices and volume.

Note 2: Using the number of the outstanding issued shares at year end as the basis, and filling in pursuant to the resolved distribution by Board meeting or the shareholders' meeting in the following year.

Note 3: If it is necessary to make adjustment retroactively due to Free-Gratis dividends, please identify the EPS before and after adjustment.

Note 4: If the issuance conditions of the equity securities set forth that the undistributed dividends in a year may be accumulated until the year with profit to be distributed, the unpaid dividends up to the current year shall be disclosed individually.

Note 5: Price-Earnings Ratio = Average Closing Price per Share in current year/Earnings per Share

Note 6: Price-Dividend Ratio = Average Closing Price per Share in current year/Cash Dividend per Share

Note 7: Cash Dividend Yields = Cash Dividend per Share/Average Closing Price per Share in current year

Note 8: Net worth per share and earnings per share are based on audited (auditor-reviewed) data as at the latest quarter before the publication date of annual report. For all other fields, calculations are based on data as at the end of their respective years.

Note 9: Cash dividend distribution was approved by the Board of Directors on Apr. 2, 2024.

(6) Dividend policy and the status of implementation

1. The dividend policy set forth in the Company's Articles of Association is as the following:
Article 20

1. If the Company has a profit in the total final account of a fiscal year, it shall first pay the taxes, make up any losses from past years, and then make contribution of 10% as the statutory reserve unless the accumulated statutory reserve reaches the total amount of the paid-in capital. The special reserves may be made or reversed when necessary. Shall there be earnings, the Board of Directors may propose the earning distribution pursuant to the Company's dividend policy. If new shares will be issued as distribution, the relevant proposal shall be submitted to the shareholders' meeting for resolution.

The Company may, pursuant to Paragraph 5, Article 240 of the Company Act, authorize the distributable dividends and bonuses in whole or in part to be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of directors attended by more than two-third of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

2. The Company's dividend policy: In line with the growth of the industry and to meet the capital needs for its long-term financial planning and operation expansion, the Company has adopted residual dividend policy. The earnings are distributed pursuant to Article 20 of the Article of Association, and the principle toward shareholder bonus is to distribute the share dividends and cash dividends in a balanced manner. The Board of Directors proposes the contribution from the accumulated distributable earnings for the shareholder bonus, and the amount shall not be less than 30% of the distributable earnings of the year. Such proposal will be submitted to the shareholders' meeting for resolution. The needed funds are reserved via the share dividends distribution, and then the remaining earnings are distributed in cash; provided, the percentage of the cash distribution shall not be less than 10% of the total dividend amount.

Article 20-1

Pursuant to Article 241 of the Company Act, all or part of the Company's statutory reserve and capital reserve may be distributed to shareholders, in cash or shares, proportionally to their shareholdings. In case of cash distribution, the resolution shall be adopted by a majority vote at a Board meeting attended by more than two-third of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

2. Proposed allocation of dividends discussed at the shareholders' meeting in the current year: The proposal of 2023 earning distribution has been resolved by the Board of Directors on Apr. 2, 2024, to distribute cash dividend NT\$ 7.4 per share. It was decided that the Board of Directors would authorize the Chairman to determine the ex-dividend base date, payment date, and other related matters to be handled. The cash dividends were calculated in round-off manner and the total amount after decimal points was handled by the person designed by the Chairman.

The proposed earning distribution to be discussed at the shareholders' meeting is shown below:

PLANET TECHNOLOGY CORPORATION
Earnings Distribution Statement for 2023

Item	Amount (NTD)
Undistributed balance at the beginning of the period	36,404,148
Add: net profit after tax for the year	507,428,635
Less: Surplus adjustment for differences between actuarial plans and actual employee benefits for the year	817,874
Distributable earnings	543,014,909
Less: Provision of 10% statutory reserve	50,661,076
Distributable items:	
Shareholder bonus - share 0	0
Shareholder bonus - cash 7.4	462,507,134
Unappropriated earnings at the end of the period	29,846,699
<p>Note: The distribution of earnings was made based on the after-tax net profits of the current year with priority. The cash dividends were calculated in round-off manner and the total amount after decimal points was handled by the person designed by the chairman.</p>	

Chairman: Chen, Ching-Kang Manager: Chen, Ching-Kang Accounting officer: Lin, Man-Tsu

3. If any material changes in the dividend policy are expected, please specify: none.
- (7) Impacts of proposed free-gratis dividends on the Company's business performance and earnings per share: Not applicable. As the Company did not disclose the 2023 financial forecast, and no free-gratis dividends were distributed, this is not applicable.
- (8) Profit-sharing compensation to employees, directors and supervisors
1. Proportion or scope of profit-sharing compensations to employees and directors and supervisors as stated in the Articles of Association
- It is set forth in Article 19-1 of the Company's Articles of Association:
- (1) I. Shall there be profit in a year, no less than 5% shall be contributed as the profit-sharing compensation to employees and no higher than 2% as the profit-sharing compensation to directors. Profits must first be set aside to offset cumulative losses if any.
- (2) The aforesaid profit-sharing compensation to employees may be made in cash or shares; the eligible receivers may include the employees of the Company or the subsidiaries or companies under the Company's control. The aforesaid profit-sharing compensation to directors may only be made in cash. The profit-sharing compensations to employees and directors shall be resolved by the Board of Directors, and reported to the shareholders' meeting.

2. The basis for estimating the amount of profit-sharing compensations for employees, directors and supervisors, the basis for calculating the number of shares to be distributed as employee profit-sharing compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.
The estimated employee profit-sharing compensation and director profit-sharing compensation for 2023 are NT\$ 40,013 thousand and NT\$ 10,003 thousand respectively. The base amount was the profit before employee profit-sharing compensation and director profit-sharing compensation were deducted from the pre-tax net income, and then, employee profit-sharing compensation and director profit-sharing compensation were estimated as 6% and 1.5% of the base amount respectively.
 3. Allocation of profit-sharing compensations approved by the Board of directors:
 - (1) The amount of any employee profit-sharing compensation distributed in cash or stocks, and director and supervisor profit-sharing compensation distributed in cash. If there is any discrepancy between that amount and the estimated figure for the fiscal year in which these expenses were recognized, the discrepancy, its cause, and the status of treatment shall be disclosed.
 - A. Employee profit-sharing compensation: NT\$ 40,012,555 in cash
 - B. Director profit-sharing compensation: NT\$ 10,003,139 in cash
 - C. There is no discrepancy from these expenses recognized in 2023 financial report.
 - (2) The amount of any employee profit-sharing compensation distributed in stocks, and the proportion of that amount in the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and the total employee profit-sharing compensation: No distribution of employee profit-sharing compensation in stocks.
 4. The actual distribution of employee, director, and supervisor profit-sharing compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor profit-sharing compensation, disclose the discrepancy, cause, and how it is treated:
 - (1) Profit-sharing compensations to employees, directors and supervisors for 2022 approved by the Board in 2023:
 - A. Employee profit-sharing compensation: NT\$ 34,820,165 in cash
 - B. Director profit-sharing compensation: NT\$ 8,705,041 in cash
 - C. There is no discrepancy from these expenses recognize in 2022 financial report.
 - (2) The earnings distribution plan for 2022 was reported at the regular shareholders' meeting on May 24, 2023. In accordance with the distribution plan approval by the Board, distribution of the earnings was completed on August 25, 2023.
- (9) Repurchasing of its own shares by the Company for the most recent year and the period up to the annual report publication date: None

II. The Company's issuance of corporate bonds: None.

III. The Company's outstanding and unissued preferred shares: None

IV. The Company's global depository receipts: None

V. Employee share subscription warrants:

- (1) The annual report shall disclose unexpired employee subscription warrants issued by the company in existence as of the date of publication of the annual report, and shall explain the effect of such warrants upon shareholders' equity.

On August 7, 2023, the Board passed a resolution to carry out the third issuance of employee share subscription warrants to 1,800 units, with each unit subscribing for 1,000 common shares, and the issuance was reported to the competent authorities and approved on August 25, 2023. As of the date of publication of the annual report, the Company has not issued any new employee share subscription warrants.

- (2) As of the publication date of the annual report, names and acquisition status of managerial officers who have acquired employee share subscription warrants and of employees who rank among the top ten in the number of employee share subscription warrants acquired.

VI. New restricted employee shares: None

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None

VIII. Implementation of the Company's capital allocation plans:

- (1) Description of the plans:

Any incomplete previous issuance or private placement, or any offering completed within three recent years but without effect seen: None

- (2) Status of implementation: N/A

Five: Overview of Business Operation

I. Business contents

(1) Scope of business

1. Major lines of business

(1) PLANET's major lines of business are as follows:

- A. CC01060 Wired Communication Equipment and Apparatus Manufacturing
- B. CC01070 Telecommunication Equipment and Apparatus Manufacturing
- C. CC01080 Electronic Parts and Components Manufacturing
- D. CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
- E. CC01110 Computers and Computing Peripheral equipment Manufacturing
- F. E605010 Computing equipment Installation Construction
- G. E701010 Telecommunications Construction
- H. E701030 Restrained Telecom Radio Frequency equipment and Materials Construction
- I. F113020 Wholesale of Household Appliance
- J. F113050 Wholesale of Computing and Business Machinery Equipment
- K. F113070 Wholesale of Telecom Instruments
- L. F118010 Wholesale of Computer Software
- M. F119010 Wholesale of Electronic Materials
- N. F213030 Retail sale of Computing and Business Machinery Equipment
- O. F213060 Retail Sale of Telecom Instruments
- P. F218010 Retail Sale of Computer Software
- Q. F219010 Retail Sale of Electronic Materials
- R. F401010 International Trade
- S. F401021 Restrained Telecom Radio Frequency equipment and Materials Import
- T. I301010 Software Design Services
- U. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

(2) PLANET is committed to research, development, manufacture and sale of network and communications products. The Company's main product lines include:

- A. LAN Ethernet Switch
- B. Fiber-optic Network
- C. PoE, Power over Ethernet
- D. Industrial Ethernet Network
- E. Industrial Automation
- F. 5G NR, AIoT
- G. Wireless LAN Network
- H. Network Security & Broadband
- I. Network Application Equipment
 - IP Surveillance
 - IP Telephony
 - Home Automation, NetworkPeripheral

J. Network Management System

1. 2023 Sales Revenue Classified by Product Category

Unit : NT\$ Thousand

Product categories	Revenue	Business Proportion (%)
LAN Ethernet Switch	146,197	7.92%
Fiber-optic Network	224,973	12.20%
Power over Ethernet	406,153	22.02%
Industrial Ethernet Network	963,464	52.23%
Wireless LAN Network	13,275	0.72%
IP Telephony	13,601	0.74%
IP Surveillance	3,452	0.19%
Broadband Communication	43,816	2.37%
Others	29,740	1.61%
Total	1,844,671	100.00%

2. Current products of PLANET:

(1) LAN Ethernet Switch :

The Company provides Ethernet switches of different bandwidth, including switches for Fast Ethernet, Gigabit Ethernet, 10G/40G/100G Metro Ethernet Network, etc. The switch functions include Layer 2 network management, Layer 3 IPv4/IPv6 routing network management, stackable network switching, touch screen management switching, Ethernet backbone switching, etc., which meet the requirements of network infrastructure and applications in diverse fields.

(2) Fiber-optic Network :

Fast Ethernet, Gigabit Ethernet, 10 Gigabit 10 GBPS fiber network Converter, manageable fiber converter multi-slot rack Media Converter Chassis ◦ Power and equipment protection and various media conversion equipment that can be built into standard racks, including Analog Video, Serial over Ethernet, Single mode/Multi mode Transceiver. PON (Passive Optic Network) devices, including the single-unit/multi-unit ONU and OLT. Fiber Routers, including the wireless routers, fiber routing switches.

(3) PoE , Power over Ethernet :

Commercial and industrial network equipment that uses network routes to transmit data and power, including the second layer of Ethernet power supply, the second layer stack, the third layer network management switch, touch screen management switch, industrial switch compatible with IEEE 802.3at PoE+, 802.3bt Poe+ + standards, Single port can provide data and power over UTP cables, with power supply capacities ranging from 15 watts and 36 watts to up to 95 watts of controllable safe power. Network manageable Ethernet power supply, diverter and extender of Ethernet power supply, compatible with IEEE 802.3at PoE+, 802.3bt Poe+ + standards. Long - distance Ethernet or coaxial cable power supply (Coaxial Cable; Long Reach PoE), telephone line power exchanger, extender, providing a variety of Ethernet data and power supply modes.

(4) Industrial Ethernet Network :

Applicable to the related network devices for different challenging environments with high and low temperatures and unstable power supply for the Industry 4.0, vehicle, railway, transportation, agriculture, fishery, mine, telecommunications fields. They are shock resistant, drop resistant, waterproof, and allow you to easily to transmit data and provide the backup mechanism which keep the network up and running. The industrial Ethernet network product lines include: renewable energy sources power PoE switches, renewable energy power supply network management controller, industrial grade network management switches, network manageable switch with network backup high-speed ring, network timing, Modbus TCP switch, military grade socket waterproof and anti-riot function, car class network exchangers and PoE exchangers, fiber optic converters, industrial grade automotive wireless Wi-Fi, 4G LTE, 5G NR, fiber and other interface switches, routers.

(5) Industrial Automation :

Suitable for connection and application devices with diverse protocols for Industry 4.0 and IoT. The product lines includes: Serial Device Server, Modbus RTU Gateway, EtherCAT slave I/O module, Optical Fiber Bypass Switch.

(6) 5G NR/AIoT Network/Wireless LAN Network :

4G LTE, 5G NR wireless gateways, routers. Low power wide area network (LPWAN) LoRaWAN gateways, controllers, indoor and external sensors and control management platform. Compatible with 802.11a/b/g/n to high-speed 802.11ac/ax wireless transmission standards, 2.4GHz, 5GHz and dual-band/multi-band communication, indoor/outdoor wireless access devices, routers, and outdoor Bridges (Bridges). Wireless network accessories: 2.4GHz, 5GHz wireless network antenna, amplifier, lightning arrester. The wireless network central control platform centrally manages the wireless frequency band, encryption, connection settings and status of all wireless devices in the network, effectively reducing management costs and improving the security of wireless networks.

(7) Network Security & Broadband :

Firewalls for information network, virtual passage routers (VPNS), Anti-Virus, Anti-Spam and other high level network security devices. Enterprise network security, packet monitoring, bandwidth control equipment, wireless AP control and other enterprise network security protection functions. Enterprise routers and multi-route devices: with functions such as Secured Service Layer/Virtual Private Network (SSL VPN), IP Security (IPSEC) VPN, firewall, and intrusion prevention. VDSL2 to coaxial cable conversion or extension equipment.

(8) Network Application Equipment :

A. IP Surveillance

Various types of ONVIF H.264/H.265 cameras, CMOS IP cameras, including indoor/outdoor high-speed domes with the HD, Full HD, 4K to 5MP resolutions, IR, explosion-proof, zooming, industrial grade IP cameras, and the video cameras with the AI smart recognition feature. NVR (Network Video Recorder), AI NVR, DVR (Digital Video Recorder), HDVR (Hybrid DVR) and Ethernet power supply

switch NVR. Central management software, smart recognition, license plate recognition, phone monitoring APP.

B. IP Telephony

Various SIP-based high-quality IP phones, video conference phones, multimedia phones, and single-dwelling, multi-dwelling door phones. SIP network voice gateway, SIP IP PBX: PBX with 30 to 500 extension lines, which supports fax, PSTN, BRI/PRI, and GSM/4G/5G local serial port.

C. Home Automation, Network Peripheral

Home automation IOT system, touch control indoor home automation control platform, which can also be combined with mobile APP cloud control. Office/room automation: IP Power Management, room KVM switches, IP KVM switches. PCI-E network adapter: including 1G fiber, 10G fiber, 10G RJ45 network adapters with the PoE feature, high-speed network adapters which are pluggable into computer host to supply power to remote PoE Powered Devices. Other peripherals: IP HDMI HD screen extender/layer extender, network storage devices.

D. Network Management System:

Management platforms for centralized management of a large amount of network devices with a graphic interface which helps the IT staff improve the network management performance. Product lines include: UNI-NMS Lite intelligent central network management platform. Touch-controlled UNI-NMS supports the management of up to 1000 nodes, which is conducive to real-time network management applications in factories or computer rooms. The UNC-NMS manages the UNI-NMS device in a centralized manner for integrated cross-domain management of 100,000 network devices. Cloud mobile device management App, Android/iOS platform device monitoring and management App.

4. New products planned for development

- (1) The popularization of Industry 4.0 is bringing demands for various digital network applications, and the market is also more stringent for the timeliness of data information. Therefore, the Company will develop a series of OT switches and power supply switches based on TSN (Time-Sensitive Network) application layer, access layer and connection layer, to provide nano-second precise data connection for smart factories, 5G enterprise networks, traffic control, etc.
- (2) For the industrial grade exchanger product line, the Company will develop a variety of products, including transportation flat strong exchangers, high port number slide exchangers, etc., to expand industrial field construction and flexible applications.
- (3) In response to energy conservation, carbon reduction and renewable energy application, the Company will continue to develop a number of renewable energy network connection products, including single station PoE power supply, 802.3bt 90W PoE power supply, managed renewable energy charging equipment, exchangers, wireless /5G NR gateways, to realize energy efficient and sustainable network infrastructure.
- (4) To develop 5G private network /RedCap connection products for low-speed and large-volume IoT devices, the Company will launch long-distance, low-power base stations, bridges, sensor controllers that compatible with 802.11ah Halow Sub-1G, which can be built and applied to long-distance, low-power wireless data connection and control. The Company's simultaneous development of NMS-AIoT IoT central management platform provides holistic, comprehensive, intelligent, AND energy-efficient applications.

- (5) For large number of connection devices and IoT devices, the Company will, in addition to UNI-NMS, CloudViewer and UNC-NMS cross-domain centralized management platform, continue to develop the management functions of the central network management platform, and launch cloud management App for all types of mobile platforms, which can provide effective and real-time digital connected information, thus to improve network management performance.

(2) Overview of the Industry

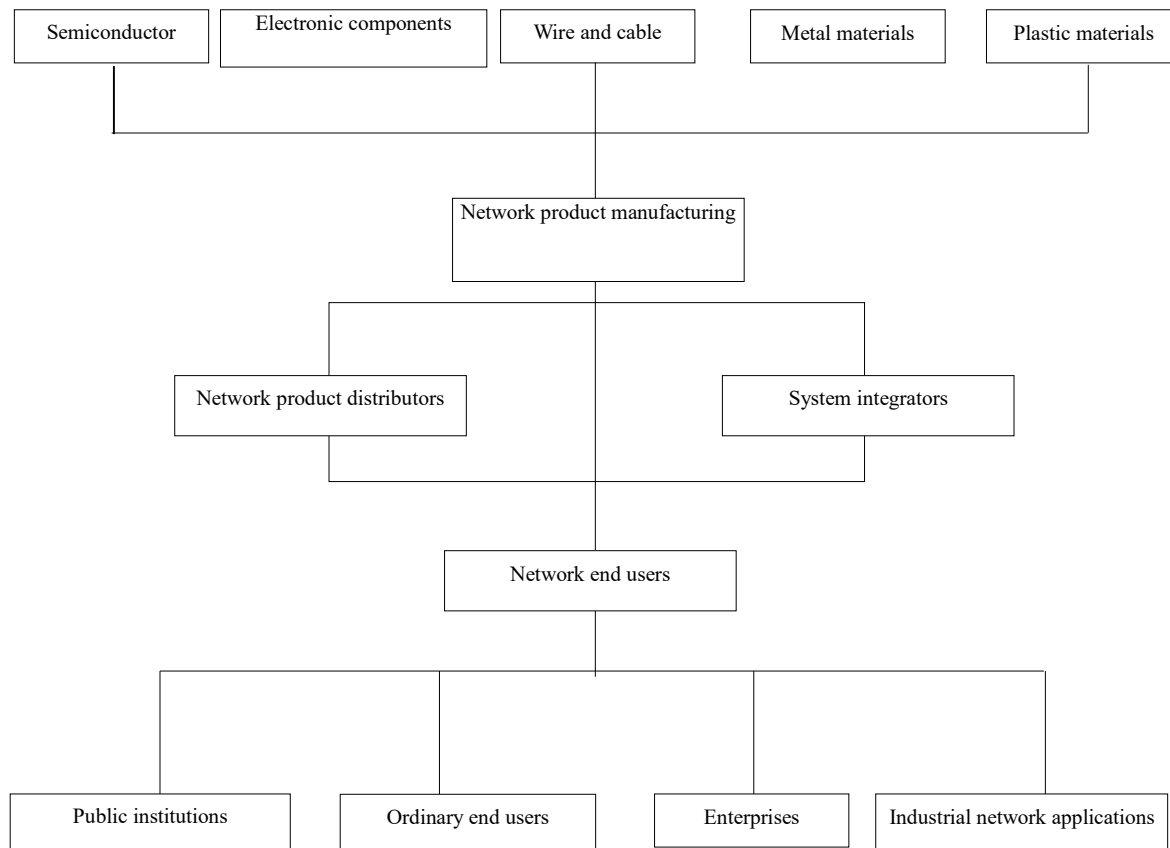
1. Current situation and development of network & communication industry in Taiwan

According to research completed by the Industrial Economics and Knowledge Center (IEK) of the Industrial Technology Research Institute, the output value of Taiwan's telecommunications industry reached NTD 1.3078 trillion in 2023, up 3.0% from 2022. Despite the uncertainty of global inflation and monetary policy in 2023, the momentum of corporate digital transformation is still there. Many enterprises have accelerated the construction of more advanced information and communication software and hardware after the epidemic, and introduced cloud application environments, in particular, to drive the growth of cloud and data centers with AI. Generative AI is expected to drive demand for switches, 5G base stations, Wi-Fi wireless routers, IoT devices, and change the ecosystem of the communications industry.

2. Connections between the upstream, midstream and downstream industries

PLANET is engaged in R&D, production and marketing of network and communication equipment. The main products of the Company include switches, PoE, industrial grade Ethernet equipment, automation, optical fiber network switching equipment, 5G wireless communication network, AIoT automated IoT communication equipment, wireless networks, network security, broadband network communication, IP Surveillance, IP Telephony, central network management platform, home automation, network peripherals, etc. The upstream industries of the Company mainly include semiconductor (Network Integrated Circuit Chip) and electronic components industry (PCB, power supply/adaptor, etc.), wire and cable industry, metal materials industry, plastic materials industry, etc. Over the years, manufacturers in Taiwan have gained rich production experience and technical capability, so a complete upstream supply system has been established. The Company's downstream industries are mainly computer/network system integrators and computer network product distributors, whose ultimate utility lies in information transmission and resource sharing through network communication. Based on the business philosophy of integrity, PLANET has established good business relations with upstream and downstream suppliers and customers over the years. The Company has reached a consensus with its business partners in quality requirements, price rationalization, delivery confirmation and other aspects, In the future, the Company will continue to closely cooperate with its business partners in the way of strategic alliance to strengthen the sustainable supply chain, and to constantly improve its market competitiveness.

Relevance between the upstream, midstream, and downstream of the network & communication industry



3. Development trends and market competition in relation to products

The global network & communication industry is undergoing rapid change and innovation. 5G, 6G, cloud computing, artificial intelligence applications and related infrastructure are driving the upgrade of network bandwidth. The International Telecommunication Union Radiocommunication Sector (ITU-R) has finalized and adopted recommendations for the IMT-2030 (Global 6G Vision) framework in June 2023. As the importance of digital resilience increases, the trends in communication application include: ubiquitous connection, artificial intelligence and communication integration, and sensing and communication integration. According to the research of German market research company IoT Analytics, the global IoT connected devices are estimated to reach 16.7 billion in 2023, an annual growth of 16%, and by 2027 it is expected that the IoT connected devices will reach 29 billion. Therefore, it is foreseeable that telecom services, the data center market, and various smart network applications will continue to have considerable demand for network & communication equipment.

As an international brand of professional network & communication equipment, PLANET has independent software and hardware research and development capabilities, and continues to grasp the needs of the global network & communication market. The future applications of smart Internet of Things in various industrial fields have a trend of multi-

point or large-scale construction. The Company has developed a full series of network & communication equipment and solutions with high bandwidth, friendly management, security protection and energy-saving feature, including a full range of industrial grade and commercial grade 95 watt PoE network management equipment, 10Gbps optical fiber network equipment, 5G private network equipment, AIoT LoRaWAN low power wide area network product series, intelligent central network management platform, renewable energy power supply network management platform, cloud management App, which enable enterprises, government agencies, telecommunications, various intelligent networking, big data, artificial intelligence, Edge Computing to be no longer subject to harsh environmental restrictions. These users can build long-distance high-speed, stable and secure network & communication infrastructure, which can be managed in the cloud anytime and anywhere. These products are differentiated from other products, and are very competitive in the market.

PLANET's products are promoted to regional markets around the world through a dense distribution network in more than 160 countries, international professional network & communication technology exhibitions and multiple digital marketing. The Company's industrial-grade network equipment, Ethernet network power supply equipment, renewable energy power supply network equipment have repeatedly been designated and used by European and American markets and government projects, which successfully enhanced the Company's professional network & communication brand image and market share. At the same time, the Company has “time to market” planning in terms of brand deployment, market demand response, cost control, product development and technology leadership strategy to maintain competitive advantage of its brand.

(3) Overview of Technology and R&D

1. R&D expenses during the most recent year and up to the date of publication of the annual report:

Unit : NT\$ thousand

Item	2023
R&D expenditures	102,155
Percentage of revenue	5.54%

2. Technologies or products successfully developed in the most recent year and up to the publication date of the annual report

(1) Industrial network product line: The new industrial IMS series of 10-inch removable modules have a variety of removable module combinations and strong case design, with high port number, high bandwidth and high protection features. Coupled with ITS series of flat and robust switches, these products can build stable and secure network transmission for highly insecure working fields such as factories and transportation systems, and provide efficient and low-cost connection control options for smart manufacturing, smart factories and smart transportation.

(2) Ethernet power supply product line: A full range of Multi-Gigabit/10GT Ethernet power supply products, including 10G full network three-layer power supply switch, 10G optical fiber media power supply switch, 95W 10G Ethernet power supply/diverter, industrial/commercial grade 2.5G network management and standard power supply

switches. The flat 95-watt network/unnetwork switch is also introduced, which can provide high-speed interface for Wi-Fi 6E and Wi-Fi 7 high-speed wireless base stations that will be standardized in 2024, and meet the demand for wireless high-speed data connection and stability for 5G NR base stations.

- (3) AIoT/ wireless network product line: IoT/AIoT connected devices, launched Sub-1G Low Power Wide Area Network (LPWAN) wireless sensing devices (LoRa/Halow Sensors, Controllers), including end-use temperature and humidity, water level, air quality, device dynamics sensors, and solar sensor data receiving transmitter, etc. Couple with LPWAN wired/wireless /5G NR gateway and bridge, the product is suitable for a variety of different fields such as smart farms, factories, buildings, hydropower and gas end cloud connection and data collection, application and analysis. Coupled with the newly developed AIoT NMS central/cloud management platform, the product can provide data connection, transmission, equipment management, big data data collection and other services. In addition, the Wi-Fi wireless base station is increased to 5.4Gbps connection rate, with MESH wireless network construction, which can meet the 5G and AI high bandwidth applications. The Company also launched industrial grade handheld 5G routers and last-mile wireless gateways (FWA) for home use.
- (4) Network management platform: Launched private cloud network management "APP NetViewer Pro", which is cloud free and can provide more secure private cloud network device management, with security, immediacy and completeness control.

(4) Long-term and short-term business development plans

1. Short-term development plans

(1) Brand marketing and market development strategies

Strategically adjust distribution channels, grasp global market changes, and create brand value with digital brand marketing methods and differentiated products

(2) R&D and production

Deployment of infrastructure connection equipment including intelligent networking (IoT/AIoT/IIoT), 5G/6G high-speed network, renewable energy and cloud AI application. On the production side, the Company will continue to adhere to the principle of "quality first" and to strengthen the resilience of the sustainable supply chain, with the aim to enhance product advantages and competitiveness.

(3) Operation management

The Company will continue to implement ESG in daily operations, ensure sound financial operations, and achieve corporate value optimization and customer satisfaction, so as to realize the Company's goals of profitability and sustainable transformation.

2. Long-term Development Plan

(1) Brand marketing and market development strategy

Regionalized operation of global distribution channels to enhance brand value and consolidate the leading position of the Company's brand in the global network &

communication industry.

(2) R&D and production

Establish an independent product and management platform to meet the need for high-speed and secure data transmission and application by various intelligent networking, big data, artificial intelligence, and Edge Computing in the future. Maintain differentiated product advantages, accumulate IP technology patent assets, and improve quality and cost control efficiency

(3) Operation management

Uphold the principle of integrity, excellence, mutual benefits, innovation and sustainability. Continue to pursue "quality first" and "customer satisfaction". Improve ESG practice performance and create sustainable business value.

II. Overview of the market, production and sales.

(1) Market analysis

1. Revenue by regions

Unit : NT\$ Thousand

Region	2022		2023	
Europe	766,130	44.54%	882,553	47.84%
America	415,029	24.13%	387,946	21.03%
Asia	313,288	18.21%	335,894	18.21%
Other	225,584	13.12%	238,278	12.92%
Total	1,720,031	100.00%	1,844,671	100.00%

2. Market share of main products

PLANET provides a full range of network infrastructure communications transmission equipment and solutions to meet the needs of enterprises, governments/public institutions for digital networks, telecommunications and home automation networks in the global market. The Company's products can also meet the needs of demanding industrial environments, including transportation, factory automation, public network connection and requirements at other levels. The Company's products are widely used in various regional markets around the world and have gained good reputation, among which a number of Ethernet power supply equipment and industrial network equipment have been designated and used by European and American markets and government projects, which successfully increased the Company's market share. In addition, with the dense global distribution network, the Company actively participates in the world's leading professional network & communication technology exhibitions and conducts digital brand marketing every year to enhance the image and visibility of its network & communication brand and expand the market of the brand.

3. Future supply & demand and growth of market

With the rapid increase of intelligent networking applications and the increase of high bandwidth transmission, the demand for network & communication equipment has been rather keen. PLANET offers complete network infrastructure product lines as well as central management platforms and cloud-based management Apps. The future market status of its main product lines are as follows:

(1) Industrial Ethernet equipment and industrial automation control equipment

According to research company “Global Market Insights”, the global industrial Ethernet market would exceed US\$50 billion in 2022 and is expected to grow at a compound annual growth rate of more than 15% from 2023 to 2032. Industry 4.0 and the industrial Internet of Things are used more and more widely, which can improve the productivity and automation control in various industrial sectors, including transportation, energy, aviation and defense, and drive the growth of the industrial network market. Industrial network equipment is one of PLANET's main product lines, the Company will continue to develop advanced industrial third layer network equipment, renewable energy power PoE network switch and PoE equipment, mobile transportation network transmission product line, with network security protection function. The Company will develop industrial network equipment with 40G high bandwidth and "Industrial Network Special Protocol" level of functions. PLANET will continue to develop network equipment that connects traditional industrial technologies (OT), strengthen product competitive advantages, and provide network infrastructure applications that meet the needs of smart factories, smart transportation, smart medical care, smart campus, and outdoor remote areas to improve product's competitive advantages through differentiation.

(2) Network switch/Ethernet power supply

The development and application of the Internet of Things, industrial Internet of Things, and artificial Internet of Things (AIoT) have driven the related demand for global cloud data centers and high bandwidth network switches. Ethernet power supply (PoE) switching devices transmit data and power over the network route to improve the deployment flexibility of connected devices. PLANET has developed the third-layer high port digital network tube exchanger, including 100G network management, optical network management, Cybersecurity, IPv4/IPv6 routing switch, the latest standard 802.3bt PoE++ 95W Ethernet power supply switch, LCD intelligent network management switch and long distance Ethernet equipment, which can facilitate the network infrastructure construction of intelligent networks, telecom providers, cloud service providers, big data information centers, governments, enterprises, schools and communities.

(3) Optical fiber network equipment

Optical fiber network transmission has become the mainstream transmission of community and enterprise networks, and its data transmission capacity is large and the transmission distance can be as far as 120 kilometers. According to Future Market Insight, an international market research institute, the global FTTx fiber transmission market will grow from US\$10.2 billion in 2023 to US\$17.3 billion in 2033, with a compound annual growth rate of 5.4%. This growth momentum mainly comes from high bandwidth demand, AI intelligent networking, M2M applications and streaming video and audio services. In response to FTTx construction, PLANET has launched a full range of optical fiber conversion equipment, metropolitan optical fiber network switches, GPON/GEPON OLT central office equipment, ONU terminal equipment and PoE optical fiber converters, and provides VDSL2 bandwidth equipment, which provide a more flexible solution for the last mile broadband build-out from telecom terminals to community and home users.

(4) 5G/AIoT/ Wireless network equipment

At present, wireless transmission is mainly based on 5G and Wi-Fi technology, including 802.11ax Wi-Fi 6, LTE and other related wireless access devices, and their deployment is rising, which is an important channel for IoT and mobile network communication, therefore its future market growth is expected to be good. According to international research institute IDC's survey, the market size of global enterprise wireless network in 2023 was about US\$3 billion, with an annual increase of 43%, of which Wi-Fi 6 AP accounted for about 80%. PLANET has launched indoor and outdoor 2.4/5GHz dual-band wireless routers and access devices that support 802.11ax dual-band ultra-high speed, and a full range of wireless AP central management PoE switches that can facilitate a variety of environments to set up wireless networks and achieve friendly wireless network management. In terms of IoT, the Company responds to the development trend of wireless by providing 5G NR security gateway series, low power wide area network equipment based on the LoRa protocol, which have wireless access capability for big data in the Internet of Things. The Company also provides complete solutions for enterprise and even metropolitan wireless network deployment to significantly improve wireless network management performance.

(5) Cybersecurity/broadband network equipment

With the progress of IT technology and communication technology, and the increase of intelligent network applications, the threat to network security has also emerged rapidly, so the market demand for secure network equipment and transmission is increasing. Modor Intelligence, an international market research institute, pointed out that the market size of cybersecurity is estimated to be US\$182.8 billion in 2024 and is estimated to reach US\$314.3 billion by 2029, with a compound annual growth rate of 11.44% between 2024 and 2029. In addition to providing cybersecurity gateways and VDSL router series, PLANET has upgraded network switches and industrial network equipment to have network cybersecurity protection, SSL VPN, anti-virus and anti-spam functions to fully protect network and security of transmitted data.

(6) Central network management and network application equipment

In response to the cloud connected management trend, PLANET offers intelligent central management system equipment, renewable energy central management platform (NMS series) and cloud connected equipment. These can be provided to platforms such as Amazon AWS and Microsoft AZURE through the cloud, and can be combined with cloud-based network management apps to provide a secure connection between people, machines and the cloud. The Company will develop cloud switches with cloud connection, Ethernet power supply, routers, which can be coupled with the app. to provide administrators and device owners with a network device management platform through a subscription mechanism, thus to create a new network management mechanism and new sources of profit.

In the near future, the demand for intelligent network voice and video communication in business, industry, transportation, shipment, and home will be keen. Therefore, in addition to providing strong network infrastructure product lines, PLANET continues to develop network voice equipment for multiple applications, such as VoIP equipment for enterprise use, voice over IP broadcasting equipment, and indoor and outdoor video doorbell intercom for multiple households. PLANET has also launched advanced network cameras with license plate identification and intelligent recognition capabilities, and will develop related hardware and software platform equipment to meet the needs of home automation network cloud connection services, with the aim to build a digital, automated and secure digital environment. The Company's network voice, IP-based security monitoring, and smart networking applications

can be used by users covering enterprise networks to home users, so that the Company can maintain its product gross margins.

4. Competition niches

Since its establishment in 1993, PLANET has been focusing on the research and development of IP-based technology, and has developed a full range of high-quality, high value-added network & communication products and comprehensive solutions, which have successfully brought the Company's brand PLANET to the international market. In response to the global trend of digital and smart networking applications, the Company has quickly responded to market demand and launched niche-market based network communication infrastructure solutions, which have further enhanced the competitiveness of PLANET's brand in the international professional network & communication market.

PLANET's slogan "Shaping Future Networking " highlights the core spirit of the Company's brand, which is "continuous innovation and delivery of transmission-based products, technology and equipment" to adapt to the future smart, friendly and sustainable technology era. PLANET's brand distribution network has expanded to more than 160 countries around the world. In the future, the Company will continue to integrate global marketing channels and platforms, give full play to team spirit, grow together with distribution partners, and consolidate PLANET's world leading position in the network & communication industry.

5. Pros and cons of future development and the countermeasures

(1)Pros:

A. Continuous development of intelligent communication applications to promote the development of the international market

Today, investment made by governments around the world in digital infrastructure continues to increase, and the demand for smart networks and remote communications is still keen. In view of that, PLANET will focus on the research and development and innovation of network & communication infrastructure equipment and provide to the market with a full range of network & communication equipment that is innovative, differentiated and in line with international environmental requirements. At the same time, the Company will continue to integrate physical and digital marketing to promote the expansion of its brand to the international market and steadily improve the overall operation of the Company.

B. Improvement on the performance of ESG practices and creation of the value of corporate sustainability

While pursuing better business performance, PLANET also fulfills its corporate social responsibility and continuously improves its ESG practice performance. In Taiwan, the Company has received the "Excellence in Corporate Social Responsibility Award" for 17 consecutive years and has been ranked the 1st place among the mittelstand companies participating in the "Excellence in Corporate Social Responsibility Award" for 3 consecutive years. At the same time, in the "Corporate Governance Evaluation", the Company was ranked in the top 5% OTC companies. PLANET was also ranked the 1st place among mittelstand enterprises in the first "CommonWealth Talent Sustainability Award" organized by CommonWealth Magazine. Meanwhile, the Company received "Asia Responsible Enterprise Award" from Enterprise Asia, and was recognized as a

benchmarking enterprise in terms of ESG performance. These awards and honors are a testament to PLANET's steady business performance and active social engagement over the years, which are creating value of corporate sustainability for the Company.

(2) Cons and countermeasures

Cons :

The geopolitical risks caused by the war between Ukraine and Russia and the Red Sea Crisis have brought many risks and challenges to the development of the international market, thus affecting the transportation of goods.

Countermeasures :

- A. Expand the popularity of products and strengthen technical advantages. Enhance the remote management and cloud management features of PLANET's network communication equipment to provide stable and secure transmission for the network infrastructure of remote work, remote medical care, and remote video in the market to increase the added value of the Company's products.
- B. Control the supply of materials and components, increase the proportion of alternative materials sources, to ensure the normal production and supply of products.
- C. Uphold the concept of innovation and sustainability, enhance the competitive advantage of the brand, ensure steady business management, and realize corporate growth.

(2) Major applications and production processes of key products

1. Major applications of key products

- (1) **Network switches:** These products provide fast Ethernet(100 Mbit), Gigabit Ethernet(Gigabit), 10G Ethernet(10 Gigabit), 40Gbps, and 100Gbps to 800Gbps long-distance transmission rates. Switches with management capabilities can help the installer or manager effectively control network resources, detect errors, connect to local area network terminal devices, which can be connected to a central server, or have cloud computing capabilities.
- (2) **Fiber optic converters/Fiber Optic network system devices:** Network fiber adapter is a medium used to convert a UTP (un-shielded twisted pair) to a fiber-optic line. Through the conversion of electronic and optical media, the digital connection distance of the network can be extended to more than 2 km, 20 km to 120 km. This is a long distance, anti-interference capability, which can increase the bandwidth and does not require the re-deployment of expensive fiber lines due to hardware upgrades (such as 1Gbps upgrade to 10Gbps or 10G to 100G). With the popularity of fiber to the house (FTTH) and fiber to the company (FTTC) applications, fiber optic networks, with the characteristics of energy saving, anti-interference and high extensibility, have become the mainstream of today's backbone network transmission. At the same time, passive optical networks (PON) can facilitate the building of large quantity of high-speed digital networks in residential areas through optical splitters.
- (3) **Ethernet power supply (PoE) network equipment:** These products supply power to wired network equipment 100 meters away through Ethernet lines, while still providing

data connections. When the network is built, network equipment can be installed directly without having to find additional power outlets or install them at additional cost, which brings considerable convenience to network & communication equipment system integrators. The power supply capacity of PLANET's latest Ethernet power supply equipment single port has been increased to 95 watts to meet the power needs of various data devices and even high-power terminal devices. In addition, electricity can be centrally managed. PLANET's PoE product line is complete and its power management function is unique in the market, which can effectively control the power of the equipment to achieve energy saving and carbon reduction.

(4) Industrial-grade Ethernet equipment and Industrial automation control equipment:

With the promotion of IPv6, fiber optic networks, public transportation, Industry 4.0, and Industrial Internet of Things (IIoT), the need to use the network in harsh environments will increase in the future. The biggest difference between industrial network equipment and general network equipment is that its working conditions and working environment are harsher than that of general commercial equipment; For example, it can operate normally in complex power sources (surges, shaking and unstable electric potential), minus 40 degrees Celsius or high temperature 85 degrees Celsius. Such products are anti-interference, anti-vibration, anti-impact, anti-shaking, anti-falling, explosion-proof, fire-proof, anti-rust in harsh environments, and can provide more stable network infrastructure equipment for applications of future unmanned fields.

(5) 5G/AIoT connected devices: With the development of the Internet of Everything, all tangible and intangible digital information or devices can be connected to the cloud. Therefore, IoT connected devices, data collection devices, sensing devices, etc. used in different industries such as smart agriculture, smart factories, smart buildings, water and gas metering, and environmental monitoring tools will shoulder the mission of securely uploading information to the cloud or management platform. In response to the large amount of data transmission in the IoT, the Company also provides 5G related equipment, including 5G routers, 5G connection, 5G Edge Computing, low-power WAN equipment, etc., which are important medium for the safe transmission of data.

(6) Wireless network equipment: Wireless products provide an ideal solution for users in locations where wiring is not easy to be set, or the user's location is mobile and not fixed, but there is a need for Internet connection. With the popularity of mobile communication devices such as 4G/LTE, 5G NR and wireless-enabled smartphones/tablets, the demand for better broadband and secure connection of wireless networks is increasing. Today, wireless transmission bandwidth has been increased to Wi-Fi 6/7, and can reach 10Gbps transmission rates.

(7) Network security equipment: These products can enable enterprises to connect to the Internet by IP route or multi-route. With the virtual channel (VPN) function, the information transmitted by the network is encrypted to ensure that the data is not stolen, so as to maintain network security of the enterprise. Advanced cybersecurity equipment also has resource management and IPv4/IPv6 routing/channel transmission capabilities, and has other functions such as scanning spam, blocking advertising messages, establishing secure channels, firewalls, bandwidth management allocation, and monitoring, capturing and blocking of packet contents, etc., so that the enterprise can

effectively control and avoid the loss of confidential information.

- (8) **Broadband network communication equipment:** These products allow users to connect to the Internet at home, office, or anywhere with an existing telephone line or xDSL or VDSL line, with the bandwidth to be increased to 1000Mbps.
- (9) **Digital network security monitoring equipment:** These products provide IP-based network cameras that allow enterprises to use existing Ethernet or wireless lines for security monitoring purposes, thereby reducing the overall cost of security monitoring. At the same time, these products provide high quality images at the megapixel level, suitable for various industrial monitoring applications, and their mainstream image quality has been improved from HD to Full HD, 4K/8K UHD. The development of compression technology H.265 drives the market demand for high resolution in the monitoring industry. At the same time, the products integrate AI artificial intelligence in response to the needs of big data, which can provide data analysis in addition to images, including faces, objects, behaviors, environmental changes, automatic driving and other applications that are used more and more widely.
- (10) **Network Voice equipment:** Voice over IP enables businesses or individuals with Internet connections to convert analog voice collaboration video into digital packets at no additional cost, and perform audio or video communications with the world over digital networks. The advantages of the products include high quality voice communication, lower cost and better security.
- (11) **Home automation systems/Network peripherals:** Home automation network devices enable home users to easily control the doors, appliances, voice communications, etc., at home by using connected devices or mobile phones. Equipped with cloud servers, apps, these products can make the network connection and management more convenient. Digital IP KVM (Keyboard, VGA, Mouse) can manage a large number of devices in the remote equipment room, and can manage servers in the equipment room without installing any software on the server. IP power source management provides remote power source management of the equipment room. The equipment room administrator can obtain the power consumption information and environment information of the equipment room from the remote end, and can automatically/manually turn on and off the power supply and conduct induction control over temperature and humidity of the equipment room.
- (12) **Network device management platform:** To adapt to the future multi-point setup or mass construction of the network, PLANET has developed the network central management platform, which is designed to enable network administrators to quickly understand the status of all the devices built on the network and further manage them in a single platform or interface. The cloud APP management platform provides a mobile management interface so that connected devices can be monitored anytime and anywhere.

2.The production process of the key products

Part of PLANET's products are produced by outsourced factories, and the rest of the products are developed, designed and produced by the Company itself. PLANET strictly monitors the

production process of all products. The Company inspects incoming materials at each stage, including production, burn-in, assembly inspection and storage. The Company's multiple checks on the production processes effectively ensure the quality of its products.

(3) Supply of main raw materials

The Company has a good business relationship with the outsourced factories and raw material suppliers. The raw materials used are not special materials and are easily accessible in the market. The supply of raw materials is normal.

(4) List all suppliers/customers accounting for 10 percent or more of the Company's total procurement/sales amount in the 2 most recent fiscal years and the amounts bought from/sold to each and the percentage of total procurement/sales accounted for by each. Specify the reasons for the increase or decrease.

1. Suppliers that have accounted for more than 10% of PLANET's total purchase amount in any year in the 2 most recent fiscal years

Unit : NT\$Thousand

Item	2022				2023			
	Name	Amount	Percentage of total annual net purchases [%]	Relationship with the issuer	Name	Amount	Percentage of total annual net purchases [%]	Relationship with the issuer
1	Company B	99,345	10.99%	No	Company D	109,352	12.31%	No
2	Company E	95,372	10.56%		Company B	101,631	11.44%	
3	Company D	91,559	10.13%		—	—	—	
4	Other	617,379	68.32%		Other	677,668	76.25%	
	Annual net purchases	903,655	100.00%		Annual net purchases	888,651	100.00%	

Note: Figures are derived from consolidated financial reports prepared in accordance with international accounting standards.

Reason for change:

PLANET's purchase amount from Company E in 2023 accounted for 7.03%, which is less than the percentage in 2022, 10.56%. It was because that PLANET adjusted the purchase amount in 2023 due to the change in customer demand for the products.

2. Major customers to whom PLANET have sold products over the 2 most recent fiscal years

Unit : NT\$Thousand

Item	2022				2023			
	Name	Amount	Percentage of total annual net sales [%]	Relationship with the issuer	Name	Amount	Percentage of total annual net sales [%]	Relationship with the issuer
1	No	-	-	No	No	-	-	No
2	Other	1,720,031	100.00%		Other	1,844,671	100.00%	
	Annual net sales	1,720,031	100.00%		Annual net sales	1,844,671	100.00%	

Note: Figures are derived from consolidated financial reports prepared in accordance with international accounting standards.

Reason for change: No

(5) Production capacity, production volume and production value in the 2 most recent fiscal years

Unit : Pcs (port), NT\$ Thousand

Main products	Year	2022			2023		
		Production capacity	Production volume	Production value	Production capacity	Production volume	Production value
Switch		—	1,111,920	111,997	—	734,163	85,456
Fiber-optic Network		—	425,495	121,928	—	378,818	112,661
Power over Ethernet		—	1,569,961	287,880	—	1,234,850	238,351
Industrial Ethernet Network		—	1,436,962	426,960	—	1,723,282	554,547
Wireless LAN Network		—	44,539	19,007	—	15,354	8,175
IP Telephony		—	24,159	11,180	—	14,427	7,829
IP Surveillance		—	1,147	1,582	—	2,815	1,353
Broadband Network		—	37,256	29,189	—	32,064	25,092
Others		—	16,018	15,419	—	11,501	11,118
Total		—	4,667,457	1,025,142	—	4,147,274	1,044,582

(6) Product sales in the 2 most recent fiscal years

Unit : Pcs (port), NT\$ Thousand

Main products	Year		2022				2023			
	Sales		Domestic market		Export		Domestic market		Export	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
Switch	21,562	4,415	1,070,876	164,999	28,721	7,514	718,262	138,683		
Fiber-optic Network	13,631	8,360	410,864	221,470	11,638	7,913	364,931	217,060		
Power over Ethernet	37,701	12,283	1,464,311	435,442	42,913	15,603	1,198,085	390,550		
Industrial Ethernet Network	43,605	20,491	1,364,217	725,692	60,189	31,111	1,538,506	932,353		
Wireless LAN Network	2,725	2,009	38,949	26,267	1,177	997	15,586	12,278		
IP Telephony	4,190	2,499	18,414	13,071	4,043	2,298	15,381	11,303		
IP Surveillance	195	121	3,198	2,524	278	181	4,871	3,271		
Broadband Network	2,858	3,157	35,292	50,050	3,314	4,246	28,151	39,570		
Others	22,524	1,088	96,895	26,093	11,798	1,283	54,360	28,457		
Total	148,991	54,423	4,503,016	1,665,608	164,071	71,146	3,938,133	1,773,525		

III. Employee information for the last two years and as of the annual report printing date

Unit: people; %

Year		2022	2023	Up to 10th April in 2024
Number of Employees	Manager or above	24	26	25
	R&D Unit	38	41	40
	Sales and Marketing Unit	22	22	24
	Production Management Unit	53	55	56
	Administration Unit	21	24	24
	Total	158	168	169
Average age		42.61	41.73	42.67
Average years of Service		8.80	8.76	8.90
Educational attainment distribution ratio	Doctor	0.6%	0.6%	0.6%
	Master	15.8%	16.1%	16.6%
	Junior College	72.8%	73.2%	72.8%
	High School	10.8%	10.1%	10.0%
	High School (inclusive of)	-	-	-

IV. Expenditures on Environmental Protection

Any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles and content of the law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken.

PLANET has not suffered losses caused by environmental pollution, and it is expected that there will be no risks of such losses in the future.

The total environmental expenditure for 2023 was NT\$3,286,891, which is detailed as follows:

PLANET has established its environmental management system in accordance with the requirements of ISO14001 standard, and requires all employees to implement and continuously improve the effectiveness of the system. Since 2011, the Company has been certified with ISO 14001 Environmental Management System for 12 consecutive years. The amount of expenditure on the certification was NT\$52,000.

- (1) Climate change
 - (a) The expenditure on ISO14064-1 GHG inventory assurance was NT\$169,643.
 - (b) The certification fee for TCFD climate change-related financial disclosure was NT\$100,000.
 - (c) The expenditure on switching to green power supply was NT\$423,045.
- (2) Ecological water source and environmental protection:
 - (a) The expenditure on adoption of Pinglin organic tea plantation was NT\$ 100,000.
 - (b) The expenditure on the launch of the “Good Air and Happy Farm Life in Taiwan” program, cooperating with environmental protection organizations, was NT\$250,000.
 - (a) The expenditure on the joint sponsorship with customers for the “tree planting and carbon reduction” activity of the “World Environment Day” was NT\$135,413.
 - (b) The expenditure on purchase of fair-trade coffee, maintaining friendly environment and promotion of sustainable production methods was NT\$55,718.
- (3) Energy saving and carbon reduction:
 - (a) The expenditure on promotion of internal vegetable carbon reduction activity in 2023 was NT\$143,295, with 1926 participants.
 - (b) The expenditure on replacement of part of the office lamps and lighting fixtures was NT\$ 59,274.
 - (c) The expenditure on replacement of some employees’ laptops was NT\$1,573,980.
- (4) Green procurement: In 2023, the Company's office supplies adopted green products with energy-saving, water-saving, green labels or environment-friendly labels, such as: environmentally-friendly toilet paper and tissues, environmentally-friendly hand sanitizer and toner cartridge, etc. The amount of green procurement in 2023 was NT\$224,523.

V. Labor-Management Relations

The Company's various employee welfare measures, continuing education, training, retirement and pension and their implementations, the agreements between the employees and management, as well as various measures to protect the rights and interests of employees are as follows:

- (1) PLANET’s employee benefits and retirement and pension: To promote employees’ physical and mental health and to improve their productivity, the Company has taken comprehensive employee care measures as follows:

Items	Measures
【Be Happy】Protecting employees' physical and mental health	Mental health courses, psychological counseling, stress management programs, and related diagnosis, consultation, and follow-up counseling.
【Be Cultured】Humanistic quality	The Employee Welfare Committee organizes various art and cultural associations and activities, including the "Happy Children's Day" activity jointly organized with Contemporary Legend Culture and Arts Foundation, "Dance with Love" Mother's Day celebration luncheon, "Opera to the world- traditional opera competition" enjoying the performance in the ancient opera house, and the "From Taiwan To the World" concert of praise jointly organized with "One Song Orchestra".
【Be Athletic】Exercises	The Employee Welfare Committee organizes various sports clubs and activities such as fitness massage club, badminton club, etc.
【Be Healthy】Health management	Regular employee health examinations and health seminars. Quarterly consultations given by PLANET's contracted family doctors, physicians of Traditional Chinese Medicine (TCM), and physiotherapist. Monthly on-site health care services provided by specially appointed nurses.
【Be Long-Lived!】Lifestyles of Health and Sustainability (LOHAS)	<p>Various LOHAS health activities, such as courses for health maintenance, office aerobics, organic farm experience, regular sharing of LOHAS articles on the Company's intranet etc.</p> <ul style="list-style-type: none"> ■ Establishment of "Stress Relief and Health" area: Massage services: Professional visually-impaired massage therapists provide on-site services to employees at the Company. Employees can enjoy pain-relief massage while participate in to public welfare. ■ Health monitoring "station": Provides blood pressure monitors, body fat analyzers, ear (forehead) thermometers, etc., The station also helps employees to maintain and track their health records. ■ Fun exercises: Professional fitness instructors are invited to the Company to offer fitness dance sessions, so that employees can stretch their body and release stress. ■ Health passbook activity: Employees' participations in the Company's health promotion activities and personal health activities are recorded on the Company's website, and employees can earn corresponding health points for that. This is to promote a healthy working environment and culture, and employees can win prizes for participating the activities.

In addition to the basic employee benefits such as labor & health insurance, education and training, year-end bonus, group insurance, health checkups, festival cash gifts, birthday cash gifts and subsidies for weddings and funerals; PLANET also offers employee dividends, organizes employee trips, provides subsidies for employee clubs and societies, and holds leisure and recreational activities and art exhibitions.

Every month, the 6% new-system pensions are contributed by the Company to the labor's accounts under the Ministry of Labor. For the employees employed before July 2005, 2% of their salaries are contributed to their accounts at Bank of Taiwan. Every year, actuaries are engaged as appropriate to provide actuary report for estimation of accrued pension liabilities. Until January 2024, the amount of contributed pensions has reached NTD 13,697,000, sufficient to pay pensions to those who are qualified for retirement. Additionally, employees are free to communicate their rights and concerns with the management through any forms of channels. At PLANET, the labor-management relations

have been maintained well.

(2) Employees’ continuing education and training

A. Cultivating employees is a responsible investment for the Company. To sustainably develop employees’ potentials and enhance their value, the Company organizes educational courses and on-the-job trainings every year to improve the professional skills and management knowledge of employees. A summary of the Company's employee education and training is as follows:

Training category	Training objective	Training course
Core competency-based trainings	Developing staff solidarity, and building the core culture of the enterprise	Teamwork, ability of execution, and innovative courses
Managerial competency-based training	Developing supervisor’s management skills	Team leadership, performance management, risk management
Professional competency-based trainings	Professional knowledge and skill-based trainings	R & D project management, sales skills
General knowledge trainings	Improving self-management skills in addition to professional knowledge	Communication skills, archives management

B. To meet the Company's development objectives and enhance employees' knowledge and skills, all continuing education and training courses are scheduled and provided based on the Company’s annual education plan, which has been formulated in accordance with its "Regulations Governing Employee Education and Training". In addition to courses taught by scholars and experts from professional institutes and PLANET’s internal lecturers, the Company has launched an innovative e-Learning method since 2011, to provide employees with a brand-new learning channel and information sharing platform. The e-Learning platform has been serving employees until now.

a. Education and training courses offered in 2023:

Core Course		Management course	
1	Corporate vision, strategy, philosophy, cultural inheritance	1	Sustainable inheritance - Experience sharing and exchange education course
2	ESG trends and key issues in sustainability		
3	DEI and equal and friendly workplaces		
4	Altruism and mutual good		

Work Skills and Knowledge Training		General Training	
1	New product training: 【GT-915A】	1	New recruits departmental training
2	Network security course: International network security development trend and case study	2	New recruits departmental training
3	Further development of Wi-Fi 7: Wi-Fi	3	Occupational safety and health training
4	(104 HR lecture) Common violations of Gender Equality in Employment Act and	4	The first training session of legal affairs: ethical business management

Work Skills and Knowledge Training		General Training	
	important holidays		
5	New product training: VIP-1140PT-- High-Definition Color PoE IP Phone	5	Intelligent network common terms explanation IoT/ AIoT/ IIoT/ IoV
6	Internal auditor training on ISO45001	6	ISO45001 Occupational Safety and Health Management System
7	New product training: IGS-4215-4UP4T2S / IGS-4215-8UP2T2S	7	Quality policy
8	ISO 14064-1 provision explanation and internal auditor training course 1	8	Information Security Training - Personal Data security
9	ISO 14064-1 provision explanation and internal auditor training course 2	9	Fire drill training in the first half of 2023
10	Guidelines for Control of Network and Communication Security for TWSE and TPex listed Companies	10	The second training session of legal affairs: Ethical business management: anti-corruption, anti-bribery
11	Hahow online course Lightroom Digital darkroom basic post system	11	Information Security Training -Computer security
12	Email brief report	12	The third training session of legal affairs: Precautions for the use of generative AI
13	Read/management new thinking	13	Fire drill training in the second half of 2023
14	IECC-210-KIT -- Industrial EtherCAT Media Converter Kit (IECC-210T + IECC-210R)	14	The fourth training session of legal affairs: Non-competition/dedication
15	IECJ-300 -- Industrial 3-Port EtherCAT Junction Slave	15	2023 Sexual harassment prevention training
16	ISO45001 Hazard identification and risk assessment	16	Occupational safety and health training for in-service personnel in 2023
17	DEI Talent Management New Strategy Forum	17	Information Security Training -Report on information security accidents
18	Corporate Carbon Reduction Workshop _ How do enterprises plan carbon reduction in response to carbon regulations governing export?	18	Health and safety training for first aid workers (day time class)
19	New product training: WBS-900AC-KIT		
20	New product training: ICA-3480F / ICA-4480F		
21	2022 Annual GHG inventory report		
22	Hahow online course AE Basic Animation - 【Make 2D characters move easily】		
23	GHG inventory		
24	Job training of the finished product team		
25	From beginner to professional, write the article with the effect you want		
26	IC+ bt PoE practical case sharing		
27	IEC 62443 training		

Work Skills and Knowledge Training		General Training	
28	ISO 45001 provision explanation and internal auditor training course		
29	Information Security Course: Information Security Management System Introduction (Risk Management)		
30	How to encourage customer carry new models and new product lines		
31	Incoterms 2010		
32	The mind method of workplace self-training		
33	IECS-1116-DI/DO Application and usage		
34	The art of knowing oneself and other people		
35	IEC 62443-4-1 training		
36	"Junior" Information Security Engineer - Competency Enhancement Course		
37	Information on the 2023 Junior Information Security Engineer exam		
38	New product training: LRE-104		
39	New product training: LN1130_LN1140		
40	Hahow online course Today at Apple: Learn professional product photography on iPhone with photographer Ada Lin		
41	Equipment maintenance		
42	Risk control		
43	New product training: 【IECJ-400 / IECJ-410FT】		
44	New product training: 【IGS-6325-4UP2X】		
45	New product training: 【IGS-10020HPT-U】		
46	New product training: 【GUP-805A-60W/GUP-805A-95W】		
47	Hahow online course Motion Graphics Novice village Ai + Ps super practical guide		
48	NPS (Net Promoter Score) Recommendation index introduction		
49	General affairs procurement and payment request Operations		
50	Electronic circuit design - The advantages and disadvantages of different high-voltage power supply schemes (DC 60V or more) and their designs		
51	New product training: 【NVR-1600】		

Work Skills and Knowledge Training		General Training	
52	Document control process		
53	Green business trips and risk		
54	General knowledge of hazards		
55	Information Security Course: identification and access control		
56	NMS-LoRa integrated product application: equipped with modbus sensor/DIDO devices		
57	Introduction to export tariff		
58	PLANET Switch Protocol stack structure and case study		
59	RMA human damage determination and example description		
60	New product training: 【ICA-3480/ICA-4480】		
61	New product training: 【GSD-1022UP】		
62	New product training: 【IVR-300FP】		
63	Carbon asset manager certification training course		
64	Time management and personal/organizational skills		
65	How to drive and guide customers about Planet core value and develop Planet business in right way		
66	Job training of materials team		
67	PCB defectives analysis and abnormal phenomenon explanation		
68	New product training: 【XGS-6311-12X】		
69	New product training: 【XT-905A/XT-915A/XT-925A】		
70	Carbon pricing and carbon rights		
71	Notes for NDA confidentiality agreement		
72	New product training: 【POE-E301】		
73	The key points of the course recorded by instructor		
74	Internal audit skills and practical training		
75	New product training: 【GS-6311 series】		
76	Seminar on strategies and practices of the IT industry in response to carbon tariff		
77	Instrument and equipment calibration		
78	Financial Report - Self-compilation process and introduction		

Work Skills and Knowledge Training		General Training	
79	UL/CB safety design specification		
80	Production control skills and new process description		
81	CommonWealth Sustainability Cultivation Workshop (social participation)		
82	CommonWealth Sustainability Cultivation Workshop (corporate commitments)		
83	Visit to sustainability model enterprise honored by CommonWealth Sustainability Group		
84	Continuing education for accounting supervisors of issuers, securities firms, and securities exchanges		
85	New product training: 【WDAP-C3000AX】		
86	New product training: 【IGS-6325-24UP4X】		
87	New product training: 【WGS-E304PT】		
88	Leading the AI wave! Enterprise digital transformation strategy		
89	Notes on the draft of design and introduction to the manufacturers of self-manufactured and purchased products		
90	How to make a good follow-up on the web inquiry we receive		
91	Updated law and regulations		
92	New product training: 【MGS-6311-8P2X_MGS-6311-10T2X】		
93	Analysis of corporate governance practices and audit cases - focusing on the Board of Directors and shareholders' meeting		
94	New product training: 【WDAP-3000AX】		
95	New product training: 【GS-4210-8UP2S】		
96	Company products/competitive products training		
97	Sustainable accounting standards for enterprises (S1 & S2)		
98	Internal auditors' audit control practices for "information security"		
99	BSI annual conference on “Sustainable International Standards Management - New Trends in Sustainability under Digital Trust”		

Work Skills and Knowledge Training		General Training	
100	CommonWealth Sustainability Group - annual conference and sustainability forum		
101	Product carbon footprint		
102	2023 ESG Summit: Carbon Inventory and Carbon Management		
103	Senior executives' team building program_ Theme 1: Enterprise sustainability		
104	New product training: 【IGS-4215-16P2T2S】		
105	New product training: 【IGS-6325-16T4X】		
106	The 6 th Global Corporate Sustainability Forum held in 2023: Symphony for a Sustainable Future: A New Chapter of Carbon & Nature.		
107	Carbon markets set sail for a sustainable future		
108	Global Corporate Sustainability Forum (GCSF) held in 2023		
109	Executives' team building program: 【Enterprise Sustainability _ Corporate Governance】		
110	Executives' team building program: 【Enterprise Sustainability _ Environmental Sustainability】		
111	Executives' team building program: 【Enterprise Sustainability _ Social Inclusion】		
112	UL factory inspection process		
113	Chat GPT Senior executives' team building program_ Theme 2: Chat GPT		
114	Executives' team building program: 【ChatGPT (1)】		
115	Executives' team building program: 【ChatGPT (2)】		
116	ISO 14067 carbon footprint assurance officer certification course (for the class in Taipei)		
117	104 Entry-level Human Resources Program		
118	Common internal control management defectives in enterprises and the analysis of practical cases		
119	New product training: 【WGS-6325-8UP2X】		

Work Skills and Knowledge Training		General Training	
120	New product training: 【IPOE-176S】		
121	New product training: 【XT-715A】		
122	New product training: 【LS Series】		
123	How to fill in corrective measures correctly		
124	New product training: 【XGS-6320-8UP4X】		
125	New product training: 【VGW-420FO】		

b. 2023 online learning platform, e-Learning(E-College)

The total annual e-Learning training hours of all employees: 301.8 hours. Course categories and average training hours are as follows:

- I. College of Accounting & Finance: Total 16 courses, total course hours: 22.6 hours
- II. College of Comprehensive Knowledge: Total 54 courses, total course hours: 138.5 hours
- III. College of Information Technology: Total 53 courses, total course hours: 102.9 hours
- IV. College of Marketing and Sales: Total 33 courses, total course hours: 25.3hours
- V. College of Human Resources: Total 7 courses, total course hours: 12.5 hours

To facilitate information and knowledge sharing, the syllabus and key knowledge points of the courses are uploaded to the Company's internal sharing platform. Other on-the-job training on professional skills and specific skills for different departments are conducted by department heads through routine job coaching and training sessions, which will ensure that professional knowledge and job skills are taught to employees. In 2023, the total employee training time was 3,931.33 hours.

(3) Details of PLANET's employee code of conducts and principles of ethics are provided in the following table:

Item	Regulation Established by PLANET	Implementation/measures	Remark
1	1. Employee Code of Conducts and Principles of Ethics	Work Rules	The Work Rules are established according to the Labor Standards Law and related regulations, and are approved and recorded by the Ministry of Labor.
2		<ul style="list-style-type: none"> • “Guidelines of Preventing Sexual Harassment and the Penalties” • “Regulations Governing Management of Gender Equality at Workplace” 	To safeguard gender equality and dignity at work, the Company, based on the New Taipei City Self-Government Ordinance Governing Sexual Harassment Prevention, has established the “Guidelines of Preventing Sexual Harassment and the Penalties”. To create a well-balanced working environment with gender equality, the Company has also established the “Regulations Governing Management of Gender Equality at Workplace”, which has been approved and recorded by

Item	Regulation Established by PLANET	Implementation/measures	Remark
			Ministry of Labor.
3	1. Employee Code of Conducts and Principles of Ethics	Regulations Governing Human Resources Management	<p>1. The Employee Code of Conducts clearly stipulate the rules of behaviors and service standards that employees must abide by. These are uploaded to the Company's internal information sharing platform for easy reference.</p> <p>2. Rules of behaviors and disciplinary measures are established to regulate staff rewards and punishments.</p> <p>3. All employees are required to abide by the following rules::</p> <ul style="list-style-type: none"> a. Protect corporate reputation, and abide by the Company's rules and regulations b. Arrogance, laziness or other behaviors which will cause damages to the personal or the Company reputation are not allowed c. Acceptance of personal gifts and invitations through work relations is not allowed. d. Except conducting work related tasks, any unauthorized activities in the name of the Company are not permitted. e. Regardless of job scope or tasks performed, employees are responsible for keeping the Company's important information confidential: including R&D technologies, finance & accounting, trade secrets and all other information related to business operations. f. Employees are responsible for the safekeeping of the Company's documents and valuables kept by them. Company properties and funds are not allowed to be used for personal purposes or wasted, and such properties must not be taken away from the Company's premises without supervisor's consents. g. Work-related ideas, concepts, findings, inventions, improvements, formulas, programs, manufacturing techniques,

Item	Regulation Established by PLANET	Implementation/measures	Remark
	1. Employee Code of Conducts and Principles of Ethics		<p>writings, or trade secrets generated or created during one’s employment with the Company, whether the employee concerned has obtained patents, exclusive trademarks, copyrights, or any other rights for the aforesaid items, the Company remains the sole owner of all related rights and benefits.</p> <p>h. When tasks are assigned by supervisors within the reasonable scope of their job authorities, employees must follow the instructions given by supervisors.</p> <p>i. Employees are required to comply with requests of the Company, such as working extra hours, working in different locations or job functions or go on business trips.</p> <p>j. Employees should be honest and have good behaviors. Illegal conducts such as gambling, binge drinking, drug abuse and other criminal offenses are not allowed.</p> <p>4.To comply with updated government regulations, the Company has partially amended its regulations governing employee leaves.</p>
4		Employee Handbook	<p>1.Newly recruited employees are given Employee Handbook when they report to work. They will keep it personally.</p> <p>2. Employee Code of Conducts, which is stipulated in the Regulations Governing Human Resources Management, and rewards and punishments measures are stated.</p>
5		Code of Business Conduct and Ethics	To ensure employees’ compliance with Code of Business Conduct and Ethics, each department sets out and implements its own code of ethics through internal campaigns. All employees are required to implement corporate social responsibilities in accordance with the established rules and regulations.
6		2. Ethical Management Best-practice Principles	Ethical Business Management Best-practice Principles Procedures for Ethical Corporate Management and

Item	Regulation Established by PLANET	Implementation/measures	Remark
		Guidelines for Conduct	establishment of good business operations.
7	3. Code of Conduct for Confidentiality	Office Rules	Set out office confidentiality principles: 1. Revealing trade secrets during conversations is strictly prohibited. 2. Handling the storage and disposal of confidential documents with care.
8		Labor contract	1. To protect the Company's trade secrets, the labor contract specifies the confidentiality agreement on relevant business and the ownership of intellectual properties. 2. Confidential information, such as marketing, clients, sales, and pricing of the Company's products, should be kept confidential; and employees are not permitted to use such confidential information for trading or helping other people trade products that compete with the Company's products.
		Regulations Governing Trade Secrets	1. To enhance the management of trade secrets, the Company has established the "Regulations Governing Trade Secrets" based on its Regulations Governing Human Resources Management, labor contracts and Work Rules, to avoid business losses caused by leakage of trade secrets. 2. These regulations are established in accordance with the relevant laws and regulations governing intellectual property rights, such as the Patent Act, Trademark Act, Copyright Act, and Trade Secret Act.
9	4. Information Security Management Regulations	Access Control Measures Monitoring and Anti-virus Measures	The Company has established regulations governing information system security to avoid business losses caused by leakage of confidential and sensitive information.
10		Consent to Use Legal Software	To respect intellectual property rights, employees are not allowed to use illegal and unauthorized software.
11		Information Security Code	Information Security Code is established, which requires the compliance of all employees.

(4) Measures to ensure a safe and healthy environment and to protect employee personal safety: Since its establishment, PLANET deeply understands that employees and suppliers are the most important partners in the Company's sustainable development process. Therefore, in addition to complying with occupational safety and health regulations and other relevant requirements, PLANET has been constantly improving its safety and health condition to avoid unsafe practices, environment, and equipment, thus to prevent occupational disasters and ensure the safety and health of employees.

The Company's employee protection measures are as follows:

- (1) Establishing a safety and health organization: Occupational Safety and Health Committee meetings are held on a quarterly basis, and management and review meetings are held annually.
- (2) Occupational disaster statistics: Through various safety and health management programs, the Company has realized zero occupational disaster for 8 consecutive years. From 2016 to 2023, there was no cases of occupational disease among employees. The Frequency-Severity Indicator (FSI) for 2023 was 0.
- (3) Organizing safety and health trainings and practices: In 2023, two fire drills were held.
- (4) Enhancing risk assessment and safety auditing: 43 laws and regulations were reviewed and identified every quarter on a regular basis. There were also monthly 5S and equipment safety inspection on a regular basis.
- (5) Implementing control over chemicals: The Company has established the Hazard Communication Program, under which operational personnel are required to carry out inspection before the operation, and regular checks must be conducted to ensure that the equipment is in normal condition. Chemicals must be stored in designated places and personal protection devices must be provided.
- (6) Monitoring of operational environment: The Company carries out indoor air quality monitoring every six months, and the results have been 100% good. The Company also carries out monitoring of the density of CO₂ and chemicals in the operation environment, and the results have been 100% qualified. In every quarter, the quality of drinking water is examined, and regular cleaning and disinfection are conducted.
- (7) Emergency Response Team: This team is responsible for responding to major disasters and coordinating administrative support forces to enhance disaster prevention and rescue efficiency, reduce accident losses, and ensure the normal operation of the workplace and employee safety.
- (8) Organizing annual health checks: The Company provides free health checks to employees every year, which is better than the requirements set forth in the laws and regulations.
- (9) Providing sound personal protection equipment: The Company is equipped with local exhaust ventilation system and provides personal protection devices, to prevent the damages caused by metal smokes generated in the R&D and maintenance process to human bodies.
- (10) Providing on-site health care services: The Company has recruited doctors of Occupational Medicine, Tzu Chi Hospital to provide services to employees for 3 hours per quarter. It has also cooperated with health management consultation company by appointing professional nurses to provide services to employees for 8 hours per month.
- (11) Well-established employee maternal care measures: PLANET provides pregnant colleagues with pregnancy care pack, taxi fare subsidy, exclusive childcare service, and a special nursing (feeding) room.

2. List any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an

estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: The Company's labor-management relations have been very harmonious, and there has been no losses due to labor disputes.

VI. Information and Communication Security Management

1. Information and communication security management structure

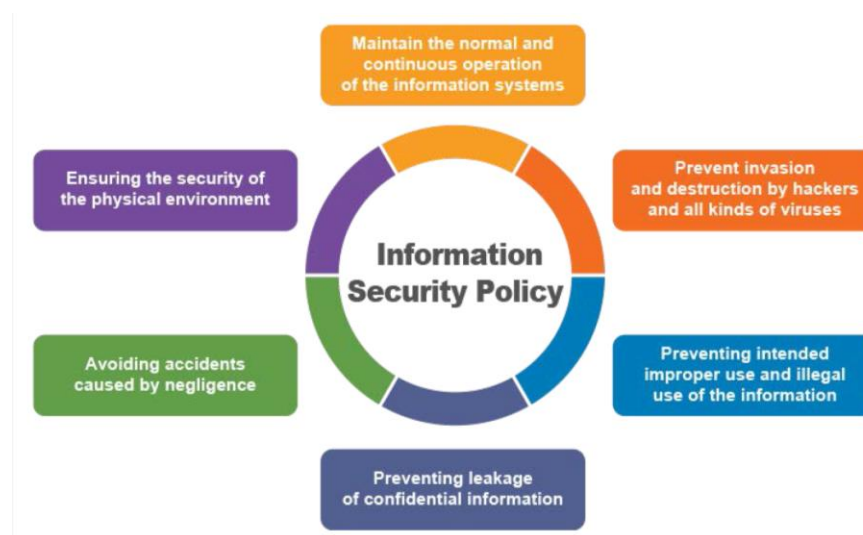
With a total of 6 members, the Information and Communication Security Management Office, under the CEO's Office, is responsible for the Company's information and Communication Security Management matters.

The office is mainly responsible for the protection of information security, handling of information security incidents and the recovery works after the information security incidents, with the aim to prevent the occurrence of information security incidents, reduce the impact on the Company's operations and minimize the losses. In 2022, the Company obtained the ISO 27001 international certification (Valid from June 24, 2022 to June 15, 2025).

2. Information and Communication Security Policy

The Company has set information and communication security goals as per ISO 27001 to avoid potential risks and damages caused by information misuse, leakage, change and damage due to human negligence and natural disaster.

- (1) Maintain smooth and continuous operation of all information systems.
- (2) Prevent invasion and destruction by hacker and various viruses.
- (3) Prevent misconduct and illegal use.
- (4) Prevent disclosure of confidential information.
- (5) Avoid human negligence.
- (6) Maintain safety of physical environment.



3. Specific management measures for information and communication security

In accordance with the ISO 27001 international standards, PLANET has formulated information and communication security handbook and related control documents, all of which serve as the basis for information and communication security management and guidelines for implementation and promotion of the Company's information and communication security

related works, with the aim to implement the information and communication security management mechanism and ensure the confidentiality, completeness and availability of information and communication. All the members of the information security team have obtained the certification of internal auditor under ISO 27001 by the end of 2023.

The Company reviews goals and policies of information security management at the annual management review meeting. The Company has built, implemented, maintained, and improved its information security management system based on the P-D-C-A cycle model, which can help the Company to implement information security operations, protect customer data and corporate intellectual property, strengthen the ability to respond to information security incidents and achieve information security.



4. Resources input on information and communication security management

- (1) In accordance with the Information Security Handbook, PLANET conducts information security publicity activities and information security trainings for employees. Newly recruited employees are required to attend information security training when they report to work, and they are required to sign the “Labor Contract” after completion of the training program.

Summary of employee training courses on information security in 2023:

No.	Course Title	Mode of Learning	Participant	Course Completion Rate
1	Training on Information Security (personal data security)	Online Course	All Employees	100%
2	Training on Information Security (computer security)	Online Course	All Employees	100%
3	Training on Information Security (incident report)	Online Course	All Employees	100%

- (2) PLANET evaluates its information security management system at least once a year, and re-evaluates it when there is a major change in the Company. The evaluation results are presented at the management review meetings and revised as appropriate to control and mitigate risks related to information security
- (3) The Company attaches great importance to information security management. On December 20, 2023, the implementation status of information security management was reported to the Board, and in December 2023, the Company participated in the "Information Security Liability Insurance" with an insurance period from January 1, 2024 to January 1, 2025, with the aim to obtain an overall information security protection for the Company.
- (4) The protection of confidential information is PLANET’s commitment to its customers, shareholders, suppliers, and employees. The Company fully understands that protection of

confidential information is vital to the competitiveness of the Company, and has established protection mechanisms for different types of confidential information.

5. List any losses suffered by the Company in the most recent fiscal year and up to the annual report publication date due to significant information and communication security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimation cannot be made, an explanation of the facts of why it cannot be made shall be provided: There have been no losses suffered by the Company due to information and communication security incidents.

VII. Important Contracts

Nature of contract	Party	Duration	Contents	Restrictive clause
Lease contract	Konglin Constructions & Manufacturing Co., Ltd.	2023.10.01-2026.09.30	Property leased - B1F, No.98	No
Lease contract	Tai Hsing Printing & Bookbinding Co., Ltd.	2023.09.16-2026.09.30	Property leased - B1F, No.96	No
Lease contract	Tai Hsing Printing & Bookbinding Co., Ltd.	2023.09.16-2026.09.30	Property leased - 2F, No.96	No
Lease contract	Fullyen Binding Co., Ltd.	2023.10.01-2026.09.30	Property leased - 5F, No. 96	No
Lease contract	Fullyen Binding Co., Ltd.	2023.10.01-2026.09.30	Property leased - 6F, No. 96	No
Lease contract	Kuo Yee Binding Company Ltd.	2023.09.16-2026.09.30	Property leased - 7F, No. 96	No
Lease contract	Kuo Yee Binding Company Ltd.	2023.09.16-2026.09.30	Property leased - 8F, No. 96	No
Lease contract	Triun Ho Binding Co., Ltd.	2023.09.16-2026.09.30	Property leased - 9F, 10F, No. 96	No

Six. Overview of Financial Status

I. Concise financial information for the last five years

(I) Concise Balance Sheet and Statement of Comprehensive Income

1. Consolidated Concise Balance Sheet – adopting IFRS

Unit: NT\$ Thousand

Item \ Year		Financial Information for The Last Five Years				
		2019	2020	2021	2022	2023
Current assets		1,595,398	1,587,772	1,720,045	1,956,216	2,043,960
Real Estate Property, Plant and Equipment		7,562	7,598	8,029	10,255	16,294
Intangible assets		2,378	3,226	2,791	2,327	2,308
Other assets		46,538	61,860	43,737	26,117	144,516
Total assets		1,651,876	1,660,456	1,774,602	1,994,915	2,207,078
Current liabilities	Before distribution	282,595	289,221	350,814	437,367	433,397
	After distribution	563,849	539,225	644,569	837,373	(Note 2) 895,904
No-current liabilities		24,207	37,345	18,724	6,502	116,030
Total liabilities	Before distribution	306,802	326,566	369,538	443,869	549,427
	After distribution	588,056	576,570	663,293	843,875	(Note 2) 1,011,934
Equity attributable to shareholders of the parent company		1,345,074	1,333,890	1,405,064	1,551,046	1,657,651
Capital stock		625,010	625,010	625,010	625,010	625,010
Capital reserve		11,202	11,202	11,202	11,202	11,202
Retained earnings	Before distribution	708,862	697,678	768,852	914,834	1,021,439
	After distribution	427,608	447,674	475,097	514,828	(Note 2) 558,932
Other equity interest		-	-	-	-	-
Treasury stock		-	-	-	-	-
Non-controlling interests		-	-	-	-	-
Total equity	Before distribution	1,345,074	1,333,890	1,405,064	1,551,046	1,657,651
	After distribution	1,063,820	1,083,886	1,111,309	1,151,040	(Note 2) 1,195,144

Note 1: All financial data has been audited and attested by CPA Lai, Yung-Chi and CPA Wu, Hsin-Liang of Baker Tilly

Clock & Co, and an audit report with unqualified opinion has been issued.

Note 2: The cash dividends distribution plan was approved by the Board on April 2, 2024.

2. Consolidated Concise statement of comprehensive income - adopting IFRS

Unit: NT\$ Thousand

Year Item	Financial Information for The Last Five Years				
	2019	2020	2021	2022	2023
Operating revenue	1,348,032	1,227,105	1,427,097	1,720,031	1,844,671
Gross profit	550,090	493,477	569,290	725,578	834,229
Income from operations	364,840	322,079	382,809	513,554	586,302
Non-operating income	16,488	6,258	9,839	23,257	30,559
Income before tax	381,328	328,337	392,648	536,811	616,861
Net income from Continued Operations for this period	312,852	270,319	321,150	438,263	507,429
Loss from Discontinued Operations	-	-	-	-	-
Net income (Loss)	312,852	270,319	321,150	438,263	507,429
Other comprehensive income (income after tax)	(208)	(249)	28	1,474	(818)
Total comprehensive income	312,644	270,070	321,178	439,737	506,611
Net income attributable to Shareholders of the parent company	312,852	270,319	321,150	438,263	507,429
Net income attributable to non-controlling interest	-	-	-	-	-
Total comprehensive income attributable to Shareholders of the parent company	312,644	270,070	321,178	439,737	506,611
Total comprehensive income attributable to non-controlling interests	-	-	-	-	-
Earnings per share	5.01	4.33	5.14	7.01	8.12

Note 1: All financial data has been audited and attested by CPA Lai, Yung-Chi and CPA Wu, Hsin-Liang of Baker Tilly Clock & Co, and an audit report with unqualified opinion has been issued.

Note 2: Earnings per share is based on the number of shares in the year.

3.Parent Company Only Concise Balance Sheet – adopting IFRS

Unit: NT\$ Thousand

Year		Financial Information for The Last Five Years				
		2019	2020	2021	2022	2023
Item						
Current assets		1,592,306	1,584,727	1,717,117	1,952,970	2,040,613
Real Estate Property, Plant and Equipment		7,562	7,598	8,029	10,255	16,294
Intangible assets		2,378	3,226	2,791	2,327	2,308
Other assets		49,752	64,905	46,665	29,363	147,863
Total assets		1,651,998	1,660,456	1,774,602	1,994,915	2,207,078
Current liabilities	Before distribution	282,717	289,221	350,814	437,367	433,397
	After distribution	563,971	539,225	644,569	837,373	(Note 2) 895,904
No-current liabilities		24,207	37,345	18,724	6,502	116,030
Total liabilities	Before distribution	306,924	326,566	369,538	443,869	549,427
	After distribution	588,178	576,570	663,293	843,875	(Note 2) 1,011,934
Equity attributable to shareholders of the parent company		1,345,074	1,333,890	1,405,064	1,551,046	1,657,651
Capital stock		625,010	625,010	625,010	625,010	625,010
Capital reserve		11,202	11,202	11,202	11,202	11,202
Retained earnings	Before distribution	708,862	697,678	768,852	914,834	1,021,439
	After distribution	427,608	447,674	475,097	514,828	(Note 2) 558,932
Other equity interest		-	-	-	-	-
Treasury stock		-	-	-	-	-
Non-controlling interests		-	-	-	-	-
Total equity	Before distribution	1,345,074	1,333,890	1,405,064	1,551,046	1,657,651
	After distribution	1,063,820	1,083,886	1,111,309	1,151,040	(Note 2) 1,195,144

Note 1: All financial data has been audited and attested by CPA Lai, Yung-Chi and CPA Wu, Hsin-Liang of Baker Tilly Clock & Co, and an audit report with unqualified opinion has been issued.

Note 2: The cash dividends distribution plan was approved by the Board on April 2, 2024.

4. Parent Company Only Concise statement of comprehensive income - adopting IFRS

Unit: NT\$ Thousand

Year Item	Financial Information for The Last Five Years				
	2019	2020	2021	2022	2023
Operating revenue	1,348,032	1,227,105	1,427,097	1,720,031	1,844,671
Gross profit	550,090	493,477	569,290	725,578	834,229
Income from operations	364,880	322,115	382,847	513,587	586,336
Non-operating income	16,448	6,222	9,801	23,224	30,525
Income before tax	381,328	328,337	392,648	536,811	616,861
Net income from Continued Operations for this period	312,852	270,319	321,150	438,263	507,429
Loss from Discontinued Operations	-	-	-	-	-
Net income (Loss)	312,852	270,319	321,150	438,263	507,429
Other comprehensive income (income after tax)	(208)	(249)	28	1,474	(818)
Total comprehensive income	312,644	270,070	321,178	439,737	506,611
Net income attributable to shareholders of the parent company	-	-	-	-	-
Net income attributable to non-controlling interest	-	-	-	-	-
Total comprehensive income attributable to shareholders of the parent company	-	-	-	-	-
Total comprehensive income attributable to non-controlling interests	-	-	-	-	-
Earnings per share	5.01	4.33	5.14	7.01	8.12

Note 1: All financial data has been audited and attested by CPA Lai, Yung-Chi and CPA Wu, Hsin-Liang of Baker Tilly Clock & Co, and an audit report with unqualified opinion has been issued.

Note 2: Earnings per share is based on the number of shares in the year.

(II) Name and audit opinions of CPA in the most recent five years

Year	CPA	Audit Opinion
2019	Lai, Yung-Chi and Wu, Hsin-Liang	unqualified opinion
2020	Lai, Yung-Chi and Wu, Hsin-Liang	unqualified opinion
2021	Lai, Yung-Chi and Wu, Hsin-Liang	unqualified opinion
2022	Lai, Yung-Chi and Wu, Hsin-Liang	unqualified opinion
2023	Lai, Yung-Chi and Wu, Hsin-Liang	unqualified opinion

II. Financial Analysis for the Last Five Years

(I) Financial analysis:

1.Consolidated financial analysis for the last five years- adopting IFRS

Year Item for Analysis		Financial Analysis for the Last Five Years				
		2019	2020	2021	2022	2023
Financial Structure (%)	Debt-asset ratio	18.57	19.67	20.82	22.25	24.89
	Ratio of long-term capital to property, plant, and equipment	18,107.39	18,047.32	17,733.07	15,188.18	10,885.48
Solvency (%)	Current ratio	564.55	548.98	490.30	447.27	471.61
	Quick ratio	482.45	480.18	429.48	388.12	405.75
	Interest coverage ratio	580.53	593.67	609.76	1,409.95	644.23
Operating Ability	Receivables turnover rate (times)	15.02	14.45	14.50	15.93	16.57
	Average collection days for receivables	24.30	25.25	25.17	22.91	22.02
	Inventory turnover rate (times)	3.41	3.50	4.29	4.35	3.82
	Payables turnover rate (times)	5.26	5.38	6.20	6.03	6.08
	Average days for sale	107.03	104.28	85.08	83.90	95.54
	Property, plant, and equipment turnover rate (times)	163.55	161.89	182.65	188.14	138.96
	Total asset turnover rate (times)	0.83	0.74	0.83	0.91	0.87
Profitability	Return on assets (%)	19.35	16.35	18.73	23.26	24.18
	Return on equity (%)	23.64	20.18	23.45	29.65	31.62
	Ratio of income before tax to paid-in capital (%)	61.01	52.53	62.82	85.88	98.69
	Profit margin before tax (%)	23.21	22.03	22.50	25.47	27.50
	Earnings per share (NTD)	5.01	4.33	5.14	7.01	8.12
Cash Flow	Cash flow ratio (%)	124.12	108.77	105.51	113.43	108.45
	Cash flow adequacy ratio (%)	114.56	113.61	116.28	124.45	124.40
	Cash flow reinvestment ratio (%)	5.90	2.39	8.27	12.71	3.86
Leveraging	Operating leverage	1.48	1.51	1.47	1.39	1.40
	Financial leverage	1.00	1.00	1.00	1.00	1.00

Please explain the reasons for the changes in financial ratios in the last two years (if the increase or decrease is less than 20%, analysis is exempted):

- (1) Ratio of long-term capital to property, plant and equipment increased, which was due to an increase in non-current liabilities in 2023 compared to 2022.
- (2) Interest coverage ratio decreased, which was due to an increase in income before tax in 2023 compared to 2022.
- (3) Property, plant, and equipment turnover rate decreased, which was due to an increase in average net property, plant, and equipment in 2023 compared to 2022.
- (4) Cash flow reinvestment ratio decreased, which was due to an increase in cash dividends distributed and right-of-use assets in 2023 compared to 2022.

2. Parent Company Only Financial Analysis for the last five years - adopting IFRS

Year Item for Analysis		Financial Analysis for the Last Five Years				
		2019	2020	2021	2022	2023
Financial Structure (%)	Debt-asset ratio	18.58	19.67	20.82	22.25	24.89
	Ratio of long-term capital to property, plant, and equipment	18,107.39	18,047.32	17,733.07	15,188.18	10,885.48
Solvency (%)	Current ratio	563.22	547.93	489.47	446.52	470.84
	Quick ratio	481.15	479.13	428.65	387.38	404.98
	Interest coverage ratio	580.53	593.67	609.76	1,409.95	644.23
Operational ability	Receivables turnover rate (times)	15.02	14.45	14.50	15.93	16.57
	Average collection days for receivables	24.30	25.25	25.17	22.91	22.02
	Inventory turnover rate (times)	3.41	3.50	4.29	4.35	3.82
	Payables turnover rate (times)	5.26	5.38	6.20	6.03	6.08
	Average days for sale	107.03	104.28	85.08	83.90	95.54
	Property, plant, and equipment turnover rate (times)	163.55	161.89	182.65	188.14	138.96
	Total asset turnover rate (times)	0.83	0.74	0.83	0.91	0.87
Profitability	Return on assets (%)	19.35	16.35	18.73	23.26	24.18
	Return on equity (%)	23.64	20.18	23.45	29.65	31.62
	Ratio of income before tax to paid-in capital (%)	61.01	52.53	62.82	85.88	98.69
	Profit margin before tax (%)	23.21	22.03	22.50	25.47	27.50
	Earnings per share (NTD)	5.01	4.33	5.14	7.01	8.12
Cash Flow	Cash flow ratio (%)	124.14	108.79	105.54	113.36	108.46
	Cash flow adequacy ratio (%)	114.06	113.16	116.24	124.47	124.41
	Cash flow reinvestment ratio (%)	5.91	2.39	8.28	12.69	3.86
Leveraging	Operating leverage	1.48	1.51	1.47	1.39	1.40
	Financial leverage	1.00	1.00	1.00	1.00	1.00

Please explain the reasons for the changes in financial ratios in the last two years (if the increase or decrease is less than 20%, analysis is exempted):

- (1) Ratio of long-term capital to property, plant and equipment increased, which was due to an increase in non-current liabilities in 2023 compared to 2022.
- (2) Interest coverage ratio decreased, which was due to an increase in income before tax in 2023 compared to 2022.
- (3) Property, plant, and equipment turnover rate decreased, which was due to an increase in average net property, plant, and equipment in 2023 compared to 2022.
- (4) Cash flow reinvestment ratio decreased, which was due to an increase in cash dividends distributed and right-of-use assets in 2023 compared to 2022.

Formulas for the calculation of the financial ratios:

1. Financial Structure

- (1) Debt-asset ratio = total liabilities / total assets
- (2) Ratio of long-term capital to property, plant, and equipment = (total equity + non-current liabilities) / net property, plant, and equipment

2. Solvency

- (1) Current ratio = current assets / current liabilities
- (2) Quick ratio = (current assets – inventory – prepaid expenses) / current liabilities
- (3) Interest coverage ratio = income before income tax and interest expenses / current interest expense

3. Operating ability

- (1) Receivables (including accounts receivable and notes receivable arising from business operations) turnover rate = net sales / average receivables (including accounts receivable and notes receivable arising from business operations) for each period
- (2) Average collection days for receivables = 365 / receivables turnover rate
- (3) Inventory turnover rate = cost of sales / average inventory
- (4) Payables (including accounts payable and notes payable arising from business operations) turnover rate = cost of sale / average payables (including accounts payable and notes payable arising from business operations) for each period
- (5) Average days of sale = 365 / inventory turnover rate
- (6) Property, plant, and equipment turnover rate = net sales / average net worth of property, plant, and equipment
- (7) Total asset turnover rate = net sales / average total assets

4. Profitability

- (1) Return on assets = [net income + interest expenses (1- tax rate)] / average total assets
- (2) Return on equity = net income / average total equity
- (3) Ratio of income before tax to paid-in capital = income before tax / paid-in capital
- (4) Profit margin before tax = net income / net sales
- (5) Earnings per share = (profit and loss attributable to owners of the parent – dividends on preferred shares) / weighted average number of issued shares

5. Cash flow

- (1) Cash flow ratio = Net cash flow from operating activities / current liabilities
- (2) Net cash flow adequacy ratio = Net cash flow from operating activities for the most recent five years / (capital expenditures + inventory increase + cash dividend)
- (3) Cash flow reinvestment ratio = (Net cash flow from operating activities – cash dividend) / gross property, plant, and equipment value + long-term investment + other non-current assets + working capital)

6. Leveraging

- (1) Operating leverage = (net operating revenue – variable operating costs and expenses) / operating income
- (2) Financial leverage = operating income / (operating income / interest expenses)

III. Audit Committee's Audit Report for the Financial Reports of the Most Recent Year

Planet Technology Corporation
Audit Report Issued by the Audit Committee

2024 regular shareholders' meeting of Planet Technology Corporation

PLANET Technology Corporation's consolidated financial statements and parent company only financial statements for 2023 prepared and submitted by the Board of Directors have been audited and attested by CPA Lai, Yung-Chi and CPA Wu, Hsin-Liang of Baker Tilly Clock & Co, and standard unqualified opinions have been issued. The aforesaid financial statements have been reviewed and determined to be correct and accurate by the Audit Committee of the Company. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Convenor of the Audit Committee: Chen,Shuh

February 29, 2024

Planet Technology Corporation
Audit Report Issued by the Audit Committee

2024 regular shareholders' meeting of Planet Technology Corporation

PLANET Technology Corporation's business report and surplus distribution form for 2023 prepared and submitted by the Board of Directors have been reviewed and determined to be correct and accurate by the Audit Committee of the Company. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Convenor of the Audit Committee: Chen,Shuh

April 2, 2024



BAKER TILLY CLOCK & CO
正風聯合會計師事務所

10485 台北市中山區南京東路二段111號14樓(頂樓)
14th Fl., 111 Sec. 2, Nanking E. Rd. Taipei 10485, Taiwan
T: +886(2)2516-5255 | F: +886(2)2516-0312
www.bakertilly.tw

INDEPENDENT AUDITORS' REPORT

NO.10711120CEA

PLANET Technology Corporation

Opinion

We have audited the accompanying consolidated financial statements of Planet Technology Corporation and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key audit matters for the Group's financial statements are stated as follows:

Revenue recognition

Refer to Note 4(14) “for accounting policies on recognition of operating revenue” to the consolidated financial statements.

The sales revenue of the Group is mainly from exports, accounting for more than 96% of the total revenue. The Group recognizes performance obligations according to transaction conditions, and recognizes the sales revenue at the time the control of goods is transferred to the buyer. Therefore, the timing of revenue recognition has a significant impact on the financial statements, and the revenue is an important indicator reflecting the Group's operating conditions. As the recognition of export revenues involves contract review and complex operations, the certified public accountant considers that the cut-off time for the audit of export revenues of the Group is one of the most important items in this year's audit.

The certified public accountant’s main responding procedures for the key audit matters above are as follows:

1. Confirm the appropriateness of the timing for revenue recognition and the integrity of relevant internal control of the Group by testing the control points of internal control for sales revenue.
2. Identify performance obligations according to customer contracts, and perform cut-off tests for sales revenue before and after the balance sheet date, including checking shipping documents and actual status of goods, checking the customs declaration system and confirming transaction conditions, so as to evaluate the correctness of revenue recognition timing.
3. In addition, carry out detailed tests and confirmation analysis procedures for the sales to key customers, in order to verify the recognition of revenue.

Valuation of Inventories

Refer to Note 4 (10) Inventory of the consolidated financial statements for details of the accounting policy concerning inventory evaluation, Note 5 (2) of the consolidated financial statements for uncertainties in the inventory valuation, and Note 9 amount of allowance for inventory valuation loss to the consolidated financial statements.

Inventory is measured by the lower of cost and net realizable value. When the net realizable value of inventory is lower than the cost, it is necessary to list the inventory price decline and the sluggish loss of goods. As the evaluation involves the management's major judgment, and the book value of inventory is significant to the overall financial statement, the evaluation of net realizable value of inventory is a key audit matters.

The rationality of the certified public accountant's verification of the net realizable value of inventory is as follows:



1. Understand and evaluate the effectiveness of the design and implementation of the internal control system for inventory, including the correctness of inventory age.
2. Evaluate the rationality of the inventory policy and check whether it has been implemented in accordance with the established accounting policies of the Group and whether it has been adopted consistently in the years before and after.
3. Review the inventory age report, analyze the changes of inventory age in each period, and verify the appropriateness of the Group's inventory age distinction and statistics.
4. Verify the rationality of the basic assumptions and data used in calculating the net realizable value.
5. Evaluate the rationality of outdated or damaged inventory items as identified by the management as well as the relevant supporting documents, and check them against the information obtained from inventory counts.
6. Assess the appropriateness of the management's disclosure of inventory measurement.

Other Matter

We have also audited the parent company only financial statements of Planet Technology Corporation as of and for the years ended December 31, 2023 and 2022 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, (including members of the Audit Committee), are responsible for overseeing the Group's financial reporting process.



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Baker Tilly Clock & Co
Yung-Chi Lai , CPA
Hsin-Liang Wu ,CPA
February 29, 2024

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit (or review) such consolidated financial statements are those generally accepted and applied in the Republic of China. For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

PLANET TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan Dollars)

ASSETS	NOTES	December 31,2023		December 31,2022	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	4,6	\$ 1,625,945	74	\$ 1,567,809	78
Current financial assets at fair value through profit or loss	4,7	10,935	1	10,811	1
Notes receivable, net	4,5,8	10	—	—	—
Accounts receivable, net	4,5,8	113,235	5	109,390	5
Other receivables		8,348	—	9,490	1
Inventories	4,5,9	278,166	13	250,257	13
Prepayments		7,248	—	8,412	—
Other current assets		73	—	47	—
Total current assets		2,043,960	93	1,956,216	98
NON-CURRENT ASSETS					
Property, plant and equipment	4,10	16,294	1	10,255	1
Right-of-use assets	4,11	133,373	6	17,139	1
Intangible assets	4,12	2,308	—	2,327	—
Deferred tax assets	4,21	3,579	—	2,606	—
Prepayments for business facilities		377	—	64	—
Guarantee deposits paid		7,187	—	6,308	—
Total non-current assets		163,118	7	38,699	2
TOTAL ASSETS		\$ 2,207,078	100	\$ 1,994,915	100

The accompanying notes are an integral part of the consolidated financial statements.

PLANET TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	NOTES	December 31,2023		December 31,2022	
		Amount	%	Amount	%
CURRENT LIABILITIES					
Current contract liabilities	17	\$ 37,196	2	\$ 53,648	3
Notes payable	13	60,306	3	71,367	4
Accounts payable	13	93,506	4	106,841	5
Other payables	14	98,995	5	84,507	4
Current tax liabilities	4	118,379	5	104,547	5
Current lease liabilities	4,11	22,769	1	14,366	1
Other current liabilities		2,246	—	2,091	—
Total current liabilities		433,397	20	437,367	22
NON-CURRENT LIABILITIES					
Deferred tax liabilities	4,21	—	—	87	—
Non-current lease liabilities	4,11	111,616	5	2,640	—
Non-current net defined benefit liability	4,15	4,414	—	3,775	—
Total non-current liabilities		116,030	5	6,502	—
Total liabilities		549,427	25	443,869	22
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT					
Share capital	16	625,010	28	625,010	31
Ordinary share		625,010	28	625,010	31
Capital surplus	16	11,202	1	11,202	1
Retained earnings	16	1,021,439	46	914,834	46
Legal reserve		478,424	22	434,450	22
Unappropriated retained earnings		543,015	24	480,384	24
Total equity attributable to owners of parent		1,657,651	75	1,551,046	78
Total equity		1,657,651	75	1,551,046	78
TOTAL LIABILITIES AND EQUITY		\$ 2,207,078	100	\$ 1,994,915	100

The accompanying notes are an integral part of the consolidated financial statements.

PLANET TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan Dollars, Except Earnings Per Share)

Items	NOTES	2023		2022	
		Amount	%	Amount	%
OPERATING REVENUE	4,17	\$ 1,844,671	100	\$ 1,720,031	100
OPERATING COSTS	9	(1,010,442)	(55)	(994,453)	(58)
GROSS PROFIT		834,229	45	725,578	42
OPERATING EXPENSES					
Selling expenses		(85,232)	(5)	(73,929)	(4)
Administrative expenses		(60,540)	(3)	(50,582)	(3)
Research and development expenses		(102,155)	(5)	(87,513)	(5)
Total operating expenses		(247,927)	(13)	(212,024)	(12)
NET OPERATING INCOME		586,302	32	513,554	30
NON-OPERATING INCOME AND EXPENSES					
Interest income	18	19,165	1	10,594	1
Other income	19	9,037	1	6,540	—
Other gains and losses	20	3,316	—	6,504	—
Finance costs		(959)	—	(381)	—
Total non-operating income and expenses		30,559	2	23,257	1
PROFIT BEFORE TAX		616,861	34	536,811	31
TAX EXPENSE	4,21	(109,432)	(6)	(98,548)	(5)
PFOFIT		507,429	28	438,263	26
OTHER COMPREHENSIVE INCOME					
Components of other comprehensive income that will not be reclassified to profit or loss					
Gains on remeasurement of defined benefit plans	15	(1,022)	—	1,842	—
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	21	204	—	(368)	—
Other comprehensive income, net		(818)	—	1,474	—
TOTAL COMPREHENSIVE INCOME		\$ 506,611	28	\$ 439,737	26
PROFIT ATTRIBUTABLE TO :					
Owners of parent		\$ 507,429	28	\$ 438,263	26
Non-controlling interests		—	—	—	—
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
Owners of parent		\$ 506,611	28	\$ 439,737	26
Non-controlling interests		—	—	—	—
EARNINGS PER SHARE (NT\$)					
Basic earnings per share	22	\$ 8.12		\$ 7.01	
Diluted earnings per share	22	\$ 8.08		\$ 6.96	

The accompanying notes are an integral part of the consolidated financial statements.

PLANET TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan Dollars)

DESCRIPTION	Equity attributable to owners of parent					Non-controlling interests	Total Equity
	Capital Stock	Capital Surplus	Retained earnings		Subtotal		
			Legal Reserve	Unappropriated Retained Earnings			
BALANCE, JANUARY 1, 2022	\$ 625,010	\$ 11,202	\$ 402,332	\$ 366,520	\$ 1,405,064	\$ —	\$ 1,405,064
Appropriations of prior year's earnings							
Legal reserve	—	—	32,118	(32,118)	—	—	—
Cash dividends	—	—	—	(293,755)	(293,755)	—	(293,755)
Profit	—	—	—	438,263	438,263	—	438,263
Other comprehensive income	—	—	—	1,474	1,474	—	1,474
Total comprehensive income	—	—	—	439,737	439,737	—	439,737
BALANCE, JANUARY 1, 2023	625,010	11,202	434,450	480,384	1,551,046	—	1,551,046
Appropriations of prior year's earnings							
Legal reserve	—	—	43,974	(43,974)	—	—	—
Cash dividends	—	—	—	(400,006)	(400,006)	—	(400,006)
Profit	—	—	—	507,429	507,429	—	507,429
Other comprehensive income	—	—	—	(818)	(818)	—	(818)
Total comprehensive income	—	—	—	506,611	506,611	—	506,611
BALANCE, DECEMBER 31, 2023	\$ 625,010	\$ 11,202	\$ 478,424	\$ 543,015	\$ 1,657,651	\$ —	\$ 1,657,651

The accompanying notes are an integral part of the consolidated financial statements.

PLANET TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED ON DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan Dollars)

Items	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	\$ 616,861	\$ 536,811
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	26,447	24,480
Amortization expense	1,359	1,459
Expected credit losses	—	12
Net gain on financial assets at fair value through profit or loss	(124)	(53)
Interest income	(19,165)	(10,594)
Interest expense	959	381
Gain on disposal of property, plant and equipment	(309)	(401)
Changes in operating assets and liabilities		
Notes receivable	(10)	—
Accounts receivable	(3,845)	(2,966)
Other receivables	1,245	(1,832)
Inventories	(27,909)	(43,676)
Prepayments	1,164	(1,635)
Other current assets	(26)	(4)
Contract liabilities	(16,452)	19,749
Notes payable	(11,061)	11,037
Accounts payable	(13,335)	15,762
Other payables	11,882	16,986
Other current liabilities	155	518
Net defined benefit liabilities	(383)	(326)
Cash inflow generated from operations	567,453	565,708
Interest paid	(959)	(381)
Income taxes paid	(96,456)	(69,198)
Net cash flows from operating activities	470,038	496,129
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(9,137)	(8,188)
Acquisition of Intangible Assets	(1,340)	(995)
Proceeds from disposal of property, plant and equipment	322	520
(Increase) Decrease in prepayments for business facilities	(313)	769
Increase in refundable deposits	(879)	(172)
Interest received	19,062	10,301
Net cash flows from investing activities	7,715	2,235
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends paid	(400,006)	(293,755)
Payment of lease liabilities	(19,611)	(18,885)
Net cash used in financing activities	(419,617)	(312,640)
NET INCREASE IN CASH AND CASH EQUIVALENTS	58,136	185,724
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,567,809	1,382,085
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 1,625,945	\$ 1,567,809

The accompanying notes are an integral part of the consolidated financial statements.

PLANET TECHNOLOGY CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Amounts in thousands of New Taiwan dollars, unless otherwise stated)

1. GENERAL

Planet Technology Corporation (collectively as “the Company”) was established in January 1993 in accordance with the Company Act and other relevant laws and regulations. The Company is mainly engaged in the business of import and export of computers and peripheral equipment, internet equipment and software, as well as research and development, manufacturing and trading. The Company's shares were publicly issued since July 2001 under the approval of the Securities and Futures Bureau of the Financial Supervisory Commission. Besides, the company’s shares were approved over-the-counter by the Securities and Futures Bureau of Financial Supervisory Commission on June 13, 2003 and shares were listed as a general stock on the Taipei Exchange on September 17, 2003.

The consolidated financial statements were included Planet Technology Corporation and its subsidiaries (collectively as “the Group”).

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollars.

2. THE AUTHORIZATION OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors and authorized for issue on February 29, 2024.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

The IFRSs of new standards, interpretations and amendments endorsed by FSC effective from 2023 are as follow:

New, Revised or Amended Standards, and Interpretations	Effective Date Issued by IASB
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023
Amendments to IAS 12 “International Tax Reform - Pillar Two Model Rules” (Note)	May 23, 2023

The Group believes that the adoption of the above IFRSs won’t have any material impact on its consolidated financial statements.

Note : The Group has adopted Amendments to IAS 12“International Tax Reform — Pillar Two Model Rules” on May 23, 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which applies retrospectively, and require new disclosures about the Pillar Two exposure for annual reporting periods beginning on or after January 1, 2023. However, because on December 31, 2022, no new legislation to implement the top-up tax was enacted or substantively enacted in any jurisdiction in which the Company operates and no related deferred taxes were recognised at that date, the retrospective application has no impact on the Company’s condensed interim financial statements.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

The IFRSs of new standards, interpretations and amendments endorsed by FSC effective from 2024 are as follow:

New, Revised or Amended Standards, and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 16 “Leases Liability in a Sale and leaseback”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024

The Group is evaluating the impact of its initial adoption of the abovementioned standards and interpretations on its consolidated financial position and consolidated financial performance. The related impact will be disclosed when the Group completes the evaluation.

(3) The IFRSs issued by IASB but not yet endorsed by FSC

As of the date the following IFRSs that have been issued by the IASB, but not yet endorsed by the FSC:

New, Revised or Amended Standards, and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

The Group is evaluating the impact of its initial adoption of the abovementioned standards and interpretations on its consolidated financial position and consolidated financial performance. The related impact will be disclosed when the Group completes the evaluation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”).

(2) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for the financial instruments at fair value through profit or loss and defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

(3) Basis of Consolidation

A. The basis for the consolidated financial statements

The consolidated financial statements incorporated the financial statements of Planet Technology Co.,Ltd. and its controlled entities (the subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-company transactions, balances, income and expenses are eliminated in full on consolidation.

B. The subsidiaries in the consolidated financial statements:

Name of Investor	Name of Investee	Main Businesses and Products	Establishment and Operating Location
Planet Technology Corporation.	PLANET INTERNATIONAL INC.	International trade business	Samoa

Name of Investee	Percentage of Ownership	
	December 31,2023	December 31,2022
PLANET INTERNATIONAL INC.	100%	100%

The data of the subsidiaries included in the consolidated financial statements in the above table are prepared based on the financial statements audited by the certified public accountant during the same period.

C. Subsidiaries excluded from consolidated financial statement: None.

(4) Classification of Current and Non-current Assets and Liabilities

Current assets include:

A. Assets held primarily for the purpose of trading.

- B. Assets expected to be realized within twelve months after the reporting period.
- C. Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

- A. Liabilities held primarily for the purpose of trading.
- B. Liabilities due to be settled within twelve months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorized for issue.
- C. The Group does not have an unconditional right to defer liabilities for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

(5) Foreign Currencies

The individual financial statements of each individual consolidated entity were expressed in the currency, which reflected its primary economic environment (functional currency). In the preparation of the consolidated financial statements, the operating results and financial positions of each consolidated entity are converted into the New Taiwan Dollar (the functional currency of the Company and the currency in which the consolidated statements are expressed).

In preparing the financial statements of each individual consolidated entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the date. Such exchange differences are recognized in profit or loss in the year in which they arise. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the year except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

(6) Cash equivalents

Cash equivalents, for the purpose of meeting short-term cash commitments, consist of highly liquid time deposits with original maturities of one year or less and investments with three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(7) Financial Instruments

Financial assets and liabilities shall be recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are recognized initially at fair value plus or minus, in the case of financial assets and financial liabilities not at fair value through profit or loss, directly attributable transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(8) Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a settlement date basis. Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

A. Measurement category

Financial assets are classified into the following categories: financial assets at fair value through profit or loss ("FVTPL") and financial assets at amortized cost.

(A) Financial assets at FVTPL

Financial assets at FVTPL includes the financial assets mandatorily classified as at FVTPL. Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 25.

(B) Financial assets at amortized cost

Financial assets that meet the following two conditions are subsequently measured at amortized cost:

- a. The financial asset is held within a business model whose objective is collecting contractual cash flows.
- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost (including cash and cash equivalents, notes and accounts receivable, bond investment without active market and guarantee deposits paid), are measured at amortized cost, which equals gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- a. Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets.
- b. Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

B. Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable).

The Group always recognizes lifetime Expected Credit Losses (“ECLs”) for accounts receivable. For all other financial instruments, the Group recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

C. Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

(9) Financial Liabilities

A. Financial liabilities

Financial liabilities other than those held for trading purposes and designated as at FVTPL are subsequently measured at amortized cost at the end of each reporting period. Financial liabilities measured at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. Related net profits or net losses are listed in "other profits and losses" of the consolidated statement of comprehensive income.

B. Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized (including any non-cash assets transferred or liabilities assumed) in profit or loss.

C. Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and reported in the net amount in the consolidated balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(10) Inventories

Inventories consist of raw materials, finished goods and work-in-process. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made on an item-by-item basis, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and necessary selling costs. Inventories are recorded at weighted-average cost on the balance sheet date.

(11) Property, Plant, and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment.

Depreciation on property, plant and equipment is recognized using the straight-line method. Each significant item is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The estimated useful lives of the assets are as follows:

machinery and equipment: 5 year; furniture and fixtures: 5 years; other facilities : 2 to 5 years.

(12) Intangible Assets

A Intangible assets are mainly the Group's patented expertise and are amortized on a straight-line basis over the legal period of 10 to 20 years.

B. Computer software is stated initially at cost and amortized on a straight-line basis over its estimated useful life of 3 years.

C. After that the subsequent book value is measured by cost less accumulated amortization and accumulated impairment losses. The estimated useful lives and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

(13) Impairment of Non-financial Assets (Impairment of Tangible and Intangible Assets)

At each balance sheet date, the Group review the carrying amounts of their tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimate the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently is reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined with no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(14) Revenue recognition

The Group identifies the contract with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

When applying IFRS 15, the Group shall recognize revenue by applying the following steps:

- A. Identify the contract with the customer.
- B. Identify the performance obligations in the contract.
- C. Determine the transaction price.
- D. Allocate the transaction price to the performance obligations in the contract.
- E. Recognize revenue when the entity satisfies its performance obligation.

Revenue from the sale of goods

The revenue from the sale of goods comes from the sale of communication equipment products. The Group recognizes the revenue when the products are delivered to the customers' specified locations or are shipped, besides, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for resale, and bears the obsolescence risk of the goods.

(15) Leasing

The Group as lessee

The Group recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption which are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost. The cost of right-of-use assets comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Subsequent measurement is calculated as cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented separately in the consolidated only balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payment, in-substance fixed payment, variable lease payments which depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, payments for the purchase or termination options that are reasonably certain to be exercised and less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

Lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in future lease payments resulting from a change in expected paid amount under the residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in an index or a rate used to those payments, the Group remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. If the carrying amount has been reduced to zero, the remaining amount will recognize in profit and loss.

Lease liabilities are presented separately in the consolidated balance sheets.

(16) Employee Benefits

A. Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for service rendered by employees.

B. Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contribution.

Defined benefit costs (including service cost, net interest and rereasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period in which they occur. Rereasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Rereasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

(17) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

A. Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the parent company only statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

Income tax on unappropriated earnings is expensed in the year the shareholders approved the appropriation of earnings which is the year subsequent to the year the earnings are generated.

B. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets and liabilities may be offset against each other if the following criteria are met:

- (A) The entity has the legal right to settle tax assets and liabilities on a net basis; and
- (B) the taxing of deferred tax assets and liabilities levied by the same taxing authority; or levied by different taxing authorities, but where each such authority intends to settle tax assets and liabilities (where such amounts are significant) on a net basis every year of the period of expected asset realization or debt liquidation, or where the timing of asset realization and debt liquidation is matched.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered. The deferred tax assets which originally not recognized is also reviewed at the end of each reporting period and recognized to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

- C. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.
- D. The Group has applied the exception from the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the Group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

(1) Estimated impairment of financial assets

The provision for impairment of accounts receivable is based on assumptions about the risk of default and expected loss rates. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Please refer to Note 8 for the details of the key assumptions and inputs used. Where the actual future cash flows are less than expected, a material impairment loss may arise.

(2) Valuation of Inventory

Inventories are stated at the lower of cost or net realizable value, and the Group use judgment and estimate to determine the net realizable value of inventory at the end of each reporting period.

Due to the rapid industrial changes, the Group estimates the net realizable value of inventory for obsolescence and unmarketable items at the end of reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions of future demand within a specific time horizon.

The book value of the Group's inventory is detailed in Note 9.

6. CASH AND CASH EQUIVALENTS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand	\$ 170	\$ 182
Cash in banks	1,623,775	1,567,627
Total	<u>\$ 1,625,945</u>	<u>\$ 1,567,809</u>

7. CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Financial assets mandatorily measured at fair value		
Non-derivative financial assets-Funds	\$ 10,935	\$ 10,811

8. NOTES AND ACCOUNTS RECEIVABLE- NET

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ 10	\$ —
Accounts receivable	113,343	109,498
Loss allowance	(108)	(108)
Net	<u>\$ 113,235</u>	<u>\$ 109,390</u>

(1) In principle, the payment term granted to customers is due 30 days from the invoice date, and some customers have a monthly settlement for a period of 45 to 60 days.

In order to minimize credit risk, the management of the Group has delegated a person responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies the simplified approach to provisions for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected credit losses provision for all accounts receivable. The evaluation of the lifetime expected credit loss is made by considering past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions. GDP forecasts and the outlook of the industry are also considered.

(2) Aging analysis of notes and accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Neither past due nor impaired	\$ 109,209	\$ 109,390
Past due but not impaired		
within 30 days	4,036	—
31 to 180 days	—	—
over 181 days	—	—
Subtotal	<u>4,036</u>	<u>—</u>
Total	<u>\$ 113,245</u>	<u>\$ 109,390</u>

(3) Movements of the loss allowance for notes and accounts receivable were as follows:

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ 108	\$ 96
Provision	—	12
Amount written off	—	—
Balance at December 31	\$ 108	\$ 108

The Group's recognized impairment loss of the receivables is judged on a group basis, and there is no individual judgment on the impairment loss of any individual receivable.

9. INVENTORIES

	December 31, 2023	December 31, 2022
Raw materials	\$ 59,896	\$ 72,118
Work in process	51,024	49,307
Finished goods	167,246	128,832
Total	\$ 278,166	\$ 250,257

(1) The allowance for inventory devaluation losses (including idle products) was \$4,179 thousand and \$3,679 thousand as of December 31, 2023 and 2022.

(2) The cost of inventories recognized as cost of sales for the years ended December 31, 2023 and 2022 were as follows:

	For the Year Ended December 31	
	2023	2022
The cost of goods sold	\$ 1,010,511	\$ 994,528
Gain on physical inventory	(69)	(75)
Operating costs	\$ 1,010,442	\$ 994,453

10. PROPERTY, PLANT AND EQUIPMENT

Item	For the Year Ended December 31, 2023			
	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Machinery and equipment	\$ 22,104	\$ 3,707	\$ (253)	\$ 25,558
Furniture and fixtures	7,300	2,686	(240)	9,746
Other facilities	17,521	5,350	(936)	21,935
Subtotal	46,925	11,743	(1,429)	57,239
<u>Accumulated depreciation and impairment</u>				
Machinery and equipment	18,159	1,850	(253)	19,756
Furniture and fixtures	4,984	1,132	(240)	5,876
Other facilities	13,527	2,709	(923)	15,313
Subtotal	36,670	\$ 5,691	\$ (1,416)	40,945
Net	\$ 10,255			\$ 16,294

For the Year Ended December 31, 2022

Item	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Machinery and equipment	\$ 19,218	\$ 2,893	\$ (7)	\$ 22,104
Furniture and fixtures	5,852	1,502	(54)	7,300
Other facilities	14,838	3,760	(1,077)	17,521
Subtotal	<u>39,908</u>	<u>8,155</u>	<u>(1,138)</u>	<u>46,925</u>
<u>Accumulated depreciation and impairment</u>				
Machinery and equipment	16,621	1,545	(7)	18,159
Furniture and fixtures	4,167	871	(54)	4,984
Other facilities	11,091	3,394	(958)	13,527
Subtotal	<u>31,879</u>	<u>\$ 5,810</u>	<u>\$ (1,019)</u>	<u>36,670</u>
Net	<u>\$ 8,029</u>			<u>\$ 10,255</u>

11. Lease Agreement

(1) Right-of-use assets

For the Year Ended December 31, 2023

Item	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Buildings	\$ 67,820	\$ 136,990	\$ (67,820)	\$ 136,990
Transportation equipment	4,929	—	—	4,929
Subtotal	<u>72,749</u>	<u>136,990</u>	<u>(67,820)</u>	<u>141,919</u>
<u>Accumulated depreciation and impairment</u>				
Buildings	54,925	19,113	(67,820)	6,218
Transportation equipment	685	1,643	—	2,328
Subtotal	<u>55,610</u>	<u>\$ 20,756</u>	<u>\$ (67,820)</u>	<u>8,546</u>
Net	<u>\$ 17,139</u>			<u>\$ 133,373</u>

For the Year Ended December 31, 2022

Item	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Buildings	\$ 67,786	\$ 34	\$ —	\$ 67,820
Transportation equipment	4,443	4,929	(4,443)	4,929
Subtotal	<u>72,229</u>	<u>4,963</u>	<u>(4,443)</u>	<u>72,749</u>
<u>Accumulated depreciation and impairment</u>				
Buildings	37,759	17,166	—	54,925
Transportation equipment	3,579	1,504	(4,398)	685
Subtotal	<u>41,338</u>	<u>\$ 18,670</u>	<u>\$ (4,398)</u>	<u>55,610</u>
Net	<u>\$ 30,891</u>			<u>\$ 17,139</u>

(2) Lease liabilities

	December 31, 2023	December 31, 2022
Current	\$ 22,769	\$ 14,366
Non-current	\$ 111,616	\$ 2,640

Discount rate for lease liabilities was 2.1%~2.25% and 1.61%~2.1% in 2023 and 2022.

(3) Material lease-in activities and terms

The Group leases buildings and transportations equipment for the use of offices and business. The leasing period is from 2023 to 2029 and from 2022 to 2025. The Group does not have bargain purchase options to acquire the buildings at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

(4) Other lease information

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Expenses relating to short-term leases	\$ 8	\$ 8
Expenses relating to low-value asset leases	\$ 114	\$ 114
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ —	\$ —
Total cash outflow for leases	\$ (19,733)	\$ (19,007)

A. The Group applies the recognition exemption to leases of safe deposit boxes qualifying as short-term leases and certain photocopier qualifying as low-value asset leases and does not recognize right-of-use assets and lease liabilities for these leases.

B. The amount of lease commitments for short-term leases and low-value asset leases which the recognition exemption are applied as of December 31, 2023 and 2022 are \$107 thousand and \$117 thousand, respectively.

12. INTANGIBLE ASSETS

Item	For the Year Ended December 31, 2023			
	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Trademarks	\$ 679	\$ —	\$ —	\$ 679
Patents	1,734	307	—	2,041
Computer software	11,494	1,033	(32)	12,495
Subtotal	13,907	1,340	(32)	15,215
<u>Accumulated amortization and impairment</u>				
Trademarks	76	75	—	151
Patents	904	236	—	1,140
Computer software	10,600	1,048	(32)	11,616
Subtotal	11,580	\$ 1,359	\$ (32)	12,907
Net	\$ 2,327			\$ 2,308

For the Year Ended December 31, 2022

Item	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Trademarks	\$ 315	\$ 364	\$ —	\$ 679
Patents	1,583	151	—	1,734
Computer software	11,559	480	(545)	11,494
Subtotal	<u>13,457</u>	<u>995</u>	<u>(545)</u>	<u>13,907</u>
<u>Accumulated amortization and impairment</u>				
Trademarks	24	52	—	76
Patents	670	234	—	904
Computer software	9,972	1,173	(545)	10,600
Subtotal	<u>10,666</u>	<u>\$ 1,459</u>	<u>\$ (545)</u>	<u>11,580</u>
Net	<u>\$ 2,791</u>			<u>\$ 2,327</u>

13. NOTES PAYABLE AND ACCOUNTS PAYABLE

	December 31, 2023	December 31, 2022
Notes payable	\$ 60,306	\$ 71,367
Accounts payable	93,506	106,841
Total	<u>\$ 153,812</u>	<u>\$ 178,208</u>
Current	<u>\$ 153,812</u>	<u>\$ 178,208</u>

(1) The average credit purchase period of payables is 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

(2) For the disclosure of the Group's payables exposing currency and liquidity risks and other payables, please refer to Note 25.

14. OTHER PAYABLES

	December 31, 2023	December 31, 2022
Salary and wages payable	\$ 29,000	\$ 23,887
Employee Bonus payable	40,013	34,820
Compensation due to directors	10,003	8,705
Advertising payable	3,924	4,047
Export fee payable	2,142	3,767
Other accrued expenses	11,474	6,842
Payable for annual leave	2,439	2,439
Total	<u>\$ 98,995</u>	<u>\$ 84,507</u>
Current	<u>\$ 98,995</u>	<u>\$ 84,507</u>

15. RETIRED BENEFIT PLANS

(A) Defined contribution plans

The plan under the R.O.C. Labor Pension Act (“the Act”) is deemed a defined contribution plan. Pursuant to the Act, the Company makes monthly contributions equal to 6% of each employee’s monthly salary to employees’ pension accounts. Accordingly, the Company recognized expenses of \$6,151 thousand and \$5,569 thousand in the consolidated statements of comprehensive income for the years ended December 31, 2023 and 2022, respectively.

(B) Defined benefit plans

(a) The Company have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees’ service years prior to the enforcement of the Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contribute monthly an amount equal to 2% of the employees’ monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March. The Funds are operated and managed by the government’s designated authorities; as such, the Company does not have any right to intervene in the investments of the Funds.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	\$ 18,159	\$ 17,077
Fair value of plan assets	(13,697)	(13,302)
Contribution Status	4,462	3,775
Other payables	48	—
Net defined benefit liability	\$ 4,414	\$ 3,775

a. 2023

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Balance at January 1	\$ 17,077	\$ (13,302)	\$ 3,775
Current service cost	—	—	—
Net interest expense(income)	188	(143)	45
Recognized in profit or loss	188	(143)	45
Remeasurement			
Experience adjustments	1,100	—	1,100
Changes in demographic assumptions	—	—	—
Changes in financial assumptions	64	—	64
Return on plan assets	—	(142)	(142)
Recognized in other comprehensive loss (income)	1,164	(142)	1,022
Contributions from the employer	—	(380)	(380)
Paid pension	(270)	270	—
Balance at December 31	\$ 18,159	\$ (13,697)	\$ 4,462

The Company's planned asset type is bank deposits.

b. 2022

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Balance at January 1	\$ 18,343	\$ (12,400)	\$ 5,943
Current service cost	—	—	—
Net interest expense(income)	126	(86)	40
Recognized in profit or loss	126	(86)	40
Remeasurement			
Experience adjustments	(130)	—	(130)
Changes in demographic assumptions	—	—	—
Changes in financial assumptions	(753)	—	(753)
Return on plan assets	—	(959)	(959)
Recognized in other comprehensive loss (income)	(883)	(959)	(1,842)
Contributions from the employer	—	(366)	(366)
Paid pension	(509)	509	—
Balance at December 31	\$ 17,077	\$ (13,302)	\$ 3,775

The Company's planned asset type is bank deposits.

The pension costs of the aforementioned defined benefit plans were recognized in profit or loss by the follows categories:

	For the Year Ended December 31	
	2023	2022
Operating costs	\$ 9	\$ 7
Selling expenses	10	10
Administrative expenses	7	6
Research and development expenses	19	17
Total	\$ 45	\$ 40

(C) Through the defined benefit plans under the Labor Standards Law, the Company is exposed to the following risks:

- (a) Investment risk: The pension funds are invested in equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the government's designated authorities or under the mandated management. However, under the Labor Standards Law, the rate of return on assets shall not be less than the average interest rate on a two-year time deposit published by the local banks and the government is responsible for any shortfall in the event that the rate of return is less than the required rate of return.
- (b) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the debt investments of the plan assets.
- (c) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

(D) The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The principal assumptions of the actuarial valuation were as follows:

	For the Year Ended December 31	
	2023	2022
Discount rate	1.20%	1.25%
Expected rate of salary increase	3.00%	3.00%

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	For the Year Ended December 31	
	2023	2022
Discount rate		
0.25% increase	\$ (317)	\$ (324)
0.25% decrease	328	335
Expected rate of salary increase		
0.25% increase	321	329
0.25% decrease	(313)	(319)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity which may not be representative of the actual change in the defined benefit obligation and the method of calculating net pension liability in the balance sheet are the same.

(E) Expected contributions to the defined benefit pension plans of the Company within one year from December 31, 2024 are \$373 thousand.

(F) As of December 31, 2023, the weighted average duration of that retirement plan is 7 years.

The analysis of timing of the future pension payment was as follows:

Within 1 year	\$ 4,397
2 to 5 years	4,743
Over 6 years	10,570
	<u>\$ 19,710</u>

16. EQUITY

(1) Capital stock

	December 31, 2023	December 31, 2022
Shares authorized	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Shares issued	<u>\$ 625,010</u>	<u>\$ 625,010</u>

(A) A holder of issued common shares with par value of NT\$10 per share is entitled to vote and to receive dividends.

(B)The Company issued Employee Stock option with the approval of the competent authority on August 25, 2023.

(2) Capital surplus

	December 31, 2023	December 31, 2022
Additional paid-in	\$ 11,022	\$ 11,022
Other	180	180
Total	<u>\$ 11,202</u>	<u>\$ 11,202</u>

Under the relevant laws, the capital surplus can only be used to offset a deficit. However, the capital surplus from donations and the excess of the issuance price over par value of capital stock (including the stock issued for new capital, mergers, convertible bonds and treasury stock transactions) may be capitalized or shall be distributed by cash, on a certain percentage of the Company's paid-in capital every year. Also, the capital surplus from long-term investments, employee share options and share options may not be used for any purpose.

(3) Retained earnings and dividend policy

(A) Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless the accumulated amount of the legal reserve has reached the total issued capital of the Company. The remaining balance is to be set aside or reverse or rotation as special reserve if necessary. According to the dividend policy, bonus distributed shall be proposed by the Board of Directors and resolved by the stockholders' meeting. In accordance with the provisions of Article 240, Item 5 of the Company Act, the company may explicitly stipulate to authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

(B) The Company adopts the residual dividend policy in order to meet the growth characteristics of the industry and the capital needs of the Company's long-term financial planning and operation expansion. That is, the surplus earnings distribution is handled according to Article 20 of the Articles of Association. The shareholder dividends are based on the principle of balanced distribution between stock and cash dividends. The board of directors proposes to set aside from the distributable surplus the dividends to be distributed, with the amount of the distribution no less than 30% of the distributable surplus in the current year, and distributed according to the

Company's Articles of Incorporation. Stock dividends have the priority in order to retain the required funds, and the remaining surplus is to be distributed in the form of cash dividends; however, the proportion of cash dividends shall not be less than 10% of the total dividends. In accordance with Article 241 of the Company Act, Company distributes its legal reserve and the following capital reserve, in whole or in part, by issuing new shares which shall be distributable as dividend shares to its original shareholders in proportion to the number of shares being held by each of them or by cash, after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

- (C) According to the Company Act, the appropriation for legal reserve shall be made until the reserve equals the Company's paid-in capital. The reserve may be used to offset a deficit, or be distributed as dividends in cash or stocks for the portion in excess of 25% of the paid-in capital if the Company incurs no loss.
- (D) Pursuant to existing regulations, the company is required to set aside additional special reserve equivalent to the net debit balance of the other components of shareholders' equity items (including exchange differences on translating foreign operations, unrealized gain or loss on available-for-sale financial assets, and the gain or loss on the hedging instrument relating to the effective portion of a cash flow hedge but excluding treasury stock). For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed.
- (E) The Company's 2023 surplus earnings distribution proposal has not been approved by the board of directors as of the date of issuance of the financial statements.
- (F) The appropriations of 2022 and 2021 earnings have been approved by the Company's shareholders in its meeting held on May 24, 2023 and May 27, 2022, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends per Share(NT\$)	
	2022	2021	2022	2021
Legal reserve	\$ 43,974	\$ 32,118		
Cash dividends	400,006	293,755	6.4	4.7
Total	\$ 443,980	\$ 325,873		

17. OPERATING REVENUE

	For the Year Ended December 31	
	2023	2022
Net revenue from sale of goods	\$ 1,844,671	\$ 1,720,031

(1) Breakdown of revenue from contracts with customers

	For the Year Ended December 31	
	2023	2022
Europe	\$ 882,553	\$ 766,130
America	387,946	415,029
Asia	335,894	313,288
Others	238,278	225,584
Total	\$ 1,844,671	\$ 1,720,031

(2) Contract liabilities

	December 31, 2023	December 31, 2022
Contract liabilities-advance sales receipts	\$ 37,196	\$ 53,648

For the year ended December 31, 2023 and 2022, the Company recognized \$42,915 thousand and \$25,891 thousand in revenue from the beginning balance of contract liability, respectively.

18. INTEREST INCOME

	For the Year Ended December 31	
	2023	2022
Interest income from bank deposits	\$ 19,165	\$ 10,594

19. OTHER INCOME

	For the Year Ended December 31	
	2023	2022
Rent income	\$ 72	\$ 86
Other income, others	8,965	6,454
Total	\$ 9,037	\$ 6,540

20. OTHER GAINS AND LOSSES

	For the Year Ended December 31	
	2023	2022
Gains on disposal of property, plant and equipment	\$ 309	\$ 401
Foreign exchange gains	3,057	6,050
Gains on financial assets at fair value through profit or loss	124	53
Miscellaneous expenses	(174)	—
Total	\$ 3,316	\$ 6,504

21. INCOME TAX

(1) Income tax recognized in profit or loss

(A) A reconciliation of income before income tax and income tax expense recognized in profit or loss was as follows:

	For the Year Ended December 31	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	\$ 123,372	\$ 107,362
Effect from items disallowed by tax regulation	248	(374)
Effect from investment tax credits	(8,557)	(7,217)
Tax on undistributed earnings	—	—
Tax expenses	\$ 115,063	\$ 99,771

(B) Income tax expense consisted of the following:

	For the Year Ended December 31	
	2023	2022
Tax expenses	\$ 115,063	\$ 99,771
Net change in deferred income tax	(856)	2,926
Adjustments for prior year's income tax	(4,775)	(4,149)
Income tax expense recognized in profit or loss	\$ 109,432	\$ 98,548

(2) Income tax expense (benefit) recognized in other comprehensive income

Deferred tax

	For the Year Ended December 31	
	2023	2022
Remeasurements of defined benefit obligations	\$ 204	\$ (368)

(3) Deferred tax

(A) The analysis of deferred income tax in the consolidated balance sheets was as follows:

	December 31, 2023	December 31, 2022
Deferred tax assets		
Defined benefit liabilities	\$ 1,087	\$ 387
Advertisement expense	771	809
Unrealized exchange loss	211	—
Unrealized impairment loss	186	186
Inventory valuation losses	836	736
Unrealized employee vacation payable	488	488
Total	\$ 3,579	\$ 2,606
Deferred tax liabilities		
Unrealized exchange gain	\$ —	\$ 87

For the Year Ended December 31, 2023

	Balance, Beginning of year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Effect of exchange rate changes	Balance, End of year
Deferred tax assets					
Defined benefit liabilities	\$ 387	\$ 496	\$ 204	\$ —	\$ 1,087
Advertisement expense	809	(38)	—	—	771
Unrealized exchange loss	—	211	—	—	211
Unrealized impairment loss	186	—	—	—	186
Inventory valuation losses	736	100	—	—	836
Unrealized employee vacation payable	488	—	—	—	488
Total	\$ 2,606	\$ 769	\$ 204	\$ —	\$ 3,579
Deferred tax liabilities					
Unrealized exchange gain	\$ (87)	\$ 87	\$ —	\$ —	\$ —

	For the Year Ended December 31, 2022				
	Balance, Beginning of year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Effect of exchange rate changes	Balance, End of year
Deferred tax assets					
Defined benefit liabilities	\$ 1,181	\$ (433)	\$ (361)	\$ —	\$ 387
Advertisement expense	788	21	—	—	809
Unrealized investment loss	2,265	(2,265)	—	—	—
Unrealized impairment loss	186	—	—	—	186
Inventory valuation losses	736	—	—	—	736
Unrealized employee vacation payable	721	(233)	—	—	488
Total	\$ 5,877	\$ (2,910)	\$ (361)	\$ —	\$ 2,606
Deferred tax liabilities					
Unrealized exchange gain	\$ (64)	\$ (23)	\$ —	\$ —	\$ (87)

(B) Items for which deferred tax assets haven't been recognized: None.

(4) Unappropriated retained earnings:

	December 31,2023	December 31,2022
1998 to 2009	\$ 32,002	\$ 32,002
after 2010	511,013	448,382
Total	\$ 543,015	\$ 480,384

(5) Income tax assessments

The Company's income tax returns through 2021 have been assessed by the tax authorities.

22. EARNINGS PER SHARE

	For the Year Ended December 31	
	2023	2022
Basic EPS(NT\$)	\$ 8.12	\$ 7.01
Diluted EPS(NT\$)	\$ 8.08	\$ 6.96

(1) Basic earnings per share

Used to calculate the basic earnings per share and the weighted average number of ordinary shares as follow:

	For the Year Ended December 31	
	2023	2022
Profit attributable to ordinary shareholders of the parent (in thousand)	\$ 507,429	\$ 438,263
Weighted average number of ordinary shares outstanding (in thousand shares)	62,501	62,501
Basic EPS(NT\$)	\$ 8.12	\$ 7.01

(2) Diluted earnings per share

Used to calculate the diluted earnings per share and the weighted average number of ordinary shares (thousand shares) as follow:

	For the Year Ended December 31	
	2023	2022
Profit attributable to ordinary shareholders of the parent (in thousand)	\$ 507,429	\$ 438,263
Weighted average number of ordinary shares outstanding (in thousand shares)	62,501	62,501
Effect of potentially dilutive ordinary shares- Employees' remuneration (in thousand shares)	325	440
Weighted average number of dilutive ordinary shares outstanding (in thousand shares)	62,826	62,941
Diluted EPS(NT\$)	\$ 8.08	\$ 6.96

Due to the employee remuneration may be paid in the form of company shares, it is assumed that the employee's remuneration will be issued by means of shares when calculating the earnings per share. When the potential ordinary shares have a dilution effect, they are included in the weighted average number of outstanding shares to calculate the diluted earnings per share. When the shareholders' meeting decides the number of shares in the employee's remuneration for the previous year by calculating the basic earnings per share, the number of shares will be included in the weighted average number of outstanding shares in the resolution of the shareholder's meeting. Moreover, since the capital increase from employee remuneration is no longer a free share allotment, no retroactive adjustment is required for the calculation of the basic and diluted earnings per share.

23. ADDITIONAL INFORMATION OF EXPENSES BY NATURE

The followings were the summary statement of employee benefits, depreciation and amortization expenses by function for the years ended December 31, 2023 and 2022:

	For the Year Ended December 31, 2023			For the Year Ended December 31, 2022		
	Classified as operating cost	Classified as operating expenses	Total	Classified as operating cost	Classified as operating expenses	Total
Employee benefits	\$ 37,112	\$ 167,015	\$ 204,127	\$ 31,388	\$ 144,562	\$ 175,950
Payroll expense	31,386	147,054	178,440	26,625	126,534	153,159
Insurance expense	2,978	10,378	13,356	2,461	9,489	11,950
Pension	1,294	4,902	6,196	1,093	4,516	5,609
Others	1,454	4,681	6,135	1,209	4,023	5,232
Depreciation	5,982	20,465	26,447	5,306	19,174	24,480
Amortization	—	1,359	1,359	—	1,459	1,459

(1) As of December 31, 2023 and 2022, the Group had 169 and 160 employees, respectively, including 5 and 4 non-employee directors, respectively.

(2) According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 5% for employees' compensation and shall not be higher than 2% for directors' remuneration.

The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period. 6% is applied to employees' compensation, and 1.5% is applied to director's remuneration that were expensed under operating costs or operating expenses during 2023 and 2022.

The estimated amounts are as follows:

	For the Year Ended December 31	
	2023	2022
Employees' compensation	\$ 40,013	\$ 34,820
Remuneration to directors	10,003	8,705

If there is a change in the proposed amounts after the annual parent company only financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate. If the board of directors decides to pay the employee remuneration in the form of company shares, the number of dividend shares is determined by dividing the amount of the dividend by the fair value of the share. The fair value of the share is based on the closing price of the day before the resolution date of the shareholders' meeting, with the ex-dividend impact considered.

The 2022 and 2021 employees' compensation and director's remuneration were respectively resolved in the board meeting on February 23, 2023 and February 24, 2022 as follows.

	For the Year Ended December 31	
	2022	2021
Employees' compensation	\$ 34,820	\$ 25,469
Remuneration to directors	8,705	6,367

There is no difference between the 2022 and 2021 employees' compensation and director's remuneration and the Company's 2022 and 2021 recognized fee estimates.

The information about appropriations of the Company's employees' compensation and remuneration to directors is available on the Market Observation Post System website.

24. CAPITAL MANAGEMENT

The Group plans its working capital required for the future in accordance with the characteristics currently existing in its industry and its future development status while it also considers the changes in the external environment, so as to ensure its sustainable operations. In so doing, the Group will be able to concurrently protect the interests of its shareholders and other related parties, maintain the optimal capital structure, and elevate the stockholder value. As a whole, the Group adopts a prudent risk management strategy. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, issue new shares or return capital to shareholders.

25. FINANCIAL INSTRUMENTS

(1) Categories of financial instruments

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ 10,935	\$ 10,811
Amortized cost		
Cash and cash equivalents	1,625,945	1,567,809
Notes and accounts receivable	113,245	109,390
Other receivables	8,348	9,490
Guarantee deposits paid	7,187	6,308
Total	<u>\$ 1,765,660</u>	<u>\$ 1,703,808</u>
<u>Financial liabilities</u>		
Amortized cost		
Notes and accounts payable	\$ 153,812	\$ 178,208
Other payables	98,995	84,507
Lease liabilities	134,385	17,006
Total	<u>\$ 387,192</u>	<u>\$ 279,721</u>

(2) Fair value of financial instruments

(A) Fair value of financial instruments that are not measured at fair value

Among the financial assets and financial liabilities that are not measured at fair value, the management of the Group considers that there is no significant difference between the carrying amounts and the fair values.

(B) Fair value as recognized in the balance sheet

According to IFRS, the Group's fair values of the assets or liabilities are estimated based on the fair values assessed by major market participants. Considering the fair value assumptions of market participants, the observable fair value measurements can be divided into the following three levels:

- (a) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- (c) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- (d) For the assets and liabilities recognized in the financial statements on a repetitive basis, the classification is re-evaluated at the end of each reporting period to determine whether there is a transfer between the levels of the fair value hierarchy.
- (e) The Group has no financial assets or liabilities that are measured at fair value on a non-repetitive basis. The financial assets and liabilities measured at fair value on a repetitive basis are presented below:

	December 31,2023			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Funds	\$ 10,935	\$ —	\$ —	\$ 10,935
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	\$ —	\$ —	\$ —	\$ —
	December 31,2022			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Funds	\$ 10,811	\$ —	\$ —	\$ 10,811
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	\$ —	\$ —	\$ —	\$ —

For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

There were no purchases and disposals for assets on Level 3 for the years ended December 31, 2023 and 2022, respectively.

(C) Valuation techniques and assumptions used in fair value measurement

The fair values of financial assets and financial liabilities are determined as follows:

Monetary funds are closed-end funds with standard terms and conditions; investors may request the fund management companies for redemption at any time, and the fair values are based on the net values of the funds.

(D) Financial assets and liabilities which are not measured at fair value, but the fair values need to be disclosed: None.

(3) Financial risk management objectives

The Group's objectives of financial risk management are to manage its exposure to currency risk, interest rate risk, credit risk and liquidity risk related to the operating activities. To reduce the related financial risks, the Group engages in identifying, assessing and avoiding the market uncertainties with the objective to reduce the potentially adverse effects on its financial performance by the market change.

The Group's major financial activities are reviewed by the board of directors in accordance with the related regulations and internal control system. During the financial plan execution period, the Group must comply with the financial operation procedures related to overall financial risk management and accrual basis.

(4) Market risk

The Group is exposed to the market risks arising from changes in foreign currency rates and interest rates, and not utilizes derivative financial instruments to reduce the related risks.

(A) Foreign currency risk

The Group's operating activities and investment in foreign are mainly denominated in foreign currencies and exposed to foreign currency risk. The Group did not engage in any hedging.

The Group's sensitivity analysis to foreign currency risk mainly focuses on the net foreign currency assets and liabilities monetary items at the end of the reporting period. The significant financial assets and liabilities denominated in foreign currencies were as follows:

December 31, 2023				
	Foreign currencies	Exchange Rate	Book Value (NTD)	Sensitivity analysis (Variance 1%) Effect on profit or loss
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 4,922	30.705	\$ 154,294	\$ 1,543
EUR	230	33.98	7,807	78
<u>Non-monetary items</u>				
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	1,930	30.705	61,380	614
<u>Non-monetary items</u>				
December 31, 2022				
	Foreign currencies	Exchange Rate	Book Value (NTD)	Sensitivity analysis (Variance 1%) Effect on profit or loss
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 3,999	30.71	\$ 122,962	\$ 1,230
EUR	200	32.72	6,536	65
<u>Non-monetary items</u>				
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	2,201	30.71	68,497	685
<u>Non-monetary items</u>				

(B) Interest rate risk

Interest rate risk refers the risk caused by the change in the fair value of financial instruments as a result of change of the market interest rate. The interest rate risk of the Group is mainly from the floating-rate time deposit investment. As the current market interest rate is already low, it is expected that there is no significant interest rate risk, and therefore the Group is not engaged in any hedging.

Regarding the sensitivity analysis of the interest rate risk, the calculation is made according to the amount of changes in fair value of fixed income investment at the end of the report period. If the interest rate increased or decreased by 0.25%, the Group's profit or loss for the years ended December 31, 2023 and 2022 would increase or decrease \$3,790 thousand and \$3,835 thousand respectively.

(C) Other price risk

The Group is exposed to equity instrument price risk arising from financial assets at fair value through profit or loss, mandatorily measured at fair value. Except for investments made through venture capital funds, all other major equity investments are to be approved by the board of directors of the Group in advance.

The sensitivity analysis for the equity instruments is based on the change in fair value as of the reporting date. Assuming a hypothetical increase or decrease of 5% in prices of the equity investment at the end of the reporting period for the years ended December 31, 2023 and 2022, the income would have increased or decreased by \$547 thousand and \$541 thousand, respectively.

(5) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from operating activities, primarily accounts receivable, and from financing activities of fixed-income deposits investments. Credit risk is managed separately for business related and financial related exposures.

(A) Business related credit risk

In order to maintain its quality of accounts receivable, the Group has set up operation related credit risk management procedure.

The individual customer risk assessment covers the factors of an individual customer's financial status and credit rating agency's ratings, the Group's internal credit ratings and historical transaction records and current economic status, etc. which may affect customer's solvency capacity. In addition, the Group will also use some credit enhancement instruments, such as advance sales receipts and accounts receivable insurance, etc., at an appropriate time to reduce the credit risk of some specific customers. The management of the Group has delegated a person responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts.

As of December 31, 2023 and 2022, the Group's top ten customers accounted for 27.52% and 38.29% of accounts receivable, respectively. The Group believes the concentration of credit risk is insignificant for the remaining accounts receivable.

(B) Financial credit risk

The credit risk of bank deposits, fixed income investments and other financial instruments is measured and monitored by the Group's financial department. The Group's transaction counterparts and contract performance parties are the financial institutions with good credit, and the Group has diversified its risk by dealing with multiple financial institutions, so there shall be no significant credit risk caused by too much concentration on some financial institutions and no significant doubt about contract performance. As such, the Group shall have no material credit risk.

(6) Liquidity risk management

The Group's goal in managing liquidity risk is to control capital expenditures and working capital.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	December 31, 2023			
	Less Than 1 year	1-5 year	Over 5 year	Total
<u>Non-derivative financial liabilities</u>				
Notes and accounts payable	\$ 153,806	\$ —	\$ 6	\$ 153,812
Other payables	98,995	—	—	98,995
Lease liabilities	25,510	99,098	18,435	143,043
Subtotal	278,311	99,098	18,441	395,850
<u>Derivative financial liabilities</u>	—	—	—	—
Total	\$ 278,311	\$ 99,098	\$ 18,441	\$ 395,850
	December 31, 2022			
	Less Than 1 year	1-5 year	Over 5 year	Total
<u>Non-derivative financial liabilities</u>				
Notes and accounts payable	\$ 178,202	\$ —	\$ 6	\$ 178,208
Other payables	84,507	—	—	84,507
Lease liabilities	14,503	2,682	—	17,185
Subtotal	277,212	2,682	6	279,900
<u>Derivative financial liabilities</u>	—	—	—	—
Total	\$ 277,212	\$ 2,682	\$ 6	\$ 279,900

26. RELATED PARTY TRANSACTIONS

The transaction amount and balance between the Company and its subsidiaries (the related persons of the Company) have been eliminated in the preparation of the consolidated financial statements and are not disclosed in this note.

The transaction details of the Company and other related parties are disclosed as follows:

(1) Planet Technology Corporation is the ultimate controller of the consolidated company.

(2) Compensation of key management personnel

The compensation to directors and other key management personnel compensation comprised:

	For the Year Ended December 31	
	2023	2022
Short-term benefits	\$ 18,509	\$ 16,192
Post-employment benefits	118	86
Total	\$ 18,627	\$ 16,278

(A) The compensation to directors and other key management personnel were determined by the Compensation Committee of the Company in accordance with the individual performance and the standard level of the industry.

(B) The 2023 surplus earnings distribution proposal of the Company has not been approved by the board of directors as of the date of issuance of the financial statements.

(C) For more detailed information, please refer to the contents of the annual report of the shareholders' meeting.

27. PLEGGED ASSETS: None.

28. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS:

None.

29. SIGNIFICANT DISASTER LOSS: None.

30. SUBSEQUENT EVENTS:

The Company's board of directors approved the proposed investment in JiaTech International Investment Co., Ltd. in December 2023. The investment of NT\$50 million was paid in January 2024, and 10% of the equity and one director seat were obtained.

31. OTHER:

Non-cash transactions.

Investing activities with partial cash payments :

	For the Year Ended December 31	
	2023	2022
Purchase of property ,plant and equipment	\$ 11,743	\$ 8,155
Add : Beginning balance of payable for equipment	199	232
Less : Ending balance of payable for equipment	(2,805)	(199)
Cash paid during the period	\$ 9,137	\$ 8,188

32. ADDITIONAL DISCLOSURES

When preparing the consolidated financial statements, the major transactions between the parent and subsidiary companies and their balances have been fully eliminated.

(1) Information on significant transactions:

- (A) Financing provided to others: None;
- (B) Endorsements/guarantees provided: None;
- (C) Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities): Please see Table 1 attached;
- (D) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: None;
- (E) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None;
- (F) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None;
- (G) Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: None;
- (H) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None;
- (I) Information about the derivative instruments transaction: None;
- (J) Other: Intercompany relationships and significant intercompany transactions: None.

(2) Information on investees:

- (A) Names, locations, and related information of investee companies: Please see Table 2 attached;
- (B) Significant transactions information: None.

(3) Information on investment in Mainland China: None.

(4) Information of major shareholders: list of all shareholders with ownership of 5% or greater showing the names and the number of shares and percentage of ownership held by each shareholder: Please see Table 3 attached.

TABLE 1

MARKETABLE SECURITIES HELD

Amount in Thousands of New Taiwan Dollars

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	December 31, 2023				Note	
				Shares/Units	Carrying Value	Percentage of Ownership	Fair Value		
Planet Technology Corporation	Money market fund	Fuh Hwa Money Fund	—	Current financial assets at fair value through profit or loss	218,437.60	\$ 3,230	—	\$ 3,230	Note1
	"	Yuanta Wan Tai Money Market Fund	—	"	210,029.60	3,267	—	3,267	"
	"	Eastspring Investments Well Pool Money Market Fund	—	"	317,883.00	4,438	—	4,438	"
	Stock	ESSENCE TECHNOLOGY SOLUTION INC.	—	Non-current financial assets at fair value through profit or loss	42,000.00	—	1.56	—	

Note1: The market price is the net value of December 31, 2023.

TABLE 2

INFORMATION ON INVESTEEES

Amount in Thousands of New Taiwan Dollars, United States Dollars

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment		Balance as of December 31, 2023			Net Income (Losses) of the Investee	Shares of Profits/Losses of Investee	Notes
				December 31, 2023	December 31, 2022	Shares	Percentage of ownership	Carrying value			
Planet Technology Corporation	PLANET INTERNATIONAL INC.	Samoa	International trade business	US\$ 100,000	US\$ 100,000	100,000	100%	\$ 3,347	\$ 101	\$ 101	Notes

Notes :

1. The investment income (loss) is recognized based on the investee's financial statements that were audited and attested by parent company's CPA for the year ended December 31, 2023.
2. Merged for reversal when preparing the consolidated report.

TABLE 3

Information of major shareholders

Shareholders	Shares	Total Shares owned	Ownership Percentage
Puyan Investment Co., Ltd		16,856,237	26.97%
CHEN, CHING-KANG		4,211,978	6.74%

33. SEGMENT INFORMATION

- (1) The Group focuses on the research, development, manufacturing and sales of network equipment and peripheral equipment, and operates in only a single industry; besides, the Group's operational decision-making system assesses performance and allocates resources as a whole, and it is identified that the Group has only a single department which needs to be reported.

Items	For the Year Ended December 31, 2023		
	Single Operating Department	Adjustment and Elimination	Total
Net revenue from external customers	\$ 1,844,671	\$ —	\$ 1,844,671
Revenue from other departments within the company	—	—	—
Segment profit(Income before income tax)	616,861	—	616,861
Segment assets	2,207,078	—	2,207,078

Items	For the Year Ended December 31, 2022		
	Single Operating Department	Adjustment and Elimination	Total
Net revenue from external customers	\$ 1,720,031	\$ —	\$ 1,720,031
Revenue from other departments within the company	—	—	—
Segment profit(Income before income tax)	536,811	—	536,811
Segment assets	1,994,915	—	1,994,915

- (2) Geographical information

The Group's revenue from operations from external customers by location of operations and information on its non-current assets by location of assets are shown below. The Group categorized the net revenue based on the country in which the customer is headquartered. Non-current assets include property, plant and equipment, right-of-use assets, intangible assets and other non-current assets. Excluding financial assets and deferred tax assets.

	Net Revenue from External Customers		Non-current Assets	
	For the Year Ended December 31		December 31,	December 31,
	2023	2022	2023	2022
Europe	\$ 882,553	\$ 766,130	\$ —	\$ —
America	387,946	415,029	—	—
Asia	335,894	313,288	159,539	36,093
Others	238,278	225,584	—	—
Total	\$ 1,844,671	\$ 1,720,031	\$ 159,539	\$ 36,093

(3) Major Customers information

No single customer contributed 10% or more to the Group's revenue for both 2023 and 2022.



BAKER TILLY CLOCK & CO
正風聯合會計師事務所

10485台北市中山區南京東路二段111號14樓(頂樓)
14th Fl., 111 Sec. 2, Nanking E. Rd. Taipei 10485, Taiwan
T: +886(2)2516-5255 | F: +886(2)2516-0312
www.bakertilly.tw

INDEPENDENT AUDITORS' REPORT

NO.10711120EA

PLANET Technology Corporation

Opinion

We have audited the accompanying parent company only financial statements of Planet Technology Corporation (“the Company”), which comprise the parent company only balance sheets as of December 31, 2023 and 2022, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the accompanying parent company only financial position of the Company as of December 31, 2023 and 2022, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company’s parent company only financial statements are stated as follows:

Revenue recognition

Refer to Note 4(14) for accounting policies on recognition of operating revenue to the parent company only financial statements.

The sales revenue of the Company is mainly from exports, accounting for more than 96% of the total revenue. The Company recognizes performance obligations according to transaction conditions, and recognizes the sales revenue at the time the control of goods is transferred to the buyer. Therefore, the timing of revenue recognition has a significant impact on the financial statements, and the revenue is an important indicator reflecting the Company's operating conditions. As the recognition of export revenues involves contract review and complex operations, the certified public accountant considers that the cut-off time for the audit of export revenues of the Company is one of the most important items in this year's audit.

The certified public accountant's main responding procedures for the key audit matters above are as follows:

1. Confirm the appropriateness of the timing for revenue recognition and the integrity of relevant internal control of the Company by testing the control points of internal control for sales revenue.
2. Identify performance obligations according to customer contracts, and perform cut-off tests for sales revenue before and after the balance sheet date, including checking shipping documents and actual status of goods, checking the customs declaration system and confirming transaction conditions, so as to evaluate the correctness of revenue recognition timing.
3. In addition, carry out detailed tests and confirmation analysis procedures for the sales to key customers, in order to verify the recognition of revenue.

Valuation of Inventories

Refer to Note 4 (9) Inventory of the parent company only financial statements for details of accounting policy concerning inventory evaluation, Note 5 (2) of the parent company only financial statements for uncertainties in the inventory valuation, and Note 9 amount of allowance for inventory valuation loss to the parent company only financial statements.

Inventory is measured by the lower of cost and net realizable value. When the net realizable value of inventory is lower than the cost, it is necessary to list the inventory price decline and the sluggish loss of goods. As the evaluation involves the management's major judgment, and the book value of inventory is significant to the overall financial statement, the evaluation of net realizable value of inventory is a key audit matters.



The rationality of the certified public accountant's verification of the net realizable value of inventory is as follows:

1. Understand and evaluate the effectiveness of the design and implementation of the internal control system for inventory, including the correctness of inventory age.
2. Evaluate the rationality of the inventory policy and check whether it has been implemented in accordance with the established accounting policies of the Company and whether it has been adopted consistently in the years before and after.
3. Review the inventory age report, analyze the changes of inventory age in each period, and verify the appropriateness of the Company's inventory age distinction and statistics.
4. Verify the rationality of the basic assumptions and data used in calculating the net realizable value.
5. Evaluate the rationality of outdated or damaged inventory items as identified by the management as well as the relevant supporting documents, and check them against the information obtained from inventory counts.
6. Assess the appropriateness of the management's disclosure of inventory measurement.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, (including members of the Audit Committee), are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Baker Tilly Clock & Co

Yung-Chi Lai , CPA

Hsin-Liang Wu, CPA

February 29 , 2024

Notes to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, financial performance and its cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit (or review) such parent company only financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

PLANET TECHNOLOGY CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan Dollars)

ASSETS	NOTES	December 31,2023		December 31,2022	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	4,6	\$ 1,622,607	74	\$ 1,564,570	78
Current financial assets at fair value through profit or loss	4,7	10,935	1	10,811	1
Notes receivable, net	4,5,8	10	—	—	—
Accounts receivable, net	4,5,8	113,235	5	109,390	5
Other receivables		8,339	—	9,483	1
Inventories	4,5,9	278,166	13	250,257	13
Prepayments		7,248	—	8,412	—
Other current assets		73	—	47	—
Total current assets		2,040,613	93	1,952,970	98
NON-CURRENT ASSETS					
Investments accounted for using equity method	4,10	3,347	—	3,246	—
Property, plant and equipment	4,11	16,294	1	10,255	1
Right-of-use assets	4,12	133,373	6	17,139	1
Intangible assets	4,13	2,308	—	2,327	—
Deferred tax assets	4,22	3,579	—	2,606	—
Prepayments for business facilities		377	—	64	—
Guarantee deposits paid		7,187	—	6,308	—
Total non-current assets		166,465	7	41,945	2
TOTAL ASSETS		\$ 2,207,078	100	\$ 1,994,915	100

The accompanying notes are an integral part of the parent company only financial statements.

PLANET TECHNOLOGY CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	NOTES	December 31,2023		December 31,2022	
		Amount	%	Amount	%
CURRENT LIABILITIES					
Current contract liabilities	18	\$ 37,196	2	\$ 53,648	3
Notes payable	14	60,306	3	71,367	4
Accounts payable	14	93,506	4	106,841	5
Other payables	15	98,995	5	84,507	4
Current tax liabilities	4	118,379	5	104,547	5
Current lease liabilities	4,12	22,769	1	14,366	1
Other current liabilities		2,246	—	2,091	—
Total current liabilities		433,397	20	437,367	22
NON-CURRENT LIABILITIES					
Deferred tax liabilities	4,22	—	—	87	—
Non-current lease liabilities	4,12	111,616	5	2,640	—
Non-current net defined benefit liability	4,16	4,414	—	3,775	—
Total non-current liabilities		116,030	5	6,502	—
Total liabilities		549,427	25	443,869	22
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT					
Share capital	17	625,010	28	625,010	31
Ordinary share		625,010	28	625,010	31
Capital surplus	17	11,202	1	11,202	1
Retained earnings	17	1,021,439	46	914,834	46
Legal reserve		478,424	22	434,450	22
Unappropriated retained earnings		543,015	24	480,384	24
Total equity		1,657,651	75	1,551,046	78
TOTAL LIABILITIES AND EQUITY		\$ 2,207,078	100	\$ 1,994,915	100

The accompanying notes are an integral part of the parent company only financial statements.

PLANET TECHNOLOGY CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan Dollars, Except Earnings Per Share)

Items	NOTES	2023		2022	
		Amount	%	Amount	%
OPERATING REVENUE	4,18	\$ 1,844,671	100	\$ 1,720,031	100
OPERATING COSTS	9	(1,010,442)	(55)	(994,453)	(58)
GROSS PROFIT		834,229	45	725,578	42
OPERATING EXPENSES					
Selling expenses		(85,232)	(5)	(73,929)	(4)
Administrative expenses		(60,506)	(3)	(50,549)	(3)
Research and development expenses		(102,155)	(5)	(87,513)	(5)
Total operating expenses		(247,893)	(13)	(211,991)	(12)
NET OPERATING INCOME		586,336	32	513,587	30
NON-OPERATING INCOME AND EXPENSES					
Interest income	19	19,029	1	10,564	1
Other income	20	9,037	1	6,540	—
Other gains and losses	21	3,418	—	6,501	—
Finance costs		(959)	—	(381)	—
Total non-operating income and expenses		30,525	2	23,224	1
PROFIT BEFORE TAX		616,861	34	536,811	31
TAX EXPENSE	4,22	(109,432)	(6)	(98,548)	(5)
PFOFIT		507,429	28	438,263	26
OTHER COMPREHENSIVE INCOME					
Components of other comprehensive income that will not be reclassified to profit or loss					
Gains on remeasurement of defined benefit plans	16	(1,022)	—	1,842	—
Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	22	204	—	(368)	—
Other comprehensive income, net		(818)	—	1,474	—
TOTAL COMPREHENSIVE INCOME		\$ 506,611	28	\$ 439,737	26
EARNINGS PER SHARE (NT\$)					
Basic earnings per share	23	\$ 8.12		\$ 7.01	
Diluted earnings per share	23	\$ 8.08		\$ 6.96	

The accompanying notes are an integral part of the parent company only financial statements.

PLANET TECHNOLOGY CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan Dollars)

DESCRIPTION	Capital Stock	Capital Surplus	Retained Earnings		Total Equity
			Legal Reserve	Unappropriated Retained Earnings	
BALANCE AT JANUARY 1, 2022	\$ 625,010	\$ 11,202	\$ 402,332	\$ 366,520	\$ 1,405,064
Appropriations of prior year's earnings					
Legal reserve	—	—	32,118	(32,118)	—
Cash dividends	—	—	—	(293,755)	(293,755)
Profit	—	—	—	438,263	438,263
Other comprehensive income	—	—	—	1,474	1,474
Total comprehensive income	—	—	—	439,737	439,737
BALANCE AT JANUARY 1, 2023	625,010	11,202	434,450	480,384	1,551,046
Appropriations of prior year's earnings					
Legal reserve	—	—	43,974	(43,974)	—
Cash dividends	—	—	—	(400,006)	(400,006)
Profit	—	—	—	507,429	507,429
Other comprehensive income	—	—	—	(818)	(818)
Total comprehensive income	—	—	—	506,611	506,611
BALANCE AT DECEMBER 31, 2023	\$ 625,010	\$ 11,202	\$ 478,424	\$ 543,015	\$ 1,657,651

The accompanying notes are an integral part of the parent company only financial statements.

PLANET TECHNOLOGY CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan Dollars)

Items	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	\$ 616,861	\$ 536,811
Adjustments :		
Adjustments to reconcile profit (loss)		
Depreciation expense	26,447	24,480
Amortization expense	1,359	1,459
Expected credit losses	—	12
Net gain on financial assets at fair value through profit or loss	(124)	(53)
Interest income	(19,029)	(10,564)
Interest expense	959	381
Share of loss (profit) of associates and joint ventures accounted for using equity method	(101)	(318)
Gain on disposal of property, plant and equipment	(309)	(401)
Changes in operating assets and liabilities		
Notes receivable	(10)	—
Accounts receivable	(3,845)	(2,966)
Other receivables	1,245	(1,832)
Inventories	(27,909)	(43,676)
Prepayments	1,164	(1,635)
Other current assets	(26)	(4)
Contract liabilities	(16,452)	19,749
Notes payable	(11,061)	11,037
Accounts payable	(13,335)	15,762
Other payables	11,882	16,986
Other current liabilities	155	518
Net defined benefit liabilities	(383)	(326)
Cash inflow generated from operations	567,488	565,420
Interest paid	(959)	(381)
Income taxes paid	(96,456)	(69,198)
Net cash flows from operating activities	470,073	495,841
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(9,137)	(8,188)
Acquisition of Intangible Assets	(1,340)	(995)
Proceeds from disposal of property, plant and equipment	322	520
(Increase) Decrease in prepayments for business facilities	(313)	769
Increase in refundable deposits	(879)	(172)
Interest received	18,928	10,277
Net cash flows from investing activities	7,581	2,211
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividends paid	(400,006)	(293,755)
Payment of lease liabilities	(19,611)	(18,885)
Net cash used in financing activities	(419,617)	(312,640)
NET INCREASE IN CASH AND CASH EQUIVALENTS	58,037	185,412
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,564,570	1,379,158
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 1,622,607	\$ 1,564,570

The accompanying notes are an integral part of the parent company only financial statements.

PLANET TECHNOLOGY CORPORATION
NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(Amounts in thousands of New Taiwan dollars, unless otherwise stated)

1. GENERAL

Planet Technology Corporation (Collectively as “the Company”) was established in January 1993 in accordance with the Company Act and other relevant laws and regulations. The company is mainly engaged in the business of import and export of computers and peripheral equipment, internet equipment and software, as well as research and development, manufacturing and trading. The Company's shares are publicly issued since July 2001 under the approval of the Securities and Futures Bureau of the Financial Supervisory Commission. Besides, the company’s shares were approved over-the-counter by the Securities and Futures Bureau of Financial Supervisory Commission on June 13, 2003 and shares were listed as a general stock on the Taipei Exchange on September 17, 2003.

2. THE AUTHORIZATION OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the Board of Directors and authorized for issue on February 29 , 2024.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

The IFRSs of new standards, interpretations and amendments endorsed by FSC effective from 2023 are as follow:

New, Revised or Amended Standards, and Interpretations	Effective Date Issued by IASB
Amendments to IAS 1 “Disclosure of Accounting Policies”	January 1, 2023
Amendments to IAS 8 “Definition of Accounting Estimates”	January 1, 2023
Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”	January 1, 2023
Amendments to IAS 12 “International Tax Reform - Pillar Two Model Rules”(Note)	May 23, 2023

The Company believes that the adoption of the above IFRSs won’t have any material impact on its consolidated financial statements.

Note : The Company has adopted Amendments to IAS 12 “International Tax Reform — Pillar Two Model Rules” on May 23, 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which applies retrospectively, and require new disclosures about the Pillar Two exposure for annual reporting periods beginning on or after January 1, 2023. However, because on December 31, 2022, no new legislation to implement the top-up tax was enacted or substantively enacted in any jurisdiction in which the Company operates and no related deferred taxes were recognised at that date, the retrospective application has no impact on the Company’s condensed interim financial statements.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the company

The IFRSs of new standards, interpretations and amendments endorsed by FSC effective from 2024 are as follow:

New, Revised or Amended Standards, and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 16 “Leases Liability in a Sale and leaseback”	January 1, 2024
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024
Amendments to IAS 1 “Classification of Liabilities as Current or Non-current”	January 1, 2024
Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”	January 1, 2024

The Company is evaluating the impact of its initial adoption of the abovementioned standards and interpretations on its consolidated financial position and consolidated financial performance.

The related impact will be disclosed when the Group completes the evaluation.

(3) The IFRSs issued by IASB but not yet endorsed by FSC

As of the date the following IFRSs that have been issued by the IASB, but not yet endorsed by the FSC:

New, Revised or Amended Standards, and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 9 and IFRS 17 - Comparative Information”	January 1, 2023
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025

The Company is evaluating the impact of its initial adoption of the abovementioned standards and interpretations on its consolidated financial position and consolidated financial performance.

The related impact will be disclosed when the Group completes the evaluation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent financial statements set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

The accompanying parent only financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of Preparation

The parent company only financial statements have been prepared on the historical cost basis except for the financial instruments at fair value through profit or loss and defined benefit liabilities recognised based on the net amount of pension fund asset less present value of denfined benefit obligation. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The subsidiaries, associates and jointly controlled entities are incorporated in the parent company only financial statements under the equity method. To make net profit for the year, other comprehensive income and equity in the parent company only financial statements equal to those attributed to owners of the Company on parent company only financial statements, the effect of the differences between basis of parent company only and basis of consolidation are adjusted in the investments accounted for using equity method, the related share of the profit or loss, the related share of other comprehensive income of subsidiaries and associates and related equity.

(3) Classification of Current and Non-current Assets and Liabilities

Current assets include:

- A. Assets held primarily for the purpose of trading.
- B. Assets expected to be realized within twelve months after the reporting period.
- C. Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

- A. Liabilities held primarily for the purpose of trading.
- B. Liabilities due to be settled within twelve months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorized for issue.
- C. The Company does not have an unconditional right to defer liabilities for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

(4) Foreign Currencies

In preparing the parent company only financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Such exchange differences are recognized in profit or loss in the period in which they arise. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are recognized in profit or loss for the year except for exchange difference arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

For the purposes of presenting parent company only financial statements, the assets and liabilities of the Company's foreign operations are translated into NT\$ using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity.

(5) Cash equivalents

Cash equivalents, for the purpose of meeting short-term cash commitments, consist of highly liquid time deposits with original maturities of one year or less and investments with three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(6) Financial Instruments

Financial assets and liabilities shall be recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are recognized initially at fair value plus or minus, in the case of financial assets and financial liabilities not at fair value through profit or loss, directly attributable transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(7) Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a settlement date basis. Regular way purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

A. Measurement category

Financial assets are classified into the following categories: financial assets at fair value through profit or loss (“FVTPL”) and financial assets at amortized cost.

(A) Financial assets at FVTPL

Financial assets at FVTPL includes the financial assets are mandatorily classified as at FVTPL. Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 26.

(B) Financial assets at amortized cost

Financial assets that meet the following two conditions are subsequently measured at amortized cost:

- a. The financial asset is held within a business model whose objective is collecting contractual cash flows.
- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost (including cash and cash equivalents, notes and accounts receivable , bond investment without active market and guarantee deposits paid), are measured at amortized cost, which equals gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

- a. Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of such financial assets.
- b. Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

B. Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including accounts receivable).

The Company always recognizes lifetime Expected Credit Losses (ECLs) for accounts receivable. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

C. Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

(8) Financial Liabilities

A. Financial liabilities

Financial liabilities other than those held for trading purposes and designated as at FVTPL are subsequently measured at amortized cost at the end of each reporting period. Financial liabilities measured at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. Related net profits or net losses are listed in "other profits and losses" of the parent company only statement of comprehensive income.

B. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized (including any non-cash assets transferred or liabilities assumed) in profit or loss.

C. Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and reported in the net amount in the parent company only balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(9) Inventories

Inventories consist of raw materials, finished goods and work-in-process. Inventories are stated at the lower of cost or net realizable value. Inventory write-downs are made on an item-by-item basis, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and necessary selling costs. Inventories are recorded at weighted-average cost on the balance sheet date.

(10) Investments Accounted for Using Equity Method

Investments accounted for using the equity method is investments in subsidiaries.

A subsidiary is an entity that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of profit or loss and other comprehensive income of the subsidiary as well as the distribution received. The Company also recognized its share in the changes in the equity of subsidiaries.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. Any difference between the carrying amount of the subsidiary and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of losses of a subsidiary equals or exceeds its interest in that subsidiary (including any carrying amount of the investment accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company shall continue to recognize losses based on the shareholding percentage.

The acquisition cost exceeding the amount of the share of the fair value of the subsidiary's recognizable assets and liabilities received by the Company on its acquisition day is listed as goodwill. Such goodwill includes the investment's book value which cannot be amortized. The amount exceeding the share of the fair value of the subsidiary's recognizable assets and liabilities received by the Company on its acquisition day is listed as the current income.

When losing the control of its subsidiary, the Company measures its residual investment in the aforesaid subsidiary according to the fair value at the day that the Company loses its control of the subsidiary. The difference between the residual investment's fair value as well as any disposal amount and the investment book value at the day that the Company loses its control is listed as the current profit or loss. In addition, the accounting treatment of all the amounts related to the subsidiary in question and recognized in the comprehensive income is same as the basis required to be complied with in the Company's direct handling of related assets or liabilities.

The unrealized profit or loss in downstream transactions between the Company and the subsidiary shall be eliminated in the parent company only financial statements. Profit or loss generated in upstream transactions between the Company and subsidiaries or transactions between subsidiaries shall only be recognized in the parent company only financial statements when it is not related to the Company's interest in the subsidiaries.

(11) Property, Plant, and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment.

Depreciation on property, plant and equipment is recognized using the straight-line method. Each significant item is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The estimated useful lives of the assets are as follows:

machinery and equipment: 5 year; furniture and fixtures: 5 years; other facilities: 2 to 5 years.

(12) Intangible Assets

A. Intangible assets are mainly the Company's patented expertise and are amortized on a straight-line basis over the legal period of 10 to 20 years.

B. Computer software is stated initially at cost and amortized on a straight-line basis over its estimated useful life of 3 years.

C. After that the subsequent book value is measured by cost less accumulated amortization and accumulated impairment losses. The estimated useful lives and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

(13) Impairment of Non-financial Assets (Impairment of Tangible and Intangible Assets)

At each balance sheet date, the Company review the carrying amounts of their tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently is reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined with no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(14) Revenue recognition

The Company identifies the contract with the customers, allocates the transaction price to the performance obligations, and recognizes revenue when performance obligations are satisfied.

When applying IFRS 15, the Company shall recognize revenue by applying the following steps:

- A. Identify the contract with the customer.
- B. Identify the performance obligations in the contract.
- C. Determine the transaction price.
- D. Allocate the transaction price to the performance obligations in the contract
- E. Recognize revenue when the entity satisfies its performance obligation.

Revenue from the sale of goods

The revenue from the sale of goods comes from the sale of communication equipment products. The Company recognizes the revenue when the products are delivered to the customers' specified locations or are shipped, besides, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for resale, and bears the obsolescence risk of the goods.

(15) Leasing

The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption which are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost. The cost of right-of-use assets comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Subsequent measurement is calculated as cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented separately in the parent company only balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payment, in-substance fixed payment, variable lease payments which depend on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, payments for the purchase or termination options that are reasonably certain to be exercised and less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee's incremental borrowing rate.

Lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in future lease payments resulting from a change in expected paid amount under the residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in an index or a rate used to those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use assets. If the carrying amount has been reduced to zero, the remaining amount will recognize in profit and loss. Lease liabilities are presented separately in the parent company only balance sheets.

(16) Employee Benefits

A. Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for service rendered by employees.

B. Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contribution.

Defined benefit costs (including service cost, net interest and rereasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost) and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period in which they occur. Rereasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Rereasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

(17) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

A. Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the parent company only statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

Income tax on unappropriated earnings is expensed in the year the shareholders approved the appropriation of earnings which is the year subsequent to the year the earnings are generated.

B. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the parent company only financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets and liabilities may be offset against each other if the following criteria are met:

- (A) The entity has the legal right to settle tax assets and liabilities on a net basis; and
- (B) the taxing of deferred tax assets and liabilities levied by the same taxing authority; or levied by different taxing authorities, but where each such authority intends to settle tax assets and liabilities (where such amounts are significant) on a net basis every year of the period of expected asset realization or debt liquidation, or where the timing of asset realization and debt liquidation is matched.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered. The deferred tax assets which originally not recognized is also reviewed at the end of each reporting period and recognized to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

C. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

D. The Company has applied the exception from the recognition and disclosure of deferred tax assets and liabilities related to Pillar Two income taxes. Accordingly, the Company neither recognizes nor discloses information about deferred tax assets and liabilities related th Pillar Two income taxes.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 4, the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the parent company only financial statements.

(1) Estimated impairment of financial assets

The provision for impairment of accounts receivable is based on assumptions about the risk of default and expected loss rates. The Company uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Please refer to Note 8 for the details of the key assumptions and inputs used. Where the actual future cash flows are less than expected, a material impairment loss may arise.

(2) Valuation of Inventory

Inventories are stated at the lower of cost or net realizable value, and the Company use judgment and estimate to determine the net realizable value of inventory at the end of each reporting period.

Due to the rapid industrial changes, the Company estimates the net realizable value of inventory for obsolescence and unmarketable items at the end of reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions of future demand within a specific time horizon.

The book value of the Company's inventory is detailed in Note 9.

6. CASH AND CASH EQUIVALENTS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand	\$ 170	\$ 182
Cash in banks	1,622,437	1,564,388
Total	<u>\$ 1,622,607</u>	<u>\$ 1,564,570</u>

7. CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Financial assets mandatorily measured at fair value		
Non-derivative financial assets-Funds	\$ 10,935	\$ 10,811

8. NOTES AND ACCOUNTS RECEIVABLE- NET

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ 10	\$ —
Accounts receivable	\$ 113,343	\$ 109,498
Loss allowance	(108)	(108)
Net	<u>\$ 113,235</u>	<u>\$ 109,390</u>

(1) In principle, the payment term granted to customers is due 30 days from the invoice date, and some customers have a monthly settlement for a period of 45 to 60 days.

In order to minimize credit risk, the management of the Company has delegated a person responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company's credit risk was significantly reduced.

The Company applies the simplified approach to provisions for expected credit losses prescribed by IFRS 9, which permits the use of a lifetime expected credit losses provision for all accounts receivable. The evaluation of the lifetime expected credit loss is made by considering past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of economic conditions. GDP forecasts and the outlook of the industry are also considered.

(B) Aging analysis of notes and accounts receivable

	December 31, 2023	December 31, 2022
Neither past due nor impaired	\$ 109,209	\$ 109,390
Past due but not impaired		
within 30 days	4,036	—
31 to 180 days	—	—
over 181 days	—	—
Subtotal	4,036	—
Total	\$ 113,245	\$ 109,390

(C) Movements of the loss allowance for notes and accounts receivable were as follows:

	For the Year Ended December 31	
	2023	2022
Balance at January 1	\$ 108	\$ 96
Provision	—	12
Amount written off	—	—
Balance at December 31	\$ 108	\$ 108

The Company's recognized impairment loss of the receivables is judged on a group basis, and there is no individual judgment on the impairment loss of any individual receivable.

9. INVENTORIES

	December 31, 2023	December 31, 2022
Raw materials	\$ 59,896	\$ 72,118
Work in process	51,024	49,307
Finished goods	167,246	128,832
Total	\$ 278,166	\$ 250,257

(1) The allowance for inventory devaluation losses (including idle products) was \$4,179 thousand and \$3,679 thousand as of December 31, 2023 and 2022.

(2) The cost of inventories recognized as cost of sales for the years ended December 31, 2023 and 2022 were as follows:

	For the Year Ended December 31	
	2023	2022
The cost of goods sold	\$ 1,010,511	\$ 994,528
Gain on physical inventory	(69)	(75)
Operating costs	\$ 1,010,442	\$ 994,453

10. INVESTMENT ACCOUNTED FOR USING EQUITY METHOD

Subsidiaries	Carrying Amount		% of Ownership and Voting Right Held by the Company	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
PLANET INTERNATIONAL INC.	\$ 3,347	\$ 3,246	100.00%	100.00%

(A) In 2023 and 2022, the recognized investment gains in the audited financial statements of the invested company are \$101 thousand and \$318 thousand, respectively.

(B) The disclosure of relevant information is detailed in Note 33.

11. PROPERTY, PLANT AND EQUIPMENT

Item	For the Year Ended December 31, 2023			
	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Machinery and equipment	\$ 22,104	\$ 3,707	\$ (253)	\$ 25,558
Furniture and fixtures	7,300	2,686	(240)	9,746
Other facilities	17,521	5,350	(936)	21,935
Subtotal	46,925	11,743	(1,429)	57,239
<u>Accumulated depreciation and impairment</u>				
Machinery and equipment	18,159	1,850	(253)	19,756
Furniture and fixtures	4,984	1,132	(240)	5,876
Other facilities	13,527	2,709	(923)	15,313
Subtotal	36,670	\$ 5,691	\$ (1,416)	40,945
Net	\$ 10,255			\$ 16,294
Item	For the Year Ended December 31, 2022			
	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Machinery and equipment	\$ 19,218	\$ 2,893	\$ (7)	\$ 22,104
Furniture and fixtures	5,852	1,502	(54)	7,300
Other facilities	14,838	3,760	(1,077)	17,521
Subtotal	39,908	8,155	(1,138)	46,925
<u>Accumulated depreciation and impairment</u>				
Machinery and equipment	16,621	1,545	(7)	18,159
Furniture and fixtures	4,167	871	(54)	4,984
Other facilities	11,091	3,394	(958)	13,527
Subtotal	31,879	\$ 5,810	\$ (1,019)	36,670
Net	\$ 8,029			\$ 10,255

12. Lease Agreement

(1) Right-of-use assets

For the Year Ended December 31, 2023				
Item	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Buildings	\$ 67,820	\$ 136,990	\$ (67,820)	\$ 136,990
Transportation equipment	4,929	—	—	4,929
Subtotal	72,749	136,990	(67,820)	141,919
<u>Accumulated depreciation and impairment</u>				
Buildings	54,925	19,113	(67,820)	6,218
Transportation equipment	685	1,643	—	2,328
Subtotal	55,610	\$ 20,756	\$ (67,820)	8,546
Net	\$ 17,139			\$ 133,373

For the Year Ended December 31, 2022				
Item	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Buildings	\$ 67,786	\$ 34	\$ —	\$ 67,820
Transportation equipment	4,443	4,929	(4,443)	4,929
Subtotal	72,229	4,963	(4,443)	72,749
<u>Accumulated depreciation and impairment</u>				
Buildings	37,759	17,166	—	54,925
Transportation equipment	3,579	1,504	(4,398)	685
Subtotal	41,338	\$ 18,670	\$ (4,398)	55,610
Net	\$ 30,891			\$ 17,139

(2) Lease liabilities

	December 31, 2023	December 31, 2022
Current	\$ 22,769	\$ 14,366
Non-current	\$ 111,616	\$ 2,640

Discount rate for lease liabilities were 2.1%~2.25% and 1.6%~2.1% in 2023 and 2022.

(3) Material lease-in activities and terms

The Company leases buildings and transportations equipment for the use of offices and business. The leasing period is from 2023 to 2029 and from 2022 to 2025. The Company does not have bargain purchase options to acquire the buildings at the end of the lease terms. In addition, the Company is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

(4) Other lease information

	For the Year Ended December 31, 2023	For the Year Ended December 31, 2022
Expenses relating to short-term leases	\$ 8	\$ 8
Expenses relating to low-value asset leases	\$ 114	\$ 114
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ —	\$ —
Total cash outflow for leases	\$ (19,733)	\$ (19,007)

A. The Company applies the recognition exemption to leases of safe deposit boxes qualifying as short-term leases and certain photocopier qualifying as low-value asset leases and does not recognize right-of-use assets and lease liabilities for these leases.

B. The amount of lease commitments for short-term leases and low-value asset leases which the recognition exemption are applied as of December 31, 2023 and 2022 is \$107 thousand and \$117 thousand, respectively.

13. INTANGIBLE ASSETS

Item	For the Year Ended December 31, 2023			
	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Trademarks	\$ 679	\$ —	\$ —	\$ 679
Patents	1,734	307	—	2,041
Computer software	11,494	1,033	(32)	12,495
Subtotal	13,907	1,340	(32)	15,215
<u>Accumulated amortization and impairment</u>				
Trademarks	76	75	—	151
Patents	904	236	—	1,140
Computer software	10,600	1,048	(32)	11,616
Subtotal	11,580	\$ 1,359	\$ (32)	12,907
Net	\$ 2,327			\$ 2,308

Item	For the Year Ended December 31, 2022			
	Balance, Beginning of year	Additions	Disposals	Balance, End of year
<u>Cost</u>				
Trademarks	\$ 315	\$ 364	\$ —	\$ 679
Patents	1,583	151	—	1,734
Computer software	11,559	480	(545)	11,494
Subtotal	13,457	995	(545)	13,907
<u>Accumulated amortization and impairment</u>				
Trademarks	24	52	—	76
Patents	670	234	—	904
Computer software	9,972	1,173	(545)	10,600
Subtotal	10,666	\$ 1,459	\$ (545)	11,580
Net	\$ 2,791			\$ 2,327

14. NOTES PAYABLE AND ACCOUNTS PAYABLE

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes payable	\$ 60,306	\$ 71,367
Accounts payable	93,506	106,841
Total	<u>\$ 153,812</u>	<u>\$ 178,208</u>
Current	<u>\$ 153,812</u>	<u>\$ 178,208</u>

(A) The average credit purchase period of payables is 30 to 60 days. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

(B) For the disclosure of the Company's payables exposing currency and liquidity risks and other payables, please refer to Note 26.

15. OTHER PAYABLES

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Salary and wages payable	\$ 29,000	\$ 23,887
Employee Bonus payable	40,013	34,820
Compensation due to directors	10,003	8,705
Advertising payable	3,924	4,047
Export fee payable	2,142	3,767
Other accrued expenses	11,474	6,842
Payable for annual leave	2,439	2,439
Total	<u>\$ 98,995</u>	<u>\$ 84,507</u>
Current	<u>\$ 98,995</u>	<u>\$ 84,507</u>

16. RETIRED BENEFIT PLANS

(A) Defined contribution plans

The plan under the R.O.C. Labor Pension Act ("the Act") is deemed a defined contribution plan. Pursuant to the Act, the Company makes monthly contributions equal to 6% of each employee's monthly salary to employees' pension accounts. Accordingly, the Company recognized expenses of \$6,151 thousand and \$5,569 thousand in the parent company only statements of comprehensive income for the years ended December 31, 2023 and 2022, respectively.

(B) Defined benefit plans

(a) The Company have a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March. The Funds are operated and managed by the government's designated authorities; as such, the Company does not have any right to intervene in the investments of the Funds.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	\$ 18,159	\$ 17,077
Fair value of plan assets	(13,697)	(13,302)
Contribution Status	4,462	3,775
Other payables	48	—
Net defined benefit liability	\$ 4,414	\$ 3,775

a. 2023

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Balance at January 1,	\$ 17,077	\$ (13,302)	\$ 3,775
Current service cost	—	—	—
Net interest expense (income)	188	(143)	45
Recognized in profit or loss	188	(143)	45
Remeasurement			
Experience adjustments	1,100	—	1,100
Changes in demographic assumptions	—	—	—
Changes in financial assumptions	64	—	64
Return on plan assets	—	(142)	(142)
Recognized in other comprehensive loss (income)	1,164	(142)	1,022
Contributions from the employer	—	(380)	(380)
Paid pension	(270)	270	—
Balance at December 31	\$ 18,159	\$ (13,697)	\$ 4,462

The Company's planned asset type is bank deposits.

b. 2022

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Liabilities
Balance at January 1,	\$ 18,343	\$ (12,400)	\$ 5,943
Current service cost	—	—	—
Net interest expense (income)	126	(86)	40
Recognized in profit or loss	126	(86)	40
Remeasurement			
Experience adjustments	(130)	—	(130)
Changes in demographic assumptions	—	—	—
Changes in financial assumptions	(753)	—	(753)
Return on plan assets	—	(959)	(959)
Recognized in other comprehensive loss (income)	(883)	(959)	(1,842)
Contributions from the employer	—	(366)	(366)
Paid pension	(509)	509	—
Balance at December 31	\$ 17,077	\$ (13,302)	\$ 3,775

The Company's planned asset type is bank deposits.

The pension costs of the aforementioned defined benefit plans were recognized in profit or loss by the follows categories:

	For the Year Ended December 31	
	2023	2022
Operating costs	\$ 9	\$ 7
Selling expenses	10	10
Administrative expenses	7	6
Research and development expenses	19	17
Total	\$ 45	\$ 40

(C) Through the defined benefit plans under the Labor Standards Law, the Company is exposed to the following risks:

- (a) Investment risk: The pension funds are invested in equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the government's designated authorities or under the mandated management. However, under the Labor Standards Law, the rate of return on assets shall not be less than the average interest rate on a two-year time deposit published by the local banks and the government is responsible for any shortfall in the event that the rate of return is less than the required rate of return.

- (b) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the debt investments of the plan assets.
- (c) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.
- (D) The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The principal assumptions of the actuarial valuation were as follows:

	For the Year Ended December 31	
	2023	2022
Discount rate	1.20%	1.25%
Expected rate of salary increase	3.00%	3.00%

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	For the Year Ended December 31	
	2023	2022
Discount rate		
0.25% increase	\$ (317)	\$ (324)
0.25% decrease	328	335
Expected rate of salary increase		
0.25% increase	321	329
0.25% decrease	(313)	(319)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity which may not be representative of the actual change in the defined benefit obligation and the method of calculating net pension liability in the balance sheet are the same.

- (E) Expected contributions to the defined benefit pension plans of the Company within one year from December 31, 2024 are \$373 thousand.
- (F) As of December 31, 2023, the weighted average duration of that retirement plan is 7 years.

The analysis of timing of the future pension payment was as follows:

Within 1 year	\$ 4,397
2 to 5 years	4,743
Over 6 years	10,570
	<u>\$ 19,710</u>

17. EQUITY

(1) Capital stock

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Shares authorized	\$ 1,000,000	\$ 1,000,000
Shares issued	\$ 625,010	\$ 625,010

(A) A holder of issued common shares with par value of NT\$10 per share is entitled to vote and to receive dividends.

(B) The Company issued Employee Stock option with the approval of the competent authority on August 25, 2023.

(2) Capital surplus

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Additional paid-in	\$ 11,022	\$ 11,022
Other	180	180
Total	\$ 11,202	\$ 11,202

Under the relevant laws, the capital surplus can only be used to offset a deficit. However, the capital surplus from donations and the excess of the issuance price over par value of capital stock (including the stock issued for new capital, mergers, convertible bonds and treasury stock transactions) may be capitalized or shall be distributed by cash, on a certain percentage of the Company's paid-in capital every year. Also, the capital surplus from long-term investments, employee share options and share options may not be used for any purpose.

(3) Retained earnings and dividend policy

(A) Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve, unless the accumulated amount of the legal reserve has reached the total issued capital of the Company. The remaining balance is to be set aside or reverse or rotation as special reserve if necessary. According to the dividend policy, bonus distributed shall be proposed by the Board of Directors and resolved by the stockholders' meeting. In accordance with the provisions of Article 240, Item 5 of the Company Act, the company may explicitly stipulate to authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

- (B) The Company adopts the residual dividend policy in order to meet the growth characteristics of the industry and the capital needs of the Company's long-term financial planning and operation expansion. That is, the surplus earnings distribution is handled according to Article 20 of the Articles of Association. The shareholder dividends are based on the principle of balanced distribution between stock and cash dividends. The board of directors proposes to set aside from the distributable surplus the dividends to be distributed, with the amount of the distribution no less than 30% of the distributable surplus in the current year, and distributed according to the Company's Articles of Incorporation. Stock dividends have the priority in order to retain the required funds, and the remaining surplus is to be distributed in the form of cash dividends; however, the proportion of cash dividends shall not be less than 10% of the total dividends. In accordance with Article 241 of the Company Act, Company distributes its legal reserve and the following capital reserve, in whole or in part, by issuing new shares which shall be distributable as dividend shares to its original shareholders in proportion to the number of shares being held by each of them or by cash, after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.
- (C) According to the Company Act, the appropriation for legal reserve shall be made until the reserve equals the Company's paid-in capital. The reserve may be used to offset a deficit, or be distributed as dividends in cash or stocks for the portion in excess of 25% of the paid-in capital if the Company incurs no loss.
- (D) Pursuant to existing regulations, the company is required to set aside additional special reserve equivalent to the net debit balance of the other components of shareholders' equity items (including exchange differences on translating foreign operations, unrealized gain or loss on available-for-sale financial assets, and the gain or loss on the hedging instrument relating to the effective portion of a cash flow hedge but excluding treasury stock). For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed.
- (E) The Company's 2023 surplus earnings distribution proposal has not been approved by the board of directors as of the date of issuance of the financial statements.
- (F) The appropriations of 2022 and 2021 earnings have been approved by the Company's shareholders in its meeting held on May 24, 2023 and May 27, 2022, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends per Share(NT\$)	
	2022	2021	2022	2021
Legal reserve	\$ 43,974	\$ 32,118		
Cash dividends	400,006	293,755	6.4	4.7
Total	\$ 443,980	\$ 325,873		

18. OPERATING REVENUE

	For the Year Ended December 31	
	2023	2022
Net revenue from sale of goods	\$ 1,844,671	\$ 1,720,031

(1) Breakdown of revenue from contracts with customers

	For the Year Ended December 31	
	2023	2022
Europe	\$ 882,553	\$ 766,130
America	387,946	415,029
Asia	335,894	313,288
Others	238,278	225,584
Total	\$ 1,844,671	\$ 1,720,031

(2) Contract liabilities

	December 31, 2023	December 31, 2022
Contract liabilities-advance sales receipts	\$ 37,196	\$ 53,648

For the year ended December 31, 2023 and 2022, the Company recognized \$42,915 thousand and \$25,891 thousand in revenue from the beginning balance of contract liability, respectively.

19. INTEREST INCOME

	For the Year Ended December 31	
	2023	2022
Interest income from bank deposits	\$ 19,029	\$ 10,564

20. OTHER INCOME

	For the Year Ended December 31	
	2023	2022
Rent income	\$ 72	\$ 86
Other income, others	8,965	6,454
Total	\$ 9,037	\$ 6,540

21. OTHER GAINS AND LOSSES

	For the Year Ended December 31	
	2023	2022
Gains on disposal of property, plant and equipment	\$ 309	\$ 401
Foreign exchange gains	3,058	5,729
Gains on financial assets at fair value through profit or loss	124	53
Share of profit of associates and joint ventures accounted for using equity method	101	318
Miscellaneous disbursements	(174)	—
Total	\$ 3,418	\$ 6,501

22. INCOME TAX

(1) Income tax recognized in profit or loss

(A) A reconciliation of income before income tax and income tax expense recognized in profit or loss was as follows:

	For the Year Ended December 31	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	\$ 123,372	\$ 107,362
Effect from items disallowed by tax regulation	248	(374)
Effect from investment tax credits	(8,557)	(7,217)
Tax on undistributed earnings	—	—
Tax expenses	\$ 115,063	\$ 99,771

(B) Income tax expense consisted of the following:

	For the Year Ended December 31	
	2023	2022
Tax expenses	\$ 115,063	\$ 99,771
Net change in deferred income tax	(856)	2,926
Adjustments of prior year to income tax	(4,775)	(4,149)
Income tax expense recognized in profit or loss	\$ 109,432	\$ 98,548

(2) Income tax expense (benefit) recognized in other comprehensive income

Deferred tax

	For the Year Ended December 31	
	2023	2022
Remeasurements of defined benefit obligations	\$ 204	\$ (368)

(3) Deferred tax

(A) The analysis of deferred income tax in the parent company only balance sheets was as follows:

	December 31, 2023	December 31, 2022
Deferred tax assets		
Defined benefit liabilities	\$ 1,087	\$ 387
Advertisement expense	771	809
Unrealized exchange loss	211	—
Unrealized impairment loss	186	186
Inventory valuation losses	836	736
Unrealized employee vacation payable	488	488
Total	\$ 3,579	\$ 2,606
Deferred tax liabilities		
Unrealized exchange gain	\$ —	\$ 87

	For the Year Ended December 31, 2023				
	Balance, Beginning of year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Effect of exchange rate changes	Balance, End of year
Deferred tax assets					
Defined benefit liabilities	\$ 387	\$ 496	\$ 204	\$ —	\$ 1,087
Advertisement expense	809	(38)	—	—	771
Unrealized exchange loss	—	211	—	—	211
Unrealized impairment loss	186	—	—	—	186
Inventory valuation losses	736	100	—	—	836
Unrealized employee vacation payable	488	—	—	—	488
Total	\$ 2,606	\$ 769	\$ 204	\$ —	\$ 3,579
Deferred tax liabilities					
Unrealized exchange gain	\$ (87)	\$ 87	\$ —	\$ —	\$ —
For the Year Ended December 31, 2022					
	Balance, Beginning of year	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Effect of exchange rate changes	Balance, End of year
Deferred tax assets					
Defined benefit liabilities	\$ 1,181	\$ (433)	\$ (361)	\$ —	\$ 387
Advertisement expense	788	21	—	—	809
Unrealized investment loss	2,265	(2,265)	—	—	—
Unrealized impairment loss	186	—	—	—	186
Inventory valuation losses	736	—	—	—	736
Unrealized employee vacation payable	721	(233)	—	—	488
Total	\$ 5,877	\$ (2,910)	\$ (361)	\$ —	\$ 2,606
Deferred tax liabilities					
Unrealized exchange gain	\$ (64)	\$ (23)	\$ —	\$ —	\$ (87)

(B) Items for which deferred tax assets haven't been recognized: None.

(4) Unappropriated retained earnings:

	December 31, 2023	December 31, 2022
1998 to 2009	\$ 32,002	\$ 32,002
after 2010	511,013	448,382
Total	<u>\$ 543,015</u>	<u>\$ 480,384</u>

(5) Income tax assessments

The Company's income tax returns through 2021 have been assessed by the tax authorities.

23. EARNINGS PER SHARE

	For the Year Ended December 31	
	2023	2022
Basic EPS(NT\$)	<u>\$ 8.12</u>	<u>\$ 7.01</u>
Diluted EPS(NT\$)	<u>\$ 8.08</u>	<u>\$ 6.96</u>

(1) Basic earnings per share

Used to calculate the basic earnings per share and the weighted average number of ordinary shares as follow:

	For the Year Ended December 31	
	2023	2022
Profit attributable to ordinary shareholders of the parent (in thousand)	<u>\$ 507,429</u>	<u>\$ 438,263</u>
Weighted average number of ordinary shares outstanding (in thousand shares)	<u>62,501</u>	<u>62,501</u>
Basic EPS (NT\$)	<u>\$ 8.12</u>	<u>\$ 7.01</u>

(2) Diluted earnings per share

Used to calculate the diluted earnings per share and the weighted average number of ordinary shares (thousand shares) as follow:

	For the Year Ended December 31	
	2023	2022
Profit attributable to ordinary shareholders of the parent (in thousand)	<u>\$ 507,429</u>	<u>\$ 438,263</u>
Weighted average number of ordinary shares outstanding (in thousand shares)	<u>62,501</u>	<u>62,501</u>
Effect of potentially dilutive ordinary shares- Employees' remuneration (in thousand shares)	<u>325</u>	<u>440</u>
Weighted average number of dilutive ordinary shares outstanding (in thousand shares)	<u>62,826</u>	<u>62,941</u>
Diluted EPS(NT\$)	<u>\$ 8.08</u>	<u>\$ 6.96</u>

Due to the employee remuneration may be paid in the form of company shares, it is assumed that the employee's remuneration will be issued by means of shares when calculating the earnings per share. When the potential ordinary shares have a dilution effect, they are included in the weighted average number of outstanding shares to calculate the diluted earnings per share. When the shareholders' meeting decides the number of shares in the employee's remuneration for the previous year by calculating the basic earnings per share, the number of shares will be included in the weighted average number of outstanding shares in the resolution of the shareholder's meeting. Moreover, since the capital increase from employee remuneration is no longer a free share allotment, no retroactive adjustment is required for the calculation of the basic and diluted earnings per share.

24. ADDITIONAL INFORMATION OF EXPENSES BY NATURE

The followings were the summary statement of employee benefits, depreciation and amortization expenses by function for the years ended December 31, 2023 and 2022:

	For the Year Ended December 31, 2023			For the Year Ended December 31, 2022		
	Classified as operating cost	Classified as operating expenses	Total	Classified as operating cost	Classified as operating expenses	Total
Employee benefits	\$ 37,112	\$ 167,015	\$ 204,127	\$ 31,388	\$ 144,562	\$ 175,950
Payroll expense	31,386	136,906	168,292	26,625	117,729	144,354
Insurance expense	2,978	10,378	13,356	2,461	9,489	11,950
Pension	1,294	4,902	6,196	1,093	4,516	5,609
Board compensation	—	10,148	10,148	—	8,805	8,805
Others	1,454	4,681	6,135	1,209	4,023	5,232
Depreciation	5,982	20,465	26,447	5,306	19,174	24,480
Amortization	—	1,359	1,359	—	1,459	1,459

- (1) As of December 31, 2023 and 2022, the Company had 169 and 160 employees, respectively, including 5 and 4 non-employee directors, respectively.
- (2) Companies whose stocks are listed on the stock exchange or listed on the stock counter trading center should disclose the following information:
 - A. In 2023 and 2022, the allowance for average employee benefits were \$ 1,183 thousand and \$1,071 thousand, respectively.
 - B. In 2023 and 2022, the allowance for average employee payroll expense were \$1,026 thousand and \$925 thousand, respectively.
 - C. The change in the average employee's payroll was 10.9%.
 - D. The Company has established the Audit Committee in replace of supervisors , so the remuneration of the supervisor is not recognized.

E. The Company's salary and remuneration policy, including that for directors, managers and employees, is as follows:

(a) In accordance with the Company's articles of association, the remuneration of directors (including independent directors) is authorized to the board of directors according to their degree of involvement in the company's operations and the value of their contribution to the company's operations, and to negotiation with the usual standards of the industry.

According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be higher than 2% for directors' remuneration.

(b) The Company's employee compensation includes salary, year-end bonus, employees' compensation, etc., as described below:

I. Salary is determined by market mechanism and employees' professional skills.

II. Year-end bonuses are assessed based on individual performance.

III. According to the Articles of Incorporation of the Company, a ratio of profit of the current year distributable after covering accumulated losses, shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 5% for employees' compensation. Employee compensation is based on consideration of the company's operating performance, with reference to the same industry, number of employees in the company, future prospects, etc. The managers based on personal performance and assessment results report to the remuneration committee for resolutions to be issued.

(3) The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period. 6% is applied to employee's compensation, and 1.5% is applied to director's remuneration that were expensed under operating costs or operating expenses during 2023 and 2022.

The estimated amounts are as follows:

	For the Year Ended December 31	
	2023	2022
Employees' compensation	\$ 40,013	\$ 34,820
Remuneration to directors	10,003	8,705

If there is a change in the proposed amounts after the annual parent company only financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate. If the board of directors decides to pay the employee remuneration in the form of company shares, the number of dividend shares is determined by dividing the amount of the dividend by the fair value of the share. The fair value of the share is based on the closing price of the day before the resolution date of the shareholders' meeting, with the ex-dividend impact considered.

The 2022 and 2021 employees' compensation and director's remuneration were respectively resolved in the board meeting on February 23, 2023 and February 24, 2022 as follows.

	For the Year Ended December 31	
	2022	2021
Employees' compensation	\$ 34,820	\$ 25,469
Remuneration to directors	8,705	6,367

There is no difference between the 2022 and 2021 employees' compensation and director's remuneration and the Company's 2022 and 2021 recognized fee estimates.

The information about appropriations of the Company's employees' compensation and remuneration to directors is available on the Market Observation Post System website.

25. CAPITAL MANAGEMENT

The Company plans its working capital required for the future in accordance with the characteristics currently existing in its industry and its future development status while it also considers the changes in the external environment, so as to ensure its sustainable operations. In so doing, the Company will be able to concurrently protect the interests of its shareholders and other related parties, maintain the optimal capital structure, and elevate the stockholder value. As a whole, the Company adopts a prudent risk management strategy. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, issue new shares or return capital to shareholders.

26. FINANCIAL INSTRUMENTS

(1) Categories of financial instruments

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	\$ 10,935	\$ 10,811
Amortised cost		
Cash and cash equivalents	1,622,607	1,564,570
Notes and accounts receivable	113,245	109,390
Other receivables	8,339	9,483
Guarantee deposits paid	7,187	6,308
Total	<u>\$ 1,762,313</u>	<u>\$ 1,700,562</u>
<u>Financial liabilities</u>		
Amortized cost		
Notes and accounts payable	\$ 153,812	\$ 178,208
Other payables	98,995	84,507
Lease liabilities	134,385	17,006
Total	<u>\$ 387,192</u>	<u>\$ 279,721</u>

(2) Fair value of financial instruments

(A) Fair value of financial instruments that are not measured at fair value

Among the financial assets and financial liabilities that are not measured at fair value, the management of the Company considers that there is no significant difference between the carrying amounts and the fair values.

(B) Fair value as recognized in the balance sheet

According to IFRS, the Company's fair values of the assets or liabilities are estimated based on the fair values assessed by major market participants. Considering the fair value assumptions of market participants, the observable fair value measurements can be divided into the following three levels:

- (a) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

- (c) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- (d) For the assets and liabilities recognized in the financial statements on a repetitive basis, the classification is re-evaluated at the end of each reporting period to determine whether there is a transfer between the levels of the fair value hierarchy.
- (e) The Company has no financial assets or liabilities that are measured at fair value on a non-repetitive basis. The financial assets and liabilities measured at fair value on a repetitive basis are presented below:

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Funds	\$ 10,935	\$ —	\$ —	\$ 10,935
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	\$ —	\$ —	\$ —	\$ —
	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Funds	\$ 10,811	\$ —	\$ —	\$ 10,811
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	\$ —	\$ —	\$ —	\$ —

For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

There were no purchases and disposals for assets on Level 3 for the years ended December 31, 2023 and 2022, respectively.

(C) Valuation techniques and assumptions used in fair value measurement

The fair values of financial assets and financial liabilities are determined as follows: Monetary funds are closed-end funds with standard terms and conditions; investors may request the fund management companies for redemption at any time, and the fair values are based on the net values of the funds.

(D) Financial assets and liabilities which are not measured at fair value, but the fair values need to be disclosed: None.

(3) Financial risk management objectives

The Company objectives of financial risk management are to manage its exposure to currency risk, interest rate risk, credit risk and liquidity risk related to the operating activities. To reduce the related financial risks, the Company engages in identifying, assessing and avoiding the market uncertainties with the objective to reduce the potentially adverse effects on its financial performance by the market change.

The Company's major financial activities are reviewed by the board of directors in accordance with the related regulations and internal control system. During the financial plan execution period, the Company must comply with the financial operation procedures related to overall financial risk management and accrual basis.

(4) Market risk

The Company is exposed to the market risks arising from changes in foreign currency rates and interest rates, and not utilizes derivative financial instruments to reduce the related risks.

(A) Foreign currency risk

The Company's operating activities and investment in foreign are mainly denominated in foreign currencies and exposed to foreign currency risk. The Company did not engage in any hedging.

The Company's sensitivity analysis to foreign currency risk mainly focuses on the net foreign currency assets and liabilities monetary items at the end of the reporting period.

The significant financial assets and liabilities denominated in foreign currencies were as follows:

	December 31, 2023			
	Foreign currencies	Exchange Rate	Book Value (NTD)	Sensitivity analysis (Variance 1%) Effect on profit or loss
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 4,813	30.705	\$ 150,947	\$ 1,509
EUR	230	33.98	7,807	78
<u>Non-monetary items</u>				
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	1,930	30.705	61,380	614
<u>Non-monetary items</u>				
	—	—	—	—

December 31, 2022				
	Foreign currencies	Exchange Rate	Book Value (NTD)	Sensitivity analysis (Variance 1%) Effect on profit or loss
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 3,893	30.71	\$ 119,716	\$ 1,197
EUR	200	32.72	6,536	65
<u>Non-monetary items</u>				
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	2,201	30.71	68,497	685
<u>Non-monetary items</u>				

(B) Interest rate risk

Interest rate risk refers the risk caused by the change in the fair value of financial instruments as a result of change of the market interest rate. The interest rate risk of the Company is mainly from the floating-rate time deposit investment. As the current market interest rate is already low, it is expected that there is no significant interest rate risk, and therefore the Company is not engaged in any hedging.

Regarding the sensitivity analysis of the interest rate risk, the calculation is made according to the amount of changes in fair value of fixed income investment at the end of the report period. If the interest rate increased or decreased by 0.25%, the Company's profit or loss for the years ended December 31, 2023 and 2022 would increase or decrease \$3,782 thousand and \$3,828 thousand respectively.

(C) Other price risk

The Company is exposed to equity instrument price risk arising from financial assets at fair value through profit or loss, mandatorily measured at fair value. Except for investments made through venture capital funds, all other major equity investments are to be approved by the board of directors of the Company in advance.

The sensitivity analysis for the equity instruments is based on the change in fair value as of the reporting date. Assuming a hypothetical increase/ decrease of 5% in prices of the equity investment at the end of the reporting period for the years ended December 31, 2023 and 2022, the income would have increased /decreased by \$547 thousand and \$541 thousand, respectively.

(5) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from operating activities, primarily accounts receivable, and from financing activities, of fixed-income deposits investments. Credit risk is managed separately for business related and financial related exposures.

(A) Business related credit risk

In order to maintain its quality of accounts receivable, the Company has set up operation related credit risk management procedure.

The individual customer risk assessment covers the factors of an individual customer's financial status and credit rating agency's ratings, the Company's internal credit ratings and historical transaction records and current economic status, etc. which may affect customer's solvency capacity. In addition, the Company will also use some credit enhancement instruments, such as advance sales receipts and accounts receivable insurance, etc., at an appropriate time to reduce the credit risk of some specific customers. The management of the Company has delegated a person responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts.

As of December 31, 2023 and 2022, the Company's top ten customers accounted for 27.52% and 38.29% of accounts receivable, respectively. The Company believes the concentration of credit risk is insignificant for the remaining accounts receivable.

(B) Financial credit risk

The credit risk of bank deposits, fixed income investments and other financial instruments is measured and monitored by the Company's financial department. The Company's transaction counterparts and contract performance parties are the financial institutions with good credit, and the Company has diversified its risk by dealing with multiple financial institutions, so there shall be no significant credit risk caused by too much concentration on some financial institutions and no significant doubt about contract performance. As such, the Company shall have no material credit risk.

(6) Liquidity risk management

The Company's goal in managing liquidity risk is to control capital expenditures and working capital.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	December 31, 2023			
	Less Than 1 year	1-5 year	Over 5 year	Total
<u>Non-derivative financial liabilities</u>				
Notes and accounts payable	\$ 153,806	\$ —	\$ 6	\$ 153,812
Other payables	98,995	—	—	98,995
Lease liabilities	25,510	99,098	18,435	143,043
Subtotal	278,311	99,098	18,441	395,850
<u>Derivative financial liabilities</u>				
Total	\$ 278,311	\$ 99,098	\$ 18,441	\$ 395,850

	December 31, 2022			
	Less Than 1 year	1-5 year	Over 5 year	Total
<u>Non-derivative financial liabilities</u>				
Notes and accounts payable	\$ 178,202	\$ —	\$ 6	\$ 178,208
Other payables	84,507	—	—	84,507
Lease liabilities	14,503	2,682	—	17,185
Subtotal	277,212	2,682	6	279,900
<u>Derivative financial liabilities</u>				
Total	\$ 277,212	\$ 2,682	\$ 6	\$ 279,900

27. RELATED PARTY TRANSACTIONS

(1)	Related party name and categories	Related Party Categories
	PLANET INTERNATIONAL INC.	Subsidiary
	Directors, general managers, vice general managers across the board	The Company's major management executives

(2) Significant transactions and balances with related parties : None.

(3) Compensation of key management personnel

The compensation to directors and other key management personnel compensation comprised:

	For the Year Ended December 31	
	2023	2022
Short-term benefits	\$ 18,509	\$ 16,192
Post-employment benefits	118	86
Total	\$ 18,627	\$ 16,278

(A)The compensation to directors and other key management personnel were determined by the Compensation Committee of the Company in accordance with the individual performance and the standard level of the industry.

(B)The 2023 surplus earnings distribution proposal of the Company has not been approved by the board of directors as of the date of issuance of the financial statements.

(C)For more detailed information, please refer to the contents of the annual report of the shareholders' meeting.

28. PLEDGED ASSETS: None.

29. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS:
None.

30. SIGNIFICANT DISASTER LOSS: None.

31. SUBSEQUENT EVENTS:

The Company's board of directors approved the proposed investment in JiaTech International Investment CO., LTD. in December 2023. The investment of NT\$50 million was paid in January 2024, and 10% of the equity and one director seat were obtained.

32. OTHER:

Non-cash transactions.

Investing activities with partial cash payments :

	For the Year Ended December 31	
	2023	2022
Purchase of property ,plant and equipment	\$ 11,743	\$ 8,155
Add : Beginning balance of payable for equipment	199	232
Less : Ending balance of payable for equipment	(2,805)	(199)
Cash paid during the period	<u>\$ 9,137</u>	<u>\$ 8,188</u>

33. ADDITIONAL DISCLOSURES

(1) Information on significant transactions:

(A) Financing provided to others: None;

(B) Endorsements/guarantees provided: None;

(C) Marketable securities held (excluding investment in subsidiaries, associates and joint controlled entities): Please see Table 1 attached;

(D)Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: None;

(E) Acquisition of individual real estate at costs of at least NT \$300 million or 20% of the paid-in capital: None;

- (F) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None;
 - (G) Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: None;
 - (H) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None;
 - (I) Information about the derivative instruments transaction: None;
 - (J) Other: Intercompany relationships and significant intercompany transactions: None.
- (2) Information on investees:
- (A) Names, locations, and related information of investee companies: Please see Table 2 attached;
 - (B) Significant transactions information: None.
- (3) Information on investment in Mainland China: None.
- (4) Information of major shareholders: list of all shareholders with ownership of 5% or greater showing the names and the number of shares and percentage of ownership held by each shareholder: Please see Table 3 attached.

34. SEGMENT INFORMATION

The Company has provided the operating segments disclosure in the consolidated financial statements.

TABLE 1

MARKETABLE SECURITIES HELD

Amount in Thousands of New Taiwan Dollars

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	December 31, 2023				Note	
				Shares/Units	Carrying Value	Percentage of Ownership	Fair Value		
Planet Technology Corporation	Money market fund	Fuh Hwa Money Fund	—	Current financial assets at fair value through profit or loss	218,437.60	\$ 3,230	—	\$ 3,230	Note1
	"	Yuanta Wan Tai Money Market Fund	—	"	210,029.60	3,267	—	3,267	"
	"	Eastspring Investments Well Pool Money Market Fund	—	"	317,883.00	4,438	—	4,438	"
	Stock	PLANET INTERNATIONAL INC.	Invested companies evaluated by equity method	Investments accounted for using equity method	100,000.00	3,347	100.00	3,347	
	"	ESSENCE TECHNOLOGY SOLUTION INC.	—	Non-current financial assets at fair value through profit or loss	42,000.00	—	1.56	—	

Note1: The market price is the net value of December 31, 2023.

TABLE 2

INFORMATION ON INVESTEES

Amount in Thousands of New Taiwan Dollars, United States Dollars

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment		Balance as of December 31, 2023			Net Income (Losses) of the Investee	Shares of Profits/Losses of Investee	Notes
				December 31, 2023	December 31, 2022	Shares	Percentage of ownership	Carrying value			
Planet Technology Corporation	PLANET INTERNATIONAL INC.	Samoa	International trade business	US\$ 100,000	US\$ 100,000	100,000	100%	\$ 3,347	\$ 101	\$ 101	Notes

Notes : The investment income (loss) is recognized based on the investee's financial statements that were audited and attested by parent company's CPA for the year ended December 31, 2023.

TABLE 3

Information of major shareholders

Shareholders	Shares	Total Shares owned	Ownership Percentage
Puyan Investment Co., Ltd		16,856,237	26.97%
CHEN, CHING-KANG		4,211,978	6.74%

STATEMENT OF CASH AND CASH EQUIVALENTS

DECEMBER 31, 2023

Item	Description	Amount
Cash on hand		\$ 170
Savings accounts	Included USD 659,205.68	109,572
	EUR 69,724.27	
	CNY 5,175,070.97	
Time deposits	Included USD 1,600,000	1,512,865
	EUR 160,000	
Total		\$ 1,622,607

Exchange rate : USD \$1 = NT\$ 30.705

EUR\$1 = NT\$ 33.98

CNY\$1 = NT\$ 4.327

STATEMENT OF CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT

OR LOSS

DECEMBER 31, 2023

Name of securities	Description	Units (thousand)/ bonds/ shares (thousand)	Par Value	Amount	Rate (%)	Cost	Fair Value		Note
							Unit Price (NTD)	Amount	
Fuh Hwa Money Fund	Money market fund	218,437.6	—	\$ 2,994	—	\$ 2,994	14.7884	\$ 3,230	
Yuanta Wan Tai Money Market Fund	"	210,029.6	—	3,000	—	3,000	15.5532	3,267	
Eastspring Investments Well Pool Money Market Fund	"	317,883	—	4,093	—	4,093	13.9628	4,438	
Subtotal		746,350.2		\$ 10,087	—	\$ 10,087		\$ 10,935	
Add : valuation adjustment						848			
Total						\$ 10,935			

STATEMENT OF ACCOUNTS RECEIVABLE

DECEMBER 31, 2023

Client Name	Description	Amount	Note
Client A		\$ 12,162	
Client B		10,007	
Client C		7,289	
Client D		7,062	
Client E		6,816	
Others	The amount of individual item in others does not exceed 5% of the account balance	70,007	
Total		113,343	
Less: Loss allowance		(108)	
Net		\$ 113,235	

STATEMENT OF OTHER RECEIVABLES

DECEMBER 31, 2023

Item	Description	Amount	Note
Tax refund receivable		\$ 7,752	
Interest receivable		587	
Total		\$ 8,339	

STATEMENT OF INVENTORIES

DECEMBER 31, 2023

Item	Description	Cost	Net Realizable Value	Note
Raw material		\$ 60,829	\$ 62,166	
Work in process		51,348	93,553	
Finished goods		170,168	310,035	
Total		282,345	\$ 465,754	
Less: The allowance for inventory devaluation losses		(4,179)		
Net		\$ 278,166		

STATEMENT OF PREPAYMENTS

DECEMBER 31, 2023

Item	Description	Amount	Note
Prepaid rents		\$ 144	
Prepaid insurance premiums		2,163	
Others		4,941	
Total		\$ 7,248	

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD

FOR THE YEAR ENDED DECEMBER 31, 2023

Name of Securities	As of January 1, 2023		Additions		Decrease		As of December 31, 2023		Fair value / Net assets value		Collateral	Note
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Unit Price (NT\$)	Amount		
PLANET INTERNATIONAL INC.	100,000	\$ 3,246	—	\$ 101	—	—	100,000	\$ 3,347	—	\$ 3,347	—	Note

Note : Including investment gain recognized under equity method amount to \$101 thousand .

STATEMENT OF CONTRACT LIABILITIES

DECEMBER 31, 2023

Item	Description	Amount	Note
ClientM		\$ 7,017	
ClientN		5,598	
ClientO		5,258	
ClientP		4,021	
Others	The amount of individual item in others does not exceed 5% of the account balance	15,302	
Total		\$ 37,196	

STATEMENT OF NOTES PAYABLE

DECEMBER 31, 2023

Item	Description	Amount	Note
Vendor F		\$ 5,351	
Vendor G		4,463	
Vendor H		3,434	
Vendor I		3,198	
Others	The amount of individual item in others does not exceed 5% of the account balance	43,860	
Total		\$ 60,306	

STATEMENT OF ACCOUNTS PAYABLE

DECEMBER 31, 2023

Item	Description	Amount	Note
Third Parties			
Vendor J		\$ 12,834	
Vendor K		12,449	
Vendor L		7,186	
Others	The amount of individual item in others does not exceed 5% of the account balance	61,037	
Total		\$ 93,506	

STATEMENT OF OTHER CURRENT LIABILITIES

DECEMBER 31, 2023

Item	Description	Amount	Note
Temporary credits		\$ 38	
Receipts under custody	Employees' payroll taxes, labor insurance and health insurance	2,208	
Total		\$ 2,246	

STATEMENT OF NET OPERATING REVENUE

FOR THE YEAR ENDED DECEMBER 31, 2023

Item	Amount	Note
Sales revenue	\$ 1,847,263	
Less: Sales returns	(2,531)	
Sales discounts and allowances	(61)	
Net operating revenue	\$ 1,844,671	

STATEMENT OF OPERATING COSTS

FOR THE YEAR ENDED DECEMBER 31, 2023

Item	Amount	
	Subtotal	Total
Raw material		\$ 629,308
Balance, beginning of year	\$ 72,884	
Add: raw material purchased	619,905	
Gain on physical inventory	71	
Less: transferred to manufacturing operating expenses	(1,478)	
Cost of goods sold-by-product	(1,245)	
Raw material, end of year	(60,829)	
Direct labor		23,048
Manufacturing expenses		129,336
Manufacturing cost		781,692
Add: work in process, beginning of year		49,425
Work in process purchased		41,429
Less: work in process, end of year		(51,348)
Cost of goods sold-by-product		(3,176)
transferred to manufacturing operating expenses		(758)
Add: other		227,317
Cost of finished goods		1,044,581
Add: finished goods, beginning of year		131,627
Less: finished goods, end of year		(170,168)
transferred to manufacturing operating expenses		(448)
Loss on physical inventory		(2)
Add: Cost of goods sold-by-product		4,421
other		500
Less: Gain on physical inventory		(69)
Total		\$ 1,010,442

STATEMENT OF MANUFACTURING EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

Item	Description	Amount	Note
Wages and salaries		\$ 10,482	
Depreciation		5,982	
Processing cost		104,349	
Others expense	The amount of individual item in others does not exceed 5% of the account balance	8,523	
Total		\$ 129,336	

STATEMENT OF SELLING EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

Item	Description	Amount	Note
Wages and salaries		\$ 38,074	
Advertisement expense		14,742	
Insurance expense		6,354	
Depreciation		7,116	
Export expense		7,146	
Others expense	The amount of individual item in others does not exceed 5% of the account balance	11,800	
Total		\$ 85,232	

STATEMENT OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

Item	Description	Amount	Note
Wages and salaries		\$ 40,358	
Depreciation		4,685	
Professional service		5,913	
Others expense	The amount of individual item in others does not exceed 5% of the account balance	9,550	
Total		\$ 60,506	

STATEMENT OF RESEARCH AND DEVELOPMENT EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2023

Item	Description	Amount	Note
Wages and salaries		\$ 74,116	
Depreciation		8,664	
Insurance expense		5,342	
Others expense	The amount of individual item in others does not exceed 5% of the account balance	14,033	
Total		\$ 102,155	

VI. If the Company and its affiliated enterprises encounter financial turnover difficulties in the last year and as of the date of publication of the annual report, their impact on the financial position of the Company should be specified: N/A

Seven: Review and analysis of financial position and financial performance and risk assessment

I. Financial position

Unit: NT\$ Thousand

Items \ Year	2022	2023	Differences	
			Amount	%
Current assets	1,956,216	2,043,960	87,744	4.49%
Real estate, plant and equipment	10,255	16,294	6,039	58.89%
Intangible assets	2,327	2,308	(19)	(0.82%)
Other assets	26,117	144,516	118,399	453.34%
Total assets	1,994,915	2,207,078	212,163	10.64%
Current liabilities	437,367	433,397	(3,970)	(0.91)%
Non-current liabilities	6,502	116,030	109,528	1,684.53%
Total liabilities	443,869	549,427	105,558	23.78%
Share capital	625,010	625,010	0	0.00%
Capital reserve	11,202	11,202	0	0.00%
Retained earnings	914,834	1,021,439	106,605	11.65%
Total shareholders' equity	1,551,046	1,657,651	106,605	6.87%

Note: Specify the main reasons and impact of significant changes in the assets, liabilities and shareholders' equity of the Company in the past two years (with more than 20% of changes in the early and later stages and the amount of change reaching NT\$10 million). If the impact is significant, specify the future response plan:

Increase in other assets and non-current liabilities: The office lease contract expired in the third quarter of 2023 and was renewed with the addition of two floors leased, so the right-of-use assets and lease liabilities increased synchronously.

Increase in total liabilities: Due to an increase in non-current liabilities as the office lease contract expired in the third quarter of 2023 and was renewed with the addition of two floors leased.

II. Financial performance

(I) Main reasons for significant changes in operating revenue, net operating profit and net profit before tax in the past two years

Unit: NT\$ Thousand

Year Items	2022	2023	Increase or decrease amount	Change ratio (%)
Net operating revenue	1,720,031	1,884,671	164,640	9.57%
Net operating profit	513,554	586,302	72,748	14.17%
Net profit before tax	536,811	616,861	80,050	14.91%
The Company's operating revenue for 2023 increased compared to 2022, so both the net operating profit and net profit before tax increased.				

(II) Sales quantity and its basis, potential impact on the Company's future financial operations and response plan:

There was no financial forecast in the Company, so they are not applicable.

III. Cash flows

(I) Analysis of changes in cash flows in the last year

Year Items	2022	2023	Increase/ decrease ratio
Cash flow ratio	113.43%	108.45%	(4.98)%
Cash flow adequacy ratio	124.45%	124.40%	(0.05)%
Cash reinvestment ratio	12.71%	3.86%	(8.85)%
Analysis of changes in the increase/decrease ratio: Decrease in the cash reinvestment ratio: Mainly due to the increase in right-of-use assets and cash dividends distributed for 2023, resulting in a decrease in the cash reinvestment ratio.			

(II) Analysis of cash liquidity for the next year: The Company has always been focused on its own business and continues to make profits, so the Company still has adequate cash.

IV. Impact of significant capital expenditures in the last year on financial operations: None.

V. Reinvestment policies for the last year, main reasons for its profit or loss, improvement plan and investment plan for the next year: There was no new reinvestment in the Company in 2023, and the Company plans to make reinvestment in strategic alliances in 2024.

VI. Analysis and assessment of the following risks for the last year and as of the date of publication of the annual report:

(I) Impact of interest rate, exchange rate fluctuations and inflation on the Company's profits and losses and future response measures:

1. Interest rate: The global economic growth slowed down in 2023 due to the intensification of inflation resulting from a significant increase in global energy and grain prices after the

Russia-Ukraine War. In order to curb inflation, central banks of various countries have raised interest rates many times, leading to a tightening of the global financial environment, while domestic interest rate fluctuations remain relatively stable compared to global ones. However, in order to respond to global trends, central banks continued to raise interest rates by 0.125 percentage points in March 2023. The Company has no external loans and only has fixed deposits in terms of investment, so the Company raised its interest rate to increase its interest income and achieve higher rates of return; for the sensitivity analysis of interest rate risk, if the interest rate rises/decreases by 0.25 percentage points, the profits and losses for 2023 and 2022 will increase/decrease by NT\$3,790 thousand and NT\$3,835 thousand respectively, which has little impact on the operations and profits and losses of the Company.

2. Exchange rate: The Company's products are mainly exported, with sales covering various parts of the world. Some high-end critical spare parts are also imported from abroad, so exchange rate fluctuations have a certain impact on the Company's costs and profits.

In 2023, the Company earned a profit of NT\$3,057 thousand due to the overall depreciation of the Taiwan dollar, and the risk of exchange rate fluctuations is still under control. The specific response measures are as follows:

- (1) For the holding of foreign currencies other than the US dollar, the Company holds different currencies according to its actual needs to diversify the risk of currency concentration.
- (2) The Company considers the impact of exchange rate fluctuations on product pricing, ensures its reasonable profits and pays for manufacturers' goods in weak currencies using the natural hedging method to reduce exchange rate shocks.
- (3) The financial department closely grasps the direction and information of exchange rate fluctuations, maintains close contact with major correspondent banks, obtains exchange rate information from correspondent banks every hour on the hour, flexibly converts foreign currencies to the New Taiwan Dollar based on exchange rate fluctuations to meet funding needs.
- (4) When necessary, the Company uses a foreign exchange hedging tool to reduce exchange rate risk.

3. Inflation: The fluctuation of global raw material prices has a certain impact on the Company, and the specific response measures are as follows: Keep abreast of market changes at all times, maintain good interaction with suppliers and customers, increase the use of alternative materials and third parties with whom the Company cooperates, flexibly adjust purchase and sales strategies, develop high-end products, improve product differentiation and increase gross profit to respond to the impact of inflation.

(II) Policies for engaging in high-risk and highly leveraged investments, lending funds to others, providing guarantees by endorsement and conducting derivatives trading, main reasons for profit or loss and future response measures:

1. The Company did not engage in high-risk and highly leveraged investments, nor did the Company lend funds to others, provide guarantees by endorsement or conduct derivatives trading in 2023.
2. The Company establishes the “Operational Procedures for Lending Funds to Others”, “Operational Procedures for Providing Guarantees by Endorsement” and “Procedures for Acquisition or Disposal of Assets” according to the regulations of competent authorities.

(III) Future R&D plan and expected R&D expenses:

The Company adheres to the principle of using IP (Internet Protocol) as the core of product development technology, attaches importance to sustainable development (ESG) and is committed to creating a full range of network devices that meet the needs of network infrastructure at all levels in the face of the current Internet of Things, industrial Internet of Things, Internet of Vehicles and AI applications on Intelligent Internet of Things. Product R&D not only focuses on intelligent management and green energy conservation, but also emphasizes the stability and security of communication transmission design. The scope of product services covers enterprises, telecommunications, home automation networks and public digital networks, providing an improvement in network communication efficiency for harsh industrial environments such as intelligent transportation, intelligent manufacturing and intelligent factories. Through regular product R&D meetings, the R&D team grasps market demand and product trends and stimulates innovative R&D directions to practice sustainable development.

The R&D plan is as follows:

- (1) Continue to independently develop central system platforms and management platforms, including NMS management platforms and cloud management platforms, establish a core network management architecture, strengthen the Company's product development flexibility, reduce the impact and risks of upstream and downstream or international economic and trade changes on the supply chain, and consolidate the foundation for sustainable growth.
- (2) Actively lay out 10G products with a high number of ports in accordance with industrial and commercial specifications and time-sensitive network switching equipment, expand industrial grade network modular transmission equipment with a high number of ports and high bandwidth, develop automation control equipment under cross communication protocol, provide future scalable bandwidth for medium and large enterprises, telecommunications, cloud data centers and smart transportation, smart city public construction, Industrial Internet of Things (IIoT) and Intelligent Internet of Things (AIoT), and build next-generation networks.
- (3) Implement comprehensive energy management, launch a series of renewable energy product solutions, and provide efficient network construction solutions for enterprise integrated network, energy and carbon emissions management by combining Ethernet power supply management, computer room power management, IoT power supply and environmental management and other product lines.
- (4) Launch 5G, 6G, Wi-Fi 6, Wi-Fi 6E, Wi-Fi 7 commercial, industrial and vehicle routers, wireless and Ethernet power supply, low power wide-area wireless Internet of Things and other devices, provide

massive IoT terminal device connectivity, and lay out a complete solution for broadband wireless transmission by combining edge computing and cloud management platform equipment.

- (5) Respond to the trend of AI applications, continue to increase the number of network connection devices, develop advanced intelligent Central Management Platform, and enhance network management efficiency through differentiated and user-friendly management interfaces and mobile management design.

It is expected that the R&D expenses throughout 2024 will account for 5.5% to 7.5% of the revenue.

- (IV) Impact of changes in important domestic and foreign policies and laws on the Company's financial operations and response measures:

The Company keeps abreast of changes in domestic and foreign policies and laws at all times and responds promptly. The management also keeps an eye on the development of domestic and foreign policies and changes in relevant laws, consults relevant experts for advice when necessary, and takes appropriate response measures to meet the operational needs of the Company.

- (V) Impact of technological changes (including information security risks) and industrial changes on the Company's financial operations and response measures:

The Company continues to pay attention to collecting and analyzing market and technological development changes of network communication products related to the Company's products in order to reduce the impact of technological changes. Meanwhile, the Company also actively invests in the development of new products, continuously innovates digital network transmission technology and equipment, develops products based on the principle of green energy, grasps the market demand for intelligent network applications and is committed to innovating and developing high-quality and high value-added network communication devices and solutions. As of the date of publication of the annual report, technological changes and industrial changes did not have a significant impact on the Company's financial operations.

The Company has established a complete information security management system to ensure the activities and services of information security and to avoid any impact or influence on the Company. For information security risk management operations, please refer to [Page 211 to 213](#). As of the date of publication of the annual report, there were no major information security risk accidents in the Company.

- (VI) Impact of corporate image change on corporate crisis management and response measures:

Adhere to the principles of integrity, excellence, altruism, innovation and sustainability, continuously implement sustainable governance in the long term, strengthen communication with stakeholders, establish a sustainable supply chain, strive to practice the mission of net-zero emissions and corporate citizenship, and work towards sustainable development of the enterprise.

In 2023, the Company's consolidated revenue exceeded NT\$1.8 billion, with a gross profit margin of 45% and an EPS after tax of NT\$8.12, all achieving the best results in 21 years of trading over the counter. In 2023, the Company once again won the first place in the backbone

enterprise group of the World Sustainable Citizen Award, creating an excellent record of being listed as one of the world's top 100 most sustainable companies for 17 consecutive years. The Company has been awarded the title of the top 5% excellent OTC companies award in the 9th Corporate Governance Evaluation for the sixth time and the top 5% excellent listed companies with a market value of more than NT\$5 billion to NT\$10 billion, and it has also been awarded multiple honors such as the Sustainability Report Platinum Award from Taiwan Corporate Sustainability Awards and the Sports Enterprise Certification. The brand value of PLANET Technology has been enhanced, and the foundation for sustainable development of the enterprise has become more solid.

- (VII) Expected benefits from mergers and acquisitions, potential risks and response measures: The Company does not have any merger and acquisition plans.
- (VIII) Expected benefits from expanding factory buildings, potential risks and response measures: The Company's factory buildings have been leased for 27 years, and the Company has a long-term partnership with the landlord, so the Company has no concerns about factory buildings.
- (IX) Risks faced by centralized purchases or sales and response measures: The Company actively diversifies the risks of purchases from manufacturers and sales to customers. In 2023, the rate of the top ten risks of purchases from manufacturers was less than 50%, and the rate of the top ten risks of sales to customers was less than 30%, indicating that the Company has fully diversified the risks, so the Company does not have any concentrated risk.
- (X) Impact of transfer or replacement of a large number of shares by directors, supervisors or major shareholders holding more than 10% of the total shares on the Company, risks and response measures: There was no transfer or replacement of a large number of shares by the Company's directors or major shareholders holding more than 10% of the total shares.
- (XI) Impact of changes in management rights on the Company, risks and response measures: The equity structure of the Company is stable, and all top executives have more than ten years of seniority. There is no risk of any change in management rights, and any directors, managers and major shareholders hold shares every month and declare public information observation stations.
- (XII) For litigation or non-litigation events, the Company should specify any major litigation, non-litigation or administrative disputes related to the Company and its directors, supervisors, general manager, substantive responsible persons and major shareholders holding more than 10% of the total shares and affiliated companies that have been determined by judgment or are still under investigation. If their outcome may have a significant impact on shareholders' equity or securities prices, the disputed facts, target amount, start date of litigation, main parties involved in litigation and the handling up to the date of publication of the annual report should be disclosed: None.
- (XIII) Other significant risks and response measures:
Assessment of information security risks and response measures:
1. The Company's Information Security Management Office has 6 employees who are specifically responsible for hardware and software development and information security and

monitoring. Information security policies include preventing computer virus intrusion, preventing hacker intrusion, preventing information leakage and internal audit operations. The Information Security Management Office assesses information security risks at the end of each year and proposes information management plans for the following year to meet operational and information security needs.

2. The Company evaluates the information security management system at least once a year or re-evaluates it when there are significant changes in the Company. The evaluation results are submitted at the management review meeting and appropriately revised to control and reduce information security risks.
3. The Company attaches great importance to information security management and reported the implementation situation to the Board of Directors on December 20, 2023, and effects "Information Data Security Liability Insurance" every year and strives to obtain comprehensive information security protection for the Company.
4. The information security policy management plan is as follows:
 - (1) Preventing computer virus intrusion: The Company's computers are equipped with fully functional antivirus software. The Company's information personnel check system security every day and update virus signature versions to prevent computer virus intrusion.
 - (2) Preventing hacker intrusion: The Company's network system is equipped with a robust firewall mechanism, which can not only provides basic spam protection, but also effectively identify and isolate threatening or suspicious emails to protect clients from phishing emails to obtain confidential data. However, information security is constantly changing. In addition to constantly monitoring the network for abnormalities, information personnel also personally inspect computer rooms every day to ensure the normal operation of information equipment in the computer rooms, and they also back up data on hard drives every week and send it to a bank safe deposit box for access and provide external backup to prevent data damage caused by major disasters.
 - (3) Preventing information leakage: For personal information, each employee of the Company has a dedicated system account and password. Any application for an account by new employees must be approved by the relevant responsible supervisor and information supervisor. After an employee resigns, information personnel will change/delete the employee's account in accordance with regulations. The Company's password should not be queried by any persons other than password administrator and information supervisor without authorization, and all employees must change their passwords every year; for the Company's confidential information, each employee of the Company has signed a non-disclosure agreement and is strictly prohibited from disclosing the Company's business secrets. Moreover, each computer is equipped with device management, and any employees other than supervisors and information personnel are not allowed to use external storage devices; the Company regularly organizes information security advocacy every year to strengthen employees' awareness

of information security risks, and has a robust firewall mechanism, which can not only provide basic spam protection, but also effectively identify and isolate threatening or suspicious emails to protect clients from phishing emails to obtain confidential data. The Company has established the "Major Information Processing Management Measures" and established an internal major information processing and disclosure mechanism, which can not only avoid improper information leakage, but also ensure the consistency and accuracy of information published by the Company to the outside world.

- (4) The Company introduced ISO 27001 in December 2021 and established information security objectives in compliance with the ISO 27001 international standard to avoid improper use, leakage, tampering and destruction of information caused by human errors, natural disasters and other factors, which may bring various possible risks and hazards to the Company. In May 2022, the Company passed the ISO 27001:2013 information security management system certification, which is valid from June 24, 2022 to June 15, 2025.

In 2023, the Company did not experience any major events that impacted its operations or infringed upon customer privacy rights.

- (5) Internal audit operations: In order to strictly implement measures related to information security, the Company's internal audit items include not only "computerized information circulation" but also "information management operation audit". All indicators that affect information security such as password control, file and equipment security control, computer room management and data backup management are audited every year. As of 2023, no abnormalities were found in the audit results, and the audit results were reported to the Board of Directors.
- (6) Processing of significant information: The Company has established clear standards for the severity of information security incidents in the "Management Measures for Processing of Significant Information". If the Company's core information communication system, official website or confidential file data are invaded, damaged, tampered with, deleted, encrypted, stolen or subjected to service interruption attacks, rendering it unable to operate or provide services normally, or if there is a leakage of personal information, a significant information should be released. There were no major information security incidents in the Company in 2023.

Organization and operation of risk management

On December 22, 2020, the Company established a Risk Management Committee which is a functional committee of the Board of Directors to reduce its operational risks and implement corporate governance. On May 24, 2023, the Board of Directors passed a resolution appointing members of the second Risk Management Committee, which consists of two independent directors and chief financial officer and is the responsible unit for implementing risk management. The convener of the committee, Huang Xinxian, possesses legal expertise and meets the professional abilities required by this committee. To implement the sustainable development action plan for listed and OTC companies, the Risk Management Committee

holds at least two meetings of the Risk Management Committee every year to review various policies and implementation status and present them to the Board of Directors. In 2023, the Risk Management Committee reviewed and discussed the Company's climate-related financial disclosure (TCFD) report, annual audit plan, IFRS regulations and trends and other issues, and risk monitoring was carried out by the audit office to ensure the effectiveness of risk management. The term of office of the members of the Risk Management Committee is the same as that of the appointed Board of Directors.

On December 21, 2022, in accordance with the "Code of Practice for Risk Management of Listed and OTC Companies", the Company renamed the "Risk Management Committee Regulations" to the "Organizational Regulations of the Risk Management Committee" and revised relevant content, and added "Risk Management Policies and Procedures" to strengthen risk management, enhance crisis response capabilities, achieve risk control goals and lay the foundation for sustainable business operations.

The Company has established an "Internal Control System", "Implementation Rules for Internal Audit", "Organizational Regulations of the Risk Management Committee" and "Risk Management Policies and Procedures", all revisions of which must be approved by the Board of Directors, and the Company has an internal audit office, which is directly responsible to the Board of Directors and assists the Board of Directors and management in supervising various internal systems and processes and can provide timely improvement suggestions in addition to ensuring the implementation of annual audit plans and ensuring the effectiveness of internal control systems, reliability of financial reporting and compliance with relevant laws and regulations.

1. Risk management policies and procedures

For the Company's risk management policies and procedures, after consideration of the overall size, business characteristics, risk nature and operational activities of the Company and its subsidiaries, the Company has formulated applicable risk management policies and procedures, covering the following items:

- (1) Risk management objectives
- (2) Risk governance and culture
- (3) Organizational structure and responsibilities for risk management
- (4) Risk management procedures
- (5) Risk reporting and disclosure

2. Organizational structure and responsibilities for risk management

Powers and responsibilities	Description of powers and responsibilities
Board of Directors	(1) Approve risk management policies, procedures and structures (2) Ensure consistency between operational strategy direction and risk management policies (3) Ensure that appropriate risk management mechanisms and culture have been established (4) Supervise and ensure the effective operation of the overall risk

Powers and responsibilities	Description of powers and responsibilities
	management mechanism
Risk Management Committee	<ul style="list-style-type: none"> (1) Review risk management policies, procedures and structures, and regularly review their applicability and execution efficiency (2) Assess risk appetite (risk tolerance) and guide resource allocation (3) Ensure that the risk management mechanism can fully deal with the risks faced by the Company and integrate them into daily operational processes (4) Determine the priority and risk level of risk control (5) Review the implementation of risk management, propose necessary improvement suggestions, and regularly (at least once a year) report to the Board of Directors (6) Implement risk management decisions of the Board of Directors
Operating Units	<ul style="list-style-type: none"> (1) Be responsible for risk identification, analysis, assessment and response of affiliated units, and establish relevant crisis management mechanisms when necessary (2) Develop risk appetite (risk tolerance) and establish qualitative and quantitative measurement standards (3) Regularly compile and submit reports on the implementation of corporate risk management (4) Ensure the effective implementation of risk management and related control procedures of affiliated units to comply with risk management policies

3. Risk management procedure

The Company's risk management procedure includes risk identification, risk analysis, risk assessment, risk response and supervision and review and is implemented through PDCA management measures.

Risk identification

The Company conducts a comprehensive risk analysis based on the Company's size, industry, business characteristics and operational activities and takes into account the key points of standardization in all aspects of enterprise sustainability (including climate change). The Company analyzes and identifies the sources and categories of risks applicable to the Company, defines the categories of the Company's own risks, conducts relevant detailed risk scenario identification for each risk category, and regularly reviews its applicability.

Each operating unit should identify risks in relation to the short-term, medium-term and long-term goals and business management of its affiliated units based on the Company's strategic objectives and the risk management policies and procedures approved by the Board of Directors.

Various feasible analysis tools and methods can be used for risk identification. Based on past experience and information and the consideration of internal and external risk factors and stakeholder focus, potential risk events that may lead to the inability to achieve the Company's goals or cause the Company's losses or negative impacts can be comprehensively identified based on strategic and operational risks through "bottom-up" and "top-down" analysis and discussion.

Mainly including: strategic risk, operational risk, financial risk, information risk, compliance risk, integrity risk and other emerging risks (such as climate change or infectious disease-related risks).

Risk analysis

Risk analysis mainly focuses on understanding the nature and characteristics of identified risk events and analyzing their probability of occurrence and degree of impact in order to calculate risk values based on them.

Each operating unit should consider the completeness of existing relevant control measures, past experience and industry cases for identified risk events, and analyze the probability of occurrence and degree of impact of risk events to calculate risk values based on them; develop appropriate quantitative or qualitative measurement standards as the basis for risk analysis; express qualitative measurement through written descriptions, and express the probability of occurrence and degree of impact of risk events; express the probability of occurrence and degree of impact of risk events through specific quantitative measurement of computable numerical indicators.

Risk assessment

By comparing the risk analysis results with the risk appetite, priority risk events to be addressed are determined and used as a reference for the selection of subsequent response measures to be formulated. Each operating unit should plan and implement subsequent risk response plans based on the risk analysis results and the risk appetite approved by the Risk Management Committee, in accordance with the risk level.

The relevant risk analysis and assessment results should be accurately recorded and submitted to the Risk Management Committee.

Risk response

A relevant handling plan should be formulated for risk response to ensure that relevant personnel fully understand and implement it and continuously monitor the implementation of the relevant handling plan.

The Company considers the strategic objectives of the enterprise, the perspectives of internal and external stakeholders, risk appetite and available resources to determine the risk response approach and balance risk response plans between achieving goals and cost effectiveness.

Risk supervision and review

All operating units of the Company should monitor and review the risks of their respective businesses, propose response measures, submit the risks and response

measures to the Risk Management Committee, record risk management procedures and their implementation results, and regularly report the risk status to their respective board of directors.

4. Risk management operation

The Risk Management Committee convenes at least two meetings every year. In 2023, the Risk Management Committee held a total of two meetings on April 10 and October 26, and reported to the Board of Directors on April 12 and November 3.

Date of meetings of the Board of Directors	Content	Feedback from the Board of Directors
April 12	Report on climate risk management	The management team evaluates climate-related risks and opportunities based on the governance, strategy, risk management, indicators and objectives of the climate-related financial disclosure standards (TCFD), and implements climate risk management control.
November 3	Report on IFRS regulations and trends	The management team has established a sustainability information disclosure planning schedule based on the IFRS sustainability disclosure standards to ensure smooth alignment with international sustainability and legal trends.

VII. Other significant events: None.

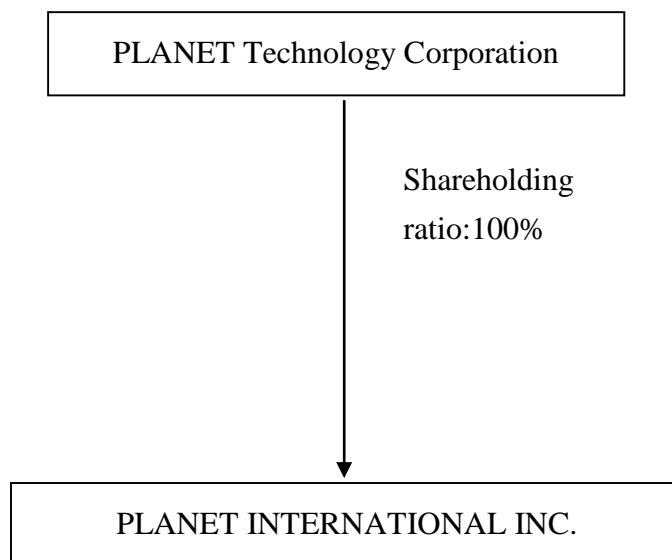
Eight: Special records

I. Information Related to PLANET's Affiliated Enterprise:

(I) Consolidated business report of affiliated enterprises

1. Organizational structure of affiliated enterprises

December 31, 2023



2. Basic information of affiliated enterprises

Unit: NT\$ Thousand December 31, 2023

Enterprise name	Date of establishment	Address	Paid-up capital	Main business or production items
Planet International Inc.	January 7, 2005 (Note)	2nd Level, Lotemau Center, Vaea Street, Apia, Samoa	3,214	International trade

Note: It is the date on which PLANET first remitted investment funds as the share capital of Planet International Inc.

3. The same shareholder data where it is assumed that there is a control and subordinate relationship: None

4. Industries covered by the overall business operations of affiliated enterprises:

The main business operated by Planet International Inc. is international trade.

5. Information on directors, supervisors and general managers of affiliated enterprises

December 31, 2023

Enterprise name	Title	Name or representative	Number of shares held	
			Number of shares (shares)	Shareholding ratio (%)
Planet International Inc.	Director	PLANET Technology Corporation: Representative:Hsu Hualing	100,000	100%

6. Overview of operations of affiliated enterprises

Unit: NT\$ Thousand December 31, 2023

Enterprise name	Capital amount	Total assets	Total liabilities	Net value	Operating revenue	Operating profit (loss)	Net profit for the period	Earnings per share (NT\$)
Planet International Inc.(Note)	3,214	3,347	0	3,347	0	-34	101	1.01

Note: Audited and certified by CPAs.

(II) Consolidated financial statements of affiliated enterprises: Refer to the consolidated financial statements of their parent company and subsidiaries in the financial overview.(Page 224~P340)

REPRESENTATION LETTER

The Companies that are required to be included in the consolidated financial statements of affiliates of Planet Technology Corporation as of and for the year ended December 31, 2023, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standards No. 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the consolidated financial statements is included in the consolidated financial statements. Consequently, Planet Technology Corporation and Subsidiaries do not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

PLANET TECHNOLOGY CORPORATION

By CHING-KANG, CHEN

Chairman

February 29, 2024

II. Handling of private equity securities:

The date of approval by the board of shareholders or Board of Directors and amount, basis and rationality of price setting, selection method of specific individuals, necessary reasons for handling private equity, private equity objects, qualifications, subscription quantity, relationship with the Company, participation in the Company's operations, actual subscription (or conversion) prices, differences between actual subscription (or conversion) prices and reference prices, impact of private equity on shareholders' equity, completion of the fund utilization plan from the receipt of the full stock payments or prices, use of private equity securities funds, progress of plan implementation and manifestation of plan benefits for the last year and up to the date of publication of the annual report which should be disclosed: None.

III. Holding or disposal of the Company's stocks by subsidiaries for the last year and up to the date of publication of the annual report: None.

IV. Other necessary supplementary information: Not applicable as the Company did not adopt hedging accounting.

Nine: Significant impact

Events that have a significant impact on shareholders' equity or securities prices for the last year and up to the date of publication of the annual report under Sub-paragraph 2, Paragraph 3 of Article 36 of the Securities Exchange Law: None.

PLANET TECHNOLOGY CORPORATION

Responsible Person CHEN, CHING-KANG