Stock Code: 8098

慶康科技股份有限公司
DURA TEK, INC.

2025 Annual Report

Printed on April 16, 2026
MOPS website: https://emops.twse.com.tw/
The Company’s annual report is available on the website: http://www.duratek.com.tw/

I. Name, title, contact number and email of the spokesperson or acting spokesperson

Name of spokesperson: Hsiu-Wen Hsieh	Title: Manager
Tel.: (06)505-3050	Email:contact@duratek.com.tw
Name of acting spokesperson: Shou-Chih Yeh	Title: Manager
Tel.: (06)505-3050	Email: contact@duratek.com.tw

II. Addresses and telephone numbers of headquarters, branches and plants

Name	Address	Tel.
Headquarters	No. 320, Sec. 1, Huandong Rd., Xinshi Dist., Tainan City	(06)505-3050
Plant	No. 320, Sec. 1, Huandong Rd., Xinshi Dist., Tainan City	(06)505-3050

III. Name, address, website, and telephone number of the stock transfer agency

Name: Shareholder Service Department, IBF Securities	Website: http://www.ibfs.com.tw/
Address: 15F., No. 188, Sec. 5, Nanjing E. Rd., Songshan Dist., Taipei City	Tel.: (02)2528-8988

IV. Names of CPAs and name, address, website and telephone number of the auditing firm that audited the financial statements for the past fiscal year

CPA: Shih-Chieh Yao and Kuo-Sen Hung	
Name of auditing firm: Ernst & Young	Address: 11F., No. 189, Sec. 1, Yongfu Rd., West Central Dist., Tainan City
Website: https://www.ey.com/	Tel.: (06)292-5888

V. Any exchanges where the Company's foreign currency securities are traded, and how to access information on said foreign currency securities:

The Company currently does not have any overseas securities listed for trading.

VI. Company website: http://www.duratek.com.tw/

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One. Report to the shareholders

Firstly, on behalf of the management team of Dura Tek Inc., we sincerely thank all shareholders for their support and concern for the Company.

I. 2025 Business Report

The Company's net operating income in 2025 was NTD 609,522 thousand, a 22% increase compared to NTD 501,197 thousand in 2024. The net profit after tax in 2025 was NTD 186,565 thousand, a 7% decrease compared to NTD 201,020 thousand in 2024. The EPS after tax for 2025 was NTD 14.74.

(I) Budget Implementation Status

The Company did not disclose its financial forecast in 2025.

(II) Analysis of financial income and expenditure and profitability:

Item		2025	2024
Financial structure	Debt to asset ratio(%)	13.73	15.43
	Long-term capital to fixed assets ratio (%)	345.31	329.19
Solvency	Current ratio (%)	781.34	545.80
	Quick ratio (%)	657.76	449.40
Profitability	Return on assets (%)	15.34	17.96
	Return on equity (%)	17.84	21.65
	Ratio of net income before tax to paid-in capital (%)	188.90	218.61
	Net profit margin (%)	30.61	40.11
	Earnings per share (NTD)	14.74	17.62

(III) Research & development status

The Company focuses on precision machining as its core technology, continuously developing to provide high-quality and value-added products and services to customers, while creating long-term and stable investment value for shareholders. Looking ahead, the competitiveness of the enterprise lies in continuous innovation and the accumulation of R&D capabilities. The Company will continue to conduct R&D on forward-looking technologies and innovative applications to further strengthen its leading position in core competitiveness.

II. Summary of the business plan for the year

(I) 2026 Business Policy

Based on the customer foundation established over the years in semiconductor components, the Company will continue to uphold the management philosophy of "innovation, professionalism, and quality." All employees will remain dedicated to strengthening core technologies and service capabilities, and to providing solid support for customers in areas such as equipment parts maintenance and process improvement. At the same time, the Company will continue to invest in new product development and quality enhancement, while actively expanding into domestic and international markets and acquiring new customers, thereby enhancing market competitiveness and driving steady growth in revenue and profitability to create long-term and stable corporate value.

(II) Expected sales volume and its basis

The Company has not issued any public financial forecast for 2026, and therefore, will not provide any expected sales volume or its basis.

(III) Major production and sales policies

In terms of production and manufacturing, the Company adopts a long-term strategic plan to establish intelligent production lines in its factories, integrating precision machining and automation control technologies to enhance overall production line efficiency. In terms of sales, the Company not only provides customers with high-precision and high-quality products, offering satisfactory components and services, but also possesses the capability for equipment design. Leveraging its integrated technological and rapid service advantages, the Company actively expands its market presence and enhances overall operational competitiveness.

III. The Company's future development strategy will be influenced by external competitive environments, regulatory environments, and the overall business environment.

After years of steady operation, the Company applied for a public offering in 2023 and was transferred to the Emerging Stock Market’s general board in 2024. All financial information and business details have been disclosed in a timely manner on the MOPS, under the supervision of all shareholders. We will continue to dedicate ourselves, adhering to our commitment to rewarding shareholders and taking care of employees. Furthermore, we will strive to further promote the Dura Tek brand, develop more market-competitive products, deepen and strengthen our core expertise, and enhance the Company's competitiveness. We look forward to the continued support and encouragement of all shareholders, allowing Dura Tek to maintain a solid foundation and continue on the path toward listing. Your encouragement is the driving force behind our development. Here, we extend our sincerest gratitude to all customers, suppliers, shareholders, and employees.

Finally, we sincerely thank all shareholders for their support and encouragement, which has enabled the smooth development of the Company's operations. We hope that shareholders will continue to provide encouragement and guidance to the management team.

Chairman: David Tu

Two. Corporate Governance Report

I. Information on Directors, the President, Vice Presidents, Assistant Vice Presidents, and Heads of Divisions and Branches

(I) Information on directors

1. Major education and experience of directors

March 30, 2026

Title	Nationality or place of registration	Name	Gender/ Age	Date of election (appointment)	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and in other companies	Other officers, directors, or supervisors with which the person has a spousal relationship or relationship within the second degree of kinship			Remarks
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	Republic of China	David Tu	Male 71-80	2023.12.22	3 years	1996.8.10	1,474,309	15.04	1,173,149	9.27	740,357	5.85	730,000	5.77	Ph.D., Department of Materials Science, State University of New York President, Asia Pacific Region, Applied Materials Inc., USA Science and Technology Consulting Sector, Executive Yuan Professor, Department of Materials, National Sun Yat-sen University	Chairman and General Manager ,DURA TEK, INC. Chairman, Cheng Ping Co., Ltd	Representative of the corporate director	Karen Hong	Spouse	Note 1
Corporate director	Republic of China	D&K Group Limited	-	2023.12.22	3 years	2023.12.22	798,722	8.15	1,031,050	8.15	-	-	-	-	-	-	Chairman	David Tu	Spouse	-
	Republic of China	Representative: Karen Hong	Female 71-80	2023.12.22	3 years	1996.8.10	2,122,867	21.66	740,357	5.85	1,173,149	9.27	3,026,050	23.92	Department of Accounting, National Taipei University of Business Chairman, D&K Group Limited Chairman, Crinkle Textile Co., Ltd.	Corporate Director Representative, DURA TEK, INC. Chairman, D&K Group Limited Vice Chairman, Crinkle Textile Co., Ltd. Chairman, Ya Shi Co., Ltd	Chairman	David Tu	Spouse	-

Title	Nationality or place of registration	Name	Gender/ Age	Date of election (appointment)	Term of office	Commencement date of first term	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions held concurrently in the Company and in other companies	Other officers, directors, or supervisors with which the person has a spousal relationship or relationship within the second degree of kinship			Remarks
							No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	Republic of China	Steve Lee	Male 71-80	2023.12.22	3 years	2023.12.22	-	-	-	-	-	-	-	-	Master of Management Science, Massachusetts Institute of Technology General Manager, Taisil Electronic Materials Corp. Chairman, China Steel Express Corporation Executive Deputy General Manager, China Steel Corporation	Independent Director, Motech Industries Inc. Independent Director, Ingentec Corporation Corporate Director Representative, M.J. International Co., Ltd. Representative of Zi Wei Investment Co., Ltd. Representative of Chia Tai Bright Global (Taiwan) Co., Ltd. Representative of Chia Tai Bright Enterprise Co., Ltd. Independent Director, DURA TEK, INC.	-	-	-	-
Independent Director	Republic of China	Tsang Sheau Lee	Male 71-80	2023.12.22	3 years	2023.12.22	-	-	-	-	-	-	-	-	PhD, Department of Material Science and Engineering, Massachusetts Institute of Technology Chairman, Ames Goldsmith Asia Pacific Inc. Director, Solar Applied Materials Technology Corp. Vice Chairman, Solar Applied Materials Technology Corp. Director, Materials and Optoelectronics Research Institute, National Chung-Shan Institute of Science and Technology	Independent Director, DURA TEK, INC.	-	-	-	-
Independent Director	Republic of China	Chien-Cheng Lin	Male 61-70	2023.12.22	3 years	2023.12.22	8,785	0.09	11,339	0.09	-	-	-	-	PhD, Department of Materials and Engineering, University of Illinois at Urbana-Champaign Professor, Department of Materials Science and Engineering, National Yang Ming Chiao Tung University	Independent Director, BizLink Holding Inc. Director, ShareGuru Intelligence Technologies Inc. Independent Director, DURA TEK, INC.	-	-	-	-

Note 1: When the positions of General Manager and Chairman are held by the same person, the reasons, rationality, necessity, and corresponding measures should be disclosed: The General Manager and Chairman of the Company are the same person. The General Manager is well-acquainted with the Company's business and industry, being the founder of the Company with over 30 years of relevant operational and management experience in the semiconductor industry. Therefore, the Company leverages his experience to enhance operational efficiency and maximize benefits. As for the corresponding measures: Currently, 3 out of the 5 board members are independent directors, and the Audit Committee is established in accordance with the law, with a majority of the directors not concurrently serving as employees or managers.

2. Major shareholders of corporate shareholders:

April 16, 2026

Name of institutional shareholder	Major shareholders of institutional shareholders
D&K Group Limited	Karen Hong (45%), Cheng-En Tu (55%)

3. For corporate shareholders, the main shareholder being corporate shareholders: Not applicable.
4. Disclosure of the independence of directors and independent directors:

April 16, 2026

Criteria / Name	Professional qualifications and experience (Note 1)	Independence (Note 2)	No. of other public companies where the director concurrently serves as an independent director
David Tu	Previously served as the President of the Asia-Pacific region at Applied Materials Inc., specializing in materials science and semiconductor industry equipment design. Possesses strong professional capabilities in marketing, materials engineering, industry technology, and leadership. Serves as the Chairman of the Board of Directors, responsible for formulating the Company's business goals and strategies. None of the circumstances of Article 30 of the Company Act.	(1) Concurrently serves as the General Manager of the Company, classified as managers (2) Top ten shareholders of the Company.	None
Corporate Director Representative, D&K Group Limited: Karen Hong	Formerly served as the Chairman of Crinkle Textile Co., Ltd., with expertise in market marketing, business management, and investment management. Capable of providing timely advice on corporate governance and business management to the Company's Board of Directors, serving as a reference for the Company's management team in formulating and implementing strategic plans. None of the circumstances of Article 30 of the Company Act.	(1) The spouse of the Chairman of the Company. (2) Top ten shareholders of the Company.	None

Criteria / Name	Professional qualifications and experience (Note 1)	Independence (Note 2)	No. of other public companies where the director concurrently serves as an independent director
Steve Lee	General Manager, Taisil Electronic Materials Corp. General Manager, TaiAn Technologies Corporation. Administrative/Planning/Executive Vice President, CSC Chairman, China Steel Express Corporation. Possesses expertise and practical experience in finance and accounting, with extensive management experience. None of the circumstances of Article 30 of the Company Act.	The Company's independent directors meet the independence requirements stipulated in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and the qualification criteria set forth in Article 14-2 of the Securities and Exchange Act, and are not subject to any of the circumstances specified in Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act.	2
Tsang Sheau Lee	Chairman, Ames Goldsmith Asia Pacific Inc. Independent Director, Solar Applied Materials Technology Corp. With expertise in materials science and accounting. None of the circumstances of Article 30 of the Company Act.		None
Chien-Cheng Lin	Professor, Department of Materials Science and Engineering, National Yang Ming Chiao Tung University. Has foundational experience in materials and engineering. None of the circumstances of Article 30 of the Company Act.		1

Note 1: Professional qualifications and experience: State the professional qualifications and experience of individual directors and supervisors. In case of a member of the Audit Committee with expertise in accounting or finance, state their accounting or financial background and work experience, as well as whether any of the circumstances of Article 30 of the Company Act apply.

Note 2: Independent directors shall describe their independence, including but not limited to whether they themselves, spouses, second-degree or closer relatives are a director, supervisor, or employee of the Company or any of its affiliates; the number and percentage of the shares of the Company or such affiliate held by themselves, spouses, relatives within the second degree of kinship or in the name of other persons; whether they are a director, supervisor, or supervisor of a company associated with the Company (see Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); and the amount of remuneration received for providing commercial, legal, financial, and accounting services to the Company or any of its affiliates in the last 2 years.

5. Diversity and independence of the Board of Directors:

(1) Diversity of the Board of Directors

The selection of each director of the Company is based on a comprehensive consideration of the director's professional qualifications, experience, and diversity, without being influenced by factors such as gender, age, nationality, or culture. The Company's Board of Directors is composed of a diverse group of directors, making appropriate decisions for the Company's sustainable development. The current Board of Directors diversity policy and its implementation for the Company are as follows:

Diversity core / Name of director	Basic information and values							Industry experience					Professional ability	
	Nationality	Gender	Employee status	Age (years) 41-50	51-60	61-70	71-80	Operational management	Material application	Plasma engineering	Semiconductor	Finance	Accounting	Law
David Tu	Republic of China	Male	v				v	v	v	v	v			v
Corporate Director Representative: Karen Hong	Republic of China	Female					v	v				v	v	
Steve Lee	Republic of China	Male					v	v				v	v	
Tsang Sheau Lee	Republic of China	Male					v	v	v				v	
Chien-Cheng Lin	Republic of China	Male				v			v					

The Company's current Board of Directors is composed of 5 directors. The specific management goals and achievements of the board's diversity policy are as follows:

Management goals	Implementation status
Directors who concurrently serve as company managers should not exceed one-third of the total number of board seats	Achieved
The Board of Directors must include at least one female member	Achieved
The number of independent directors should exceed one-third of the total number of board seats	Achieved
The term of office of the independent directors shall not exceed three terms	Achieved
Adequate and diverse professional knowledge and skills	Achieved

(2) If the Board of Directors of a TWSE/TPEx listed company does not have at least one-third of seats occupied by directors of either gender, the reasons and measures for improving gender diversity on the board will be explained: The Company is not yet listed. In the future, we will take action in accordance with the Company's development needs and legal requirements.

(3) Independence of the Board of Directors

The Company's Board of Directors consists of 5 members, including 3 independent directors. The proportion of directors with employee status is 20%, and the proportion of independent directors is 60%. The three independent directors shall serve no more than three consecutive terms, and their qualifications comply with legal requirements.

(II) Information on the General Manager, Deputy General Manager, Assistant Managers, and heads of departments and branches

March 30, 2026

Title	Nationality	Name	Gender	Date of appointment (election)	Shareholding		Shares held by spouse and underage children		Shares held in the name of others		Major experience (educational) background	Current concurrent employment in other companies	Managers who are spouses or relatives within 2nd degree of kinship			Remarks
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relation ship	
General Manager	Republic of China	David Tu	Male	2008.6.13	1,173,149	9.27	740,357	5.85	730,000	5.77	Ph.D., Department of Materials Science, State University of New York President, Asia Pacific Region, Applied Materials Inc., USA Professor, Department of Materials, National Sun Yat-sen University Science and Technology Consulting Sector, Executive Yuan	None	None	None	None	Note 1
Manager, Components Department	Republic of China	Chun-Hsien Lin	Male	2019.6.1	45,312	0.36	-	-	-	-	Master of Mechanical Engineering, Far Eastern University of Science and Technology Director, Taiwan Sanwa Co., Ltd.	None	None	None	None	-
Manager, Engineering Department	Republic of China	Shou-Chih Yeh	Male	2019.1.1	81,661	0.65	-	-	-	-	Master of Mechanical Engineering, Far Eastern University of Science and Technology Development Engineer, Yi Tang Inc.	None	None	None	None	-
Manager, Administration Department	Republic of China	Hsiu-Wen Hsieh	Female	2014.2.27	105,710	0.84	-	-	-	-	MBA, Southern Taiwan University of Science and Technology. Head of Audit, Tex-Ray Industrial Co., Ltd.	None	None	None	None	-

Title	Nationality	Name	Gender	Date of appointment (election)	Shareholding		Shares held by spouse and underage children		Shares held in the name of others		Major experience (educational) background	Current concurrent employment in other companies	Managers who are spouses or relatives within 2nd degree of kinship			Remarks
					No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio			Title	Name	Relation ship	
Head of Audit	Republic of China	Shu-Hua Hu	Female	2025.6.9	-	-	-	-	-	-	Bachelor, Department of Accounting Information, Shih Chien University Specialist, Epistar Corporation Specialist, DURA TEK, INC.	None	None	None	None	-
Chief Accountant	Republic of China	Tsun-Chuan Huang	Male	2024.8.12	-	-	-	-	-	-	Bachelor, Department of Accounting and Information Technology, Chung Cheng University Director, Audit Department, PwC Taiwan Specialist, DURA TEK, INC.	None	None	None	None	-

Note 1: When the roles of General Manager and Chairman are held by the same person, the reasons, rationality, necessity, and corresponding measures should be disclosed: The General Manager is familiar with the Company's business and industry, is the founder of the Company, and has over 30 years of relevant operational and management experience in the semiconductor industry. Therefore, the Company leverages his experience to improve operational efficiency and maximize benefits. To enhance the independence of the Board of Directors, 3 out of the 5 board members are independent directors, and more than half of the directors do not hold employee or manager positions, ensuring that the board can still perform its supervisory function.

II. Remuneration paid to directors, General Manager, and Deputy General Manager in the most recent year

(I) Remuneration to directors (including independent directors)

Unit: NTD thousands

Title	Name	Director remuneration								Sum of A+B+C+D and as a percentage of net profit after tax (%)		Remuneration received for concurrently serving as an employee								Sum of A+B+C+D+E+F+G and as a percentage of net profit after tax (%)		Remuneration from investees other than subsidiaries or from the parent company
		Remuneration (A)		Resignation and retirement (B)		Directors' remuneration (C)		Business execution expenses (D)				Salary, bonuses, and special allowances (E)		Severance and pension (F)		Employees' remuneration (G)						
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
																Cash amount	Share amount	Cash amount	Share amount			
Chairman	David Tu	1,320	1,320	-	-	2,085	2,085	48	48	3,453 1.85%	3,453 1.85%	2,928	2,928	-	-	86	-	86	-	6,467 3.47%	6,467 3.47%	-
Corporate Director Representative, D&K Group Limited	Karen Hong																					
Independent Director	Tsang Sheau Lee	1,080	1,080	-	-	360	360	132	132	1,572 0.84%	1,572 0.84%	-	-	-	-	-	-	-	-	1,572 0.84%	1,572 0.84%	-
Independent Director	Steve Lee																					
Independent Director	Chien-Cheng Lin																					

Remuneration scales

Range of remuneration to the Company's directors	Name of director			
	Total remuneration for the first four items (A+B+C+D)		Total remuneration for the first seven items (A+B+C+D+E+F+G)	
	The Company	All companies in the financial statements H	The Company	All companies in the financial statements I
Less than NT$1,000,000	Representative, D&K Group Limited, Karen Hong, Steve Lee, and Tsang Sheau Lee, and Chien-Cheng Li	Representative, D&K Group Limited, Karen Hong, Steve Lee, and Tsang Sheau Lee, and Chien-Cheng Li	Representative, D&K Group Limited: Karen Hong, Steve Lee, and Tsang Sheau Lee, and Chien-Cheng Li	Representative, D&K Group Limited: Karen Hong, Steve Lee, and Tsang Sheau Lee, and Chien-Cheng Li
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	-	-	-	-
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	David Tu	David Tu	-	-
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	-	-	-	-
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	-	-	David Tu	David Tu
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	-	-	-	-
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	-	-	-	-
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	-	-	-	-
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	-	-	-	-
NT$100,000,000 or more	-	-	-	-
Total	5 persons	5 persons	5 persons	5 persons

(II) Remuneration to supervisors: not applicable.

(III) Remuneration to President and Vice Presidents

Unit: NTD thousands

Title	Name	Salary (A)		Severance and pension (B)		Bonuses and special allowances (C)		Amount of remuneration to employees (D)				Sum of A+B+C+D and as a percentage of net profit after tax (%)		Remuneration from investees other than subsidiaries or from the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company		All companies in the financial statements		The Company	All companies in the financial statements	
								Cash amount	Share amount	Cash amount	Share amount			
President	David Tu	1,536	1,536	-	-	1,392	1,392	86	-	86	-	3,014 1.62%	3,014 1.62%	-

Remuneration scales

Range of remuneration to the Company's president and vice presidents	Name of the president and vice presidents	
	The Company	All companies in the financial statements
Less than NT$1,000,000	-	-
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	-	-
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	David Tu	David Tu
NT$3,500,000 (inclusive) - NT$5,000,000 (exclusive)	-	-
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	-	-
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	-	-
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	-	-
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	-	-
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	-	-
NT$100,000,000 or more	-	-
Total	1 person	1 person

(IV) The remuneration of the top five department heads with the highest remuneration of the listed company: Not applicable.

(V) Names of managerial officers who distribute compensation to employees

December 31, 2025. Unit: NTD thousands

	Title	Name	Share amount	Cash amount	Total	As a percentage of net profit (%)
Managerial officer	President	David Tu	-	172	172	0.09
	Manager	Hsiu-Wen Hsieh				
	Accounting Officer	Tsun-Chuan Huang				

(VI) Compare and explain the total remuneration paid by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, General Manager, and Deputy General Managers in the most recent two years, in terms of their ratio to the net profit after tax of the individual or separate financial reports. Also, explain the policy, standards, and composition for remuneration, the procedure for determining remuneration, and the correlation with operational performance and future risks

1. Analysis of the proportion of remuneration paid by the Company to its directors, supervisors, General Manager, and Deputy General Managers in the most recent two years to net profit after tax:

Title	Total remuneration as a percentage to the net profit after tax in the parent company only financial statements (%)	
	2024	2025
Director	1.92	2.69
President	2.13	1.62

2. The Company's policy, standard and package of remuneration paid, the process for determining remuneration and its relation to business performance and future risks:

(1)The remuneration for the Company's directors primarily consists of directors' remuneration, explicitly stipulated in the Company's Articles of Incorporation. The allocation of directors' remuneration is resolved by the Board of Directors, with an appropriation not exceeding 4%, and reported to the shareholders' meeting. However, if the Company has accumulated losses, the amount required for loss recovery must be reserved in advance.

(2)The remuneration to the Company's managers includes salaries, bonuses and employee remuneration. It is determined based on their positions, responsibilities and performance, and with reference to the industry standard, and is reviewed by the Remuneration Committee and submitted to the Board of Directors for approval.

(3)The Company regularly reviews its remuneration system based on actual operational conditions and relevant laws and regulations, considering future business development and operational risks. It also evaluates the positive correlation with performance to achieve a balance between sustainable operation and risk management.

(4)The remuneration of the Company's directors (including independent directors) and managers considers various aspects, including the implementation of the Company's core values, operational management capabilities, financial and business performance indicators, continuing education, and participation in sustainable operations. Additionally, other special contributions or significant adverse events are evaluated and factored into performance assessments and remuneration decisions.

III. Corporate Governance

(I) Operation of the Board of Directors:

In 2025, the 12th Board of Directors held a total of 6 meetings (A), with the directors' attendance as follows:

Title	Name	Number of attendance in person B	Attendance by proxy	Actual attendance rate (%) 【B/A】	Remarks
Chairman	David Tu	6	0	100	Re-elected on December 22, 2023
Director	Representative, D&K Group Limited: Karen Hong	6	0	100	Elected on December 22, 2023
Independent Director	Steve Lee	6	0	100	Elected on December 22, 2023
Independent Director	Tsang Sheau Lee	6	0	100	Elected on December 22, 2023
Independent Director	Chien-Cheng Lin	6	0	100	Elected on December 22, 2023

Additional information to be recorded:

I. In any of the circumstances below, state the date, session, proposals, opinions of all independent directors, and the Company's response to the said opinions in respect of a meeting of the Board of Directors:

(I) Matters listed under Article 14-3 of the Securities and Exchange Act: Article 14-3 of the Securities and Exchange Act is not applicable because the Company has established the Audit Committee. For relevant information, please refer to the section on the operation of the Audit Committee on page 20 of this Annual Report.

(II) Any matters, other than those mentioned above, resolved by the Board of Directors with a dissenting or qualified opinion made by any independent directors, as recorded or documented: None.

II. Implementation of recusal for board members with conflicts of interest:

Meeting date	Name of director	Cause of motion	Reason of recusal	Participation in voting
2025.01.16	David Tu, Karen Hong	Proposed the Company's remuneration to managers	Chairman David Tu concurrently serves as the General Manager, recused himself from this matter as it pertains to his own remuneration distribution, and Director Karen Hong is his spouse.	Except for Chairman David Tu and Director Karen Hong, who, due to a conflict of interest, respectively left the meeting and exited the virtual meeting room and recused themselves from the discussion and voting in accordance with applicable laws, the acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.
2025.06.09	David Tu, Karen Hong, Steve Lee, Tsang Sheau Lee, and Chien-Cheng Lin	Proposed the Company's 2024 directors remuneration distribution plan	This proposal relates to the distribution of compensation to all directors and therefore involves their personal interests.	When discussing and voting on the compensation of Independent Directors Chien-Cheng Lin, Steve Lee, and Tsang Sheau Lee, each having a personal interest in the matter, Independent Director Chien-Cheng Lin left the meeting, while Independent Directors Steve Lee and Tsang Sheau Lee exited the virtual meeting room, and accordingly recused themselves from the discussion and voting in accordance with applicable laws. The chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection. When discussing and voting on the compensation of Chairman David Tu and Director Karen Hong, both having a personal interest in the matter, they recused themselves from the discussion and voting in accordance with applicable laws. The acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.
	David Tu, Karen Hong	Proposed the Company's 2024 managers and employees remuneration distribution plan	Chairman David Tu concurrently serves as the General Manager, recused himself from this matter as it pertains to his own remuneration distribution, and Director Karen Hong is his spouse.	Except for Chairman David Tu and Director Karen Hong, who recused themselves from the discussion and voting due to a conflict of interest in accordance with applicable laws, the acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.
	David Tu, Karen Hong	Proposed managers'	Chairman David Tu concurrently serves as the	Except for Chairman David Tu and Director Karen Hong, who

Meeting date	Name of director	Cause of motion	Reason of recusal	Participation in voting
		bonuses for the first quarter of 2025	General Manager, recused himself from this matter as it pertains to his own remuneration distribution, and Director Karen Hong is his spouse.	recused themselves from the discussion and voting due to a conflict of interest in accordance with applicable laws, the acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.
	David Tu, Karen Hong	Proposed the Company’s medical expense reimbursement for the General Manager in case of work-related injuries.	Chairman David Tu concurrently serves as the General Manager, recused himself from this matter as it pertains to his own occupational injury medical expense compensation, and Director Karen Hong is his spouse.	Except for Chairman David Tu and Director Karen Hong, who recused themselves from the discussion and voting due to a conflict of interest in accordance with applicable laws, the acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.
2025.12.09	David Tu, Karen Hong	Proposed the Company's remuneration to managers	Chairman David Tu concurrently serves as the General Manager, recused himself from this matter as it pertains to his own remuneration distribution, and Director Karen Hong is his spouse.	Except for Chairman David Tu and Director Karen Hong, who, due to a conflict of interest, respectively left the meeting and exited the virtual meeting room and recused themselves from the discussion and voting in accordance with applicable laws, the acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.
	David Tu, Karen Hong	Proposed the Company’s medical expense reimbursement for the General Manager in case of work-related injuries.	Chairman David Tu concurrently serves as the General Manager, recused himself from this matter as it pertains to his own occupational injury medical expense compensation, and Director Karen Hong is his spouse.	Except for Chairman David Tu and Director Karen Hong, who, due to a conflict of interest, respectively left the meeting and exited the virtual meeting room and recused themselves from the discussion and voting in accordance with applicable laws, the acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.
	David Tu, Karen Hong, Steve Lee, Tsang Sheau Lee, and Chien-Cheng Lin	Proposed adoption of the “Regulations Governing Directors’ Remuneration and Compensation” of the Company	Chairman David Tu, Director Karen Hong, and Independent Directors Steve Lee, Tsang Sheau Lee, and Chien-Cheng Lin have a personal interest in this matter, as it concerns the adoption of the Company’s Regulations Governing Directors’ Remuneration and Compensation.	When discussing and voting on the Regulations Governing the Remuneration and Compensation of Directors (excluding independent directors), Chairman David Tu and Director Karen Hong, having a personal interest in the matter, respectively left the meeting and exited the virtual meeting room, and accordingly recused themselves from the discussion and voting in accordance with applicable laws.

Meeting date	Name of director	Cause of motion	Reason of recusal	Participation in voting
				The acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection. When discussing and voting on the Regulations Governing the Remuneration and Compensation of Independent Directors, all independent directors, having a personal interest in the matter, recused themselves from the discussion and voting in accordance with applicable laws. Independent Director Steve Lee exited the virtual meeting room, while Independent Directors Tsang Sheau Lee and Chien-Cheng Lin left the meeting. The chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.
	David Tu, Karen Hong, Steve Lee, and Tsang Sheau Lee, Chien-Cheng Lin	Proposed adoption of the “Selection Criteria for Members of the Board of Directors” of the Company	Chairman David Tu, Director Karen Hong, and Independent Directors Steve Lee, Tsang Sheau Lee, and Chien-Cheng Lin have a personal interest in this matter, as it concerns the adoption of the Company’s Selection Criteria for Members of the Board of Directors.	When discussing and voting on the selection criteria for directors, Chairman David Tu and Director Karen Hong, having a personal interest in the matter, respectively left the meeting and exited the virtual meeting room, and accordingly recused themselves from the discussion and voting in accordance with applicable laws. The acting chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection. When discussing and voting on the selection criteria for independent directors, all independent directors, having a personal interest in the matter, recused themselves from the discussion and voting in accordance with applicable laws. Independent Director Steve Lee exited the virtual meeting room, while Independent Directors Tsang Sheau Lee and Chien-Cheng Lin left the meeting. The chairperson, after consulting the remaining attending directors, resolved that the proposal be approved without objection.

III. Listed companies should disclose information about the board's self-evaluation (or peer evaluation), including the evaluation cycle and period, the scope of the evaluation, the methods used, and the contents of the evaluation. Additionally, they should provide details on the execution of the board's evaluation:

On December 9, 2024, a resolution was passed to establish the "Regulations Governing the Board of Directors and Functional Committees Performance Evaluation", which has been implemented starting from 2024. And on March 9, 2026, the performance evaluation results of the Board of Directors and Functional Committees for 2025 were reported to the Board of Directors.

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
Once a year	2025.1.1 to 2025.12.31	The Board of Directors, individual board members, and functional committees.	Internal self-evaluation of the Board of Directors, self-evaluation of individual board members, and internal self-evaluation of functional committees	Performance evaluation of the Board of Directors: 1. Level of participation in the Company's operations 2. Improvement of the quality of the Board of Directors' decision making 3. Composition and structure of the Board of Directors 4. Election of directors and their continuing education 5. Internal control Performance evaluation of individual board members: 1. Grasp of the Company's goals and missions 2. Awareness of the duties of a director 3. Level of participation in the Company's operations 4. Management of internal relationship and communication 5. Professional and continuing education of directors 6. Internal control Performance evaluation of functional committees: 1. Level of participation in the Company's operations 2. Awareness of the duties of the functional committees 3. Improvement of the quality of the functional committees' decision making 4. Composition of functional committees and selection of members 5. Internal control

IV. Objectives of enhancing the functions of the Board of Directors in the current year and the past year (such as setting up the Audit Committee and improving information transparency) and evaluation of implementation:

(I) On December 22, 2023, the Company conducted a full re-election of the Board of Directors, with 3 out of 5 seats occupied by independent directors. An Audit Committee was established to review relevant motions within its authority and submit them to the Board of Directors for resolution, aiming to enhance supervisory functions and strengthen management capabilities.

(II) The Company's directors continuously participate in corporate governance courses and professional development programs to enhance their knowledge and strengthen the functions of the Board of Directors.

(III) On December 9, 2024, the Board of Directors passed a resolution to establish a Nominating Committee to improve the Company's director nomination system.

(IV) To implement corporate governance and enhance the effectiveness of the Board of Directors, on December 9, 2024, the Board of Directors passed a resolution to appoint a Head of Corporate Governance to assist the directors with the necessary information and other required support to carry out their duties.

(I) Operation of the Audit Committee:

In 2025, the Audit Committee held a total of 4 meetings (A), with the independent directors' attendance as follows:

Title	Name	Meetings actually attended (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Independent Director	Steve Lee	4	0	100	
Independent Director	Tsang Sheau Lee	4	0	100	
Independent Director	Chien-Cheng Lin	4	0	100	

Additional information to be recorded:

I. If the operations of the Audit Committee fall under any of the circumstances below, the date of the Audit Committee meeting, the session, the content of the proposal, any objection, reservation, or major suggestion made by independent directors, the results of resolutions by the Audit Committee, and the Company’s response to the committee’s opinions shall be specified.

(I) Matters listed under Article 14-5 of the Securities and Exchange Act

Date of meeting	Session	Description of proposal	The content of independent directors' dissenting opinions, reservations, or significant suggestions	Resolution results of the Audit Committee	The Company's response to the opinions of the Audit Committee
2025.3.10	6th meeting of the 1st term	Proposed for the evaluation of the independence and suitability of the Company’s CPA.	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed the Company's appointment of CPAs and their audit fees	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed to discuss the 2024 annual business report and financial statements	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed the capital increase through the issuance of new shares from retained earnings	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposal for the Company's 2024 Declaration of Internal Control System	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed the non-assurance services provided by Ernst & Young and other affiliates	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without

Date of meeting	Session	Description of proposal	The content of independent directors' dissenting opinions, reservations, or significant suggestions	Resolution results of the Audit Committee	The Company's response to the opinions of the Audit Committee
				objection.	objection.
		Proposed amendments to the Company’s Internal Control System and “Accounting System”	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed amendments to the Company's “Articles of Incorporation”	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
2025.06.09	7th meeting of the 1st term	Proposed Amendments to the “Payroll Cycle”	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed to the changes of the head of internal audit	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
202508.11	8th meeting of the 1st term	Proposed the financial statements of Q2 2025	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed amendments to the	None	The chairperson sought the unanimous consent	The Board of Directors, based on the resolution

Date of meeting	Session	Description of proposal	The content of independent directors' dissenting opinions, reservations, or significant suggestions	Resolution results of the Audit Committee	The Company's response to the opinions of the Audit Committee
		"Procedures for Handling Material Inside Information"		of all attending members, and the motion was approved without objection.	of the Audit Committee, passed the motion without objection.
2025.12.09	9th meeting of the 1st term	Proposed the Company's 2026 audit plan	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed the Company's 2026 budget plan	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed the amendments to the Company's "Procedures for Acquisition and Disposal of Assets"	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.
		Proposed amendments to the Company's internal control system and management regulations	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Audit Committee, passed the motion without objection.

(II) Any matters, other than those mentioned above, not approved by the Audit Committee but approved by more than two-thirds of all directors: None.

II. Any circumstance where, in the event of any independent director's recusal from a motion involving conflict of interest, the independent director, the motion, the reason for recusal, and the participation in voting shall be stated: None.

III. Communication between independent directors and internal/external CPAs (on the Company's financial and business affairs, methods, and results).

(I) The Company has independent directors, who form the Audit Committee and the Remuneration Committee. The head of audit submits a monthly audit report to the independent directors and attends the board meetings each quarter to report.
The separate communication matters between the independent directors and the Head of Internal Audit for fiscal year 2025 are as follows:

Meeting Date / Nature	Communication Matters	Discussion Results
2025.03.10 Separate communication	1. Status of audit report submissions 2. Amendments to the internal control system	Noted by independent directors

(II) Independent directors have direct communication channels with the head of internal audit and the CPAs. They invite the CPAs to attend Audit Committee meetings when necessary, and the communication is smooth.
The separate communication matters between the independent directors and the CPAs for fiscal year 2025 are as follows:

Meeting Date / Nature	Communication Matters	Discussion Results
2025.03.10 Separate communication	1. CPA independence 2. Key audit matters	Noted by independent directors

IV. Annual work focus of the Audit Committee
The matters reviewed by the Audit Committee in 2025 mainly included:

(I) The Company's financial statements were presented fairly and the 2024 financial statements and the 2025 Q2 financial statements were reviewed.
(II) The appointment (or dismissal) of the. their qualifications, independence, and performance, as well as the review of the suitability, independence.
(III) Appointment and dismissal of financial accounting or internal audit managers.
(IV) The effective implementation of the Company's internal controls, including the review of the internal audit report and the 2024 Statement of Internal Control.
(V) The review and amendment of various regulations, including the internal audit system, internal control system, and approval authority regulations, as well as the "General Principles and Methods for Pre-Approval of Non-Assurance Services Policy".
(VI) Significant matters as required by the competent authority.

(III) The operation of corporate governance and deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor:

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
I. Has the Company formulated and disclosed Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?	V		The Company has established a "Corporate Governance Best Practice Principles," which has been disclosed on the Company's website.	No significant differences
II. The Company's shareholding structure and shareholders' equity (I) Has the Company formulated any internal operating procedures for handling shareholders' suggestions, doubts, disputes and lawsuits and complied with such procedures?	V		The Company has established a spokesperson and acting spokesperson system, and has set up a spokesperson mailbox as a communication channel for shareholders, allowing for the proper handling of shareholder suggestions and concerns. In terms of shareholder services, the Company has appointed a professional shareholder services agency to handle related matters.	No significant differences
(II) Does the Company have a list of the major shareholders with ultimate control over the Company and a list of the ultimate controllers of the major shareholders?	V		The Company keeps track of the list of major shareholders and the ultimate controllers of major shareholders, based on the shareholder register provided by the shareholder services agency.	No significant differences
(III) Has the Company set up and implemented risk control and firewall mechanisms between the Company and its affiliates?	V		The Company has no affiliates; however, to protect the interests of the Company and its shareholders, the Company has established "Management Operations for Transactions with Related Parties, Specific Companies and Group Enterprises" to regulate financial and business transactions between the	No significant differences

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
			Company and specific companies or group enterprises.	
(IV) Has the Company formulated any internal codes to prohibit insiders from buying and selling securities using information undisclosed on the market?	V		The Company has established "Management Operations to Prevent Insider Trading" as a regulation to prevent the occurrence of insider trading. Additionally, the Company occasionally provides guidance to insiders, instructing them not to trade the Company's securities using non-public market information.	No significant differences
III. Composition and responsibilities of the Board of Directors (I) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	V		The members of the Company's Board of Directors possess diverse professional knowledge and skills, and have formulated appropriate diversification policies based on the Company's operations, business model, and development needs.	No significant differences
(II) Has the Company proactively set up other functional committees in addition to the remuneration committee and the audit committee established by law?	V		On December 9, 2024, the Company’s Board of Directors approved the establishment of a Nominating Committee to assist in the search, review, and nomination of candidates for board directors and senior management, as well as to build and develop the organizational structure of the Board of Directors and its committees.	No significant differences.

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
(III) Does the Company have any defined measures and methods for evaluating the performance of the Board of Directors, appraise performance regularly every year, and report the results to the Board of Directors, as a reference for remuneration payable to individual directors and nomination for reappointment?	V		On December 9, 2024, the Company's Board of Directors passed a resolution to establish the "Regulations Governing the Board of Directors and Functional Committees Performance Evaluation". The performance evaluation of the Board of Directors and functional committees will be conducted at least once a year, and the evaluation results will be submitted to the Board of Directors. The evaluation procedure is carried out at the end of each year by the secretarial unit, using internal questionnaires and conducted through self-evaluation by board members and functional committee members. The evaluation scope includes the performance evaluation of the overall Board of Directors, individual board members, and functional committees. The performance evaluation standards for the Company's Board of Directors and functional committees primarily include the level of participation in the Company's operations, improvement of decision-making quality by the Board of Directors and functional committees, composition and structure of the Board and functional committees, the selection and continuing education of directors and functional committee members, and internal controls. The evaluation results are submitted to the Board of Directors and	No significant differences.

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
			serve as a reference for individual director remuneration and for the selection or nomination of directors. The Company has completed the performance evaluation for 2025, with all evaluation criteria met, indicating that the overall operation of the Board of Directors and functional committees is in good condition. The performance evaluation results were submitted to the Board of Directors on March 9, 2026.	
(IV) Does the Company assess the independence of CPAs regularly?	V		The Company's Audit Committee evaluates the independence and suitability of CPAs annually. In addition to obtaining an "Independence Declaration" from the CPA, the Committee also refers to current regulations and professional ethical standards governing CPA practice. A CPA review checklist is used to assess 9 items, including whether the CPA and the Company are related parties or have business or financial interests in common. Additionally, the Audit Committee refers to the latest Audit Quality Indicator (AQI) from Ernst & Young, using five key dimensions and 13 indicators to confirm the CPAs and the firm's performance in areas such as professionalism, quality control, independence, supervision, and innovation capability, thereby evaluating the independence and suitability of CPAs. The Company has conducted the CPA independence	No significant differences.

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
			and suitability evaluation for 2025, and the evaluation results were reviewed and approved by the Audit Committee and the Board of Directors on March 9, 2026.	
IV. Has the Company has appointed an appropriate number of competent corporate governance personnel and designated a corporate governance officer to be responsible for corporate governance affairs (including but not limited to providing directors and supervisors with the materials required for the performance of their duties, assisting directors and supervisors with compliance, handling matters related to board meetings and shareholders' meetings, and preparing minutes of board meetings and shareholders' meetings)?	V		To implement corporate governance and enhance the effectiveness of the Board of Directors, the Company's Board of Directors passed a resolution on December 9, 2024, appointing Manager Hsiu-Wen Hsieh as the Head of Corporate Governance. She is responsible for overseeing the execution of corporate governance-related matters to strengthen corporate governance, protect shareholders' rights, and enhance the effectiveness of the Board of Directors and various functional committees. The scope of corporate governance responsibilities is outlined in Article 3-1 of the "Corporate Governance Best Practice Principles", which includes 8 items.	No significant differences.

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
V. Has the Company has established communication channels with stakeholders (including but not limited to shareholders, employees, clients, and suppliers) and set up a section dedicated to stakeholders on the Company's website to properly respond to stakeholders' major CSR issues of concern?	V		The Company has established a service mailbox, with a spokesperson and an acting spokesperson responsible for external communication. The Company's website also features a dedicated stakeholder section, establishing a comprehensive mechanism for stakeholder communication and inquiry handling. The Company reports its stakeholder communication activities to the Board of Directors at least once a year. The most recent report was presented on December 9, 2025.	No significant differences.
VI. Has the Company appointed a professional stock affairs agency to handle affairs related to shareholders' meetings?	V		The Company has appointed the professional shareholder services agency, "IBF Securities Co., Ltd. Shareholder Services Department," to assist with various shareholder services matters.	No significant differences.
VII. Information disclosure (I) Has the Company set up a website to disclose information on financial operations and corporate governance?	V		The Company has set up a website to disclose financial, business, and corporate governance information.	No significant differences.
(II) Has the Company adopted other methods to disclose information (such as setting up an English website, designating personnel to collect and disclose company information, implementing a spokesperson system, or placing the proceedings of investor conferences on the Company website)?	V		The Company has appointed one spokesperson and one acting spokesperson, and has designated personnel responsible for collecting and disclosing information on the Company's website.	No significant differences.

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
(III) Does the Company announce and report the annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2 and Q3 financial statements and monthly operations earlier than the specified deadline?	V		The Company is listed on the Emerging Market and has disclosed and reported the annual financial report, semi-annual financial report, and monthly operational updates within the required deadlines as per regulations.	No significant differences.
VIII. Does the Company have other important information that facilitates the understanding of the operations of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, directors' and supervisors' continuing education, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, and the Company's purchase of liability insurance for directors and supervisors)??	V		(I) Employee Rights and Welfare: The Company has established a Employee Welfare Committee, implemented a pension system, provided group insurance for employees, conducted health check-ups, offered a comprehensive benefits system, and provided job-related education and training. The Company fosters a strong relationship of mutual trust and reliance with its employees and ensures the protection of employees' legal rights in accordance with the Labor Standards Act. (II) Investor Relations: The Company's website features an investor section providing relevant financial and stock-related information for investors. Additionally, a spokesperson system is in place, with designated personnel handling related inquiries.	No significant differences.

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
			(III) Supplier Relations: The Company maintains strong communication with its suppliers and occasionally discusses material specifications to enhance quality, fostering a mutually beneficial partnership. (IV) Stakeholder Rights: Stakeholders can engage in two-way communication with the Company, provide suggestions, and have their legitimate rights respected and safeguarded. (V) Directors' Continuing Education: The Company's directors possess professional backgrounds and practical management experience. They also continuously undertake relevant professional training courses as required by regulations to enhance their corporate governance capabilities. (VI) Risk Management Policy and Implementation of Risk Measurement Standards: Responsibilities are assigned based on job duties at different levels. For details, please refer to Page 82 to 89 of the annual report. (VII) Implementation of Customer Policies: The Company strictly adheres to contracts signed with customers and relevant regulations to	

Evaluation item	Implementation			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
			ensure customer rights and provide high-quality service. (VIII) Purchase of Directors' Liability Insurance: The Company has purchased liability insurance for all directors to protect shareholders' interests.	
IX. Please specify any improvements made as per the results of the corporate governance evaluation announced by the Corporate Governance Center, Taiwan Stock Exchange Corporation, in the most recent year and put forth prioritized measures to improve those that have not yet improved: The Company is listed on TPEx, therefore this is not applicable.				

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

1. Information on members of the Remuneration Committee

Criteria / Identity	Name	Professional qualifications and experience	Independence	Number of other public companies where the individual serves as a member of the remuneration committee concurrently
Convener and Independent Director	Tsang Sheau Lee	Please refer to page 6 for information disclosure regarding the professional qualifications, experience, and independence of directors.		None
Independent Director	Steve Lee			2
Independent Director	Chien-Cheng Lin			1

2. Information on the operation of the Remuneration Committee

(1) The Remuneration Committee consists of 3 members.

(2) The term of office for the 2nd term committee members is from January 10, 2024, to December 21, 2026. In 2025, the Remuneration Committee held 3 (A) meetings, with the following qualifications and attendance of the members:

Title	Name	Meetings actually attended (B)	Attendance by proxy	Actual attendance rate (%) (B/S)	Remarks
Independent Director	Tsang Sheau Lee	3	0	100	-
Independent Director	Steve Lee	3	0	100	-
Independent Director	Chien-Cheng Lin	3	0	100	-

Additional information to be recorded:

1. If the Board of Directors did not adopt or amend the Remuneration Committee’s suggestions, the date of the board meeting, the session, the content of the motion, the results of the resolutions by the Board of Directors, and the Company's response to said opinions shall be specified (if the remuneration approved by the Board of Directors is better than the Remuneration Committee’s suggestions, the difference and the reasons therefor shall be specified): None.
2. In the event of any dissenting or qualified opinion of any member on motions resolved by the Remuneration Committee as recorded or documented, state the date, session, motion, opinions of all members, and response to the said opinions in respect of a meeting of the Remuneration Committee: None.
3. Annual work focus of the Remuneration Committee:
   The Remuneration Committee’s key annual tasks include the following:
   (1) Remuneration distribution to directors
   (2) Remuneration and bonus distribution to managers and employees
   (3) Adjustment of various remuneration items for directors and managers

4. The operation of the Remuneration Committee is as follows:

Date of meeting	Session	Description of proposal	The content of independent directors' dissenting opinions, reservations, or significant suggestions	Resolution results of the Remuneration Committee	The Company's response to the opinions of the Remuneration Committee
2025.01.16	6th meeting of the 2nd term	Proposed the Company's remuneration to managers	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Remuneration Committee, passed the motion without objection.
2025.06.09	7th meeting of the 2nd term	Proposed the Company's 2024 directors remuneration distribution plan	None	When discussing and voting on their own compensation, the directors recused themselves in accordance with applicable laws. The chairperson and the acting chairperson, after consulting the remaining attending members, resolved that the proposal be approved without objection.	The Board of Directors, based on the resolution of the Remuneration Committee, passed the motion without objection.
		Proposed the Company's 2024 managers and employees remuneration distribution plan	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Remuneration Committee, passed the motion without objection.
		Proposed managers' bonuses for the first quarter of 2025	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Remuneration Committee, passed the motion without objection.
		Proposed the Company's medical expense reimbursement for the General Manager in case of work-related	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Remuneration Committee, passed the motion without objection.

Date of meeting	Session	Description of proposal	The content of independent directors' dissenting opinions, reservations, or significant suggestions	Resolution results of the Remuneration Committee	The Company's response to the opinions of the Remuneration Committee
		injuries			
2025.12.09	8th meeting of the 2nd term	Proposed the Company's remuneration to managers	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Remuneration Committee, passed the motion without objection.
		Proposed the Company's medical expense reimbursement for the General Manager in case of work-related injuries	None	The chairperson sought the unanimous consent of all attending members, and the motion was approved without objection.	The Board of Directors, based on the resolution of the Remuneration Committee, passed the motion without objection.
		Proposed adoption of the "Regulations Governing Directors' Remuneration and Compensation" of the Company	None	Except that the Regulations Governing the Remuneration and Compensation of Independent Directors, involving the personal interests of all committee members, were submitted directly to the Board of Directors for review, the Regulations Governing the Remuneration and Compensation of Directors were approved without objection after the chairperson consulted all attending committee members.	The Board of Directors, based on the resolution of the Remuneration Committee, passed the motion without objection.

(V) Information on the members and operations of the Nominating Committee:

1. Describe the qualifications for appointment as members of the Company's Nominating Committee and their responsibilities

The Company's Nominating Committee is composed of at least three directors, as nominated by the Board of Directors, with more than half of the members being independent directors. The term of office for directors serving on the Committee, unless otherwise specified by laws, the Company's Articles of Incorporation, or regulations, begins from the date of appointment by the Board of Directors and ends upon the expiration of the director's term, resignation from the Committee or the directorship, or the appointment of a replacement director by the Board of Directors. The Nominating Committee shall exercise the following powers and submit its recommendations to the Board of Directors for discussion:

(1) The Nominating Committee shall establish the standards for the professional knowledge, skills, experience, gender diversity, and independence required for the members of the Board of Directors and senior management. Based on these standards, the Committee will seek, review, and nominate candidates for the positions of directors and senior management, as well as assess the independence of independent directors.

(2) Other matters resolved by the Board of Directors to be handled by the Nominating Committee.

2. Professional qualifications, experience, and operations of the members of the Nominating Committee:

(1) The Nominating Committee consists of 3 members.

(2) Term of the 1st committee members: December 9, 2024, to December 21, 2026. In 2025, the Nominating Committee held 2 meeting (A). The professional qualifications, experience, attendance, and discussion details of the members are as follows:

Title	Name	Professional qualifications and experience	Meetings actually attended (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Chairman of the Nominating Committee, Convener and Independent Director	Steve Lee	Please refer to Pages5 to 6 for the professional qualifications and experience of directors.	2	0	100	-
Chairman	David Tu		2	0	100	-
Independent Director	Tsang Sheau Lee		2	0	100	-

Additional information to be recorded:

Describe the meeting date, term, content of motions, the suggestions or objections raised by the Nominating Committee members, the Nominating Committee’s resolution results, and how the Company has addressed the Nominating Committee’s opinions regarding the main agenda items.

Date of meeting	Session	Description of proposal	Suggestions or objections raised by the Nominating Committee members	Resolution results of the Nominating Committee	The Company's handling of the opinions of the Nominating Committee
2025.03.10	1st meeting of the 1st term	Performance evaluation report of the Board of Directors and functional committees	None	Noted by all members of the committee	Not Applicable
2025.12.09	2nd meeting of the 1st term	Proposed adoption of the “Selection Criteria for Members of the Board of Directors” of the Company	None	Individual directors recused themselves in accordance with applicable laws and regulations during the discussion and voting on matters concerning their own selection criteria. After the Chairperson and acting Chairperson consulted the remaining attending committee members, the motion was approved as proposed without objection.	The Board of Directors, based on the resolution of the Nominating Committee, passed the motion without objection.

(VI) Implementation of sustainable development and deviation from the Sustainable Development Best Practice Principles for TWSE/TPEx listed Companies and the reasons therefor:

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
I. Has the Company established a governance structure for the promotion of sustainable development and set up a dedicated (or concurrent) department to promote sustainable development that is implemented by the senior management as authorized by the Board of Directors, and how is it supervised by the Board of Directors?	V		The Company has established a risk management team under the Board of Directors. The risk management team is responsible for both risk management operations and promoting the planning and implementation of sustainability. They are also required to report their progress to the Board of Directors at least once a year.	No significant differences.
II. Does the Company conduct risk assessments in respect of environmental, social and corporate governance (ESG) issues related to the Company's operations based on the materiality principle, and set risk management policies or strategies?	V		The Company has established a "Risk Management Policy and Procedures", which was approved by the Board of Directors, and conducts risk assessments based on the principle of materiality. The Company has integrated the risks related to environmental, social, and governance issues into its operational strategy. These are gradually implemented in accordance with the Company's operational status and legal requirements. The implementation of risk management is reported regularly (at least once a year) to the Audit Committee and the Board of Directors. The Audit Committee oversees the implementation to ensure the effective operation and implementation of risk management.	No significant differences.

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
III. Environmental issues (I) Has the Company established an appropriate environmental management system based on its industrial characteristics?	V		The Company has established an environmental protection policy, continuously committed to pollution prevention and remediation to reduce the environmental hazards caused by various processes and activities. This policy is implemented collaboratively with all employees, working together to promote environmental sustainability. The policies are as follows: I. Comply with government decrees and various environmental regulations. II. Identify hazard assessments, dedicate to pollution control and disaster prevention, and eliminate environmental safety and health risks. III. Actively implement water resources and waste management policies to improve environmental performance. IV. Conduct regular education and training to promote the importance of environmental safety and sanitation.	No significant differences.
(II) Does the Company endeavor to improve energy efficiency and use renewable materials with low environmental impact?	V		The Company is committed to improving the efficiency of resource utilization through various initiatives, such as implementing waste sorting and resource recycling, promoting double-sided printing and reuse of recycled paper to reduce paper consumption, adopting LED lighting, and acquiring	No significant differences.

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
			fully electric official vehicles to minimize environmental impact. In 2025, the Company's key initiatives are as follows: Energy and Resource Conservation: The Company has implemented measures including the replacement of energy-intensive production equipment, adoption of LED lighting, procurement of fully electric official vehicles, and energy-saving initiatives in office areas. These initiatives include increasing air-conditioning temperature settings and encouraging employees to switch off lighting, computers, and other electrical equipment when not in use to reduce unnecessary energy consumption. Waste Management: The Company promotes the recycling and reuse of raw materials, waste sorting and resource recycling, as well as double-sided printing and reuse of recycled paper in order to reduce paper consumption. The Company's energy consumption status over the past two years is as follows:	

<table>
<tr><th rowspan="2">Promotion items</th><th colspan="3">Implementation</th><th rowspan="2">Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><th>Category</th><th>Item</th><th>2024 Consumption (GJ)</th><th>2025 Consumption (GJ)</th></tr>
<tr><td>Direct Energy</td><td>Gasoline and Diesel</td><td colspan="2">(Note)</td></tr>
<tr><td>Indirect Energy</td><td>Purchased Electricity</td><td>5,514.03</td><td>6,281.57</td></tr>
<tr><td colspan="2">Total Energy</td><td>5,514.03</td><td>6,281.57</td></tr>
<tr><td colspan="2">Energy Intensity</td><td>11</td><td>10.3</td></tr>
</table>
The Company has not yet introduced renewable energy, and its electricity consumption is primarily sourced from purchased electricity. At this stage, the Company focuses on improving equipment efficiency and strengthening electricity management measures in order to continuously reduce energy intensity.

(Note) The Company’s consumption of gasoline and diesel is minimal, and the related energy consumption does not exceed 100 GJ; therefore, it is not separately accounted for.</td><td></td></tr>
<tr><td>(III) Has the Company assessed the potential risks and opportunities from climate change</td><td></td><td>V</td><td>The Company, as an emerging stock company, has not yet established a related policy on climate-related</td><td>Currently under planning and</td></tr>
</table>

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
for its business now and in the future, and adopted relevant countermeasures?			issues. However, the Company's management team will continuously monitor any changes in this regard.	development.
(IV) Does 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 of other wastes?		V	The Company has compiled data on water consumption and total waste generation for the past two years. Although greenhouse gas emissions have not yet been measured, the Company remains committed to implementing environmental protection policies to improve overall environmental performance indicators and thereby enhance environmental quality. The Company is focused on water conservation and has implemented measures to promote water-saving practices. These include raising awareness among employees about the importance of water conservation, prioritizing the purchase of water-efficient equipment with water-saving labels, and installing a DI WATER wastewater recycling system to maximize the utilization of available water resources. The Company has established a reduction target of 1% per year for water intensity. The water resource policy is as follows: "Full participation in water conservation, maximizing water usage efficiency, and promoting awareness and savings of water resources".	Currently under planning and development.

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
			Water consumption in the last two years: <table><tr><td>Year</td><td>Total water usage (tons)</td><td>Water intensity</td></tr><tr><td>2024</td><td>14,335</td><td>28.61</td></tr><tr><td>2025</td><td>40,630</td><td>66.61</td></tr></table> The Company strictly classifies and properly stores general and hazardous industrial waste, and in accordance with environmental protection regulations, carries out waste removal, treatment, and recycling operations, continuously managing waste effectively. The Company has established a reduction target of 1% per year for waste intensity per unit of product. The waste management policy is as follows: "Enhance the performance of industrial waste management by legally carrying out waste removal, treatment, and recycling operations". Waste output in the last 2 years: <table><tr><td>Year</td><td>Non-hazardous waste (tons)</td><td>Unit product intensity</td><td>Hazardous waste (tons)(Note)</td><td>Unit product intensity</td></tr><tr><td>2024</td><td>36.3308</td><td>0.0725</td><td>7.105</td><td>0.0142</td></tr><tr><td>2025</td><td>55.8196</td><td>0.0915</td><td>0</td><td>0</td></tr></table> (Note) Refers to the waste generated from products that the Company has ceased developing.	

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
			In 2025, due to an increase in the number of employees, domestic water consumption and general household waste generation slightly increased. In addition, driven by higher production volume, overall water consumption and waste generation also increased compared with the previous year. The Company will continue to implement water-saving and waste-reduction measures in order to progressively reduce resource intensity year by year.	
IV. Social issues (I) Has the Company established related management policies and procedures in accordance with applicable laws and the International Bill of Human Rights?	V		The Company supports and adheres to the human rights protection principles and basic standards outlined in international human rights conventions, such as the “United Nations Universal Declaration of Human Rights”, the “United Nations Global Compact (UNGC)”, and the “ILO Declaration on Fundamental Principles and Rights at Work”. Human rights governance is overseen by the Sustainability Promotion Team, which is responsible for coordinating and driving related management measures. Relevant implementation is carried out jointly by the Administration Department and other functional departments. I. Diversity, Inclusion and Equal Opportunity at Work.	No significant differences.

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
			We prohibit human trafficking, child labor, sexual harassment, and other human rights violations. We do not discriminate against employees in any way based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, appearance, facial features, disability, zodiac sign, blood type, union membership, or family status. We foster a diverse, inclusive, and equitable workplace. II. Provide a safe and healthy working environment. We prohibit forced labor and comply with relevant laws and regulations on occupational safety and health. Through safety and health work, education and training, we care for the physical and mental health of our employees, improve and enhance the safety and health conditions of the working environment, reduce the risk of occupational hazards, and provide employees with a safe, healthy, and hygienic workplace. III.Respect employees' freedom of assembly, association, and collective bargaining rights. We care about and manage issues related to employee labor rights and interests, and implement communication between labor and management to	

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
			protect and enhance employee rights and interests through collective bargaining, regular labor-management meetings, and providing channels for employees to file complaints or make suggestions.	
(II) Has the Company developed and implemented reasonable employee benefits measures (including compensation, leave of absence, and other benefits), and appropriately reflected operating performance or results in the employee's compensation?	V		The Company has established "Work Rules" in accordance with the Labor Standards Act to regulate reasonable welfare measures for employees. Additionally, based on the overall business performance and industry conditions, the Company appropriately reflects the operating results to employees, sharing the business achievements. The Company's Articles of Incorporation also stipulate that if there is a profit in a year, at least 1% should be allocated for employee remuneration. For further details, please refer to Page 66 to 67 of this annual report.	No significant differences.
(III) Does the Company provide employees with a safe and healthy work environment and offer safety and health education to employees regularly?	V		The Company conducts regular fire drills every year to protect the safety and health of its employees. Specialized personnel are provided with regular training, ensuring effective management and execution to prevent safety accidents. The Company arranges annual health check-ups for employees and provides fitness equipment to promote the physical and mental well-being of its employees.	No significant differences.

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
			The Company has established the "Emergency Response Procedures" and "Corrective, Preventive, and Improvement Procedures" to enhance safety management (including fire safety management) and effectively respond to disasters, as well as to correct/prevent the recurrence of incidents. The Company also conducts emergency response drills for potential emergency situations. In 2025, the Company recorded zero fire incidents, zero fatalities and injuries, and a casualty ratio of zero relative to the total number of employees.	
(IV) Has the Company offered effective career development training for employees?	V		The Company develops an annual training plan based on its operational strategy and short-, mid-, and long-term goals. The Company focuses on enhancing employees' professional development by offering various training courses to help them stay updated with new technologies. Additionally, the Company implements mechanisms such as job rotation, job shadowing, and on-the-job training to strengthen employees' diverse skills. Employees are also encouraged to actively participate in external training courses and obtain professional certifications related to their work. The Company provides a variety of training resources, with a training system that includes 4 major	No significant differences.

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
			categories, namely new employee competency training, professional skills training, general management competency training, and safety and health management training. These courses are designed to offer employees appropriate training at different stages of their career development, ensuring that both the Company and employees can adapt to the rapidly changing global trends and acquire up-to-date knowledge, skills, and capabilities. The Company promotes a learning culture, encouraging employees to contribute their expertise and make full use of training resources. An internal trainer system has been established to implement knowledge management and technical inheritance within the Company, strengthening its core competitiveness. In 2025, a total of 8 new employee competency training sessions were held, with 8 participants and a total of 24 training hours. Additionally, 18 professional competency training sessions were conducted, with 30 participants and a total of 220.5 training hours. There were also 8 general competency training sessions, attended by 431 participants, totaling 8.5 training hours. 4 occupational safety and health management training sessions were conducted, with a total of 164 participants and 10 training hours.	

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
(V) Does the Company comply with applicable laws and international standards with respect to customer health and safety, customer privacy, marketing, and labeling of products and services and implement consumer protection policies and complaint procedures?	V		The Company maintains good communication channels with its customers and has established the following procedures to address product and service quality: (1) "Regulations for Handling Customers' Complaints of Abnormal Quality" and (2) "Regulations for Customer Satisfaction Measurement". These procedures are used to understand the gap between customer needs and expectations, and the Company conducts an annual customer satisfaction survey to serve as a basis for improvements. Regarding customer data, the Company handles the collection, processing, or use of such data in accordance with the "Regulations for the Protection of Personal Data", which applies to all employees, customers, and suppliers of the Company. Data access is properly managed by the HR Unit to ensure the protection of privacy. In 2025, the Company had no incidents of violations of the Personal Data Protection Act. The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" and the "Code of Ethical Conduct", which require employees to adhere to fair trading regulations, treat customers, competitors, and employees fairly, and not manipulate, conceal, or misuse information obtained	No significant differences.

Promotion items	Implementation			Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation
	Yes	No	Summary	
			through their positions to make false statements on important matters or engage in other unfair trading practices to gain improper benefits. The Company does not directly provide final products to consumers and therefore does not have issues related to product and service labeling.	
(VI) Has the Company formulated a supplier management policy requiring suppliers to comply with applicable regulations on issues such as environmental protection, occupational safety and health, or labor rights, and how is it implemented?	V		The Company has established the "Regulations Governing the Management of Suppliers", which require suppliers undergoing evaluation to comply with relevant regulations on environmental protection, occupational health and safety, and labor rights. Additionally, before engaging in business transactions, the Company assesses whether the suppliers have any records that impact the environment and society. The contract content should include a requirement to comply with both parties' corporate social responsibility policies. It should also include provisions that allow for the termination or dissolution of the contract at any time if the supplier violates these policies and causes significant impact on the environment and society of the supply source community.	No significant differences.

<table>
<tr><th rowspan="2">Promotion items</th><th colspan="3">Implementation</th><th rowspan="2">Deviation from the Sustainable Development Best Practice Principles for TWSE/listed Companies and reason for such deviation</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>V. Has the Company prepared its sustainability report or other reports disclosing non-financial information by referring to international standards or guidance for preparing reports? Has the Company obtained third-party assurance or certification for the reports above?</td><td></td><td>V</td><td>The Company, as an emerging stock company, is not required to prepare a ESG Report.</td><td>It will be handled according to regulations in the future.</td></tr>
<tr><td colspan="5">VI. If the Company has formulated its own Sustainable Development Best Practice Principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," state any deviation from the established principles:
The Company established the "Sustainable Development Best Practice Principles" on December 9, 2024, and there is no difference from the Best Practice Principles.</td></tr>
<tr><td colspan="5">VII. Other important information that helps better understand the Company's promotion of sustainable development:
(I) The Company purchases festive gift boxes from sheltered workshops on an annual basis for use as gifts to customers and business partners during festive seasons. Through such practical actions, the Company supports the operation of sheltered workshops and promotes employment opportunities for disadvantaged groups.
(II) The Company makes annual donations of supplies or provides other forms of support to local welfare institutions for persons with disabilities, in order to assist in meeting their daily care needs.</td></tr>
</table>

(VII) Implementation status of ethical corporate management and deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the reasons therefor:

Promotion items	Implementation			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
I. Establishment of an ethical corporate management policy and plan (I) Has the Company established a ethical corporate management policy approved by the Board of Directors, and explicitly stated the policy and practices of ethical corporate management in its regulations and external documents, as well as the commitment of the Board of Directors and senior management to actively implement the policy?	V		The Company has established and obtained approval from the Board of Directors for specific policies related to ethical corporate management, including the "Procedures for Ethical Management and Guidelines for Conduct", "Code of Ethical Conduct", and "Procedures for Handling Reports of Illegal, Unethical, and Dishonest Conduct" to ensure the concrete implementation of the ethical corporate management policy. The Company operates in compliance with relevant laws and regulations, and has established various procedures and rules, which are published on the Company's website.	No significant differences.
(II) Has the Company established a risk assessment mechanism for unethical conduct, regularly analyzing and evaluating business activities with higher risks of unethical conduct within its scope of operations, and based on this, formulated measures to prevent unethical conduct, covering at least the preventive measures for the conducts listed in Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for	V		The Company has established the "Procedures for Ethical Management and Guidelines for Conduct", which includes preventive measures for each item under Article 7, Paragraph 2 of the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Company". All employees have signed the "Ethical Corporate Management Policy Compliance Statement" and adhere to the guidelines. Internal auditors implement audits according to the audit plan to ensure compliance.	No significant differences.

Promotion items	Implementation			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
TWSE/TPEx Listed Companies"?				
(III) Does the Company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	V		The company has established prevention measures for unethical conduct in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Company", which include the "Code of Ethical Conduct", "Procedures for Ethical Management and Guidelines for Conduct", and "Procedures for Handling of Illegal, Unethical, and Dishonest Conduct". These clearly prohibit the acceptance of any improper benefits or actions that violate integrity or the law. The Company has also set up a whistleblowing mailbox to encourage reporting of any illegal or unethical conduct. Additionally, it is required to regularly promote the importance of ethical conduct to the Board of Directors and employees. The aforementioned plan is regularly reviewed in accordance with the risk assessment mechanism for unethical conduct to evaluate the appropriateness and effectiveness of the prevention measures, and appropriate adjustments or modifications are made.	No significant differences.
II. Ethical management practices (I) Has the Company assessed the integrity record of its counterparties and explicitly stated integrity clauses in the contracts	V		Before initiating transactions with customers and suppliers, the Company conducts an evaluation and investigation through relevant departments. The transactions are then reviewed and approved by the	No significant differences.

Promotion items	Implementation			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
signed with these counterparties?			management team, and business contracts are signed based on actual needs. Additionally, the transaction records of business partners are regularly reviewed and assessed.	
(II) 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 management policy and program to prevent unethical conduct and monitor their implementation?	V		On December 9, 2024, the Company's Board of Directors approved the adoption of the "Procedures for Ethical Management and Guidelines for Conduct", designating the corporate governance team as the dedicated unit under the Board of Directors responsible for promoting ethical corporate management. The team is required to report its implementation status to the Board of Directors on a regular basis (at least once a year).	No significant differences.
(III) Has the Company established policies to prevent conflicts of interest, provided appropriate communication and complaint channels, and properly implemented such policies?	V		To prevent any conflicts of interest, the Company has established the "Procedures for Ethical Management and Guidelines for Conduct" and the "Code of Ethical Conduct", providing appropriate channels for directors and managers to proactively disclose any potential conflicts of interest with the Company. For those attending or present at board meetings, if they have any personal or representative corporate interests in a motion that may harm the Company's interests, they may present their opinions and respond to inquiries, but they are not allowed to participate in discussions or voting. During discussions and voting,	No significant differences.

Promotion items	Implementation			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
			they must recuse themselves and are prohibited from delegating their voting rights to other directors. Directors must also refrain from improper mutual support.	
(IV) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	V		The Company has established an effective accounting system and internal control system. Internal audit personnel conduct regular audits to ensure compliance with these systems and report on audit activities to the Board of Directors to ensure the implementation of ethical corporate management. Additionally, when necessary, the Company may also commission a CPA to perform audits.	No significant differences.
(V) Does the Company provide internal and external ethical corporate management training regularly?	V		The Company regularly promotes the principles of ethical management to directors, department heads, and employees. In 2025, the Company conducted a training course on "Ethical Management and Prevention of Unethical Conduct," with a duration of 1 hour and 64 participants.	No significant differences.
III. Operation of the Company's whistleblowing system (I) Has the Company established specific whistleblowing and reward procedures, set up conveniently accessible whistleblowing channels, and appointed appropriate	V		The Company has established a specific reporting and reward system, set up an illegal conduct reporting mailbox, and provides corresponding channels for different types of reports. Multiple reporting channels are available for complaints, and all reports are handled by dedicated units.	No significant differences.

Promotion items	Implementation			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation
	Yes	No	Summary	
personnel specifically responsible for handling complaints received from whistleblowers?				
(II) Has the Company established any SOP for accepting reported misconducts, any tracking measures or confidentiality measures to be taken after an investigation is completed?	V		The Company's "Procedures for Handling of Illegal, Unethical, and Dishonest Conduct" includes related operational procedures for receiving, processing, investigating, and appealing reports. If the reported incident is verified as true, the relevant department shall be tasked with reviewing and proposing corrective actions to prevent the recurrence of such conduct. The handling methods and subsequent review and improvement measures will be reported to the Board of Directors. The company handles whistleblowing cases confidentially, with independent channels for investigation, and fully protects the whistleblower.	No significant differences.
(III) Has the Company adopted proper measures to protect whistleblowers from retaliation for filing complaints?	V		The Company did not receive any report of misconduct in 2025.	No significant differences.
IV. Enhanced information disclosure Has the Company disclosed the content of its Ethical Corporate Management Best Practice Principles and its implementation results on its website and the MOPS?	V		The Company has disclosed the "Procedures for Ethical Management and Guidelines for Conduct" and other corporate governance-related regulations on the Company's website and the MOPS. The Company also provides information on ethical corporate management and its implementation	No significant differences.

<table>
<tr><th rowspan="2">Promotion items</th><th colspan="3">Implementation</th><th rowspan="2">Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and reason for such deviation</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>effectiveness under the "Corporate Governance Structure" section of the website.</td><td></td></tr>
<tr><td colspan="5">V. 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 the operational differences and the differences with the established principles: The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies", and has implemented it without any differences.</td></tr>
<tr><td colspan="5">VI. Other important information that helps to understand the operation of the Company's ethical corporate management (such as review or amendmant of the Ethical Corporate Management Best Practice Principles): The Company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, relevant regulations for TWSE/TPEx listed companies, and other laws related to commercial activities, as the fundamental premise for implementing ethical corporate management.</td></tr>
</table>

(VIII) Other important information that may enhance the understanding of the Company's governance operations may be disclosed: None.

(IX) Implementation of the internal control system:

1. Statement of Internal Control: Please refer to the MOPS > Single Company > Corporate Governance/ Company Regulations > Internal Control > Statement of Internal Control.
2. If a CPA is commissioned to review the internal control system, disclose the CPA's review report: None.

(X) Important resolutions made at shareholders' meetings and Board of Directors' meetings in the most recent year as of the publication date of this annual report:

1. Major resolutions of the shareholders' meeting

Date	Key matters to be resolved	Implementation
2025.5.28	Proposed the 2024 business report and financial statements	The resolution was approved.
	Proposed the 2024 earnings distribution	The resolution was approved.
	Proposed the capital increase through the issuance of new shares from retained earnings	The resolution was approved, and the change in capital was registered on September 15, 2025, with the distribution completed on September 30, 2025.
	Proposed amendments to certain provisions of the Company's Articles of Incorporation	The resolution was approved and will be handled according to the amended operating procedures.
	Proposed amendments to certain provisions of the " Procedures for the Election of Directors "	The resolution was approved and will be handled according to the amended operating procedures.
	Proposed amendments to certain provisions of the " Operational Procedures for Acquisition and Disposal of Assets "	The resolution was approved and will be handled according to the amended operating procedures.
	Proposed amendments to the " Operating Procedures for Trading Derivatives "	The resolution was approved and will be handled according to the amended operating procedures.
	Proposed amendments to certain provisions of the " Operational Procedures for Loaning Funds to Others "	The resolution was approved and will be handled according to the amended operating procedures.
	Proposed amendments to certain provisions of the " Operational Procedures for Endorsements and Guarantees "	The resolution was approved and will be handled according to the amended operating procedures.

2. Major resolutions of the Board of Directors

Date	Key matters to be resolved
2025.01.16	1.Proposed the Company's remuneration to managers
2025.03.10	1. Proposed for the evaluation of the independence and suitability of the Company’s CPA 2. Proposed the Company's appointment of CPAs and their audit fees 3. Proposed to discuss the 2024 annual business report and financial statements 4. Proposed the distribution of employees and director remuneration for 2024 5. Proposed the discussion of the 2024 earnings distribution 6. Proposed the capital increase through the issuance of new shares from retained earnings 7. Proposal for the Company's 2024 Declaration of Internal Control System 8. Proposed the non-assurance services provided by Ernst & Young and other affiliates 9. Proposed amendments to the salary range for entry-level employees 10. Proposed amendments to the Company’s Internal Control System and “Accounting System” 11. Proposed amendments to the Company's “Articles of Incorporation” 12. Proposed amendments to the Company's “Procedures for Election of Directors” 13. Proposed for the Company's application for short-term comprehensive credit facilities 14. Proposed to set the date, location, and agenda for the Company's 2025 annual general shareholders’ meeting and other related matters
2025.06.09	1. Proposed the Company's 2024 directors remuneration distribution plan 2. Proposed the Company's 2024 managers and employees remuneration distribution plan 3. Proposed managers’ bonuses for the first quarter of 2025 4. Proposed the Company’s medical expense reimbursement for the General Manager in case of work-related injuries 5. Proposed amendments to the “Payroll Cycle” 6. Proposed to the changes of the head of internal audit
2025.08.11	1. Proposed the financial statements of Q2 2025 2. Proposed amendments to the “Procedures for Handling Material Inside Information” 3. Proposed to determine the ex-dividend date and ex-rights record date and payment date for 2025
2025.09.08	1. 1.Proposed the Change of Lead and Co-Lead Recommending Securities Firms
2025.12.09	1. Proposed the Company's 2026 audit plan 2. Proposed the Company’s 2026 budget plan 3. Proposed the Company's remuneration to managers 4. Proposed the Company’s medical expense reimbursement for the General Manager in case of work-related injuries. 5. Proposed adoption of the “Regulations Governing Directors’ Remuneration and Compensation” of the Company 6. Proposed adoption of the “Selection Criteria for Members of the Board of Directors” of the Company 7. Proposed the amendments to the Company’s “Procedures for Acquisition and Disposal of Assets” 8. Proposed amendments to the Company’s internal control system and management regulations

Date	Key matters to be resolved
2026.01.26	1. Proposed the Company's remuneration to managers
2026.03.09	1. Proposed for the evaluation of the independence and suitability of the Company's CPA. 2. Proposed to discuss the 2025 annual business report and financial statements 3. Proposed the distribution of employees and director remuneration for 2025 4. Proposed the discussion of the 2025 earnings distribution 5. Proposed the capital increase through the issuance of new shares from retained earnings 6. Proposal for the Company's 2025 Declaration of Internal Control System 7. Proposed the non-assurance services provided by Ernst & Young and other affiliates 8. Proposed for the Company's application for short-term comprehensive credit facilities 9. Proposed re-election of all directors (including independent directors) and Review and Nomination of Director Candidates (including Independent Directors) 10. Proposed release from non-competition restrictions for newly elected directors (including independent directors) and their representatives 11. Proposed to set the date, location, and agenda for the Company's 2026 annual general shareholders' meeting and other related matters

(XI) In the most recent year and up to the publication date of the annual report, if any director or supervisor had dissenting opinions on important resolutions passed by the Board of Directors and had recorded or written statements: None.

IV. Information on CPA Audit Fees:

Amount unit: NTD thousands

Name of accounting firm	Names of CPAs	Period covered by the CPA audit	Audit fees	Non-audit fees	Total	Remarks
Ernst & Young	Shih-Chieh Yao Kuo-Sen Hung	2025.1.1 to 2025.12.31	1,050	50	1,100	Taxation certification services.

(I) If the accounting firm is changed and the audit fees for the year following the change are lower than those of the previous year, the amounts of the audit fees before and after the change and the reasons should be disclosed: Not applicable.

(II) If the audit fees have decreased by more than 10% compared to the previous year, the amount, percentage, and reasons for the decrease should be disclosed: Not applicable.

V. Replacement of CPAs:None.

VI. If the Chairman, General Manager, or managers responsible for financial or accounting matters of the Company has held a position within the accounting firm or its affiliates in the most recent year, their name, title, and the duration of their employment with the accounting firm or its affiliates should be disclosed: None.

VII. Any transfer or pledge of shares by any director, supervisor, managers, and shareholders holding more than 10% of shares in the most recent year and up to the publication date of the annual report:

(I) Changes in shares held by directors, supervisors, managers, and major shareholders:

Unit: shares

Title	Name	2025		2026 As of March 30, 2026	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairman, General Manager, major shareholders	David Tu	(542,946)	-	-	-
Corporate director	Representative, D&K Group Limited: Karen Hong	101,338	-	-	-
Independent Director	Steve Lee	-	-	-	-
Independent Director	Tsang Sheau Lee	-	-	-	-
Independent Director	Chien-Cheng Lin	1,114	-	-	-
Major shareholder	Karen Hong	(1,730,660)	-	-	-
Manager	Hsiu-Wen Hsieh	3,176	-	-	-
Head of Accounting	Tsun-Chuan Huang	-	-	-	-

(II) Share transfer information:

Please refer to the MOPS>Single Company> Equity Changes / Securities Issuance > Share Transfer Information Inquiry > Daily Share Transfer Report

(III) Share pledge information: None.

VIII. Information on relationships among the top ten shareholders, including spouses and second degree relatives or closer, among the top ten shareholders:

March 30, 2026; Unit: shares; %

Name	Shareholding of the individual		Shareholding of spouse or minor children		Total shareholding by nominee arrangement		Information on the names and relationships of the top ten shareholders who are related parties or have a spouse or relative within the second degree of kinship.		Remarks
	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	No. of shares	Shareholding ratio	Name	Relationship	-
Ya Shi Co., Ltd	1,995,000	15.77	-	-	-	-	Karen Hong	Chaiman of the Company	-
							Cheng-En Tu	Supervisor of the Company	-
David Tu	1,173,149	9.27	740,357	5.85	730,000	5.77	Karen Hong	Spouse	-
							Hsin-Fa Hung/ Cheng-En Tu/ Shih-Hsun Hung/ Mei-Man Hung	Relatives within second degree of kinship	-
							Cheng Ping Co., Ltd	Chaiman of the Company	
D&K Group Limited	1,031,050	8.15	-	-	-	-	Karen Hong	Chaiman of the Company	-
							Cheng-En Tu	Supervisor of the Company	-
Karen Hong	740,357	5.85	1,173,149	9.27	3,026,050	23.92	David Tu	Spouse	-
							Hsin-Fa Hung/ Cheng-En Tu/ Shih-Hsun Hung/ Mei-Man Hung	Relatives within second degree of kinship	-
							D&K Group Limited	Chaiman of the Company	-
							Ya Shi Co., Ltd	Chaiman of the Company	-
Cheng Ping Co., Ltd	730,000	5.77	-	-	-	-	David Tu	Chaiman of the Company	-
							Cheng-En Tu	Supervisor of the Company	-
Hsin-Fa Hung	604,162	4.77	246,455	1.95	-	-	David Tu/ Karen Hong/ Shih-Hsun Hung/ Mei-Man Hung	Relatives within second degree of kinship	-
Chieh-Mei Tso	542,702	4.29	-	-	-	-	-	-	-
Cheng-En Tu	379,970	3.00	-	-	-	-	David Tu/ Karen Hong	Relatives within second degree of kinship	-
							D&K Group Limited	Supervisor of the Company	-
							Ya Shi Co., Ltd	Supervisor of the Company	-
							Cheng Ping Co., Ltd	Supervisor of the Company	-
Shih-Hsun Hung	354,168	2.80	-	-	-	-	David Tu/ Karen Hong/ Hsin-Fa Hung/ Mei-Man Hung	Relatives within second degree of kinship	-
Mei-Man Hung	328,500	2.60	-	-	-	-	David Tu/ Karen Hong/ Hsin-Fa Hung/ Shih-Hsun Hung	Relatives within second degree of kinship	-

IX. The number of shares held by the Company, its directors, supervisors, managers, and entities directly or indirectly controlled by the Company in a reinvestee and the consolidated shareholding ratio: None.

Three. Financing Status

I. Capital and Shares

(I) Sources of capital

1. Formation of share capital

April 16, 2026; Unit: thousand shares; NTD thousands

MM/YYYY	Issuance price	Authorized share capital		Paid-in capital		Remarks		
		No. of shares	Amount	No. of shares	Amount	Sources of capital	Capital paid in by assets other than cash	Others
2012.5	10	45,000	450,000	25,460	254,600	Cancellation of treasury stock for capital reduction (NTD 13,400 thousand)	None	Note 1
2020.3	10	45,000	450,000	25,040	250,400	Cancellation of treasury stock for capital reduction (NTD 4,200 thousand)	None	Note 2
2021.7	10	45,000	450,000	17,528	175,280	Cash capital reduction (NTD 75,120 thousand)	None	Note 3
2021.12	10	45,000	450,000	10,000	100,000	Cash capital reduction (NTD 75,280 thousand)	None	Note 4
2022.5	10	45,000	450,000	9,802	98,020	Cancellation of treasury stock for capital reduction (NTD 1,980 thousand)	None	Note 5
2024.9	10	45,000	450,000	11,409	114,095	Capitalization of earnings (NTD 16,075 thousand)	None	Note 6
2025.9	10	45,000	450,000	12,653	126,531	Capitalization of earnings (NTD 12,436 thousand)	None	Note 7

Note 1: On May 23, 2012, pursuant to Nan-Shang-Zi No. 1010012105, the shares were canceled and registration was amended in accordance with Article 167-1, Paragraph 2 of the Company Act.

Note 2: On March 26, 2020, pursuant to Nan-Shang-Zi No. 1090007975, the shares were canceled and registration was amended in accordance with Article 167-1, Paragraph 2 of the Company Act.

Note 3: August 3, 2021, pursuant to Nan-Shang-Zi No. 1100022474.

Note 4: December 20, 2021, pursuant to Nan-Shang-Zi No. 1100037208.

Note 5: On May 27, 2022, pursuant to Nan-Shang-Zi No. 1110015506, the shares were canceled and registration was amended in accordance with Article 167-1, Paragraph 2 of the Company Act.

Note 6: September 23, 2024, pursuant to Nan-Shang-Zi No. 1130030027.

Note 7: September 15, 2025, pursuant to Nan-Shang-Zi No. 1140032621.

2. Types of share capital issued

March 30, 2026; Unit: shares

Types of shares	Authorized share capital			Remarks
	Outstanding shares	Unissued shares	Total	
Ordinary shares	12,653,131	32,346,869	45,000,000	Stock that are not listed or publicly traded

(II) List of shareholders:

March 30, 2026; Unit: shares; %

Shares / Names of major shareholders	No. of shares held	Shareholding ratio
Ya Shi Co., Ltd	1,995,000	15.77
David Tu	1,173,149	9.27
D&K Group Limited	1,031,050	8.15
Karen Hong	740,357	5.85
Cheng Ping Co., Ltd	730,000	5.77
Hsin-Fa Hung	604,162	4.77
Chieh-Mei Tso	542,702	4.29
Cheng-En Tu	379,970	3.00
Shih-Hsun Hung	354,168	2.80
Mei-Man Hung	328,500	2.60

(III) Dividend policy and implementation:

1. Dividend policy defined in the Articles of Incorporation:

   If the Company has profits in its annual financial statements, taxes should first be paid, followed by the compensation of accumulated losses from previous years. Then, 10% should be allocated to the legal reserve, but this requirement does not apply if the legal reserve has reached the Company's paid-in capital. The Company shall also allocate or reverse special reserves as required by laws or competent authorities. Any remaining profit, together with any accumulated undistributed earnings from previous years, will be proposed by the Board of Directors for distribution.

   In accordance with the provisions of Article 240, Paragraph 5 and Article 241 of the Company Act, the Board of Directors shall decide the distribution of dividends and bonuses, or the distribution of legal reserves and capital reserves in cash, with the approval of at least two-thirds of the attending directors and a majority of the attending directors, and then report to the shareholders' meeting. When distribution is made through the issuance of new shares, it shall be proposed for resolution at the shareholders' meeting before distribution.

   The Company may distribute shareholder dividends in the form of cash or stock. The amount of dividends shall be no less than 10% of the distributable earnings for the year, and the cash dividend proportion shall be no less than 10% of the total shareholder dividends. The Company is currently in a growth stage. The type and proportion of earnings distribution may be adjusted by the Board of Directors based on the Company's future capital needs and long-term operational plans. The Board of Directors shall propose a distribution plan, taking into account the current operational status, shareholders' interests, the balance between dividend policy, and capital requirements.

2. Dividend distribution proposed at the current shareholders' meeting:

   The Company's earnings distribution proposal for 2025 was approved by the Board of Directors on March 9, 2026. A cash dividend of NTD 9 and a stock dividend of NTD 0.46 per share, totaling NTD 9.46 per share. Cash dividends are authorized to be distributed by resolution of the Board of Directors in accordance with the Company's Articles of Incorporation and shall be reported to the shareholders' meeting. The stock dividend to be issued through capital increase is subject to approval by the Annual General Shareholders' Meeting to be held on May 28, 2026.

3. If significant changes to the dividend policy are anticipated, they should be explained: None.

(IV) The impact of the distribution of bonus shares proposed at the current shareholders' meeting on the Company's business performance and earnings per share

On March 9, 2026, the Board of Directors resolved to distribute a stock dividend of NTD 0.46 per share, subject to approval at the annual general shareholders' meeting on May 28, 2026. After this distribution of earnings, the expected capital will be NTD 132,351,750, with the stock dividend resulting in a capital expansion ratio of 4.60%. Given the continued stable growth of the Company's operations, there will be no significant impact on the Company's business performance or earnings per share.

(V) Remuneration to employees, directors, and supervisors

1. The percentage or range of remuneration for employees, directors and supervisors as specified in the company's articles of association

   The Company shall allocate no less than 1% of the annual profit as employee remuneration, with no less than 50% of this allocation designated for entry-level employees. Additionally, no more than 4% of the annual profit shall be allocated as director remuneration. However, if the Company has accumulated losses, these losses must be compensated first. The annual profit referred to in the preceding paragraph refers to the profit before tax, after deducting the employee remuneration and director remuneration to be distributed.

2. The basis for estimating employee, director, and supervisor remuneration amounts for this period, the calculation basis for stock-based employee remuneration, and the accounting treatment when there are discrepancies between the actual distribution amount and the estimated amount:

   Employee and director remuneration is estimated based on a certain ratio within the percentage range defined in the Articles of Incorporation. If there is a discrepancy between the actual distribution amount and the estimated amount, it is treated as a change in accounting estimate and adjusted in the accounting records for the distribution year.

3. Distribution of remuneration approved by the Board of Directors:

(1) Amount of remuneration to employees, directors and supervisors distributed in cash or in shares. If there is a discrepancy between the estimated and recognized expense for the year, the difference, the reason, and the treatment should be disclosed:

   The Board of Directors of the Company passed a resolution on March 9, 2026, to distribute employee remuneration of NTD 2,445 thousand and director remuneration of NTD 2,445 thousand for 2025, which is the same as the estimate in the financial report for 2025, with no differences.

(2) The amount of employee remuneration distributed in shares and its proportion to the net income after tax and the total employee remuneration in the parent company only or individual financial statements for this period:

   The employee remuneration for 2025 was approved by the Board of Directors on March 9, 2026, and it was resolved to distribute the entire amount in cash.

4. The actual distribution of employee, director, and supervisor remuneration for the previous year (including the number of shares, amounts, and stock price), and any discrepancies with the recognized employee, director, and supervisor remuneration, should be explained, including the difference, reason, and treatment:

   The remuneration distribution plan for 2024 was reported at the shareholders' meeting on May 29, 2025. Employee remuneration of NTD 2,585 thousand and director remuneration of NTD 2,585 thousand were distributed. The employee remuneration was fully distributed by May 2025, and the actual distribution of director remuneration matched the amount originally recognized.

(VI) Repurchase of the Company's shares: None.

II. Issuance of corporate bonds: None.
III. Issuance of preference shares: None.
IV. Issuance of depository receipts: None.
V. Issuance of employee stock options or new restricted employee shares: None.
VI. Issuance of new shares in connection with mergers, acquisitions, or acquisitions of shares of other companies: None.
VII. Implementation of the capital utilization plan: None.

Four. Operational overview

I. Business activities:

(I) Scope of business:

1. Major business activities

Business item code	Scope of business
CB01010	Machinery Equipment Manufacturing
1.Research, develop, manufacture, and sell the following products: (1) Front-end process equipment components and subsystem equipment of semiconductors. (2) Eight-inch and larger single crystalline silicon wafers and single crystalline silicon. 2.Consulting on the production technology of the aforementioned products.	

2. Main products and their respective sales proportions

Unit: thousands of NT$; %

Year / Major products	2024		2025	
	Amount	Proportion (%)	Amount	Proportion (%)
Semiconductor equipment components	501,197	100.00	609,522	100.00
Total	501,197	100.00	609,522	100.00

3. Current products (services): Key consumable components for semiconductor manufacturing equipment

1	Retaining Ring
2	Susceptor
3	Heater
4	Shower Head
5	Collimator
6	GDP
7	Other semiconductor manufacturing equipment components

4. New products planned for development (services)

The Company has made significant efforts in plasma engineering technology over the years, producing key components and consumable parts required for various semiconductor front-end process equipment. This has been highly recognized by TSMC, which awarded us in March 1996. Additionally, after acquiring the eight-inch wafer plant equipment from Winbond Electronics Corporation, we refurbished it to learn the design and manufacturing of semiconductor equipment. Through this challenging phase, we were awarded a plaque by the Company, which highlights our professional engineering capabilities in semiconductor equipment components and solidifies our position in the industry. Therefore, precision machining, surface treatment, ceramic spraying, and plasma engineering are the core technologies of the

Company. With the engineering capability to design equipment in-house, the Company is more competitive in terms of quality, manufacturing costs, and manufacturing and inspection equipment.

The Company is a certified supplier and long-term strategic partner of leading global semiconductor equipment manufacturers. While its business scale has been steadily growing, achieving explosive growth on a large scale remains a significant challenge. Therefore, the Company is actively developing new products and customers, as well as establishing new business models to directly sell products to end users. Currently, the product under development is a conditioner for semiconductor Chemical Mechanical Polishing (CMP) equipment. It is used to condition the polishing pad, remove impurities generated as byproducts during polishing, stabilize the polishing rate, improve wafer yield by achieving the required flatness for wafer grinding, and extend the polishing pad's service life. It is a key consumable component in the wafer polishing process.

The conditioner newly developed by the Company not only seeks breakthroughs in sales channels but also has significant differentiation in product design and manufacturing technology. Traditional designs, commonly referred to as Diamond Disks in the market, combine diamond and brazing methods (such as with Kinik Company and other mid-tier brands) or use electroplating. However, the Company’s design is monolithic. While traditional diamond grain abrasives are island-shaped, our design is circular (as shown in Fig. 1). We have a high level of control over the raw materials. Furthermore, the Company independently designs and manufactures HFCVD (Hot Filament Chemical Vapor Deposition), mastering the key coating technology. The diamond coating particles are smaller, smoother, and more uniform, exhibiting the characteristic of being less prone to coating layer cracking or peeling during polishing. Compared to traditional diamond disks, our design offers better wear resistance. The Company is also committed to developing advanced conditioners to meet the demand for near-zero-defect polishing consumables in advanced logic chips and 3D IC packaging.

With the increasing demands of the semiconductor industry for the CMP process, the growth momentum for the demand of conditioners has been driven. The conditioner developed by the Company is expected to bring significant contributions to the Company's overall revenue and profitability once it successfully passes customer certification in the future.

Fig. 1. The Company's newly developed product, conditioner

(II) Industry Overview:

1. Current status and development of the industry

   The semiconductor industry has become an indispensable core driver of the global economy. As process technology nodes continue to advance, chip computing power has significantly improved. Coupled with the rapid development of applications such as artificial intelligence (AI) chips, autonomous driving, automotive electronics, data storage, and wireless communications, demand for advanced chips continues to rise, further driving capacity expansion and technological competition among major wafer foundries.

According to forecasts by the World Semiconductor Trade Statistics (WSTS), the global semiconductor market is projected to reach USD 772.2 billion in 2025, representing an annual growth rate of approximately 22.5%. The growth momentum is primarily driven by two major segments: the memory segment is expected to grow by approximately 27.8%, while the logic segment is projected to expand by approximately 37.1%.

From a regional perspective, the concentration of semiconductor manufacturing bases in Taiwan, South Korea, and China forms the backbone supporting this substantial demand. Taking Taiwan as an example, it holds a dominant position in the global semiconductor supply chain. According to statistics from the Market Intelligence & Consulting Institute, the total output value of Taiwan's semiconductor industry is projected to reach USD 175.0 billion in 2025, representing an annual growth rate of 15.4%. In addition, based on the latest data from Trend Force, TSMC, the world's leading wafer foundry, is expected to benefit from AI chip orders from major technology companies such as NVIDIA, Apple, and AMD. Its revenue is projected to reach USD 122.54 billion in 2025 (up 36.1% year-over-year), capturing nearly 70% of the global foundry market share (compared to 64.4% in 2024).

Looking ahead to 2026, WSTS forecasts that the global semiconductor market will further expand to USD 975.4 billion, representing an annual growth rate of over 25%. The overall market is expected to exhibit broad-based growth, with memory and logic devices remaining the primary drivers, both projected to achieve annual growth rates exceeding 30%, while other product categories continue to recover at a moderate pace. From a regional perspective, the Americas are expected to demonstrate the strongest growth momentum, with an estimated growth rate of 34.4% and a market size reaching USD 338.5 billion. The Asia-Pacific region follows, with projected growth of 24.9% to USD 526.2 billion, while Europe and Japan are also expected to achieve double-digit growth.

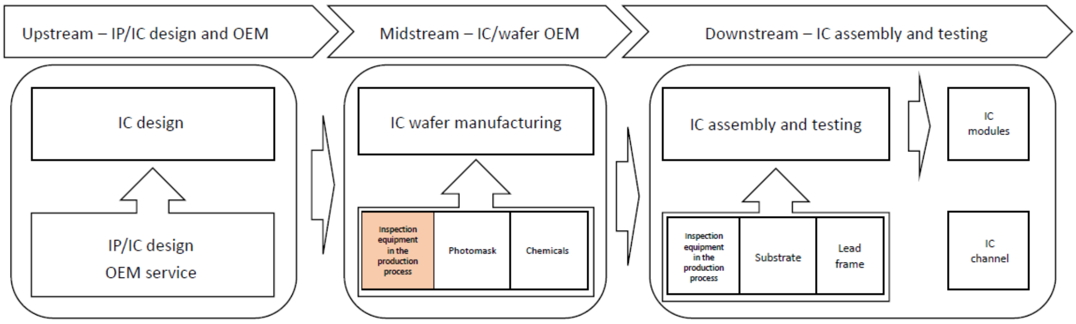
Overall, driven by demand for AI and high-performance computing, the semiconductor industry is expected to maintain strong growth momentum and continue advancing toward leading-edge processes and high value-added applications.

Production Value of the Global Semiconductor Industry

Autumn 2025	Amounts in US$M			Year on Year Growth in %		
	2024	2025	2026	2024	2025	2026
Americas	195,123	**251,926**	**338,574**	45.2	29.1	34.4
Europe	51,250	**54,127**	**60,429**	-8.1	5.6	11.6
Japan	46,739	**44,835**	**50,164**	0.0	-4.1	11.9
Asia Pacific	337,437	**421,354**	**526,293**	16.4	24.9	24.9
Total World - $M	630,549	**772,243**	**975,460**	19.7	22.5	26.3
Discrete Semiconductors	31,026	**30,900**	**33,436**	-12.7	-0.4	8.2
Optoelectronics	41,095	**42,597**	**45,020**	-4.8	3.7	5.7
Sensors	18,923	**20,894**	**22,713**	-4.1	10.4	8.7
Integrated Circuits	539,505	**677,852**	**874,291**	25.9	25.6	29.0
Analog	79,588	85,552	91,988	-2.0	7.5	7.5
Micro	78,633	84,839	96,620	3.0	7.9	13.9
Logic	215,768	295,892	390,863	20.8	37.1	32.1
Memory	165,516	211,568	294,821	79.3	27.8	39.4
Total Products - $M	630,549	**772,243**	**975,460**	19.7	22.5	26.3

Source: WSTS (Fall 2025)

2. The relationships between the upstream, midstream and downstream of the industry
Taiwan has the most integrated semiconductor industry cluster and supply chain in the world. Once IC design is completed, it is outsourced to professional wafer foundries for production. After front-end testing, it is then sent to specialized packaging factories for precise packaging and testing, forming a complete and top-tier supply chain. The Company is a key component and consumable parts manufacturer for semiconductor IC/wafers manufacturing process equipment. Its products are used throughout the midstream processes and equipment of the semiconductor industry chain, and the Company is an important partner in the development of advanced processes for its customers.



3. Various product development trends
The Company has decades of professional experience, focusing on the manufacturing of key components and consumable parts required for various semiconductor front-end process equipment. Our technical foundation comes from the early experience of refurbishing the smoke-damaged equipment from Winbond Electronics Corporation, as well as the process of designing and manufacturing our own equipment. These valuable experiences have allowed us to successfully apply them to the processing and testing equipment of our products. Not only did it reduce manufacturing costs, but it also improved product stability, ensuring high quality.
As leading wafer foundries in Taiwan continue to advance mass production of 5nm and 3nm process technologies, and actively plan capacity expansion for 2nm processes, demand for semiconductor equipment and components related to advanced nodes is expected to remain well supported. However, the overall semiconductor industry continues to be affected by the cyclical nature of the economy, fluctuations in end-market demand, and customer inventory adjustments; therefore, the operating environment remains subject to uncertainties.
The Company has established long-term and stable cooperative relationships with key customers and continues to invest in process technology optimization and product quality enhancement to assist customers in improving production yield. In response to the increasing technological barriers and more stringent quality requirements of advanced processes, the Company will continue to strengthen its R&D capabilities and manufacturing management in order to maintain product competitiveness.
Looking ahead, the Company will prudently respond to changes in industry conditions, further deepen its cooperative foundation with customers, and continuously enhance its technological capabilities and quality standards, so as to capture long-term growth opportunities arising from the development of advanced process technologies.

4. Market competition overview
The main competitors in the semiconductor process equipment components market come from both domestic and international markets, including OSM from the United

States, CNUS from South Korea, as well as several processing factories from China and domestic companies. Amid increasingly intense competition in the semiconductor equipment and components industry, the Company continues to leverage its professional expertise in equipment design and engineering technologies, while promoting the optimization and implementation of automated production technologies to enhance production efficiency and product quality, thereby strengthening overall competitiveness.

In recent years, as major domestic wafer manufacturers continue to expand their investments in Taiwan and promote the development of local supply chains, the Company has, by virtue of its long-term accumulated engineering capabilities, ongoing investment in processing equipment, and experience in process improvement, established stable cooperative relationships with leading advanced semiconductor manufacturers. The Company is committed to providing high-quality products and timely technical services, and continuously enhancing customer satisfaction and product reliability to strengthen its position within the supply chain. However, overall market competition remains influenced by factors such as technological advancements among international peers, pricing competition, and fluctuations in industry conditions. The Company will continue to invest in technology R&D and process optimization to respond to market changes and maintain its competitive advantages.

(III) Technology and R&D Overview

The Company has long been engaged in R&D and design manufacturing in the fields of semiconductor process equipment components, testing equipment, and various component simulation testing machines. In recent years, it has expanded to independently plan and design automated production systems. This makes the Company a highly specialized component manufacturer with a high level of engineering content, and it is a significant competitive advantage and the most notable difference from other competitors.

CMP equipment is among the semiconductor process equipment with the highest proportion of consumable components. These consumables include polishing pads, slurry, retaining rings, diamond disks/Conditioners, membranes, and others. These components not only require frequent replacement and are expensive, but they also have extremely strict requirements for quality and stability. In the chip manufacturing process, CMP processes are used multiple times to flatten the surface of the wafer, enabling precise stacking, which is crucial for maintaining the yield of the subsequent processes.

The Company has been deeply involved in the semiconductor process equipment component field for many years and has become a qualified supplier for global semiconductor equipment manufacturers. It is also a key supplier of consumable components, specifically the retaining ring, for CMP equipment. In order to achieve sustainability and expand our business footprint, we have decided to focus on the development of the Conditioner, a consumable component for CMP equipment, as a key area for future growth. Through the development of the conditioner, we plan to establish a new business model, directly selling the products to end-users, such as major semiconductor manufacturers in Taiwan. We anticipate that this will bring significant revenue growth and profit contributions to the Company. The Company not only has mastered the raw materials, forming technology, and key coating technology for the conditioner, but has also independently designed and developed HFCVD equipment and simulators. This independent R&D of technology and equipment gives us full confidence in the progress of conditioner development, and we believe we can successfully achieve this strategic objective.

In addition, the Company does not adopt conventional mechanical bonding techniques that are prone to contamination, and instead focuses its core process technology on the highly challenging one-piece CVD diamond coating technology. To ensure that its products can meet the near-zero-tolerance specifications required for 2nm and 1.4nm processes, the Company has conducted rigorous scientific evaluations and iterative testing across all critical stages of technology development, including substrate material selection and breakthroughs, forming technologies, pre-coating surface treatment and CVD coating processes, backing plate selection and bonding technologies for extreme environments, as well as patent circumvention and innovation strategy deployment.

1. R&D expenses:

Unit: NTD thousands

Item \ Year	2025	As of March 31, 2026
R&D expenses	21,479	5,633(Note)

Note: As an Emerging Stock Market company, the Company had not yet completed the CPA review of its first-quarter financial report as of the printing date of this annual report. Accordingly, the figures disclosed herein are based on self-prepared financial information.

2. Technologies and/or products successfully developed:

Year	Technologies and/or products successfully developed
2020	Thermal Spray E-Chuck (ESC), E-Chuck tester
2021	Shearing test machine
2022	Online blade calibration and measurement system automation

(1) Thermal Spray E-Chuck (ESC), E-Chuck tester

In 2020, the Company's R&D personnel of the Engineering Department, in collaboration with the R&D team of a world-leading semiconductor manufacturer, successfully developed the thermal spray E-Chuck (ESC, as shown in Fig. 2). The principle of the E-Chuck is to apply a high voltage of over 2,500V to the dielectric material—electrode carrier plate—to store potential energy and generate electrostatic force. This electrostatic force creates an attraction between the electrode carrier plate and the wafer. In simple terms, it allows semiconductor and non-conductive substrates to remain adsorbed. For quite some time, E-Chucks relied heavily on imported new products or refurbished domestic products due to the high level of engineering knowledge, complexity, and high technical barriers involved. However, the Company not only overcame these technical bottlenecks and successfully developed the product, but also leveraged our unique equipment design and in-house engineering expertise. We independently designed and manufactured the E-Chuck Tester (as shown in Fig. 3). All of our self-produced E-Chucks are tested using this machine, ensuring that the thermal spray coating can withstand voltages as high as 5,000V without breakdown, thus enhancing the guarantee of high-quality products.

Fig. 2: The successfully developed thermal spray E-Chuck (ESC) of the Company.

Fig. 3. E-chuck tester designed and manufactured by the Company

(2) Shearing test machine

The Company has further developed a key inspection device—a shear tester—to enhance product quality and stability, and this product has received strong recognition from customers. Going forward, the Company will continue to optimize its functionality and plans to commercialize the product to expand its equipment sales business.

(3) Online blade calibration and measurement system automation design

The Company has implemented an in-line tool calibration and automatic measurement system to reduce potential errors and risks during the loading and unloading of workpieces, and has successfully integrated this system into its production equipment. This automated design effectively minimizes human errors associated with manual measurement and data input, enabling rapid workpiece positioning, real-time coordinate updates, and automatic error compensation. Through this system, the Company not only ensures the accuracy of machining dimensions but also enhances the stability and reliability of dimensional and precision control.

(IV) Long-term and short-term business development Planned:

1. Short-term business development Planned

The Company will continue to deepen relationships with existing customers by providing stable technical support and customized solutions, while further advancing process optimization to enhance product quality and production efficiency. At the same time, the Company will actively expand its customer base and appropriately increase production capacity to meet diverse customer needs and capture market opportunities.

2. Long-term business development Planned

The Company will continue to advance the development of smart manufacturing production lines by integrating precision machining and automation control technologies to enhance production efficiency, product quality, and manufacturing flexibility.

In terms of market expansion, the Company will actively develop new customers and evaluate the feasibility of establishing overseas operational bases, with a view to gradually expanding its presence in international markets and strengthening its service capabilities for global semiconductor manufacturing customers. Through a strategy that combines technological advancement with market expansion, the Company aims to continuously enhance its overall competitiveness and prudently capture long-term growth opportunities in the semiconductor industry.

II. Overview of the Market and Production and Sales

(I) Market analysis:

1. Sales area of major products

Unit: NTD thousands;%

Sales area \ Year		2024		2025	
		Sales amount	Ratio (%)	Sales amount	Ratio (%)
Taiwan		207,668	41.43	176,972	29.04
Foreign sales	Americas	31,421	6.27	4,348	0.71
	Asia	262,108	52.30	428,202	70.25
Total		501,197	100.00	609,522	100.00

2. Market share of major products

As leading global semiconductor companies continue to advance process technologies, 5-nanometer and 3-nanometer nodes have gradually entered mass production. For more advanced nodes, major industry players are actively investing in the development of 2-nanometer process technologies and planning for volume production, with some expected to begin phased commercialization starting in 2025.

The Company participates in product introduction at the early stage of customers' mass production, accumulating valuable early-stage collaboration experience. Against the backdrop of increasingly stringent planarization requirements in the CMP process, the Company continues to strengthen its process control and quality management for retaining rings, thereby progressively enhancing its ability to meet customer specifications and deepening its relationships with key customers.

Overall, the Company has established a solid market foundation and customer stickiness in specific product segments. Through continuous technological advancement and quality enhancement, the Company maintains its competitiveness in the market.

3. Supply and demand and growth potential of the market in the future

Looking ahead to 2026, global semiconductor supply and demand will continue to be primarily driven by artificial intelligence and high-performance computing applications, further expanding demand across advanced processes, advanced packaging, high-end memory, testing, and outsourced semiconductor assembly and test segments.

As the industry approaches historical peak market levels, the semiconductor supply chain faces both structural challenges and opportunities, including tight supply of advanced nodes, increasing divergence across application markets, and regional supply chain restructuring. At the same time, accelerating technological innovation and the adoption of system-level solutions are expected to further support steady global semiconductor market growth in 2026.

4. Competitive Niche

The Company has accumulated nearly 30 years of engineering expertise and has established a solid foundation in the domestic and international components manufacturing market, while gradually expanding into new market segments. In the field of precision component machining and manufacturing, the Company possesses strong capabilities in equipment design and manufacturing, enabling effective reduction of production costs and scrap rates, thereby creating a differentiated competitive advantage.

In the field of advanced process equipment components, the Company has established a certain market presence and developed a niche market with distinctive characteristics. The Company maintains close cooperation with key customers to jointly promote technological innovation and continuously enhance its products and services to meet customers' requirements for quality and process stability.

The Company is committed to providing high-quality components and professional services, with a focus on the stable development of the mature process equipment components market. Through continuous technological optimization and professional support, the Company aims to establish long-term and stable partnerships and create sustained value for its customers.

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5. The favorable and unfavorable factors for the future development and the countermeasures

(1) Favorable factors

A. Advantages of Highly Automated Production: The Company leverages its engineering design capabilities to develop inspection equipment and simulation machines, and has implemented automated production lines to enhance production efficiency and process stability. Through automation and process integration, the Company not only improves product quality and consistency but also optimizes labor utilization efficiency, thereby strengthening its overall manufacturing competitiveness.

B. High Innovation and R&D Intensity in the Semiconductor Industry: The semiconductor industry is widely recognized for its continuous innovation in products and technologies, where innovation plays a decisive role in corporate growth. The ongoing pursuit of new technologies is expected to drive the upgrading of semiconductor process equipment, thereby increasing application opportunities for the Company's products and providing medium- to long-term growth momentum.

C. Technological Independence is the Key to Success: The Conditioners developed by the Company are independently designed and marketed, and the Company possesses proprietary advantages in production technologies and key equipment. These strengths are expected to serve as a key factor in the Company's long-term competitiveness. In line with the strategic initiative of leading wafer foundries in Taiwan to establish a localized and resilient supply chain, the Company benefits from the advantages of local R&D and local manufacturing. Compared with imported products with relatively rigid specifications, the Company is able to provide a high degree of customization flexibility. The Company is also capable of working closely with customers' process integration engineers to jointly develop tailored conditioners for next-generation technologies, such as 2 nm and 1.4 nm processes, as well as new materials applications.

(2) Unfavorable factors

The Company is a qualified component manufacturer and supplier certified by leading global semiconductor process equipment manufacturers, with a focus on providing key consumable components. As most related products are manufactured based on customers' design specifications, and the processes for product changes and the introduction of new specifications are relatively stringent, the flexibility for product development is correspondingly limited.

Although the Company has established a certain market presence in its existing product segments and maintained stable operations, its growth in product lines and the scale of business expansion remain subject to certain constraints.

(3) Countermeasures

To break through the bottleneck of large-scale growth, the Company is determined to focus on CMP equipment components, developing and designing innovative products with fully independent control over technology and sales channels. Since CMP equipment is the category with the largest proportion of consumable components in semiconductor process equipment, and among various CMP equipment consumables, the Conditioner has a longer replacement cycle and is not designed by semiconductor equipment manufacturers. Therefore, after thorough evaluation and overcoming production technology challenges, the Company has decided to make the Conditioner its second core product, and will design its own equipment and simulation machines to fully master the key technologies. As a result, the Company can directly sell the conditioner to semiconductor manufacturers, achieving a completely independent sales channel. It is expected that this move will make a positive contribution to future business growth, enhance market competitiveness, and provide an optimistic outlook.

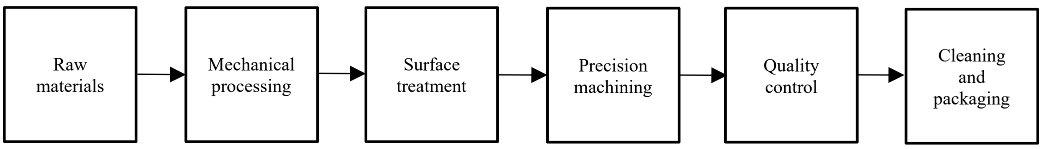
(II) Important functions and production processes of main products

1. Important functions of main products

Major products	Purpose of use
Key and consumable components of semiconductor process equipment	The Company provides various key and consumable components required for semiconductor front-end process equipment, assisting customers in operating semiconductor production equipment and producing wafers with the highest and most stable quality, high utilization rates, low production costs, low waiting times, and short replacement cycles. The description of the use of main products is as follows: Retaining Ring: Mainly installed on the CMP equipment's polishing head, it prevents wafers from slipping off during grinding, thereby avoiding breakage. Susceptor, Heater: Used in PECVD and HDPCVD machines, it primarily ensures that the wafer maintains the required temperature during the manufacturing process. Collimator: Improves the PVD process by enhancing the deposition capabilities of sputter-coated films with high, deep, and wide aspect ratios. Shower Head, GDP： Plasma splitter or rectifier, which ensures that the required substances are evenly deposited onto the wafer or substrate during the plasma reaction.

2. Production processes of main products

The main production process of the Company's products is as follows:



(III) Supply of main raw materials:

The Company's main raw materials include engineering plastics, stainless steel, aluminum alloys, nickel alloys, ceramic materials, and more, supplied by major domestic and international manufacturers. The Company has established stable and long-term partnerships with these suppliers to ensure the stability and reliability of the raw material supply chain. The Company continues to mitigate the risk of raw material supply disruptions through diversified sourcing management and appropriate inventory control mechanisms. Overall, the supply of key raw materials remains stable, and no material supply disruptions that have significantly impacted production have occurred to date.

(IV) Name of any customer who accounted for more than 10% of total sales (purchases) in any of the past two years, along with the corresponding sales or purchase amount and ratio, and an explanation of the reasons for any increase or decrease in the amount:

1. Information on major suppliers for the past two years

Unit: NTD thousands; %

Item	2024				2025			
	Name	Amount	As a percentage of annual net purchases (%)	Relationship with the issuer	Name	Amount	As a percentage of annual net purchases (%)	Relationship with the issuer
1	Supplier A	88,100	58.46	None	Supplier A	118,853	61.26	None
2	Supplier B	40,105	26.61	None	Supplier B	63,681	32.82	None
3	Others	22,509	14.93	None	Others	11,479	5.92	None
	Total	150,714	100.00	-	Total	194,013	100.00	-

Description of changes: The Company has established long-term, positive relationships with its major suppliers, so there have been few changes in suppliers. Any changes in supply are due to factors such as quality yield, delivery schedule alignment, and price advantages, and there have been no significant or unusual changes. In 2025, due to increased end-user demand, the purchase amount from suppliers also increased accordingly.

2. Information on major customers for the most recent 2 years:

Unit: NTD thousands;%

Item	2024				2025			
	Name	Amount	As a percentage of annual net sales (%)	Relationship with the issuer	Name	Amount	As a percentage of annual net sales (%)	Relationship with the issuer
1	Customer B	188,123	37.53	None	Customer A	176,024	28.88	None
2	Customer C	94,010	18.76	None	Customer B	156,740	25.72	None
3	Customer D	58,420	11.66	None	Customer C	109,335	17.94	None
4	Customer A	31,914	6.37	None	Customer D	55,545	9.11	None
	Others	128,730	25.68	None	Others	111,878	18.35	None
	Net sales	501,197	100.00	-	Net sales	609,522	100.00	-

Description of changes: The Company has established long-term and stable cooperative relationships with its major sales customers; therefore, there were no significant changes in customers. The fluctuations in customer numbers resulted from normal business activities and do not represent any unusual changes in nature. In 2025, the increase in procurement volume from the Company was due to heightened end-user demand.

III. Number of employees, average years of service, average age, and the distribution ratio of educational background of employees for the past two years and up to the publication date of the annual report:

Unit: Persons; Years; %

Year		2024	2025	As of April 16,, 2026
Number of employees	Direct labor	43	45	48
	Indirect labor	30	30	28
	Total	73	75	76
Average age		38.4	39.2	39.1
Average years of service		6.9	7.7	7.9
Distribution of education attainment	PhD	5.5	5.3	5.3
	Master	8.2	6.7	6.6
	College/University	45.2	46.7	44.7
	Senior high school	41.1	41.3	43.4
	Under senior high school	-	-	-

IV. For the most recent year and up to the publication date of the annual report, losses incurred due to environmental pollution (including compensation and violations of environmental protection regulations identified through environmental inspections): None.

V. Labor Relations:

(I) The Company's various employee benefit measures, continuing education, training, retirement system, and implementation thereof, as well as labor-management agreements and various employee rights protection measures

1. Employee benefit measures, continuing education, training

For sustainable operations and to ensure the stability of employees' lives while maximizing their talents, the Company aims to achieve mutual growth between individuals and corporate development. The implemented employee benefits are as follows:

Labor insurance, National Health Insurance, pension contributions, holiday bonuses, performance bonuses, long-service bonuses, group insurance, department gatherings, employee uniforms, health check-ups, birthday gifts, subsidies for weddings, funerals, and special occasions, among other benefits. Additionally, the Company has established an "Employee Welfare Committee" to organize various welfare activities such as year-end banquets, festive gatherings, employee family days, and domestic and international trips.

Employees are the Company's most valuable assets. The Company has planned training programs covering professional competencies, workplace safety and health, and IT skills development. These programs are complemented by professional skill certification, on-the-job education subsidies, and competency certification incentives to enhance employees' expertise and strengthen the Company's overall capabilities.

The Human Resources department conducts an employee satisfaction survey in Q4 every year, evaluating five key aspects, including working environment and remuneration benefits, to gain a comprehensive understanding of employees' perspectives and create a more employee-friendly workplace. In 2025, the employee satisfaction survey achieved a coverage rate of 97%, with an overall average score of 79.8. Based on the survey results, the Company will continue to collect employee feedback through internal communication channels and periodically review its human resources policies, welfare measures, and working environment, with the aim of continuously improving the workplace environment and enhancing overall employee satisfaction.

2. Retirement system and its implementation

The Company's pension system, implemented in accordance with Taiwan's "Labor Standards Act", is a government-managed defined benefit retirement plan. For the employees qualified for retirement, the payment of their pensions is based on their service years and average wages of the six months prior to the retirement. For the service years within 15 years (inclusive), two bases are given for each full year of service rendered; for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. In order to take care of employees' retirement, promote labor-management relations, and enhance work efficiency, the Company has established a Supervisory Committee of Business Entities' Labor Pension Reserve in accordance with the law. The Company allocates 2% of the total monthly salary to employee retirement pension, and the allocated retirement reserve is stored in a special account at Bank of Taiwan, with the storage and disbursement supervised by the Supervisory Committee of Business Entities' Labor Pension Reserve. Since July 1, 2005, the new labor pension scheme has been implemented in accordance with the law. For employees covered under the new scheme, the Company contributes 6% of their monthly wages to their individual labor pension accounts managed by the Bureau of Labor Insurance.

3. Employer-employee agreements and various employee rights protection measures
The Company formulates employment contracts, work rules, and various management policies in accordance with labor laws and related regulations. Since its establishment, the Company has maintained harmonious labor relations with no significant labor disputes or losses. The Company holds regular labor-management coordination meetings each quarter. Over the years, employees have demonstrated strong teamwork, aligning with company decisions and maintaining seamless cooperation.

(II) For the most recent year and up to the publication date of the annual report, losses incurred due to labor disputes (including violations of the Labor Standards Act identified through labor inspections) are as follows, along with an estimation of potential amounts and countermeasures for current and future occurrences. If a reasonable estimate cannot be made, the facts explaining why the estimate cannot be reasonably determined are provided: None.

VI. Information security management:

(I) Describe the information security risk management framework, the information security policy, the specific management plan, and resources invested in information security management

1. Information security risk management framework
   (1) In February 2025, the Company established the "Information Security Management Committee," which is responsible for regularly reviewing the effectiveness of information security policies, risk management, and compliance, as well as evaluating improvements to the Information Security Management System (ISMS).
   (2) The Company has established an information security execution team and appointed a dedicated information security executive officer and one information security personnel. The team is responsible for formulating information security management policies and conducting annual risk assessments, as well as establishing mechanisms for prevention, response, and recovery of information security incidents. In addition, the Company promotes employee training and regulatory compliance, and periodically reviews management effectiveness and continuous improvement measures.

2. Cybersecurity policy and specific management plan
The Company has established an information security management policy and adopts the PDCA (Plan-Do-Check-Act) cycle to implement information security management and ensure business continuity.
   (1) Establish a firewall, vulnerability management, and antivirus management system; set up a backup schedule for performing backups; and regularly review abnormal firewall login activities and backup results.
   (2) Implement access control mechanisms to regulate program, data access, and system usage permissions, and establish and enforce user password complexity requirements as well as regular password change policies.
   (3) Conduct regular disaster recovery drills to enhance the Company's disaster response capabilities.

(4) The Internal Audit Department conducts information security management control audits to assess whether various information security risk control measures are effectively implemented, aiming to reduce and prevent related information security risks.
(5) In 2025, the Company promoted the implementation of the ISO/IEC 27001 Information Security Management System (ISMS) standard and obtained certification for ISO 27001:2022 in September 2025. The system is designed to manage and protect information assets, and the Company continues to operate through mechanisms of planning, establishing, implementing, and monitoring to safeguard the confidentiality, integrity, and availability of information assets. The certification is valid from September 19, 2025 to September 18, 2028.

3. Resources invested in cybersecurity management
(1) The Company's dedicated information security personnel receive regular professional training in information security. In 2025, all employees were provided with a two-hour information security awareness training session.
(2) The Company has joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) and the Science Park Information Security Information Sharing and Analysis Center (SP-ISAC) as a member to exchange emerging information security trends and topical issues, such as DDoS attacks, ransomware, social engineering, website data leakage, and system vulnerabilities.
(3) Through annual exchanges with leading information security vendors and project-based collaborations, the Company continuously monitors information security issues and develops corresponding response plans. Various cybersecurity scenarios, including DDoS and advanced persistent threat (APT) simulations, are conducted to strengthen response capabilities, with the aim of enabling real-time detection and blocking of potential threats.

(II) For the most recent year and up to the publication date of the annual report, the losses incurred due to significant cybersecurity incidents, the potential impacts, and the response measures. If it is not reasonably possible to estimate, the facts explaining the inability to reasonably estimate should be disclosed: None.

VII. Important Contracts:

Nature of contract	Party	Commencement and termination dates	Major content	Restrictive covenants
Lease contract	Southern Taiwan Science Park Bureau	2025.01.01 to 2045.12.31	Land lease	None
Lease contract	Southern Taiwan Science Park Bureau	2018.05.01 to 2038.04.30	Land lease	None
Lease contract	Southern Taiwan Science Park Bureau	2017.10.16 to 2037.10.15	Land lease	None
Credit contract	Mega Bank	2025.06.14 to 2026.06.13	Short-term borrowings	None

Five. Review and analysis of financial position and performance, along with risk factors

I. Financial Position

Unit: NTD thousands

Item \ Year	2024	2025	Increase (decrease) changes	
	Amount	Amount	Amount	%
Current assets	818,051	853,585	35,534	4.34
Property, plant and equipment	315,193	333,534	18,341	5.82
Right-of-use assets	34,951	65,616	30,665	87.74
Other non-current assets	19,267	8,230	(11,037)	(57.28)
Total assets	1,187,462	1,260,965	73,503	6.19
Current liabilities	149,880	109,246	(40,634)	(27.11)
Non-current liabilities	33,302	63,946	30,644	92.02
Total liabilities	183,182	173,192	(9,990)	(5.45)
Share capital	114,095	126,531	12,436	10.90
Capital surplus	27,609	27,358	(251)	(0.91)
Retained earnings	870,952	942,395	71,443	8.20
Other equity	(8,376)	(8,511)	(135)	1.61
Total equity	1,004,280	1,087,773	83,493	8.31

1. Major changes (with a change of more than 20% and a monetary change of over NTD 10 million) and their main causes and impacts:
   (1) Right-of-use assets: mainly attributable to the renewal of land lease agreements upon expiration.
   (2) Other non-current assets: mainly attributable to a decrease in advance payments for equipment purchases.
   (3) Current liabilities: mainly attributable to the repayment of short-term borrowings.
   (4) Non-current liabilities: mainly attributable to the renewal of land lease agreements upon expiration.
2. Future response plans for significant impacts:
   The aforementioned changes have no significant adverse impact on the Company, and the overall performance of the Company shows no significant anomalies, therefore no response plan is necessary.

II. Financial Performance:

Unit: NTD thousands

Item \ Year	2024	2025	Increase (decrease) changes	
	Amount	Amount	Amount	%
Operating revenue	501,197	609,522	108,325	21.61
Operating costs	231,385	311,199	79,814	34.49
Gross profit	269,812	298,323	28,511	10.57
Operating expenses	53,718	66,530	12,812	23.85
Net operating profit	216,094	231,793	15,699	7.26
Non-operating income and expenses	33,332	7,226	(26,106)	(78.32)
Net income before tax	249,426	239,019	(10,407)	(4.17)
Income tax expenses	48,406	52,454	4,048	8.36
Net income for the year	201,020	186,565	(14,455)	(7.19)
Other comprehensive income	(419)	(135)	284	(67.78)
Total comprehensive income for the year	200,601	186,430	(14,171)	(7.06)

1. Major changes (with a change of more than 20% and a monetary change of over NTD 10 million) and their main causes and impacts:
   (1) In 2025, due to an increase in end-market demand, operating revenue, operating costs, and operating expenses increased accordingly.
   (2) The increase in non-operating income (expenses) was mainly due to foreign exchange fluctuations, resulting in higher exchange gains.
2. Expected sales volume and its basis, as well as the potential impact on the Company's future financial performance and business operations, along with any response plans:
   As the Company has not disclosed any financial forecasts, this is not applicable.

III. Cash flows

(I) Analysis and description of changes in cash flows in the most recent year

Unit: NTD thousands

Balance of cash at the beginning of the period (1)	Net cash flow from operating activities for the year (2)	Net cash flow from investing and financing activities for the year (3)	Estimated cash surplus (deficit) (1)+(2)+(3)	Remedies for cash deficit	
				Investment plans	Financing plans
550,046	215,385	(473,788)	291,643	-	-

Analysis and description:

1. Operating activities: This was mainly due to net cash inflows generated from operating activities.
2. Investing activities: This was mainly attributable to the placement of idle funds in time deposits with maturities over three months and net cash outflows for capital expenditures.
3. Financing activities: This was mainly due to the distribution of cash dividends and repayment of short-term borrowings.
4. Remedial measures for estimated cash shortage: The Company has not encountered any cash flow shortages in the most recent year.

(II) Liquidity deficiency improvement plan for the most recent year: The Company's funds have not faced any liquidity deficiency.

(III) Liquidity analysis for the coming year

Unit: NTD thousands

Balance of cash at the beginning of the period (1)	Estimated net cash flow from operating activities for the year (2)	Net cash flow from investing and financing activities for the year (3)	Estimated cash surplus (deficit) (1)+(2)+(3)	Remedies for cash deficit	
				Investment plans	Financing plans
291,643	189,485	(134,114)	347,014	-	-

Analysis and description:
1. Operating activities: This was mainly due to net cash inflows generated from operating activities.
2. Investing activities: This was mainly due to net cash outflows from capital expenditures.
3. Financing activities: This was mainly due to the distribution of cash dividends.
4. Remedial measures for estimated cash shortage: The Company has not encountered any cash flow shortages in the most recent year.

IV. The impact of major capital expenditures on financial operations in the most recent year: The Company's major capital expenditures in the most recent year were funded by operating capital and bank loan facilities, thus having no significant impact on the Company's financial operations.

V. The Company's investment policy in the most recent year, the main reasons for profits or losses, improvement plans, and investment plans for the coming year: None.

VI. Risk factors should include analysis and evaluation of the following matters for the most recent year and up to the publication date of the annual report.

(I) The impact of interest rate, exchange rate fluctuations, and inflation on the Company's profit and loss, as well as future countermeasures:

1. Interest rate changes

The Company's interest income in 2024 and 2025 amounted to NTD 9,771 thousand and NTD 8,422 thousand, respectively, representing 1.95% and 1.38% of net operating revenue, and 3.92% and 3.52% of income before tax, respectively. Interest expense for 2024 and 2025 amounted to NTD 1,243 thousand and NTD 1,485 thousand, respectively, representing 0.25% and 0.24% of net operating revenue, and 0.50% and 0.62% of income before tax, respectively, indicating that changes in interest rates have not had a significant impact on the Company's profitability.

2. Exchange rate fluctuations

The Company's export and domestic sales are primarily settled in USD, and payments for overseas purchases are also mainly made in USD. The net foreign exchange gain (loss) amounted to NTD 22,392 thousand and NTD (5,761) thousand in 2024 and 2025, respectively, representing 4.47% and (0.95) % of net operating revenue, and 8.98% and (2.41) % of income before tax, respectively. The Company's accounts receivable and accounts payable are mainly denominated in USD; therefore, exchange rate risk arising from currency fluctuations can be partially naturally hedged. However, in 2025, due to the significant appreciation of the New Taiwan Dollar, a higher foreign exchange loss was still incurred. Considering future international business development, the Company continues to maintain close advisory communication and interaction with its financial institutions' foreign exchange specialists. The Company also closely monitors exchange rate trends and adjusts its foreign currency position in a timely manner when necessary, in order to mitigate the potential risks arising from exchange rate fluctuations on its operations.

3. Inflation

The Company has not experienced significant impacts due to inflation. Additionally, the Company's pricing for customers and suppliers is adjusted flexibly based on fluctuations in market raw material prices, so the impact on the Company's profit and loss is limited.

(II) The policy on engaging in high-risk, high-leverage investments, lending funds to others, endorsement and guarantees, and derivative transactions, the main reasons for profits or losses, and future countermeasures:

The Company has always adhered to the principle of focusing on its core business and pragmatic management. Its financial policy is based on a conservative and prudent approach, and the Company does not engage in high-risk, high-leverage investments, lending funds to others, providing endorsements or guarantees, or trading in derivative products. The Company has established "Procedures for Lending Funds to Others", "Procedures for Endorsements and Guarantees", "Procedures for Derivative Transactions", and "Procedures for Acquisition or Disposal of Assets". Should the Company engage in any investment, trading, or fund lending activities in the future due to business needs, such activities will be conducted in accordance with the established procedures.

(III) Future R&D plans and the estimated expenses to be invested:

1. Future R&D plans

In the future, the Company will continue to focus on the development of key components for advanced semiconductor process equipment and provide Total Solutions for CMP process equipment components. The main focus will be on the development of conditioners for CMP process equipment.

(1) Enhancement of Coating Adhesion Strength and Durability

Through chemical vapor deposition (CVD) technology, the coating materials are optimized to maintain high adhesion strength and wear resistance under high-stress conditions. Surface roughness and specific surface area are enhanced through nanoscale microstructure design to improve mechanical interlocking effects and extend service life.

(2) Material Innovation and Nanotechnology Applications

Nanoparticle-based coating technologies are being developed to reduce the impact of micro-scratches on CMP pads and improve planarization performance.

(3) Process Optimization and Cost Control

More high-efficiency CVD equipment is adopted to increase coating deposition rates and reduce production costs. In addition, adaptive process control technologies are being studied to further improve coating uniformity and durability.

(4) Environmental and Sustainable Material Development

The Company is committed to reducing energy consumption and hazardous gas emissions during the coating process. Eco-friendly process technologies are being developed, including the use of recyclable or biodegradable materials, in alignment with ESG requirements and to enhance market competitiveness.

2. Estimated R&D expenses to be invested

Future R&D projects, along with funding allocations, will be dynamically adjusted based on the Company's operational status and market demand, aiming to achieve effective R&D investment and, in turn, enhance the Company's competitiveness.

(IV) The impact of significant domestic and international policy and legal changes on the Company's financial operations and countermeasures:

The company operates in accordance with relevant domestic and international laws and regulations, while continuously monitoring any changes in related policies and laws. As of the most recent year and up to the publication date of the annual report, no significant impact on the Company's financial performance or operations has occurred due to domestic or international policy and legal changes.

(V) The impact of technological changes (including cybersecurity risks) and industry changes on the Company's financial operations and countermeasures:

The Company consistently monitors trends in related industry technologies and developments, keeping abreast of industry dynamics. It evaluates the impact of these changes on its operations and continuously optimizes processes to improve product quality. The Company has established an cybersecurity management policy to ensure the security and integrity of system data, enhancing the Company's competitive advantage and keeping up with evolving management practices. As of the most recent year and up to the publication date of the annual report, the Company has not been impacted by technological changes (including cybersecurity risks) or industry shifts that affected its financial performance or operations.

(VI) The impact of changes in corporate image on crisis management and countermeasures:

The Company has always upheld and practiced the principles of integrity, excellence, diligence, and sustainability in its operations. To effectively strengthen the Company's operations and prevent management issues, the Company has established an internal control system and relevant management procedures, ensuring stable growth under transparent financial information. As of the most recent year and up to the publication date of the annual report, the Company has not faced any crisis management issues due to changes in its corporate image.

(VII) The expected benefits, potential risks, and countermeasures for mergers and acquisitions:

In the most recent year and up to the publication date of the annual report, the Company has no plans for mergers and acquisitions.

(VIII) The expected benefits, possible risks, and countermeasures for the expansion of the plant:

In the most recent year and up to the publication date of the annual report, the Company has no plan to expand its factory.

(IX) Risks associated with sales or purchase concentration and countermeasures:

1. Concentration of purchases:

   The Company's main raw materials include engineering plastics, stainless steel, aluminum alloys, nickel alloys, and ceramic materials, which are sourced from multiple domestic and international suppliers. The Company maintains long-term and stable cooperative relationships with these suppliers.

   To reduce the risk of procurement concentration, the Company continues to promote a supplier diversification strategy and strengthen collaboration with existing suppliers. In addition, through appropriate inventory management and procurement planning, the Company ensures the stability of raw material supply and delivery flexibility. The Company also continuously develops alternative materials to enhance compatibility with different material sources, thereby mitigating the impact of market fluctuations and responding to changes in market demand and unforeseen circumstances.

2. Concentration of sales:

   The Company's customers primarily consist of leading international semiconductor equipment manufacturers and domestic and foreign semiconductor manufacturers, including well-known publicly listed companies. The largest customer accounted for 37.53% and 28.88% of total net sales in 2024 and 2025, respectively. The Company is also actively expanding its customer base in both domestic and international markets and broadening its product portfolio to enhance product competitiveness. Through these efforts, the Company aims to diversify its customer structure, reduce sales concentration risk, and improve market diversification and operational stability, thereby lowering reliance on any single market or customer.

(X) The impact, risks, and countermeasures concerning significant transfer or change in shareholding by directors, supervisors, or major shareholders holding more than 10% of shares: None.

(XI) The impact, risks, and countermeasures concerning changes in operational control over the Company:

In the most recent year and up to the publication date of the annual report, the Company has not experienced any changes in operational control.

(XII) Litigation or non-litigation cases involving the Company, its directors, supervisors, General Manager, actual person in charge, major shareholders holding more than 10% of shares, or subsidiaries that have been finalized or are still pending, which may significantly affect shareholder rights or securities prices, should disclose the disputed facts, claim amounts, commencement dates, primary parties involved, and the handling status up to the publication date of the annual report: None.

(XIII) Other important risks and countermeasures: None.

VII. Other important matters:

Intellectual Property Management and Implementation

To effectively manage, utilize, and protect its intellectual property, the Company has formulated an intellectual property management plan aligned with its operational objectives. This plan serves as a guideline for managing intellectual property matters, strengthens the Company's operations and rights, and enhances employees' awareness of intellectual property, thereby improving the Company's competitive advantage. The implementation status is reported to the Board of Directors on a regular basis.

(I)Intellectual Property Management Plan

1. Patent and Trademark Management

(1) Conduct domestic and international searches and file applications based on business needs.

(2) Ensure familiarity with local regulations governing rights registration and protection.

(3) Designated responsible units conduct annual reviews and maintenance of registration and renewal records, and maintain proper documentation and filing systems to safeguard the Company's rights and avoid infringement of third-party rights.

2. Copyright Management

(1) Employees shall not infringe upon the copyrights of others when producing works. Where third-party works are referenced, sources shall be properly cited and used within a reasonable scope.

(2) Employees are encouraged to use legally authorized equipment and software in the course of their work to avoid violations of copyright laws.

(3) Designated responsible units conduct inventory, preservation, and documentation of relevant rights-related materials.

3. Trade Secret Management
   (1) Where confidential information must be disclosed externally for business purposes, a non-disclosure agreement (NDA) shall be executed with the receiving party to ensure compliance with confidentiality obligations.
   (2) Internal policies and employee undertakings are implemented to enforce confidentiality requirements.
   (3) Employee training programs are conducted to promote fundamental knowledge of intellectual property rights.
   (4) Designated responsible units are responsible for the preservation and documentation of trade secret-related materials.

(II)Implementation Status

1. The Company established the “Intellectual Property Management Policy,” which was approved by the Board of Directors on December 9, 2024.
2. The Company reports the status of intellectual property management planning and implementation to the Board of Directors at least once a year. The most recent report was presented on March 9, 2026.
3. The Company currently holds a total of two valid registered intellectual property rights, which are important rights related to its technology and brand, including one patent newly applied for and granted in 2025.
4. The Company conducts at least one general legal training session each year to promote awareness of intellectual property rights and trade secrets, thereby enhancing employees’ understanding and protection of intellectual property.
5. No litigation or complaints related to intellectual property rights occurred in 2025.

Six. Special notes

I. Information related to the Company's affiliates

(I) Consolidated business report of affiliates: None.

(II) Consolidated financial statements of affiliates: None.

(III) Affiliation report: None.

II. Private placement of securities in the most recent year and up to the publication date of the annual report: None.

III. Other necessary supplementary information: None.

Seven. During the most recent year and up to the publication date of the annual report, if any matters stipulated under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act that significantly impact shareholder equity or securities prices occurred, they should be detailed one by one: None.

DURA TEK, INC.

Person in charge: David Tu