

Stock Code: : 3543

JOCHU TECHNOLOGY CO., LTD.

2025 Annual Report



Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

(Market Observation Post System, Taiwan Stock Exchange :
<http://mops.twse.com.tw>
Market Observation Post System, Taiwan Stock Exchange :
<http://www.jochu.com/StockServices.html>

Published Date: May 23, 2026

一、 The name, title, telephone number, and e-mail address of the spokesman or acting spokesman :

Spokesperson

Name: Yi-Shu Lee

Title: Vice President

Contact number: (03) 598-1919

Email address: IR1@jochu.com

Acting Spokesperson

Name: Yu-Chen Chen

Title: Special Assistant

Contact number: (03) 598-1919

Email address: IR2@jochu.com

二、 The address and telephone number of the company's headquarters, branch offices, and factories

Headquarters: No. 42, Guangfu Rd., Hsinchu Tel: (03) 598-1919

Industry Park, Hukou Township, Hsinchu County

Hsinchu Factory : No. 42, Guangfu Rd., Hsinchu Tel: (03) 598-1919

Industry Park, Hukou Township, Hsinchu County

Tainan Factory 1: No. 61, Gongye 2nd Road, Annan Tel: (06) 384-2388

District, Tainan City

Tainan Factory 1: No. 50, Gongye 2nd Road, Annan Tel: (06) 384-2388

District, Tainan City

三、 The name, address, e-mail address, and telephone number of the agency handling shares transfer

Name: Shareholder Service Department, Grand Fortune Securities Co., Ltd.

Address: 6F., No. 6, Zhongxiao W. Rd., Sec. 1, Zhongzheng Dist., Taipei City

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

Tel: (02) 2371-1658

四、 The names of the certified public accountants who duly audited the annual financial report for the most recent fiscal year, and the name, address and telephone number of the accounting firm to which they belong :

Auditing CPA: Fu-ming Liao, CPA and Lin Yung-Chih, CPA

Accounting firm: PwC Taiwan

Address: 27F, No. 333, Keelung Road, Sec. 1, Xinyi District, Taipei City

Website: <https://www.pwc.tw/>

Tel: (02) 2729-6666

五、 The name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities: none.

六、 Official website: <http://www.jochu.com>

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One. Message to Shareholders

Ladies and Gentlemen:

I hereby represent the Company and all of its employees to appreciate your support and care for the Company. The Company's 2025 operating results and future business plan are outlined as follows:

I. Business results for 2025

(I) Business plan implementation results:

The Company and its investees including Suzhou Jochu and Xiamen Jochu were professional suppliers engaged in manufacturing the precision stamping mechanism components of TFT-LCD liquid crystal panels. Notwithstanding, the Headquarters have been committed to developing new business in recent years, such as a medical business unit and investment in Vietnam. It is expected that the business performance will be more obvious in 2026.

Influenced by factors such as downstream customer relocation, market price competition, and rising material costs in 2024, the consolidated operating revenue for 2025 was NT\$3.26 billion, slightly higher than the NT\$3.23 billion in 2024. The consolidated net loss after tax for 2025 was NT\$251 million, with the net loss attributable to owners of the parent company being NT\$197 million, and a basic loss per share of NT\$2.24. This represents an increase compared to the consolidated net loss after tax of NT\$138 million in 2024, with the net loss attributable to owners of the parent company being NT\$101 million, and a basic loss per share of NT\$1.14. The increase in the net loss attributable to owners of the parent company in 2025 compared to 2024 was primarily due to changes in market demand and supply chain dynamics in the optoelectronics industry, intensified price competition, delayed customer orders for optoelectronic products affecting the operations of the Vietnam business unit, the payment of fixed operating expenses, the establishment of overseas market channels for the medical business unit, and the strengthening of R&D and human resources at the headquarters.

In 2026, the Company will continue its strategy focusing on the optoelectronics, household, and medical care sectors, while AI server-related products have already entered mass production and shipment. At the same time, the Company will expand its presence in new markets and new products, and is committed to the transformation of its business units and the adjustment of strategic objectives, in order to establish international competitiveness and consolidate core technologies. Through "product development technology" and "process R&D technology," the Company actively creates value. With corporate culture as the core and in alignment with its talent development policies, the Company carries out organizational adjustments across business units, business expansion, and continuous improvement to enhance production efficiency, reduce costs, and create value. Meanwhile, based on the ESG, the Company improves its R&D momentum, develops new business and creates the Company's business performance.

(II) Implementation status of the budget: not applicable. (The Company's unpublished financial forecast for 2025)

(III) Financial revenue and expenses and profitability analysis:

In terms of the various financial ratios for profitability, the Company's profitability in 2025 was lower than that in 2024. The net consolidated operating loss was NT\$265 million, net consolidated loss before tax, NT\$248 million, and net consolidated loss after tax, NT\$251 billion, and the net loss attributable to the owners of the parent company was NT\$197 million in 2025.

The Company's important consolidated financial ratios are stated as follows:

Unit: %; times; NT\$

Item		2025	2024
Profitability	ROA (%)	(5.61)	(3.06)
	ROE (%)	(7.75)	(3.75)
	Income before tax to paid-in capital ratio:	(27.95)	(10.7)
	Net profit margin (%)	(7.69)	(4.28)
	Earnings per Share (NT\$)	(2.24)	(1.14)

(IV) R&D:

1. Description of the optoelectronic industry

In response to the market's diversified needs and technology upgrade trends, the Company continued to invest in R&D resources in 2025, focusing on the development of high value-added products, the introduction of new processes, low-carbon improvements, and cross-plant technology integration. Through automation equipment upgrades, the Company has effectively optimized product quality, shortened delivery time, and reduced manpower risks. Looking ahead to 2026, we will continue to deepen the R&D and production of new process technologies for products integrating diversified materials and component assemblies, and strengthen regional cooperation, in order to enhance the overall competitiveness and R&D capabilities of the Group. The following is a summary of the 2025 R&D focuses and results, as well as the 2026 R&D directions and plans.

(1) Product and process optimization

- (1) Development of high value-added products: Expanding the technical team, automation equipment, and production capacity of the Vietnam business unit.
- (2) Xiamen business unit's thin plate process optimization: Upgrading production line equipment to meet the high-specification thin plate stamping demands for brands' display metal parts and continuously optimizing process parameters to maintain high performance and quality.
- (3) Equipment investment and upgrade: The Xiamen business unit will continue to strengthen the thin plate stamping process, while the Suzhou business unit will extend core R&D achievements, such as adhesive-bonded integrated iron components, focusing on applications, like intelligent inspection and AOI to improve overall yield and optimize production costs.

(2) Cross-plant resource integration and technology sharing

- (1) Headquarters and business units: The Corporate Product R&D Center at headquarters undertakes the development of the Group's new strategic products. Upon completion of development and prototyping, the products and process technologies are transferred to the mass production business units, fully leveraging the resources of the headquarters' supporting functional teams.
- (2) China and Vietnam business units: Leveraging the mature mold development experience of the China business unit to assist the Vietnam business unit in mold trial and verification during the early stages of new model development.

2. Medical industry description:

(1) Operation strategies:

- While expanding OEM foundry business, the Company will continue to strengthen its own design capabilities, expand the white label market of healthy products through ODM products, and reduce the risk of fluctuations from a single customer or a single market, in order to maintain stable growth and profitability.
- Through strategic collaborations with industry, government, and academia, we will establish advantages in medical theory, ergonomics, IoT, and control technology, enhancing our independent product development and validation capabilities.

(2) Marketing of products:

- Mobility devices – electric mobility scooters: Regarding the European customers introduced in the fourth quarter of 2024, their products entered mass production in the first quarter of 2025 and were successfully launched in markets including the United Kingdom and the Benelux region. Full-year sales in 2025 met expectations. In 2026, the products are expected to be launched in Australia and the United States upon obtaining the required certifications, with the overall sales outlook remaining optimistic.
- Healthy sleep products 、 AI pressure redistribution mattress: Since 2025, the Company has progressively optimized product design and key components, significantly enhancing product reliability and expanding application scenarios. In

2026, the Company will continue to promote overseas distribution channels and private-label sales.

3. Household industry overview:

By leveraging highly automated production and continuously implementing lean manufacturing processes, the Company responds to changes in the external environment. At the same time, to address customers' low-carbon requirements, the Company utilizes steel with a high recycled content as a core material, applying it across various household products to create differentiated competitive advantages and extend existing household business opportunities.–

4. AI server industry overview:

In response to the trend toward high-mix, low-volume demand in the metal processing industry, the Company began building capabilities in high-mix, low-volume metal processing sales and manufacturing technologies. In 2025, the Company integrated these technological capabilities with its R&D resources to formally enter the AI server industry and has established a track record of mass production and shipment. The operating plans and strategic directions for 2026 will focus on:

- (1) Leveraging the existing experience of the Taiwan and Vietnam business units in server cabinet development and manufacturing, the Company will systematically undertake the development and mass production of cabinets for other applications, further deepening its technology and market presence in server cabinets.
- (2) Expanding the server product portfolio horizontally to include peripheral cabinet-related products, and building capabilities and track records in server thermal management and power solutions.
- (3) Exploring server markets beyond cabinet products, seeking opportunities to co-develop products with diverse customers, enhancing product diversification, and establishing advantages in total solutions.
- (4) Exploring the development directions and specifications of next-generation server architectures and products, in preparation for new products and technologies.

II. Summary of the 2025 business plan:

(I) Business policy:

1. Organizationally, the Company strives to strengthen the operational profitability and core independent development capabilities of each business unit, as well as the optimization of the system and system of the headquarters.
2. From a technological perspective, we will strengthen the Group's core technologies, develop forward-looking products with strong market value, and enhance the application of AI tools.
3. Culturally, adhering to the Company's development strategy with corporate culture as the core, we will implement talent development policies, strengthen placement of personnel according to their abilities, and cultivate successors.
4. In terms of sustainable operation, we have established the Sustainable Development Committee, strengthened and constructed various group management intelligence and systems, and optimized the Company's management efficiency. It aims to continue strengthening the Company's capacity for sustainable development and fulfilling its corporate responsibility.

(II) Expected Sales Volume and Basis Thereof: Not applicable. (The Company's unpublished financial forecast for 2026)

(III) Important production and marketing policy:

1. Production policy:

- (1) Continue to optimize production and reduce costs through intellectualization and digitization.
- (2) Develop diversified and flexible manufacturing processes to respond to rapid changes in the industry.

2. Marketing policy:

- (1) Each business unit and R&D units work together to develop diversified products, develop diversified products with each other, and support and transform each other.
- (2) Expand the market outside Asia and increase the market share of the products.

III. Future development strategies of the company

The Company will continue to expand the scale of the R&D team and develop new technology and products proactively, hoping to achieve industrial transformation. Meanwhile, the Company will identify technology as the core and business strategy as a means to facilitate the Company's operations to develop based on a diversity policy. The Company will continue to cultivate talents and build a core management team, build the Company's corporate culture, and construct core values.

IV. Impact of the competitive environment, regulatory environment, and macroeconomic environment

In recent years, the global political and economic environment has remained overshadowed by the Russia-Ukraine War, high inflation, and uncertainties arising from the China-US trade conflict. In view of the supply-demand imbalance in the display industry, coupled with the advancement of emerging technologies such as AI and 5G communications, displays have evolved beyond their traditional role of providing simple visual output for computers, televisions, and various monitoring devices. They are no longer sufficient to meet users' demands for multifunctional digital integration services, and have therefore shifted toward cross-domain and cross-scenario innovative applications in response to changing user lifestyles. With the accelerating establishment and development of the AIoT environment, transportation, manufacturing, medical and nursing, education, retail, sports and entertainment, are all developing towards intelligence, and displays have played an important role and window to allow users to enter the intelligent world, for richer interactive experiences, including digital billboard, public display, industrial display, wearable display, in-vehicle display among other sectors, allowing major panel manufacturers to create new business opportunities under the existing industrial structure, and allowing display technology to bring more diversified application services and cross-industry development and application. Jochu also utilizes its professional technology in the field of display stamping parts and components, to participate in the transformation of panel and backlight module manufacturers with refined core technology to maintain its competitive advantage.

The Company has been committed to developing new business lines, such as household products and medical equipment, in most recent years. In the future, the Company will continue to adopt differentiated, eco-friendly, and sustainable materials, and design products by taking into consideration light weight, composite materials combination, energy conservation and carbon reduction, and intelligence. Meanwhile, the Company shall make improvements in response to the trends including work from home, changes in living spaces, and the need for relocation. The population aging trend is not only a major challenge for Taiwan's medical system, but also an important issue for countries all over the world. How to build a friendly living environment for the elderly will be identified as an important business opportunity for the future industry. Therefore, the demand for medical electric wheelchairs, mobile assistive devices, medical beds, and home care beds combined with intelligence is growing rapidly.

For the regulatory environment, the amended Company Act and Securities and Exchange Act as promulgated focus on the regulations governing corporate governance. The Company will continue to enhance the Company's sustainable management philosophy. By promoting the sustainable management philosophy and combining the environment, society, and corporate practices, the Company will plan the business strategy satisfactorily, supervise the execution of strategies effectively, protect the stakeholders and disclose related information in a timely manner to strengthen investors' confidence.

Looking ahead, in 2026, we will continue to adjust our revenue structure and maintain a cautiously optimistic attitude toward annual revenue growth. For the Taiwan medical business unit, as customer markets and application industries continue to expand year by year, both revenue and profitability are expected to achieve steady growth. Although the optoelectronics industry continues to face significant challenges, including product price declines and rising material costs, the related business units will still strive to achieve growth in both revenue and profitability. The Vietnam business unit is expected to gradually ramp up shipments of optoelectronic and cabinet products, and

we remain optimistic about its development and growth potential in 2026. At the same time, the Taiwan-related business units are expected to enter the AI server supply chain ecosystem, which will further elevate our overall operations to the next level.

In summary, the management team will spare no effort to increase operating revenue and profit, especially with respect to the development of new business and new technology. Notwithstanding, it still needs to cultivate, train, and continue to invest capital in R&D resources in order to create higher profits, continue strengthening the Company's sustainable development, and fulfill its corporate social responsibility.

We wish all of you
good health and every success,

Chairman: Lee Shu-Yi

Two. Corporate governance report

I. Information on the company's directors, supervisors, general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch units

(I) Board of directors information

1. Board of directors information table

February 28, 2026

Job title	Nationality or place of registration	Name	Gender and 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/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %			Job title	Name	Relationship	
Chairman	Taiwan	Shu-Yi Lee	Male/ 61-70	2024.05.24	3 years	2000.05.26	2,768,361	3.10	3,556,361	3.23	0	0	2,810,282	2.55	M.B.A., The Executives Program of Business Administration, National Cheng-Chi University; B.S., Science and Technology Department of Mechanical Engineering, Chien Hsin University	CEO of the Company, Chairman of Chou Yeh Investment Co., Ltd., Corporate Director of Jochu Technology (Xiamen) Co., Ltd., Representative of Corporate Director of Legen Medical Technology Co., Ltd., Representative of Corporate Director of Jochu Investment Ltd., Corporate Director of Suzhou Jochu Precision Metal Co., Ltd., Representative of Corporate Director of Jochu Global Investment (Cayman) Ltd., Representative of Corporate Director of Jochu International (Cayman) Ltd., Corporate Director of Prosperity Investment Holding PTE. LTD, Corporate Director of Jochu Technology (Vietnam) Co. Ltd., Representative of Corporate Director of eBio International Co., Ltd., Representative of Corporate Director of eBio Technology Inc.	President of China Regional Strategy Development Office	Shu-Tsung Lee	Brother	Note 1
Director	Taiwan	Rich Rise	Not	2024.05.24	3	2011.06.03	4,518,000	5.06	10,742,120	9.74	0	0	0	0	Not Applicable	Not Applicable	None	None	None	None

Job title	Nationality or place of registration	Name	Gender and age	Date 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/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %			Job title	Name	Relationship	
		Investment Co., Ltd.	Applicable		years															
	Taiwan	Yu-Chi Lu	Male/ 51-60	2024.05.24	3 years	2011.06.03	0	0	0	0	0	0	0	0	M.S., Mechanical Engineering, University of California, San Diego President, Juyun Yu Plastic Co., Ltd	Representative of Corporate Director of Rich Rise Investment Co., Ltd., Director of Shin Zu Shing Co., LTD., Representative of Corporate Director of Ezfly International Travel Agent Co., Ltd., Representative of Corporate Director of Teamphon Energy Co., Ltd., Representative of Corporate Director of Travel To Buy Co., Ltd.	None	None	None	None
Director	Taiwan	Chao- Tsung Juan	Male/ 61-70	2024.05.24	3 years	2018.06.20	0	0	0	0	10,000	0.01	0	0	Department of Industrial Management, National Taiwan Institute of Technology Branch Manager of OSC	President of SZS Co., Ltd., Director of SZS Co., Ltd., Representative of Corporate Director of XINRIK Precision Electronics (Suzhou) Co., Ltd., Representative of Corporate Director of ZHIQUN Precision Electronics (Suzhou) Co., Ltd., Representative of Corporate Director of Ningbo Changxing Precision Electronics Co., Ltd., Representative of Corporate Director of Kunshan Chengjie Computer Parts Co., Ltd., Representative of Corporate Director of Rich Rise Investment Co., Ltd., Representative of Corporate Director of PROSPERITY INVESTMENT HOLDING PTE. LTD.,	None	None	None	None

Job title	Nationality or place of registration	Name	Gender and 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/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %			Job title	Name	Relationship	
																Representative of Corporate Director of Ding Ying Investment Co., Ltd., Representative of Corporate Director of Hongxing Precision Electronics (Fuqing) Co., Ltd.				
Director	Taiwan	Shu-Tsung Lee	Male/ 51-60	2024.05.24	3 years	2018.06.20	1,457,574	1.63	1,717,668	1.56	0	0	0	0	M.B.A., The Executives Program of Business Administration, National Cheng-Chi University; Bachelor, Department of Accounting, Tamkang University; Finance Manager of Global Accounting Department, Walsin Technology Co.	Corporate Director of SUZHOU JOCHU PRECISION METAL CO., LTD., Corporate Director of JOCHU TECHNOLOGY (XIAMEN) CO., LTD., General manager of JOCHU TECHNOLOGY (XIAMEN) CO., LTD., Representative of Corporate Director of PROSPERITY INVESTMENT HOLDING PTE. LTD	CEO	Shu-Yi Lee	Brother	None
Director	Taiwan	Yi-Shu Li	Female/ 51-60	2024.05.24	3 years	2024.05.24	353,625	0.40	416,727	0.38	42,361	0.04	0	0	EMBA from Yang Ming University School of Management, Master's degree in Accounting from National Taiwan University Work experience: Former Assistant Manager at Yuanta Securities Investment Trust Co., Ltd. and former Deputy Manager at Deloitte Taiwan	Supervisor of SUZHOU JOCHU PRECISION METAL CO., LTD. Supervisor of JOCHU TECHNOLOGY (XIAMEN) CO., LTD. Head of Chongtai Investment Co., Ltd. Legal supervisor representative of Lequn Technology Co., Ltd.; Representative of Corporate Director of eBio International Co., Ltd., Representative of Corporate Director of PROSPERITY	None	None	None	None

Job title	Nationality or place of registration	Name	Gender and 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/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %			Job title	Name	Relationship	
																INVESTMENT HOLDING PTE. LTD				
Independent Director	Taiwan	Wen-Hung Liao	Male/ 51-60	2024.05.24	3 years	2018.09.26	0	0	10,000	0.01	0	0	0	0	MBA, University of Pennsylvania (Wharton) V.P., H&Q Asia Pacific; President, Copartner Technology Corporation	無。None.	None	None	None	None
Independent Director	Taiwan	Yu-Liang Chen	Male/ 51-60	2024.05.24	3 years	2018.06.20	100,000	0.11	117,844	0.11	82,491	0.07	0	0	Master of Laws University of Melbourne; MBA, Queensland University of Technology, Partner lawyer, Jheding International Law Offices; Independent Director, Gamma Optical Co., LTD.	Partner lawyer, Jheding International Law Offices	None	None	None	None
Independent Director	Taiwan	Ting-Chun Chou	Male/ 61-70	2024.05.24	3 years	2018.06.20	0	0	0	0	0	0	0	0	MBA, Faculty of the Social Sciences of University of Leicester; Senior V.P., Compal Electronics, Inc.; Independent Director, TEAM GROUP INC.	Independent Director of China Probe Co., Ltd.	None	None	None	None
Independent Director	Taiwan	Chun-Chiu Chang	Male/ 61-70	2024.05.24	3 years	2023.05.26	0	0	0	0	0	0	0	0	MBA, Business Administration, National Chengchi University; Bachelor, Department of Maritime Technology, National Chiao Tung University; Senior Assistant Vice President of Investment Department, CDIB Capital Group Vice President of	Chairman and President of STL Technology Co., Ltd.; Director of Xinding No.1 Energy Co., Ltd.; Director of Young Shine Electric Co., Ltd.; Supervisor of TOP TAIWAN X VENTURE CAPITAL CO., LTD.	None	None	None	None

Job title	Nationality or place of registration	Name	Gender and 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/or in any other company	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %	Number of Shares	Shareholding percentage %			Job title	Name	Relationship	
															Top Taiwan Venture Capital Co., Ltd.					

Note 1: Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer): For the time being, in consideration of the division of labor and business needs, the Company appoints Chairman Lee, Shu-Yi to serve as the Company’s CEO concurrently and make every endeavor to lead the Company’s business team and develop the Company’s sustainable development and business positioning strategies. According to the laws and regulations, the Company plans to elect one additional independent director on May 26, 2023.

2. Major Shareholder of Juristic Person Shareholder

February 28, 2026

Name of Juristic Person Shareholder	Major Shareholder of Juristic Person Shareholder
Heng Xing Investment Co., Ltd.	SHIN ZU SHING CO., LTD. (100.00%)

3. Major shareholders of juristic person shareholders' major shareholders who are juristic persons

Name of Juristic Person	Major Shareholder of Juristic Person
SHIN ZU SHING CO., LTD. (Data date: April 12, 2025)	Sheng-Nan Lu (8.96%), Labor Retirement Fund (New System) (3.74%), Min-Wen Lu (3.16%), Hua Nan Commercial Bank in Custody for Yuanta Taiwan Value High Dividend ETF Securities Investment Trust Fund (2.71%), Pei-Fang Lu (2.42%), JP Morgan Chase Bank, N.A. Taipei Branch in Custody for J.P. Morgan Securities PLC Investment Account (2.35%), Cathay Life Insurance Co., Ltd. (1.74%), HSBC Bank (Taiwan) Limited in Custody for ABS Direct Equity Fund LLC Investment Account (1.72%), Citibank (Taiwan) Limited in Custody for Norges Bank Investment Account (1.69%), Chuang Chia Investment Co., Ltd. (1.63%)

Source of Data: Information about shareholders' meetings of TWSE/TPEX listed companies on the MOPS.

(II) Board of directors information

1. Disclosure of the information about directors' expertise and independent directors' independence:

Name	Conditions	Professional Qualifications and Experience	Independence status	Number of other public companies in which the independent director concurrently serves as an independent director
Shu-Yi Lee (Chairman/Sustainable Development Committee Chairperson)		With experience in directing the Board of Directors, optoelectronics market, related sectors (medical/trading), risk and compliance, business management, corporate sustainability professional knowledge and ability	Non-Independent Director	0
Rich Rise Investment Co., Ltd. Representative: Yu-Chi Lu (Corporate director and representative)		With experience in the electronic components and parts market, service as a board of directors member of another TPEX listed company, related sector (investment), other sectors, risk and compliance, business management, corporate sustainability professional knowledge and ability	Non-Independent Director	0

Name	Conditions	Professional Qualifications and Experience	Independence status	Number of other public companies in which the independent director concurrently serves as an independent director
Chao-Tsung Juan (Director/Sustainable Development Committee Member)		With experience in the electronic components and parts market, service as a board of directors member of another TPEx listed company, related sector (investment), risk and compliance, business management, corporate sustainability professional knowledge and ability	Non-Independent Director	0
Shu-Tsung Lee (Director)		With experience in the optoelectronics market, other sectors, expertise (accounting), risk and compliance, business management, corporate sustainability professional knowledge and ability	Non-Independent Director	0
Yi-Shu Li (Director)		With experience in securities, expertise (accounting), risk and compliance, business management, corporate sustainability professional knowledge and ability	Non-Independent Director	0
Wen-Hung Liao (Independent Director/Audit Committee Chairperson/Remuneration Committee Member)		With experience in directing the Audit Committee, electronic components and parts market, service as the board of directors member of another TWSE listed company, related sectors, risk and compliance, business management, expertise (accounting and finance), and the former Vice President of H&Q Asia Pacific and former President of COPARTNER TECHNOLOGY CORPORATION., corporate sustainability professional knowledge and skill, corporate sustainability professional knowledge and skill	The Company has received from each independent director the written declaration confirming that he/she and his/her spouse and any relative within the 2nd degree of kinship never served as a director, supervisor or employee of the Company or any of its affiliates. Among other things, Wen-Hung Liao holds 10,000 shares out of the shares issued by the	0
Ting-Chun Chou (Independent Director/Remuneration Committee Chairperson/Audit Committee Member/Sustainable Development Committee Member)		With experience in directing the Remuneration Committee, semiconductor and electronic components and parts market, service as the board of directors member of another TWSE listed company, risk and compliance, and business management, corporate sustainability professional knowledge and skill	Company, i.e. shareholding of 0.01%; Yu-Liang Chen and his spouse hold 200,335 shares out of the shares issued by the Company, i.e. shareholding of 0.18%, which poses no effect on his independence. None of	1

Name	Conditions	Professional Qualifications and Experience	Independence status	Number of other public companies in which the independent director concurrently serves as an independent director
Yu-Liang Chen (Independent Director/Remuneration Committee Member and Member of Audit Committee/Sustainable Development Committee Member)		With experience in directing the Audit Committee, expertise (laws), other sectors, risk and compliance, and business management, corporate sustainability professional knowledge and skill	the independent directors serves as a director, supervisor or employee of any company which has a specific relationship with the Company. Each independent has never received related	0
Chun-Chiu Chang (Independent Director/Remuneration Committee Member and Member of Audit Committee/Sustainable Development Committee Member)		Knowledge of the technology industry chain, investment management, corporate governance, insight of technology application, risk and compliance, business management experience, and expertise and capabilities in corporate sustainability.	remuneration from the Company and its affiliates, other than the fixed remuneration, remuneration to directors and transportation allowance, for the most recent two years.	0

Note: None of said directors meets the circumstances referred to in Article 30 of the Company Act.

2. Diversity and independence of the Board of Directors

(1) Diversity of the Board of Directors: Please refer to Page 19 to Page 20 of the 2025 Annual Report.

(2) Independence of the board of directors: The Board of Directors of the Company has nine directors, including four independent directors (44.4%) and five non-independent directors (55.6%). Among whom, three of them concurrently serve as employees / managerial officers (33.3%, not over one-third of all directors' seats). Chairman Shu-Yi Lee and Director Shu-Chung Lee, who are second-degree relatives (22.2%, not over one half of all directors' seats). The directors are in compliance with the provisions of Article 26-3, subparagraphs 3 and 4 of the Securities and Exchange Act.

The Company's Board of Directors guides the Company's strategies, supervises the management, and is responsible to the Company and shareholders. In terms of the corporate governance system, the Board of Directors exercises its powers in accordance with the laws and regulations, the Company's Articles of Incorporation, or resolutions of shareholders' meetings. The Company's Board of Directors emphasizes independence and transparency. Directors and independent directors are independent party and exercise their powers independently. The four independent directors have also complied with relevant laws and regulations, complemented by the Audit Committee's duties, to review the Company's control over the existing or potential risks, to supervise the effective implementation of the Company's internal control, the appointment and selection of attesting CPAs and their independence, as well as the appropriate preparation of the financial statements. The Company continues to evaluate the directors' independence constantly, by taking into account the factors including effective contribution made to the Board of Directors, supervision of various internal control systems and management, and whether they behave properly inside and outside the Board of Directors. Directors' experience is disclosed on page 4 of the 2025 annual report. Upon taking said

circumstances into account, the Company believes that the Board of Directors should be independent without a doubt.

(III)Information on the company's directors, supervisors, general manager, assistant general managers, deputy assistant general managers, and the chiefs of all the company's divisions and branch units

February 28, 2026

Job title	Nationality	Name	Gender	Date of election (appointment)	Shares held		Shares held by spouse and minor children		Shares held through nominees		Principal work experience and academic qualifications	Positions concurrently held in other companies at present	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
					Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio	Number of Shares	Shareholding ratio			Job title	Name	Relationship	
CEO	Taiwan	Shu-Yi Lee	Male	2021.09.01	3,556,361	3.23	0	0	2,810,282	2.55	M.B.A., The Executives Program of Business Administration, National Cheng-Chi University; B.S., Science and Technology Department of Mechanical Engineering, Chien Hsin University	Chairman of Chou Yeh Investment Co., Ltd., Corporate Director of Jochu Technology (Xiamen) Co., Ltd., Representative of Corporate Director of Legen Medical Technology Co., Ltd., Representative of Corporate Director of Jochu Investment Ltd., Corporate Director of Suzhou Jochu Precision Metal Co., Ltd., Representative of Corporate Director of Jochu Global Investment (Cayman) Ltd., Representative of Corporate Director of Jochu International (Cayman) Ltd., Corporate Director of Prosperity Investment Holding PTE. LTD, Corporate Director of Jochu Technology (Vietnam) Co. Ltd., Representative of Corporate Director of eBio International Co., Ltd., Representative of Corporate Director of eBio Technology Inc.	President of China Regional Strategy Development Office	Shu-Tsung Lee	Brother	Note 1
President	Taiwan	Wen-Mao Hsu	Male	2024.10.01	337,119	0.31	0	0	0	0	Master of Mechanical Engineering, Arizona State University; Vice President, Liujue International Co., Ltd.	Representative of Corporate Director, eBio International Co., Ltd	None	None	None	None
President of China Regional Strategy Development Office	Taiwan	Shu-Tsung Lee	Male	2019.03.01	1,717,668	1.56	0	0	0	0	M.B.A., The Executives Program of Business Administration, National Cheng-Chi University; Bachelor, Department of Accounting, Tamkang University; Finance Manager of Global Accounting Department, Walsin Technology Co.	Corporate Director of SUZHOU JOCHU PRECISION METAL CO., LTD., Corporate Director of JOCHU TECHNOLOGY (XIAMEN) CO., LTD., General manager of JOCHU TECHNOLOGY (XIAMEN) CO., LTD., Representative of Corporate Director of PROSPERITY INVESTMENT HOLDING PTE. LTD	CEO	Shu-Yi Lee	Brother	None
Vice President	Taiwan	Yi-Shu Li	Female	2013.08.01	416,727	0.38	42,361	0.04	0	0	EMBA from Yang Ming University School of Management, Master's degree in Accounting from National Taiwan University Work experience: Former Assistant Manager at Yuanta Securities Investment Trust Co., Ltd. and former Deputy Manager at Deloitte Taiwan	Supervisor of SUZHOU JOCHU PRECISION METAL CO., LTD. Supervisor of JOCHU TECHNOLOGY (XIAMEN) CO., LTD. Head of Chongtai Investment Co., Ltd. Legal supervisor representative of Lequn Technology Co., Ltd.; Representative of Corporate Director of eBio International Co., Ltd., Representative of Corporate Director of PROSPERITY INVESTMENT HOLDING PTE. LTD	None	None	None	None
Vice President	Taiwan	Chui-Chou Chiu	Male	2016.08.10	324,136	0.29	0	0	0	0	Chemical Engineering from National Central University, EMBA from National Central University, Deputy Chief of Procurement/Business at Hannstar Display Corp., Deputy Chief of Procurement at Remarkable Tec. Co. Ltd.	Representative of Corporate Director of PROSPERITY INVESTMENT HOLDING PTE. LTD	None	None	None	None
Vice President	Taiwan	Chao-Hung Tseng	Male	2022.05.06	108,249	0.01	0	0	0	0	Master in Power Mechanical Engineering, National Tsing Hua University; Senior Manager, AU Optronics Corp.; Director of R&D/Business Division, DARWIN PRECISIONS CORPORATION	None	None	None	None	None
Assistant Vice	Taiwan	Shu-	Female	2017.04.01	100,000	0.09	0	0	0	0	MBA, ALLIANT INTERNATIONAL	None	None	None	None	None

President		Feng Chu									UNIVERSITY, SAN DIEGO, U.S.A.; EMBA, National Tsing Hua University; Manager of Human Resources and Administration, Weibo Technology Co., Ltd.; Manager of Human Resources Department, Silvaco System Technology Co., Ltd. (Taiwan Branch, Asia Pacific)					
President of subsidiary	Taiwan	Wen-Lung Chao (Note 1)	Male	2018.07.01	105,000	0.10	32,000	0.03	0	0	M.B.A., The Executives Program of Business Administration, National Cheng-Chi University; Philosophy Department at Fu Jen Catholic University, General Manager of Apple Daily, CEO of Want Want China Times Media Group, Creative Producer at Fruitful Co.	None	None	None	None	None
Assistant Vice President	Taiwan	Tai-Hung Chou	Male	2019.05.01	150,000	0.14	0	0	0	0	MBA, University of Connecticut; Manager, ChungHsun Technology Co., Ltd.	None	None	None	None	None
Assistant Vice President	Taiwan	Wei-Cheng Shen	Male	2019.05.01	261,766	0.24	0	0	0	0	PhD. In Technology Management, National Chung Hsing University; Executive Assistant to President, Kingpump Photonics Co., Ltd.	None	None	None	None	None
Assistant Vice President	Taiwan	Yao-Nung Tsai	Male	2023.09.01	0	0	0	0	0	0	Factory Chief, DARWIN PRECISIONS CORPORATION; Factory Chief, SUNRISE TECHNOLOGY CO., LTD.	None	None	None	None	None
Assistant Vice President	Taiwan	Chih-Ming Wei	Male	2024.09.01	200,335	0.18	0	0	0	0	Bachelor of Department of Industrial Engineering and EMBA, National Taipei University of Technology Department of Electrical Engineering (2-year Diploma Program), Lunghwa University of Science and Technology	Representative of Corporate Director/President, eBio International Co., Ltd.; Representative of Corporate Director/President, eBio Technology Inc.	None	None	None	None
Assistant Vice President	Taiwan	Yu-Sheng Chen	Male	2024.09.01	85,000	0.08	314,717	0.29	0	0	MBA, National Tsing Hua University; Engineer, World Patent; Vice President, Yishe Biotechnology	None	None	None	None	None
Assistant Vice President	Taiwan	Shen-Jui Chiu	Male	2025.07.01	66,000	0.06	0	0	0	0	Chien Hsin Junior College of Engineering – Department of Electrical Engineering; Manufacturing Engineer, Quanta Computer; Section Manager, AUO Corporation.	None	None	None	None	None
Assistant Vice President	Taiwan	Chieh-Hsing Chen	Male	2025.07.01	115,000	0.10	0	0	0	0	National Taiwan University – Graduate Institute of Applied Mechanics; Product Development Manager, Fu Hsiang.	None	None	None	None	None
Assistant Vice President	Taiwan	Kuo-Chung Chia	Male	2025.08.18	10,000	0.01	0	0	0	0	Georgia Institute of Technology – Department of Aerospace Engineering; EPM, PCE Paragon Solutions USA, Inc.	None	None	None	None	None

(III) Where the Chairman and President or person of an equivalent post (the highest level managerial officer) are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto: Where the Chairman and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer): For the time being, in consideration of the division of labor and business needs, the Company appoints Chairman Shu-Yi Lee to serve as the Company’s CEO concurrently and make every endeavor to lead the Company’s business team and develop the Company’s sustainable development and business positioning strategies. According to the laws and regulations, the Company plans to elect one additional independent director on May 26, 2023.

Note 1: Subsidiary managers Wen-Lung Chao and Associate Manager Yu-Sheng Chen were removed from insider status on March 13, 2026, and March 15, 2026, respectively.

II. Remunerations paid to directors, supervisors, general managers, and deputy general managers in the most recent year

1. Remuneration to directors (including independent directors) for 2025

Unit: NT\$ Thousand; %

Job Title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company		
		Base compensation (A)		Retirement pay and pension (B)		Director profit-sharing compensation (C)		Expenses and perquisites (D)				Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Employee profit-sharing compensation (G)								
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities			
Chairman	Shu-Yi Lee	0	0	0	0	0	0	50	50	50 (0.03)	50 (0.03)	4,459	4,459	0	0	0	0	0	0	0	0	4,509 (2.36)	4,509 (2.36)	0
Director	Corporate Representative of Rich Rise Investment Co., Ltd.: Yu-Chi Lu	0	0	0	0	0	0	40	40	40 (0.02)	40 (0.02)	0	0	0	0	0	0	0	0	0	40 (0.02)	40 (0.02)	0	
Director	Chao-Tsung Juan	0	0	0	0	0	0	53	53	53 (0.03)	53 (0.03)	0	0	0	0	0	0	0	0	0	53 (0.03)	53 (0.03)	0	
Director	Shu-Tsung Lee	0	0	0	0	0	0	48	48	48 (0.03)	48 (0.03)	1,734	2,826	133	133	0	0	0	0	0	1,916 (1.00)	3,008 (1.57)	0	
Director	Yi-Shu Li	0	0	0	0	0	0	48	48	48 (0.03)	48 (0.03)	2,643	2,643	108	108	0	0	0	0	0	2,799 (1.46)	2,799 (1.46)	0	
Independent Director	Wen-Hung Liao	300	300	0	0	0	0	130	130	430 (0.22)	430 (0.22)	0	0	0	0	0	0	0	0	0	430 (0.22)	430 (0.22)	0	
Independent Director	Yu-Liang Chen	300	300	0	0	0	0	123	123	423 (0.22)	423 (0.22)	0	0	0	0	0	0	0	0	0	423 (0.22)	423 (0.22)	0	
Independent Director	Ting-Chun Chou	300	300	0	0	0	0	124	124	424 (0.22)	424 (0.22)	0	0	0	0	0	0	0	0	0	424 (0.22)	424 (0.22)	0	
Independent Director	Chun-Chiu Chang	300	300	0	0	0	0	117	117	417 (0.22)	417 (0.22)	0	0	0	0	0	0	0	0	0	417 (0.22)	417 (0.22)	0	

Please state the policies, systems, standards, and structure of remuneration to independent directors, and the relations between the remuneration and the job responsibility, risk, and engagement hours borne by the independent directors: The compensation and remuneration to the Company's independent directors are paid subject to the job duty and risk borne by them and in reference to their engagement in the Company's operation and the value of their contribution, and the Company's overview of business. The transportation allowance is paid at a fixed amount subject to the attendance (times).

Compensation received by directors for providing service to any company included in the Financial Statements (e.g., consultancy service without the title of an employee in the parent company/all companies included in the financial statements/investees) in the most recent year except those disclosed in the above table: None.

Note 1: The basis of compensation disclosed above is different according to the basis of the Income Tax Act; hence, the above table has been prepared solely for information disclosure and not for tax purposes.

Range Table of Remunerations to Directors (Including Independent Directors) in 2025

Range of remunerations to each director of the Company	Name of the Director			
	Sum of foregoing four items (A+B+C+D)		Sum of foregoing seven items (A+B+C+D+E+F+G)	
	The Company	All consolidated entities	The Company	All consolidated entities
Under NT\$1,000,000	Shu-Yi Lee, Corporate Representatives of Heng Xing Investment Co., Ltd.: Yu-Chi Lu, Chao-Tsung Juan, Shu-Tsung Lee, Shu-Yi Lee, Wen-Hung Liao, Yu-Liang Chen, Ting-Chun Chou, Chun-Chiu Chang, Chun-Chiu Chang	Shu-Yi Lee, Corporate Representatives of Heng Xing Investment Co., Ltd.: Yu-Chi Lu, Chao-Tsung Juan, Shu-Tsung Lee, Shu-Yi Lee, Wen-Hung Liao, Yu-Liang Chen, Ting-Chun Chou, Chun-Chiu Chang, Chun-Chiu Chang	Corporate Representatives of Heng Xing Investment Co., Ltd.: Yu-Chi Lu, Chao-Tsung Juan, Wen-Hung Liao, Yu-Liang Chen, Ting-Chun Chou, Chun-Chiu Chang	Corporate Representatives of Heng Xing Investment Co., Ltd.: Yu-Chi Lu, Chao-Tsung Juan, Wen-Hung Liao, Yu-Liang Chen, Ting-Chun Chou, Chun-Chiu Chang
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)			Shu-Tsung Lee	
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)			Yi-Shu Li	Shu-Tsung Lee, Yi-Shu Li
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)			Shu-Yi Lee	Shu-Yi Lee
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)				
Above NT\$100,000,000 (inclusive)				
Total	9 people	9 people	9 people	9 people

2. Remunerations paid to supervisors in 2025: The Company established the Audit Committee consisting of independent directors in June 2012. The related remuneration was disclosed altogether in (1).

3. Remunerations paid to the President and Vice President in 2025

Unit: NT\$ thousand; %

Job Title	Name	Base compensation (A)		Retirement pay and pension (B)		Rewards and special disbursements (C)		Employee profit-sharing compensation (D)				Sum of A+B+C+D and ratio to net income		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
CEO	Shu-Yi Lee	3,024	3,024	0	0	1,435	1,435	0	0	0	0	4,459 (2.33)	4,459 (2.33)	None
President	Wen-Mao Hsu	2,520	2,520	108	108	420	420	0	0	0	0	3,048 (1.59)	3,048 (1.59)	None
President of China Regional Strategy Development Office	Shu-Tsung Lee	1,334	2,426	133	133	400	400	0	0	0	0	1,868 (0.98)	2,960 (1.55)	None
Vice President	Chui-Chou Chiu	2,400	2,400	108	108	400	400	0	0	0	0	2,908 (1.52)	2,908 (1.52)	None

Vice President	Yi-Shu Li	2,259	2,259	108	108	384	384	0	0	0	0	2,751 (1.44)	2,751 (1.44)	None
Vice President	Chao-Hung Tseng	2,194	2,194	108	108	420	420	0	0	0	0	2,722 (1.42)	2,722 (1.42)	None

Note 1: The basis of compensation disclosed above is different according to the basis of the Income Tax Act; hence, the above table has been prepared solely for information disclosure and not for tax purposes.

Range Table of Remunerations to President and Vice President in 2025

Range of remunerations to each President and Vice President of the Company	Name of President and Vice President	
	The Company	All consolidated entities
Under NT\$1,000,000		
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	Shu-Tsung Lee	
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	Wen-Lung Chao, Yi-Shu Li, Chui-Chou Chiu, Chao-Hung Tseng	Wen-Mao Hsu, Shu-Tsung Lee, Yi-Shu Li, Chui-Chou Chiu, Chao-Hung Tseng
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	Shu-Yi Lee	Shu-Yi Lee
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)		
Above NT\$100,000,000 (inclusive)		
Total	6 people	6 people

4. Remuneration paid to the top five highest-paid executives for 2025: Please refer to the disclosure of Remunerations paid to the President and Vice President for 2025 in this annual report.

(IV) Names of managers receiving employee remuneration, and distribution details: The Company did not distribute remuneration of employees in 2025.

(V) The compensation paid by the Company and all companies included in the consolidated financial statements to the directors, President, and Vice

Presidents in the last two fiscal years, the analysis of the percentage of total compensation to net profit after tax in the parent company only financial reports or individual financial reports, the policy, standard, and package of compensation payment, the procedure for determination of compensation, and the connection with the operation performance and future risk:

1. The remunerations paid by the Company and all companies included in the consolidated financial statements to the Company's directors, President, and Vice Presidents in the last two fiscal years to the Company's net profit after tax:

Unit: %

Year	2024		2025	
Item	The Company	All consolidated entities	The Company	All consolidated entities
Proportion of remunerations of directors, president, and vice presidents to after-tax net profit (%)	(18.80%)	(20.05%)	(10.29%)	(10.86%)
Explanation	The remuneration ratios of Directors, the President, and Vice Presidents decreased in 2025 compared to 2024, primarily due to an increase in the Company's losses in 2025 relative to 2024.			

2. Policies, standards, and packages by which the remuneration is paid, the procedures through which remuneration is determined, and their association with business performance and future risks:

Pursuant to Article 19-1 of the Articles of Incorporation, the Company shall allocate no less than 8% of the earnings retained by the Company in the current year, if any, as the remuneration to employees and no more than 3% thereof as the remuneration to directors. However, when the Company still has accumulated losses, the losses shall be made up. The remuneration to employees may be paid in cash or in shares, and the recipients of the stock or cash may include the employees of the Company's associates meeting certain specific requirements which are defined by the Board of Directors. The annual earnings referred to in Paragraph 1 means the income before the income before tax less the remuneration to employees and directors in the current year. The distribution of remuneration to employees and directors shall be decided per the resolution adopted by a majority of the directors present at a meeting of the Board of Directors attended by more than two-third of the whole directors, and reported to a shareholders' meeting.

The salary and remuneration of directors and managers are considered thoroughly subject to the engagement in the Company's operations and performance appraisal. In the case of directors, the indicators to be considered include the engagement in the Company's operations, and improvement of the Board of Directors' decision-making quality, and in the case of managers, such indicators include performance management indicators, attitude-core competency and ability-management competency/professional competency, and other special matters to be included into the performance appraisal and determination of remuneration payable.

The Company's Board of Directors establishes the Remuneration Committee, determines the policies, systems, standards and packages by which the salary and remuneration are paid, evaluates the salary and remuneration to directors and managers, and submits its suggestions to the Board of Directors for discussion, as the reference helping it make decisions.

The remuneration provided to directors and executives of the company has taken into account the positive correlation between the company's future operational risks and their managerial performance, ensuring a balance between sustainable operations and risk management.

III. Corporate governance status:

(I) Functionality of Board of Directors

A total of 9 Board meetings were held in 2025. Below are the directors' presence (attendance) records:

Job title	Name	Actual attendance	Proxy attendance	Actual Presence Rate (%)	Remarks
Chairman	Shu-Yi Lee	9	0	100%	
Director	Rich Rise Investment Co., Ltd. Representative: Yu-Chi Lu	8	1	80%	
Director	Chao-Tsung Juan	9	0	100%	
Director	Shu-Tsung Lee	9	0	100%	
Director	Yi-Shu Li	9	0	100%	
Independent Director	Wen-Hung Liao	9	0	100%	
Independent Director	Ting-Chun Chou	9	0	100%	
Independent Director	Yu-Liang Chen	8	1	80%	
Independent Director	Chun-Chiu Chang	8	1	80%	

Other disclosures to be noted:

- I. For Board of Directors meetings that meet any of the following descriptions, state the date, session, contents of the motions, independent directors' opinions, and how the Company has responded to such opinions:

(I) Conditions Described in Article 14-3 of the Securities and Exchange Act:

Date and Session of the Board of Directors Meeting	Resolution and Follow-up	Opinions of independent directors	How the Company Has Responded to Such Opinions: None. Resolution:
2025/1/7 (9-7)	1. Proposal for recognition of the investment loss from investees 2. Proposal for change of right-of-use assets amount of related parties Resolution: Approved by all present directors unanimously.	None	None
2025/2/25 (9-9)	1. 2024 "Appraisal on Effectiveness of Internal Control System" and "Declaration for Statement of Internal Control".	None	None

	2. The Company's 2024 business report, consolidated financial statements, and parent company only financial statements 3. Proposal for convention of the 2025 annual general shareholders' meeting and acceptance of proposals from shareholders with shareholding exceeding 1% Resolution: Approved by all present directors unanimously.		
2025/3/25 (9-10)	1. Proposal to distribute the accumulated earnings from overseas subsidiaries back to the Company. 2. Proposal for the appropriation of losses for 2024. 3. Proposal for distribution of capital reserve in cash 4. Proposal to discontinue the private placement of ordinary shares or domestic or overseas convertible corporate bonds as approved by the 2024 annual general meeting. 5. Proposal for the engagement and compensation of the Company's CPAs for 2025. 6. Termination of the non-competition restriction imposed on directors. 7. Addition of the reasons for convention of 2025 annual general shareholders' meeting Resolution: Approved by all present directors unanimously.	None	None
2025/5/8 (9-11)	1. The Company's 2025 Q1 consolidated financial statements 2. Proposal for a capital increase in the investee company JOCHU TECHNOLOGY (VIETNAM) CO., LTD. 3. Amendments to certain internal control procedures of the Company. 4. Proposal to lift the non-compete restrictions for managerial officers. Resolution: Approved by all present directors unanimously.	None	None
2025/8/13 (9-12)	1. The Company's consolidated financial statements in the first half of 2025 2. Proposal to conduct a cash capital increase through the issuance of common	None	None

	shares and to issue the Company's first domestic secured convertible bonds in 2025. 3. Proposal for a capital increase in the investee company JOCHU TECHNOLOGY (VIETNAM) CO., LTD. 4. Proposal to lift the non-compete restrictions for managerial officers. 5. Proposal for appointment of R&D manager Resolution: Approved by all present directors unanimously.		
2025/11/13 (9-13)	1. The Company's consolidated financial statements of the first three quarters in 2025 2. Proposal for the ratification of contracts for the acquisition of right-of-use assets from related parties. 3. Amendments to the Company's "Internal Control System" in part. Resolution: Approved by all present directors unanimously.	None	None
2025/12/22 (9-15)	1. Revision of plan to increase the capital of the investee, JOCHU TECHNOLOGY (VIETNAM) CO., Ltd. 2. Proposal for change of right-of-use assets amount of related parties 3. Amendments to the Company's "Internal Control System" in part. Resolution: Approved by all present directors unanimously.	None	None

(II) Any other resolution(s) by the Board of Directors meetings passed but with independent directors voicing opposing or qualified opinions on the record or in writing: None.

II. For directors' recusal from motions which involve a conflict of interest, the names of directors, contents of the motions, reasons of the recusal for a conflict of interest, and participation in voting must be disclosed:

Date and Session of the Board of Directors Meeting	Contents of the Motion	Name of the Director	Reasons of the Recusal for a Conflict of Interest and Participation of Voting
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2025/3/25 (9-10)	Termination of the non-competition restriction imposed on directors.	Shu-Yi Lee	Said directors, as the stakeholders, have recused themselves from the voting voluntarily. Upon the Chairperson's inquiry about the other directors' opinions, the motion was approved as proposed unanimously.
2025/12/10 (9-14)	Proposal for the allocation of subscription rights to managerial officers under the Company's 2025 cash capital increase through the issuance of new shares.	Shu-Yi Lee; Shu-Chung Lee; Yi-Shu Li	Said directors, as the stakeholders, have recused themselves from the voting voluntarily. Upon the Chairperson's inquiry about the other directors' opinions, the motion was approved as proposed unanimously.
2025/12/22 (9-15)	Proposal for change of right-of-use assets amount of related parties	Corporate Representative of Rich Rise Investment Co., Ltd.: Yu-Chi Lu, Chao-Tsung Juan	Said directors, as the stakeholders, have recused themselves from the voting voluntarily. Upon the Chairperson's inquiry about the other directors' opinions, the motion was approved as proposed unanimously.
2025/12/22 (9-15)	Proposal for 2025 year-end bonus to the Company's managerial officers and audit officer	Shu-Yi Lee; Shu-Chung Lee; Yi-Shu Li	Said directors, as the stakeholders, have recused themselves from the voting voluntarily. Upon the Chairperson's inquiry about the other directors' opinions, the motion was approved as proposed unanimously.

III. Evaluation Cycle and Period, Scope of Evaluation, Method and Contents of Evaluation Regarding the Board of Directors' Self (or peer) Performance Evaluation:

Category	Evaluation Cycle	Evaluation Period	Scope of Evaluation	Method of Evaluation	Contents of Evaluation	Evaluation Results
Self-evaluation	Once a year	2025/01/01 to 2025/12/31	Overall Board of Directors	Self-evaluation of the Board of Directors	Engagement in the Company's operation, Board decision-making quality, composition and structure of the Board, election and continuing education of directors and internal controls, etc.	The overall operation of the Board of Directors is considered satisfactory.
			Individual	Self-	Alignment with	Individual

			Board Member	assessment	the goals and mission of the Company, knowledge of directors' duties, engagement in the Company's operations, management of internal relationships and communication, professionalism and continuing education of directors, and internal controls, etc.	directors have demonstrated good performance in fulfilling their duties as directors of the Company, understanding the Company's objectives, and their level of participation.
			Remuneration Committee and Audit Committee	Self-evaluation of the Board of Directors	Engagement in the Company's operation, knowledge of the functional committee's duties, the functional committee's decision-making quality, composition and election of members of the functional committee, and internal controls, etc.	The overall operation is considered satisfactory.

IV. Enhancement of the functionality of the board of directors in the current and the most recent year:

- (I) In order to practice corporate governance and improve the Board of Directors' functionality, the Company set the performance target clearly and precisely to improve the operating efficiency.
- (II) Improvement of overall Board of Directors members' attendance rate: The attendance rates of the overall Board of Directors members for the Board of Directors meetings exceeded 95% for both 2024 and 2025.
- (III) Continuing education of directors: All of the directors completed the continuing education per the requirement in 2025, and the continuing education status is as follows:

Name	Job Title	Status of continuing education			
		Date	Organizer	Course name	Number of hours
Shu-Yi Lee	Chairman	2025/12/04	Securities and Futures Institute	Global trend analysis - risks and opportunities	3.0
		2025/12/18	Securities and Futures Institute	How the Board of Directors and Supervisors Oversee the Establishment and Implementation of a Robust Risk Management System	3.0
Rich Rise Investment Co., Ltd. Representative: Yu-Chi Lu	Director	2025/08/19	Taiwan Corporate Governance Association	Trump 2.0: The Death of Globalization and Regional War	3.0
		2025/09/23	Taipei Foundation of Finance	Corporate Governance – The Business Value and Digital Risks of Generative AI	3.0
Chao-Tsung Juan	Director	2025/03/20	Taiwan Academy of Banking and Finance	Corporate Governance Seminar	3.0
		2025/10/03	Securities and Futures Institute	2025 Insider Trading Prevention Educational Seminar	3.0
Shu-Tsung Lee	Director	2025/08/19	Taiwan Corporate Governance Association	Trump 2.0: The Death of Globalization and Regional War	3.0
		2025/12/05	Securities and Futures Institute	Corporate Insiders' Illegal "Insider Trading" and Anti-Money Laundering Regulations and Case Analysis	3.0
Yi-Shu Li	Director	2025/08/19	Taiwan Corporate Governance Association	Trump 2.0: The Death of Globalization and Regional War	3.0
		2025/12/18	Securities and Futures Institute	How the Board of Directors and Supervisors Oversee the Establishment and Implementation of a Robust Risk Management System	3.0
Yu-Liang Chen	Independent Director	2025/12/02	Securities and Futures Institute	Analysis of Fraud Schemes and Case Introduction on Anti-Money Laundering Regulations	3.0
		2025/12/04	Securities and Futures Institute	Corporate Performance Management and Compensation System	3.0

				Design and Planning	
Ting-Chun Chou	Independent Director	2025/08/12	Taiwan Corporate Governance Association	Trends in Digital Technology and Artificial Intelligence and Risk Management	3.0
		2025/08/19	Taiwan Corporate Governance Association	Trump 2.0: The Death of Globalization and Regional War	3.0
Wen-Hung Liao	Independent Director	2025/08/12	Taiwan Corporate Governance Association	Corporate Growth Strategies and External Innovation	3.0
		2025/08/12	Taiwan Corporate Governance Association	Group Governance and Performance Management	3.0
Chun-Chiu Chang	Independent Director	2025/08/07	Securities and Futures Institute	The Importance of Artificial Intelligence Applications in Enterprises and Practical Cases	3.0
		2025/08/07	Securities and Futures Institute	Ethical Management, Employee Fraud, and Whistleblowing Systems (Including Gender Equality)	3.0

(II) Audit Committee implementation status

A total of eight Audit Committee meetings were held in 2025, and the committee members' attendance status is as follows:

Job title	Name	Actual attendance	Proxy attendance	Actual Presence Rate (%)	Remarks
Independent Director (Convener)	Wen-Hung Liao	8	0	100	
Independent Director	Yu-Liang Chen	7	1	88	
Independent Director	Ting-Chun Chou	8	0	100	
Independent Director	Chun-Chiu Chang	7	1	88	

Other disclosures to be noted:

- I. For the Audit Committee meetings that meet any of the following descriptions, state the date, session, contents of the motions, Audit Committee's resolutions, and how the Company has responded to the opinions of the Audit Committee:

- (I) Conditions described in Article 14-5 of the Securities and Exchange Act:

Date and term of the Audit Committee meetings	Contents of the Motion and Resolution	How the Company Has Responded to the Opinions of the Audit Committee
2025/1/7 (5-5)	1. Proposal for recognition of the investment loss from investees 2. Proposal for change of right-of-use assets amount of related parties Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.
2025/2/25 (5-7)	1. 2024 “Appraisal on Effectiveness of Internal Control System” and “Declaration for Statement of Internal Control”. 2. The Company’s 2024 business report, consolidated financial statements, and parent company only financial statements Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.
2025/3/25 (5-8)	1. Proposal to distribute the accumulated earnings from overseas subsidiaries back to the Company. 2. Proposal for the appropriation of losses for 2024. 3. Proposal for distribution of capital reserve in cash 4. Proposal to discontinue the private placement of ordinary shares or domestic convertible corporate bonds as approved by the 2024 annual general meeting. 5. Proposal for the engagement and compensation of the Company’s CPAs for 2025. 6. Termination of the non-competition restriction imposed on directors. Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.
2025/5/8 (5-9)	1. The Company’s 2024 Q1 consolidated financial statements 2. Proposal for a capital increase in the investee company JOCHU TECHNOLOGY (VIETNAM) CO., LTD. 3. Amendments to certain internal control procedures of the Company.	Said motion was presented to the Board of Directors and resolved by all present directors.

	4. Proposal to lift the non-compete restrictions for managerial officers. Resolution: Approved by all present members unanimously.	
2025/8/13 (5-10)	1. The Company's consolidated financial statements in the first half of 2025 2. Proposal to conduct a cash capital increase through the issuance of common shares and to issue the Company's first domestic secured convertible bonds in 2025. 3. Proposal for a capital increase in the investee company JOCHU TECHNOLOGY (VIETNAM) CO., LTD. 4. Proposal to lift the non-compete restrictions for managerial officers. Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.
2025/11/13 (5-11)	1. The Company's consolidated financial statements of the first three quarters in 2025 2. Proposal to amend the Company's "Internal Control System" in part. Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.
2025/12/22 (5-12)	1. Revision of plan to increase the capital of the investee, JOCHU TECHNOLOGY (VIETNAM) CO., Ltd. 2. Proposal for change of right-of-use assets amount of related parties 3. Proposal to amend the Company's "Internal Control System" in part. Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.

(II) Other than those described above, any resolutions unapproved by the Audit Committee but passed by more than two-thirds of directors: None.

II. For independent directors' recusal from motions which involve a conflict of interest, the names of independent directors, contents of the motions, reasons of the recusal for a conflict of interest, and participation in voting must be disclosed: None.

III. Communication between independent directors and the chief internal audit officer/CPAs: In addition to receiving monthly internal audit reports and having the head of internal

audit regularly attend Board meetings to provide business reports, the Company holds at least one annual meeting between the head of internal audit and independent directors, during which the head of internal audit separately reports to the independent directors on recent audit execution status.

The Company also holds separate quarterly meetings between independent directors and the external auditors, during which the auditors report to the independent directors on financial statement review results and findings.

(I) Individual communication between independent directors and internal auditing officers in 2025:

Date	Attendees	Communication Matters	Communication Results
2025/03/19	Wen-Hung Liao, Independent Director Yu-Liang Chen, Independent Director Ting-Chun Chou, Independent Director Chung-Chiu Chang, Independent Director Han-Chi Fu, Chief Internal Audit Officer	Report on the audit implementation status.	Understood and unanimously approved as proposed.
2025/09/24	Wen-Hung Liao, Independent Director Yu-Liang Chen, Independent Director Ting-Chun Chou, Independent Director Chung-Chiu Chang, Independent Director Han-Chi Fu, Chief Internal Audit Officer	Report on the audit implementation status.	Understood and unanimously approved as proposed.

(II) Individual communication between independent directors and CPAs in 2025 is as follows:

Date	Attendees	Communication Matters	Communication Results
2025/02/25	Wen-Hung Liao,	Report on the review	Unanimously

	Independent Director Ting-Chun Chou, Independent Director Yu-Liang Chen, Independent Director Chung-Chiu Chang, Independent Director Fu-Ming Liao, CPA	result of the 2024 financial statements.	approved as proposed.
2025/05/08	Wen-Hung Liao, Independent Director Ting-Chun Chou, Independent Director Yu-Liang Chen, Independent Director Chung-Chiu Chang, Independent Director Fu-Ming Liao, CPA	Report on the audit result of the 2025 Q1 financial statements.	Unanimously approved as proposed.
2025/08/13	Wen-Hung Liao, Independent Director Yu-Liang Chen, Independent Director Chung-Chiu Chang, Independent Director Fu-Ming Liao, CPA	Report on the audit result of the 2025 Q2 financial statements.	Unanimously approved as proposed.
2025/11/13	Wen-Hung Liao, Independent Director Ting-Chun Chou, Independent Director Yu-Liang Chen, Independent Director Fu-Ming Liao, CPA	Report on the audit result of the 2025 Q3 financial statements.	Unanimously approved as proposed.

IV. Annual work focus and operation thereof:

- (I) Supervise and review the adequate expression of the Company's financial statements.

- (II) Supervise and evaluate the effective implementation of the internal control system.
- (III) Supervise the legal compliance.
- (IV) Reviewing the Company's transactions for acquisition or disposal of assets, and matters involving required recusal of voting right exercising due to directors' conflicts of interest.
- (V) Evaluation and supervision of the Company's risk management.
- (VI) Appointment or dismissal of, or remuneration to external auditors.
- Please refer to page 15 to page 18 of the annual report for details of operations.

(III) Corporate governance status, and deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and causes thereof:

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
I. Does the Company establish and disclose its corporate governance best practice principles based on "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company has established its "corporate governance best practice principles" and disclosed the same the MOPS.	No significant deviation exists.
II. Equity structure and shareholders' equity of the Company				
(I) Does the Company have the internal procedures regulated to handle shareholders' proposals, doubts, disputes, and litigation matters, and have the procedures implemented accordingly?	✓		(I) The Company has established the dedicated unit responsible for handling shareholders' proposals, doubts and disputes, and also the spokesperson system. If any legal issues are involved, the Company's legal personnel and retained legal advisors will help solve the same.	No significant deviation exists.
(II) Does the Company possess the list of the Company's major shareholders of ultimate controllers, and the list	✓		(II) The Company maintains a good relationship with the major shareholders for the time being, and may control the list of major shareholders at any time.	No significant deviation exists.

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
of the ultimate controllers of the major shareholders? (III) Does the Company establish and implement the risk control and firewall mechanism with its affiliated companies? ✓ (IV) Does the Company adopt internal rules prohibiting the Company's insiders from trading securities using information not disclosed to the market? ✓			(III) The Company has adopted the "Regulations Governing Management of Subsidiaries" and sent dedicated personnel to take charge of the precaution for affiliated companies exclusively. (IV) The Company has adopted the "Operating Procedure for Handling Material Inside Information" and "Insider Trading Prevention Management Regulations" to prohibit the Company's insiders from trading securities using information not disclosed to the market.	No significant deviation exists. No significant deviation exists.
III. Composition and responsibilities of the Board of Directors (I) Does the Board of Directors have the diversity policies and specific management goals regulated and implemented substantively? ✓			(I) 1. The Company passed the motion for the adoption of the "Corporate Governance Best Practice Principles" at the 12th meeting of the 7th term of the Board of Directors on November 4, 2019. The diversity policy is set forth in Chapter 3 thereof, "Enhancement of the Directors' Functions." 2. Management goals and implementation: It was expected that one more female director would be added in 2024. Implementation status: During the re-election of directors in 2024, one female director was added. 3. For the composition of professionals, the nine directors (including four independent directors) identified in the name list	No significant deviation exists.

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:																														
	Yes	No	Summary																															
			of 9th term of the Board of Directors members are well experienced in leadership and decision making, business judgment, business administration and crisis management, and have the industrial knowledge and international market perspective. Three of them are capable of accounting and financial analysis and one specialized in legal affairs. None of the four independent directors has held more than three terms of office. Four directors are of the age above 60 years old, five directors are at the age of 50~60 years old. Up to the date of publication of the annual report, the ratio of directors concurrently serving as the managerial officers is 33% of all directors, and the ratio of independent directors is 44%. The Company's Board of Directors possess the following abilities for the time being: <table><tr><th>Core Items of diversity Name of the Director</th><th>Gender</th><th>Business administration</th><th>Leadership and decision making</th><th>Industrial knowledge</th><th>Business judgment</th><th>Crisis management</th><th>International market prospective</th><th>Financial accounting</th><th>Law</th></tr><tr><td>Shu-Yi Lee</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td></tr><tr><td>Rich Rise Investment Co., Ltd. Representative: Yu-Chi Lu</td><td>Male</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td>V</td><td></td><td></td></tr></table>	Core Items of diversity Name of the Director	Gender	Business administration	Leadership and decision making	Industrial knowledge	Business judgment	Crisis management	International market prospective	Financial accounting	Law	Shu-Yi Lee	Male	V	V	V	V	V	V			Rich Rise Investment Co., Ltd. Representative: Yu-Chi Lu	Male	V	V	V	V	V	V			
Core Items of diversity Name of the Director	Gender	Business administration	Leadership and decision making	Industrial knowledge	Business judgment	Crisis management	International market prospective	Financial accounting	Law																									
Shu-Yi Lee	Male	V	V	V	V	V	V																											
Rich Rise Investment Co., Ltd. Representative: Yu-Chi Lu	Male	V	V	V	V	V	V																											

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEx Listed Companies and causes thereof:																																																																													
	Yes	No	Summary																																																																														
(II) Does the Company, in addition to setting up the Remuneration Committee and Audit Committee lawfully, have other functional committees set up voluntarily?	✓		<table><tr><td>Chao-Tsung Juan</td><td>Male</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr><tr><td>Shu-Tsung Lee</td><td>Male</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr><tr><td>Yi-Shu Li</td><td>Female</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr><tr><td>Wen-Hung Liao</td><td>Male</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr><tr><td>Yu-Liang Chen</td><td>Male</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr><tr><td>Ting-Chun Chou</td><td>Male</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr><tr><td>Chun-Chiu Chang</td><td>Male</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr></table> (II) The Company has established the Remuneration Committee, Audit Committee and Sustainable Development Committee. In the future, the Company will establish additional other types of functional committees depending upon the Company’s operational status.	Chao-Tsung Juan	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓	Shu-Tsung Lee	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓	Yi-Shu Li	Female	✓	✓	✓	✓	✓	✓	✓	✓	✓	Wen-Hung Liao	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓	Yu-Liang Chen	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓	Ting-Chun Chou	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓	Chun-Chiu Chang	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓	No significant deviation exists.
Chao-Tsung Juan	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																							
Shu-Tsung Lee	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																							
Yi-Shu Li	Female	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																							
Wen-Hung Liao	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																							
Yu-Liang Chen	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																							
Ting-Chun Chou	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																							
Chun-Chiu Chang	Male	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																							
(III) Does the Company establish a set of policies and assessment methods to evaluate the Board of Directors' performance, conduct the performance evaluation regularly at least on an annual basis, and submit the results of performance assessments to the Board of Directors and use them as a reference in determining remuneration for individual directors, and their nomination for additional office terms?	✓		(III) The Company has established the "Regulations Governing the Board of Directors and Functional Committees Performance Evaluation" on December 21, 2020, stipulating that the performance evaluation of the entire Board of Directors, individual directors, and functional committees shall be conducted once annually and reported to the Board of Directors during the first quarter of the next year. It is also stipulated that external professional independent institutions or external expert teams shall be commissioned to conduct the performance evaluation of the Board of Directors at least once every three years, in order to be used as the reference for individual directors' remuneration and nomination for consecutive term of office. The results of the performance evaluation of the Board of Directors and functional committees in 2025 have been submitted to the Board of Directors on March 12, 2026. In addition, on	No significant deviation exists.																																																																													

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
(IV) Does the Company have the independence of the external auditors evaluated regularly?	✓		August 11, 2023. the "Taiwan Corporate Governance Association" has been commissioned to conduct the performance evaluation of the Board of Directors. The implementation of the performance evaluation of the Board of Directors in 2025 is described on page 15 of the annual report. (IV) The Company's Audit Committee evaluates the external auditor's independence and competency each year. Based on the "Declaration of Independence" provided by the CPAs and the Company's "Regulations Governing Review and Election of Attesting CPAs," the Company evaluates that the CPAs are not an employee of the Company or its affiliated companies, not a spouse or relative within the 2nd degree of kinship of another director, and whether the external auditor has consecutively provided the audit service for less than 7 years. And the Audit Quality Indicators (AQIs) are provided by the CPAs as a reference for evaluation or renewal. The CPAs have explained to the Audit Committee on March 12, 2026 the information on the Audit Quality Indicators (AQIs), which cover five major aspects including the professionalism of the accounting firm and the audit team, quality control, independence, supervision and innovation ability. It has been confirmed that the CPAs and the Company have no financial interests or business relations other than the	No significant deviation exists.

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
			expenses of audit and taxation matters, and by referring to AQIs, it is confirmed that the CPAs and the firm are superior to the industry average in terms of audit experience and other aspects. After the evaluation results for the most recent year were discussed and approved by the Audit Committee on March 12, 2026, such were submitted to the Board of Directors and approved on March 12, 2026.	
IV. Does the Company assign an adequate number of competent corporate governance officers, and appoint the chief corporate governance officer responsible for the corporate governance affairs (including but not limited to, provision to directors/supervisors the information needed by them to perform their duties, assistance to directors/supervisors in legal compliance, organization of the Board of Directors meetings and shareholders' meetings pursuant to laws, and preparation of the Board of Directors meeting and shareholders' meeting minutes, etc.)?	✓		The Company's Board of Directors resolved on December 21, 2020 to pass the motion for the appointment of the Vice President of the Strategic Investment Office, Yi-Shu Lee, to hold the position as chief corporate governance officer concurrently, who has held the position as the supervisor of the legal affairs, compliance, internal control, financial, shareholders service or corporate governance unit in a TWSE listed company for more than three years. The chief corporate governance officer is primarily responsible for assisting directors in legal compliance, planning directors' continuing education programs, handling matters related to the Board of Directors meetings and shareholders' meetings, preparing the Board of Directors meeting and shareholders' meeting minutes, and providing directors with the information needed by them to perform their duties. The Company's chief corporate governance officer completed 12 hours of continuing education in 2025, in compliance with regulatory requirements. The training courses included: Corporate Governance Officer and Meeting	No significant deviation exists.

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
			Management; Practical Compliance Work for Corporate Governance Officers; and “Management of Sustainability Information” – Key Internal Control and Internal Audit Focus Areas and Practical Case Analysis.	
V. Has the Company provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders (including but not limited to shareholders, employees, customers and suppliers)?	✓		The Company has set up the stakeholder section on its official website. The stakeholders may contact and communicate with the Company via the channels including the Company’s website, telephone and e-mails. The communication with stakeholders in 2025 was reported to the Board of Directors on 2025/12/22.	No significant deviation exists.
VI. Does the Company have commissioned a professional shareholders service agent to handle shareholders’ affairs?	✓		The Company has appointed “Shareholders Service Agency Dept. of Grand Fortune Securities Co., Ltd.” to handle the shareholders’ service on behalf of the Company.	No significant deviation exists.
VII. Information disclosure				
(I) Does the Company set up a website to disclose the Company's business, finance and corporate governance information?	✓		(I) The Company has disclosed the Company's business, finance and corporate governance information on the official website.	No significant deviation exists.
(II) Does the Company adopt other information disclosure methods (e.g., establishing an English website, designating dedicated persons for collecting and disclosing information of the Company, practicing the spokesman system,	✓		(II) The Company’s website discloses the information in Chinese, and also in English to enable foreign investors to know about the Company. The Company has established the dedicated departments responsible for collecting and releasing information, and practiced the spokesperson system.	No significant deviation exists.

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
posting the investor conference on the Company's website, etc.)? (III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating status for each month before the specified time limit?	✓		(III) 1. The Company's 2025 Financial Report was submitted to the Audit Committee for discussion and then to the Board for resolution on March 12, 2026, and was announced and reported on the same day. 2. The quarterly and annual financial reports for 2025 were announced on May 8, 2025, August 13, 2025, November 13, 2025, and March 25, 2026, which were announced before the specified deadline. 3. The Company's operating status for each month was also published within the specified time limit during 2025.	No significant deviation exists.
VIII. Does the Company have other information that enables a better understanding of the Company's corporate governance practices (including but not limited to, employee rights, employee care, investor relations, supplier relations, stakeholders' interests, continuing education of directors/supervisors, implementation of risk management policies and risk measurements, implementation of customer policy, and insuring against liabilities	✓		1. The Company adopts its work rules in accordance with the relevant laws and regulations to expressly stipulate human rights and employees' interests and rights. Meanwhile, the Company recycles the residual materials to reduce the generation of waste, and also maintains fair interactive relationships with suppliers and customers to perform its social responsibility precisely. 2. The Company has set forth the internal control/audit system and self-evaluation procedure. Its control functions are considered sound. 3. The Company has taken out the directors/supervisors' liability insurance for directors, and disclosed the insured amount, coverage and insurance premium at	No significant deviation exists.

Evaluation items	Status			Deviation from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
of the Company's directors and supervisors)?			the meeting of the Board of Directors on December 22, 2025. 4. The nine directors of the Company have all completed the continuing education required by law in 2025. Please refer to page 15 of the annual report for their continuing education. 5. Please refer to page 25 to page 26 of the annual report for the implementation of risk management policies and risk measurement standards.	
IX. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by the TWSE Corporate Governance Center, and propose the enhancement measures for any issues that are yet to be rectified: No rectification was proposed by TWSE in the corporate governance evaluation of 2025.				

(IV) Information on remuneration committee members and its operation

1. Remuneration committee members

Capacity	Conditions Name	Professional Qualifications and Experience	Independence status	Number of Other Publicly Listed Companies in Which Concurrently Serving as a Remuneration Committee Member
Independent Director (Convener)	Ting-Chun Chou	Note		0
Independent Director	Yu-Liang Chen			0
Independent Director	Wen-Hung Liao			0
Independent Director	Chun-Chiu Chang			0

Note: For relevant information on seniority, professional qualification and experience and independence of each Remuneration Committee member, please refer to the information on Page 4 to Page 7.

2. Functionality of the remuneration committee

(1) The Company's Remuneration Committee consists of four members.

(2) Current members' term of office: From June 4, 2024 to May 24, 2027. A total of five Remuneration Committee meetings were convened in 2025. The attendance status of the committee members is as follows:

Job title	Name	Actual attendance	Proxy attendance	Actual Presence Rate (%)	Remarks
(Convener)	Ting-Chun Chou	5	0	100	
Member	Yu-Liang Chen	5	0	100	
Member	Wen-Hung Liao	5	0	100	
Member	Chun-Chiu Chang	5	0	100	

Other disclosures to be noted:

- I. Should the Board reject or modify the suggestions from the Remuneration Committee, state the date, session, contents of the motions, resolution made by Board meeting and results thereof, and how the Company has responded to the Remuneration Committee's opinions (describe the differences and reasons, if any, should the Board of Directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): None.
- II. Should any resolution(s) by the Remuneration Committee are passed but has members voicing opposing or qualified opinions on the record or in writing, please describe the date and session of the meeting, contents of the motion, the entirety of all members' opinions, and how their opinions are addressed: None.
- III. Composition and Responsibilities of the Remuneration Committee:
 - (I) The Committee members all satisfy Article 5 of the Regulations Governing Exercise of Power by the Remuneration Committee, and are free from the circumstances restricted or forbidden under Article 6 of the same Regulations.
 - (II) Power:
 1. Set forth and regularly review the performance evaluation on directors and managers, and the remuneration policy, system, standard, and structure.
 2. Regularly evaluate and set forth the remuneration to directors and managers.
 3. Review the Articles of Association, if necessary, and present the same to the Board of Directors for resolution.
- IV. Date, session, content and results of the 2025 annual meeting, and the Company's response to the opinions of the Remuneration Committee:

Meeting Date and Term	Contents of the Motion and Resolution	How the Company Has Responded to the Remuneration Committee's Opinions
2025/5/8 (6-6)	1. Proposal for the promotion and remuneration adjustment of managerial officers of the Company Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.
2025/8/13 (6-7)	1. Proposal for remuneration of newly appointed managerial officers of the Company 2. Remuneration -related proposals 3. Proposal for 2025 assessment and review on	Said motion was presented to the Board of Directors and resolved by all

	the remuneration of managerial officers of the Company Resolution: Approved by all present members unanimously.	present directors.
2025/12/10 (6-8)	1. Proposal to establish the Company's "2025 Employee Stock Subscription Plan for Cash Capital Increase." 2. Proposal for the allocation of subscription rights to managerial officers under the Company's 2025 cash capital increase through the issuance of new shares. Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.
2025/12/22 (6-9)	1. 2025 Board of Directors' performance evaluation indicators. 2. Proposal for 2025 year-end bonus to the Company's managerial officers and audit officer Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.

(V) Remuneration Committee members and its operation status

1. Sustainable development committee member information

(1) The Company's Sustainable development Committee consists of 6 members.

(2) Current Members' Term of Office: From August 13, 2024 to May 24, 2027. A total of two Sustainable Development Committee meetings were convened in 2025. The attendance status of the committee members is as follows:

Job title	Name	Actual attendance	Proxy attendance	Actual Presence Rate (%)	Remarks
Convener/Chairman	Shu-Yi Lee	2	0	100	
Committee Member/Director	Chao-Tsung Juan	2	0	100	
Committee Member/Independent Director	Ting-Chun Chou	2	0	100	
Committee Member/Independent Director	Yu-Liang Chen	2	0	100	
Committee Member/Independent Director	Wen-Hung Liao	2	0	100	
Committee Member/Independent Director	Chun-Chiu Chang	2	0	100	

Note: Each member of the Sustainable Development Committee is equipped with the sustainability professional knowledge and ability. For relevant information on seniority, professional qualification, experience and independence of each Sustainable Development Committee member, please refer to the information on Page 4 to Page 7.

2. Composition and responsibilities of Sustainable Development Committee:
 - (1) Composition: The number of members of the Committee shall not be less than three, and shall be appointed by the Board of Directors. The members of the Committee shall have professional knowledge and ability in corporate sustainability, and at least one of the members shall participate in the supervision.
 - (2) Responsibilities: including the formulation, promotion and strengthening of the Company's sustainable development policy, annual plan and strategy, etc.; review, follow-up and revision of the implementation of sustainable development and results; supervision of the disclosure of sustainable information and review of the sustainability report, etc.
3. Date, session, content and results of the 2025 annual meeting, and the Company's response to the opinions of the Sustainable Development Committee:

Meeting Date and Term	Contents of the Motion and Resolution	How the Company has responded to the Sustainable Development Commission's opinions
2025/8/13 (1-2)	1. Proposal for the Company's 2024 Sustainability Report. Resolution: Approved by all present members unanimously.	Said motion was presented to the Board of Directors and resolved by all present directors.

(VI) Deviation of the Company(s actual promotion of sustainable development execution status from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause thereof

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
I. Does the Company implement a governance framework that supports sustainable development, and designated a unit that is dedicated to (or concurrently take charge of) the promotion of sustainable development? Is the unit run by senior	✓		To comply with the vision and mission of the Company's ESG policy, in 2021, the Company established the Sustainable Development Committee, which is led by Chairman Shu-Yi Lee as the guiding chairperson and Yi-Shu Li, the Vice President, as the chairperson. The Committee is divided into three promoting units: the environment (the sustainable operation team, the marketing and sustainable supply chain team and the sustainable technology team), social (the corporate care team), and governance (the corporate governance team, and the risk assessment team). Relevant department heads are appointed as promoters, to jointly formulate the sustainability guidelines and the mid- and long-term sustainable development plans. The business units under	No significant deviation exists.

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
management empowered by the Board of Directors, and how does the Board of Directors supervise progress?			the promotional unit shall be the executing units. A functional committee—the Sustainability Development Committee—was established in August 2024. Jochu's Sustainable Development Management Committee acts as a cross-department communication platform for vertical integration and horizontal connection. Through quarterly meetings and task forces set up according to the issues, the organization identifies sustainability issues that are critical to the Company's operations and of stakeholder concern, formulates corresponding strategies and guidelines, prepares budgets related to sustainable development of each organization, and plans and executes annual plans, while tracking the implementation results to ensure that the sustainable development strategy is fully implemented in the Company's daily operations. Jochu's Sustainable Development Management Committee chairperson reported to the Board of Directors and the Sustainable Development Committee on the implementation results of sustainable development and future work plans on December 22, 2025. The contents of the proposals include (1) identification of material sustainability issues and formulation of corresponding policies; (2) revision of the goals of material sustainability issues; (3) implementation of sustainability issues. The Company's Board of Directors listened to the reports of the management team (including the ESG report). The management proposes the Company's strategies to the Board of Directors, and the Board of Directors evaluates and examines the results of the strategies and supervises for adjustments.	
II. Does the Company, in accordance with the materiality principle, conduct risk assessments on environmental, social and corporate governance issues pertaining to company operations and establish the relevant	✓		Risk assessment of environmental, social and corporate governance issues related to the Company's operations A. This disclosure covers the sustainable development performance of Jochu's main business locations from January to December 2025. The risk assessment boundary is primarily the Company, including existing business locations in Taiwan and China. B. The Sustainable Development Management Committee communicates with internal and external stakeholders in accordance with the principle of materiality related to sustainability, and evaluates	No significant deviation exists.

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
risk management policy or strategy?			material ESG issues accordingly, to formulate risk management policies and take concrete actions for effective identification, measurement, and control, to reduce the impacts of related risks. C. The relevant risk management policies or strategies are formulated based on the assessed risks as follows: 1. Environmental impact and management: 1.1. Through the implementation of process safety management and institutionalized management cycle, the Company effectively reduces pollution emissions and impacts to the environment. 1.2. Jochu's current location of the parent company, Tainan Plant, Suzhou Plant and Xiamen subsidiary, have all obtained ISO14001(Certificate validity period 2025/9/21-2028/9/20) -related environmental certifications. 1.3. Continuing to introduce the ISO50001(Certificate validity period 2026/4/28-2029/4/27) energy management system, to understand the connections between equipment efficiency and major energy consumption as the basis for management improvement. The Tainan Plant has passed the relevant certification. 1.4. Adopting the TCFD framework to construct the Company's climate risk identification process. 1.5. Inventorying greenhouse gas emissions according to ISO14064-1 and examining the impact on the Company's operations. 2. Occupational safety 2.1. Jochu's current location of the parent company, Tainan Plant, Suzhou Plant and Xiamen subsidiary, have all obtained ISO45001 Certificate validity period 2025/7/312-2028/4/30)-related safety certifications. 2.2. Fire drills and occupational safety education and training are held every year to cultivate employees' abilities in emergency response and self-safety management. 3. Corporate governance 3.1. Establishing a governance organization, establishing risk management policies and implementing the internal control mechanism, to ensure that the	

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
			Company fully complies with relevant laws and regulations. 3.2. Protecting the rights and interests of the Company by applying for patents of R&D products. 3.3. Establishing various communication channels with stakeholders, and setting up an investor mailbox and a whistle-blower's mailbox to ensure smooth communication.	
III. Environmental issues (I) Does the Company have an appropriate environmental management system established in accordance with its industrial characteristics?	✓		(I) According to the industrial characteristics and requirements specified by the laws and regulations, the Company implements the promotion of environmental protection movements, conserves various resources and complies with the laws and regulations established by the competent authority. Meanwhile, the Company has defined the written environmental policy, hoping to achieve the environmental pollution control objectives set by the management. The Company implements the garbage classification and waste recycling thoroughly, recycles usable resources, mitigates the impact posed by environmental pollution, promotes the concept about recycling and reuses any usable resources. So far, the headquarters, Tainan Plant, Suzhou Plant, Xiamen Plant and Vietnam Plant have received the ISO14001 environmental certification.	No significant deviation exists.
(II) Does the Company endeavor to utilize all resources more efficiently, and use renewable materials which have a low impact on the environment?	✓		(II) The Company is committed to improving resource utilization efficiency, reducing waste, and optimizing resource allocation. The Company selects renewable materials with lower environmental impact and continues to assess and introduce a more sustainable production and operation model, in order to reduce environmental impact.	No significant deviation exists.
(III) Does the Company assess the current and future potential risks and opportunities that climate change may present to	✓		(III) For the Company's assessment on the present and future potential risks and opportunities associated with the climate change and responsive actions for climate related issues, please refer to Page 31 to Page 34 of the annual report for details.	

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
enterprises and adopt the responsive measures against climate-related issues? (IV) Does the Company maintain statistics on GHG emission, water consumption, and total waste volume in the last two years, and adopt the policies aiming at energy conservation and carbon reduction, and reduction of GHG emission, water consumption or other wastes?	✓		(IV) 1. In 2024, the Company's inventory was verified by a third party, BSI. The annual gas emissions are as follows (the data scope includes Headquarters (including Hsinchu Plant), Tainan Plant, Suzhou Plant, Xiamen Plant): ●Scope 1: 1,026.7091 tonnes of CO₂e ●Scope 2: 9,211.5935 tonnes of CO₂e In 2025, the Company completed a self-conducted inventory of annual greenhouse gas emissions as follows (the data scope includes Headquarters (including Hsinchu Plant), Tainan Plant, Suzhou Plant, Xiamen Plant): ●Scope 1: 1,097.3822 tonnes of CO₂e ●Scope 2: 7,650.2250 tonnes of CO₂e Completion of third-party verification is expected in April 2026. 2. Scope 2 accounts for a high percentage of overall greenhouse gas emissions. The Company is committed to promoting energy conservation and to perform inventory inspection on high energy-consumed equipment, in order to take corresponding energy-saving measures, thereby achieving the carbon reduction effect simultaneously. In addition to promoting energy conservation among employees, the Company replaced air compressor equipment and chillers at the Suzhou and Xiamen plants, and installed power meters to monitor production energy consumption to facilitate daily management and tracking. 2022 is the base year for the Group's water and waste management. Since 2024, the Group's annual water consumption and waste intensity must be reduced by 1% annually.	
IV. Social issues (I) Does the Company develop its policies and procedures in	✓		(I) The Company complies with applicable labor laws and regulations and, in the spirit of the International Bill of Human Rights (Universal Declaration of	No significant deviation exists.

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
accordance with related laws and the International Bill of Human Rights? (II) Does the Company adopt and implement a reasonable employee benefits policy (including salary, vacation and other benefits, etc.), and reflect the operating performance or	✓		Human Rights - United Nations, 1948), adheres to the Labor Standards Act and all relevant laws and regulations. The management establishes corresponding policies and systems applicable to all employees, affiliated subsidiaries, and suppliers, and is committed to preventing any form of human rights violations. In order to mitigate human rights risks, the Company actively carries out specific improvement plans to create a quality working environment, and takes the following actions: pursuant to the operation and development strategies, the Company regularly conducts risk assessments on human rights issues, identifies important human rights issues and high-risk groups, and promotes the mitigation measures and management targets. The Company legally recruits employees in accordance with laws and regulations. It is prohibited to hire child labor under the legal minimum employment age in violation of regulations. Hired employees must provide identity certificates to the Company for verification, to ensure that nothing has been overlooked. The Company's promotion of the human rights policy: 368 people in Taiwan participated in 2025. Human rights policy and management indicators: as of the end of 2025, the Company had not experienced any incident of discrimination, hiring of child labor, or fine by the competent authority for violating working hours and labor laws and regulations. (II) The Company participates in market salary surveys every year and adjusts salary based on the market salary level, economic trends and individual performance, to maintain the overall remuneration competitiveness, and formulates reasonable remuneration policies and provides employees with a variety of welfare measures. The Company offers labor insurance, national health insurance, retirement pension and parental leave as provided by laws, and also provides regular health checkups for employees, gift money and vouchers for three	No significant deviation exists.

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
results to the remuneration to employees adequately? (III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	✓		major festivals, benefits for weddings and funerals, condolence and employee group insurance. Meanwhile, the Company applies the operating results to raise, promote and payment of various bonuses as feedbacks to employees. Subject to the profit sought by the Company, no less than 8% thereof is distributed as remuneration to employees. The overall salary increase in Taiwan in 2025 was between 2-5%, and the year-end bonus distributed to employees was at an average amount equivalent to approximately 2 months of salaries, in order to share the operating outcome with employees. Remuneration to employees is determined based on their positions, professional skills, education and experience, professional seniority, personal performance and other conditions. No discrimination based on gender, race, religion, or political stance. In 2025, female employees accounted for approximately 43.2% of the total workforce, and the percentage of female managers at mid-level and above was approximately 26.8%. (III) 1. The Company conducts environmental tests regularly in accordance with occupational safety related laws and regulations, to ensure the health and safety of employees' working environment. With respect to the health checkup needed by employees before performing their duties, safety and health seminars, and inspection of fire protection and health equipment, the Company and its subsidiaries convene the occupational safety committee meeting on a quarterly basis (convened by the Company and its subsidiaries, respectively, in which the labor representatives shall account for one-third of the whole committee members), in order to review the implementation of various management and training policies. So far, the headquarters, Tainan Plant, Suzhou Plant and Xiamen Plant and Vietnam Plant have received the ISO45001 safety certification.	No significant deviation exists.

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
(IV) Does the Company have an effective career capacity development training program established for employees?	✓		2. In 2025, the Company (including the Group) suffered 7 occupational accidents (including traffic accidents), accounting for 0.035% of the Group's personnel throughout the year. The improvement measures specific to accidents include the installation of protective gear, changes in related operating procedures, enhancement of employee education and training, and the promotion of “Production Safety Theme Month” activities. 3. The Company (including the Group) did not have fire incidents in 2025. 4. The Company's (including the Group) promotional courses in 2025: The Company held environmental safety and health education courses, with a total of 2,626 people participating (excluding Jochu Xiamen). (IV) The Company defines the talent specifications and develops the function-oriented training system subject to its vision, mission, policy, and goals. The training system consists of four parts, namely orientation training, management training, professional training and general education training. Meanwhile, through periodic performance appraisal and promotion evaluation, colleagues are expected to develop appropriately, practice their expertise and get achievements. The Company has accumulated 30,035 training hours, and 19,649 attendees, in 2025. The Company promotes diverse learning approaches. In addition to in-person training programs, we procure and develop a wide range of online learning, simulations, and competition-based activities across various fields. Through hands-on practice, we foster a culture of learning among employees, encouraging behavioral change and generating tangible benefits. The special development plan is applied to the key talents with high potential to train them individually. The personal development project (IDP) is planned and executed to pursue the joint growth of their personal career development and corporate development.	No significant deviation exists.

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
(V) Does the Company comply with laws and international standards with respect to customers' health, safety and privacy, marketing and labeling in all products and services offered, and implement consumer or customer interest protection policies and grievance procedures?	✓		(V) 1. The Company has stipulated the "Personal Data Protection Management Regulations" for the protection of customer privacy, and the content includes the establishment of the "Personal Information Protection Implementation Team", at least one inventory taking of personal data every two years, centralization of personal information in a specific system, strengthening the control of permissions, reduction of risks and prevention of unauthorized access, integration of important systems, improvement of the timeliness and safety of data, adjustment of employment, outsourcing and third-party service contracts, incorporation of the requirements of data protection, ensuring the obligation of notification and basic constraints; strictly limiting the use and control of personal data, in order to protect customer privacy. The most recent personal data inventory taking was completed in November 2025.	No significant deviation exists.
(VI) Does the Company adopt any specific supplier management policy demanding that the suppliers should comply with the related regulations governing environmental protection,	✓		2. The Company maintains good communication channels with customers. In order to provide effective treatment of customer complaints regarding products and services, the Company has formulated the "Customer Service and Complaint Handling Procedures," and established channels for contact and communication on the Company's website, to ensure that the customers' demands are handled. The Company's Articles of Incorporation stipulate that no less than 8% of the current year's profits shall be allocated as employee compensation and no more than 3% as directors' compensation. However, if the Company has accumulated losses, such losses shall first be offset. Of the total amount allocated for employee compensation as set forth in the preceding paragraph, no less than 10% shall be distributed as compensation to non-managerial employees.	No significant deviation exists.

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof								
	Yes	No	Summary									
occupational safety and health or laborers' human rights, and how the policy is implemented?			(VI) The Company has established the "Supplier's Code of Conduct" to require suppliers to strictly comply with for issues regarding environmental protection, occupational safety and health, or labor human rights. Through supplier selection, auditing and counseling, performance evaluation, and continuous improvement, we implement sustainability requirements into the daily management of the supply chain based on cooperation. In addition, through the relevant documents and on-site audits, we strengthen the counseling and improvement of suppliers with assistance provided, and lead the positive cycle of continuous improvement in the supply chain. <table><tr><td>New supplier selection</td><td>Comply with the "Supplier's Code of Conduct," the undertaking is signed, and the suppliers are screened through the environmental and social criteria.</td></tr><tr><td>Supplier audit</td><td>Conduct written reviews or on-site audits of key suppliers annually in terms of "product quality" and "social responsibilities." Meanwhile, based on the severity of deficiencies, suppliers are required to provide improvement plans and measures within a specific period, which will be verified.</td></tr><tr><td>Supplier appraisal</td><td>The Company evaluates key suppliers of raw materials on a regular basis in terms of quality, delivery, cost, cooperation, and social responsibility. Identify suppliers who are worth to serve as learning benchmarks, and counseling suppliers who fail to performing well.</td></tr><tr><td>Educational promotion to suppliers</td><td>Training and small forums are held from time to time, to effectively improve environmental protection, safety and health performance through different forms of guidance and communication. The courses cover workplace health,</td></tr></table>	New supplier selection	Comply with the "Supplier's Code of Conduct," the undertaking is signed, and the suppliers are screened through the environmental and social criteria.	Supplier audit	Conduct written reviews or on-site audits of key suppliers annually in terms of "product quality" and "social responsibilities." Meanwhile, based on the severity of deficiencies, suppliers are required to provide improvement plans and measures within a specific period, which will be verified.	Supplier appraisal	The Company evaluates key suppliers of raw materials on a regular basis in terms of quality, delivery, cost, cooperation, and social responsibility. Identify suppliers who are worth to serve as learning benchmarks, and counseling suppliers who fail to performing well.	Educational promotion to suppliers	Training and small forums are held from time to time, to effectively improve environmental protection, safety and health performance through different forms of guidance and communication. The courses cover workplace health,	
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Evaluation items	Status					Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary			
					employees’ health, business ethics, and relevant laws and regulations.	
V. Does the Company prepare any report disclosing the Company’s non-financial information, such as the sustainability report, based on international reporting standards or guidelines? Is said report assured or guaranteed by a third party certification unit?		✓	According to Article 2 of the “Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies,” the Company uploaded its 2025 Sustainability Report in compliance with the competent authority’s requirements before August 31, 2024, and is not required to obtain third-party verification.			Same as the explanation on the left.
VI. If the Company has established its own sustainable development principles in accordance with "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” please describe the current practices and any deviations thereof from such principles: The Company has formulated the sustainable development strategies pursuant to the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies,” as well as corresponding strategies and guidelines, prepares budgets related to sustainable development of each organization, and plans and executes annual plans, while tracking the implementation results to ensure that the sustainable development strategy is fully implemented in the Company's daily operations.						
VII. Other information useful to the understanding of sustainable development practice: (1) The Company has established the Sustainable Development Committee in 2021 to plan and manage relevant strategies and policies, and to periodically review and examine the implementation status and outcome. In addition, in August 2024, the “Sustainable Development Committee” has been established under the Board of Directors, in charge of the formulation, promotion and strengthening of the Company's sustainable development policy, annual plan and strategy, etc.; review, follow-up and revision of the implementation of sustainable development and results, as well as the supervision of the disclosure of sustainable information and review of the sustainability report, etc. (2) Promote the ISO50001, ISO14064-1 and climate risk identification process, and continue to identify and manage environmental impacts. (3) Environmental safety and health: Execute and control the work in response to the environmental, safety, health and sanitation laws proactively; build a good and safe working environment, organize the projects, such as health checkups, employee activities and family days periodically, in order to balance employees' work and life. (4) Human rights: The Company is committed to providing employees with a dignified and safe working environment, and implements diversity when employing. It hires employees with disabilities, indigenous origin peoples, and foreign nationals; to ensure fairness in remuneration and promotion opportunities, the						

Evaluation items	Status			Deviation from the Sustainable Development Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof
	Yes	No	Summary	
Company has the "Remuneration Committee" in place to provide employees with competitive remuneration, and the Company's operational performance is fed back to employees under the transparent and equal remuneration policy. The "Procedures for Workplace Sexual Harassment Prevention, Report and Disciplines" and the "Anti-discrimination Management Procedures" have also been established to ensure that employees are not subject to discrimination, harassment or unequal treatment. The Company values personal data and privacy protection and complies with "The Personal Data Protection Act" by formulating "Personal Data Protection Management Regulations" and "Personal Data and Privacy Protection Policy." It has established rigorous personal data security management and protection measures to ensure proper management and protection of data access. All employees of the Company, as well as vendors and customers with whom the Company conducts business, are covered by this policy, and regular awareness programs are conducted. In 2025, a total of 238 participants in Taiwan attended such programs. To more effectively manage related risks, the Company has established a Personal Information Protection Implementation Team responsible for implementing and overseeing compliance with personal data and privacy protection requirements, and is committed to safeguarding the data security and privacy rights of employees, vendors, and customers. (5) Since 2010, the Company has promoted various social public welfare events proactively, donated funds to disadvantaged groups periodically and fulfilled its corporate social responsibility. Meanwhile, the Company founded the charity organization based on the core values of Jochu to encourage colleagues to participate in social public welfare activities and charity services and feed it back to society. The public welfare related events organized in 2025 included Chinese Lunar Year red envelopes and spring festival couplets charity bazaar, NGO fair, NGO festival events. The donees included Taiwan Association for Happy Breathing Children, Boyo Social Welfare Foundation, Taiwan Fund for Children and Families, St. Raphael Opportunity Center, Wu Ja Educational and Nursing Institution, and Shi-En Educational and Nursing Institution; the total amount of donation was NT\$415 thousand. (6) During 2025, the ESG Office participated in the Dandelion Small Farmer Planet Accompaniment Program and donated NT\$200,000, enabling children in rural areas to learn about the SDGs and sustainability from an early age. The Company also took part in the Baoshan Elementary School Christmas Giving Event and the Sustainable 3 Taiwan Public Welfare Trust Program, personally delivering gifts to the children, continuing to spread joy and support education, and fostering sustainability for generations to come. (7) In 2022, the Company’s Intellectual Property Committee, based on its business foundation, actively developed server-related products. Aligned with the operational objectives of strengthening core technologies and advancing forward-looking technical capabilities, the Company has transformed the outcomes of R&D and improvement proposals into patents, and established an intellectual property management system for administration and protection. The system is continuously adjusted and optimized in line with the Company’s R&D capacity and development strategy to ensure effective management of intellectual property assets. In 2025, the Committee held four quarterly meetings to report on quarterly work progress and the status of intellectual property proposals (including patents and trademarks applications). In addition, seven training sessions were conducted, covering topics such as basic intellectual property concepts, practical patent search operations, and an overview of intellectual property management. The above management plan and execution results were reported to the Board of Directors on December 22, 2025.				

Climate-related information of the Company

1. Implementation of climate-related information

Item	Status				
(1) Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	In response to the global climate change and low-carbon market transformation, the Group actively pays attention to possible risks and opportunities associated with the climate change, and has established the Sustainable Development Committee as the organization for managing the climate change, with the Board of Directors acting as the highest level of directing unit, in order to implement corporate governance on climate change, to reduce risk and to find potential improvement and transformation opportunities. The Chair of the Sustainable Development Committee, since the information disclosure in 2023, has reported climate change related material topics and response strategies to the Board of Directors annually, in order to implement climate change management. The Sustainable Development Committee promotion team perform indicator comparison on the risk and opportunity identification table based on the climate change related financial disclosure framework. The transformation risks having financial impacts include costs and expenses incurred due to regulatory implementation, impact of market and customer related risk on revenue, etc. The physical risks include rainfall pattern change, increasing strength and frequency of tropical cyclones, and other disasters capable of causing production line losses. The result of risk and opportunity inspection and identification is verified by the senior management.				
(2) Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The Group studies and establishes solutions in order to reduce the operational and financial impact caused by the climate change, in order to enhance the organization's climate resilience. In addition, the Company has defined the short-term period for 1~3 years, medium-term period for 3~5 years and long-term period for 5~10, and also evaluates the potential operational and financial impacts of climate-related risks and opportunities on the Company, in order to plan various actions in response to climate-related risks and opportunities.				
		Risk type and opportunity	Short-term (1~3 years)	Medium-term (3~5 years)	Long-term (5~10 years)
	Risks	Transformation risk Focus on the risk arising from transformation to low-carbon economy. Transformation risk includes policy, law, technology, market and reputation risk	● Increase greenhouse gas emission pricing ● Enhance emission disclosure obligation ● Increase of energy cost	● Laws and regulations: Climate Change Response Act/fuel tax/energy tax/renewable energy laws/carbon tax or carbon fee ● Change of	● Market information uncertainty

				customer behavior	
		Physical risk Risk caused by climate change of long-term change of climate model (long-term physical risk)		● Change of rainfall (precipitation) model change and extreme change of climate model	
	Opportunities	Opportunities Potential positive influence of climate change on individuals	● Use of production process of higher efficiency / increase of resource use efficiency ● Research, development and innovation of new low-carbon products and services	● Research, development and innovation of new low-carbon products and services ● Improvement of corporate image and reputation	
The Group conducts assessment on the aforementioned risks, and proposes climate-related risks and opportunities that may cause major financial impacts, and response strategies are as follows:					
Transformation Risk/Climate Opportunity					
Risk (R)/Opportunity (O)		Financial Impact -/+		Response Strategy	
R: Greenhouse gas total amount control and carbon tax, carbon fee R: New establishment of renewable energy laws and regulations		— Increase of operating cost due to payment carbon fee — Increase of operating cost due to purchase renewable energy electricity certificate — Increase of operating cost due to payment of fines for violation of regulatory requirements		● Enhance energy efficiency through the procurement of energy-saving equipment. ● Use of renewable energy	
R: Net-zero emission trend		— Installation of carbon reduction equipment and increase of		● Continuous implementation of greenhouse gas reduction	

		operating cost	actions (smart monitoring, waste reduction, water resource management, etc.)
	R: Change of customer behavior, market information uncertainty O: Research, development and innovation of new low-carbon products and services	– Decrease of market sales, causing revenue decline (R) + Increase of low-carbon product sales ratio, thereby increasing revenue (O)	● Continue to invest in the R&D of green products such as low-carbon and energy storage. ● Continuous development of elements or regenerated raw materials of low-carbon
	Physical Risk/Climate Opportunity		
	Risk (R)/Opportunity (O)	Financial Impact -/+	Response Strategy
	R: Change of rainfall (precipitation) model change and extreme change of climate model R: Increase of energy cost O: Use of production process of higher efficiency / increase of resource use efficiency	– Hydroelectric power for business locations with power outage issue, resulting in suspension of operation and decrease of revenue – Increase of operating cost due to increase electricity bill (R) + Decrease of electricity consumption cost (O)	● Assessment of production site's flood risk, and implementation of risk mitigation measures ● Purchase of energy-saving equipment ● Reduce the use of high-carbon energy sources ● Promote energy-saving management
(3) Describe the financial impact of extreme weather events and transformation actions.	Impact of Extreme Climate Events on Financial Status Through internal discussion, inspection and assessment, the Group identifies that flood, drought and rainfall model change and extreme change of climate model have potential risks to the production and transportation stages. In addition, the northern region of Vietnam relies on hydroelectricity for the power supply, and power outage of local plant site due to drought and water shortage can affect the normal operation of the production line, resulting in increase of operating cost. Accordingly, it is necessary to install solar power or establishment of backup plan to maintain production and supply. The increase of electricity expense caused by the rise of global average temperature also increases the operating cost. The Company mitigates the financial impact by procuring energy-efficient equipment, reducing the use of high-carbon energy, promoting energy management, and installing solar renewable energy systems. Impact of Transformation Action on Financial Status Under the transformation risk, companies implementing low-carbon economic transformation may face broad policy, regulation, technology and market changes. In view of the nature, speed and focus of the aforementioned changes, within the scope of analysis period, the factors of carbon fee, greenhouse gas total amount control, renewable energy laws and regulations and change of consumer preference, etc. may cause increase of operating cost or decrease of sales volume.		

	Through the introduction of energy-saving and carbon-reduction projects, the Group is able to reduce impact of energy consumption, water consumption and wastes on the climate. In addition, the Group also increases energy use efficiency and invests in green energy equipment along with investment in green product research, development and innovation satisfying consumer demands, in order to respond to the transformation risk. The impact of the project on the Company's financial status can cause increase of the Company's capital investment and operating cost.
(4) Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Board of Directors is the highest decision making unit for the risk control of each company in the Group, and also directly supervises the risk governance framework of each company in the Group. To improve the risk assessment and to enhance management function, a risk assessment team is established under the Sustainable Development Committee to manage cooperate operational risk, to submit the management implementation status and risk control report to the Board of Directors at least once annually, to supervise and to track and review the management team's risk management implementation status, in order to improve the corporate quality. Since 112, risk management further includes physical and transformation risks possibly caused by climate change, and relevant response measure planning is established and reported to the Board of Directors. The Company complies with the risk management procedure requirements and assesses relevant risks and opportunities associated with climate change based on the impact level and occurrence probability. Through the study by the Sustainable Development Committee promotion team, climate-related risks are identified and executed, and the financial impact is also assessed, in order to implement risk control effectively. Furthermore, through the joint discussion with business unit supervisors, relevant strategies for concerned risks and opportunities are established and corresponding actions are adopted along with continuous management follow-up.
(5) If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The Group has not yet performed the scenario analysis, and depending upon the Company's needs for the operation development level and the schedule specified by the laws and regulations, schedule will be planned and established.
(6) If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	To achieve the goal of carbon emission reduction, the Company has established relevant carbon reduction plan, in order to reduce the direct emissions (Scope 1) of operating activities and indirect emissions of energy use (Scope 2). The content of implementation includes: 1. Energy efficiency optimization and process decarbonization 1-1 Introduce energy management system (such as the ISO 50001 framework) and smart monitoring mechanisms to continuously improve energy use efficiency. 1-2 Promote process improvements and equipment upgrades to reduce carbon intensity per unit of production. 2. Development of innovative products and services 2-1 Invest R&D resources in green mobility and renewable energy-related products to increase the proportion of low-carbon offerings in the product portfolio.

	2-2 Strengthen collaboration with academic and research institutions to establish a green technology patent portfolio and enhance low-carbon competitive advantages.
(7) If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Group has not yet adopted internal carbon pricing as a planning tool. It plans to gradually introduce internal carbon pricing as a management tool starting in 2026, with the aim of better optimizing and allocating decarbonization-related initiatives.
(8) If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	While facing the low-carbon transformation trend, the Company will continue to monitor and implement various climate action goals and the expectations of stakeholders. In addition, the Company will also actively promote energy and carbon reduction, in order to reduce potential climate-related impacts in the future. Carbon neutrality strategies and goals are planned, and the year of 2023 is set as the inspection base year. In addition, short/medium/long-term carbon reduction goals are also established. Short-term: Annual reduction goal is set up, and it is expected to achieve the goal of reduction of 20% in 119. The Company's carbon emissions reduction results for 2025 were 23%. Mid-term: To achieve a 50% reduction by 2040 Long-term: To achieve organizational carbon neutrality by 2050
(9) Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 2-1 and 2-2 below).	1. The Company has set 2023 as the base year for its inventory and is progressively advancing its greenhouse gas reduction plan through improvements in energy efficiency and process optimization. 2. In addition, it has established annual reduction targets, aiming to achieve a 20% reduction by 2030. 3. The schedule for the 2025 greenhouse gas inventory and verification of the Headquarters (including Hsinchu Plant), Tainan Plant, Suzhou Plant, and Xiamen Plant is as follows: ●Establishment of dedicated (adjunct) unit, number of full-time (part-time) staff and their scope of responsibilities: August 2023 ●Establishment of inventory planning: November 2025

2. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

(1) Greenhouse gas inventory information

Describe the emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

The Company's greenhouse gas emissions (tonnes of CO₂e) is as follows

tonnes of CO ₂ e/year	2024 (third-party verification completed)	2025 (self-inventory inspection)
Scope 1	1,026.7091 tonnes of CO ₂ e	1,097.3822 tonnes of CO ₂ e
Scope 2	9,211.5935 tonnes of CO ₂ e	7,655.2250 tonnes of CO ₂ e

Scope of Information: Headquarters (including Hsinchu Plant), Tainan Plant, Suzhou Plant, Xiamen Plant

(2) Greenhouse gas assurance information

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

The 2024 greenhouse gas inventory has been completed in May 2025. The third party audit (bsi) has also been completed according to ISO14064-1:2018, and the audit subjects include Headquarters (including Hsinchu Plant), Tainan Plant, Suzhou Plant, and Xiamen Plant. The 2025 greenhouse gas inventory included the Headquarters (including Hsinchu Plant), Tainan Plant, Suzhou Plant, and Xiamen Plant. The third-party verification has not been completed.

3. Greenhouse gas reduction targets, strategy, and concrete action plan

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

2023 is the base year for inventory inspection. Carbon emissions (Scope 1 + Scope 2) decreased by 10% in 2024 and were further reduced by 23% in 2025, representing a cumulative reduction of approximately 33%, demonstrating the Company's continued and tangible results in implementing carbon reduction measures. The Company aims to achieve a 20% reduction target by 2030 through progressive year-by-year reductions. The reduction goal is to reduce 20% annually by 2030.

Since the Company's main source of carbon emissions refers to the Scope 1 emissions, for the carbon reduction goal, the Company has established relevant carbon reduction plan mainly for the indirect emission of energy use (Scope 2). The content of implementation includes:

1. Energy Efficiency Optimization and Process Decarbonization:

1-1 Promote energy management systems (such as the ISO 50001 framework) and regularly review energy-saving performance.

1-2 Implement process improvements and replace outdated energy-consuming equipment to enhance energy efficiency and reduce carbon intensity.

2 Use of Renewable Energy: Introduce solar power at production sites and reduce carbon emissions through the use of renewable energy..

In addition, for the direct emissions of operating activities (Scope 1) and indirect emissions by value chain (Scope 2), the Company will also implement emission reduction. Implementation content includes: Development innovation

Products and Services: Continue investing in the R&D of low-carbon products and new energy/energy storage solutions, and actively develop product technologies for micromobility and green power applications through collaboration with customers and academic institutions.

(VII) The status of the Company's fulfillment of ethical management and measures adopted

Evaluation items	Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
I. Establishment of ethical management policies and plans				
(I) Does the Company state in its regulations or external correspondence about the ethical management polices and practices passed by the Board of Directors and the commitment of the Board of Directors and senior management to actively implement the operating policies?	✓		(I) The Company has established its own ethical corporate management best practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies." The Company has established its own "Ethical Management Best Practice Principles" and "Guidelines of Ethical Conduct." The enactment thereof and amendments thereto are disclosed on the Company's website upon resolution and approval by the Board of Directors. The Principles and Guidelines expressly state that the Company's personnel should comply with the ethical management principles and refrain from any unethical conduct. The Company declares that the Board of Directors and management should fulfill the promises for proactive implementation of the ethical management policy, and also comply with the same in the internal management and external business activities.	No significant deviation exists.
(II) Does the Company establish the assessment mechanism for unethical conduct to analyze and assess the operating activities with a higher risk of unethical conduct in the scope of business periodically, and	✓		(II) The Company has established its own ethical corporate management best practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies." The Company's	No significant deviation exists.

Evaluation items	Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
adopt the unethical conduct prevention program based on the mechanism, which shall at least cover the prevention measures referred to in the subparagraphs of Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”? (III) Does the Company expressly state the SOP, guidelines for conduct and reward & punishment and grievance systems in the unethical conduct prevention program, implement the same precisely, and review amendments to said program periodically?	✓		directors, managers, employees, agents and persons having substantial control are prohibited from engaging in any operating activities referred to in the subparagraphs of Paragraph 2, Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies” or with a higher risk of unethical conduct in the scope of business. (III) The Company has established its own ethical corporate management best practice principles and ethical corporate management regulations in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.” The Company has expressly defined the SOP, guidelines for conduct and reward & punishment and grievance systems in the unethical conduct prevention program and implemented the same precisely. Meanwhile, the Company will re-check whether it is necessary to amend the Company’s “Ethical Corporate Management Best Practice Principles” when submitting the execution report on the promotion of ethical corporate management for the current year to the Board of Directors each year.	No significant deviation exists.
II. Implementation of ethical management (I) Does the Company evaluate the ethical record of all	✓		(I) The Company will execute with all suppliers the “Supplier Transaction	No significant deviation

Evaluation items	Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
trading counterparts it has business relationships with? Are there any ethical management clauses in the agreements it signs with business partners?			Letter of Undertaking” which expressly specifies the ethical conduct clauses.	exists.
(II) Does the Company establish a unit dedicated to promoting ethical corporate management under the supervision of the Board of Directors which shall be responsible for reporting the status of implementation of the ethical management policy and unethical conduct prevention program to the Board of Directors periodically (at least once per year)?	✓		(II) The Company's Sustainable Development Committee promotes the operation of ethical corporate management, and regularly organizes educational promotions and trainings on ethics and ethical conducts. The Company regularly reviews the implementation and effectiveness, and proposes action plans for the next year based on the policy. The report to the Board of Directors is made at least once. The most recent report was made on December 22, 2025, mainly including the policy, implementation and plan of the next year.	No significant deviation exists.
(III) Does the Company have any policy that prevents conflict of interest and channels that facilitate the report of conflict of interest, and also implement the same precisely?	✓		(III) The Company’s website, telephone number and fax number may serve as the communication channels. The implementation status is considered adequate.	No significant deviation exists.
(IV) Does the Company fulfill ethical management by establishing an effective accounting system and internal control system, and have an internal audit unit research and adopt related audit plans based on the unethical conduct, and conducting audits on the	✓		(IV) The Company establishes an effective internal control system, which may be amended in a timely manner in response to any changes in laws and internal management needs. An audit is also conducted per the schedule arranged by the internal auditors for the current year.	No significant deviation exists.

Evaluation items	Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
compliance by the unethical conduct prevention program, or appoint a CPA to conduct the audits? (V) Does the Company organize internal or external training on a regular basis to maintain ethical management?	✓		(V) In order to implement the ethical management policy, the Sustainable Development Management Committee organizes educational promotion and training on ethics and ethical conduct periodically. Meanwhile, the Company communicates and promotes the ethical management philosophy and regulations via orientation training and enterprise culture promotional activities. In 2025, the number of participants reached 719 people, and the results of the promotion were good. In addition, the relevant contents were placed on the Company's intranet for employees' reference.	No significant deviation exists.
III. Implementation of the Company's whistleblowing system (I) Does the Company provide incentives and means for employees to report misconduct and establish any convenient whistleblowing channels? Does the Company assign dedicated personnel to investigate the accused party?	✓		(I) According to the Company's "Ethical Corporate Management Best Practice Principles", the Company has set up mailbox and hotline for employees and outsiders to submit opinions, report and appeal, and an incentive system for reporting has also be established. If any whistleblowing case is received, it is reported to the department head for handling, and other units or personnel may be requested to handle the case depending on the nature of the case.	No significant deviation exists.

Evaluation items	Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
(II) Does the Company implement any standard procedures for handling reported misconduct, and subsequent actions and confidentiality measures to be undertaken upon completion of an investigation?	✓		(II) The Company has adopted the relevant principles and confidentiality mechanism against whistleblowing matters. The Company handles employee complaints in accordance with the "Employee Opinion and Complaint Mailbox Management Regulations", "Workplace Sexual Harassment Prevention Measures, Complaints and Disciplinary Measures" and "Ethical Corporate Management Best Practice Principles". The Company keeps all relevant matters confidential and treats them as confidential information. Relevant whistleblowing regulations specify that the content of the case and the identity of whistleblower are strictly kept confidential.	No significant deviation exists.
(III) Does the Company have taken proper measures to protect the whistleblowers from suffering any consequence of reporting an incident?	✓		(III) According to the "Ethical Corporate Management Best Practice Principles", the Company shall keep the identity of the whistleblower and the content of the report in strict confidence, and the Company shall guarantee to protect the whistleblower from any improper treatment due to his/her report.	No significant deviation exists.
IV. Enhanced information disclosure Does the Company disclose the contents of its ethical management best practice principles and the result of implementation on its official website and the MOPS?	✓		The Company would disclose the contents of its ethical management best practice principles on its official website and the MOPS.	No significant deviation exists.
V. If the Company has established its own ethical management best practice principles in accordance with "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies," please				

Evaluation items	Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies and causes thereof:
	Yes	No	Summary	
describe the current practices and any deviations thereof from such principles: The Company has established its own ethical corporate management best practice principles and ethical corporate management regulations in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies,” coupled with the sound internal control system and management regulations, and implemented the same strictly. Its control functions are considered sound.				
VI. Other information useful to the understanding of ethical corporate management (e.g., the Company reviews and amends the ethical management best practice principles established by it): The Company complies with ethical management-related laws and regulations as the basis for the Company to implement ethical management. Meanwhile, the Company keeps noting the changes in the development of laws and regulations from time to time, and reviews and amends the Company’s internal control system in a timely manner.				

(VIII) Other information useful to the understanding of corporate governance practice must be disclosed too: None.

(IX) Internal control system implementation status

1. Internal Control System Statement

JOCHU TECHNOLOGY CO., LTD.

Internal Control System Statement

Date: March 12, 2026

The internal control system of the Company for 2025, based on our self-assessment, is hereby stated as follows:

- I. The Company recognizes that the establishment, implementation, and maintenance of an internal control system is the responsibility of the board of directors and management. We have already established such a system. Its purpose is to ensure the effectiveness and efficiency of operations (including profitability, performance, and asset security), the reliability, timeliness, transparency, and compliance with relevant regulations and laws, and to provide reasonable assurance.
- II. The internal control system has inherent limitations, and no matter how well-designed it is, an effective internal control system can only provide reasonable assurance for achieving the three objectives mentioned above. Moreover, the effectiveness of the internal control system may change with changes in the environment and circumstances. However, the internal control system of our company has a mechanism for self-monitoring, and if any deficiencies are identified, the company will take corrective action.
- III. The Company evaluates the effectiveness of its internal control system in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria used in the "Regulations" to assess the effectiveness of internal control systems are based on the five components of the management control process: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Monitoring Activities. Each component includes several criteria, which are listed in the "Regulations."
- IV. The Company has already adopted the above internal control system evaluation criteria to assess the effectiveness of the design and implementation of the internal control system.
- V. The Company, based on the aforementioned evaluation results, believes that as of December 31, 2025, the internal control system (including the supervision and management of subsidiaries) can provide reasonable assurance in achieving the goals of understanding the effectiveness and efficiency of operations, reliable and timely reporting, transparency, and compliance with relevant regulations and laws. The design and implementation of the internal control system are effective in achieving these objectives.
- VI. The statement will be the main content of the company's annual report and public disclosure, and will be made available to the public. If any fraudulent or concealed information is found in the public statement, it may result in legal liability under Securities and Exchange Act Article 20, Article 32, Article 171, and Article 174.
- VII. The statement was approved by the Board of Directors on March 12, 2026, with nine out of nine attending directors voting in favor and 0 directors voting against, and is hereby stated.

JOCHU TECHNOLOGY CO., LTD.

Chairman: Shu-Yi Lee

Signature/Seal

President: Wen-Mao Hsu

Signature/Seal

2. The external auditor's report issued by the CPAs commissioned to conduct an internal control audit, if any: None.

(X) Major resolutions made by the shareholders' meeting and the Board of Directors during the latest financial year, up till the publication date of this annual report:

1. Resolution of the 2025 Annual General Shareholders' Meeting (2025/5/15), and Execution Status Thereof:

Resolution	Status
Ratification of 2024 Business Report	The proposal was approved as proposed after voting
Ratification of the appropriation of losses for 2024.	The proposal was approved as proposed after voting
Approved the proposal for amendment to the "Articles of Incorporation"	The proposal was approved as proposed after voting
Approved the termination of the non-competition restriction imposed on directors.	The proposal was approved as proposed after voting

2. Important resolutions of the Board of Directors meeting in 2025 and Up to the date of publication of the Annual Report

Date and Session	Important Resolution
2025/1/7 (9-7)	1. Proposal for recognition of the investment loss from investees 2. Proposal for change of right-of-use assets amount of related parties
2025/2/25 (9-9)	1. The Company's 2024 business report, consolidated financial statements, and parent company only financial statements 2. Proposal for convention of the 2025 annual general shareholders' meeting and acceptance of proposals from shareholders with shareholding exceeding 1%
2025/3/25 (9-10)	1. Proposal to distribute the accumulated earnings from overseas subsidiaries back to the Company. 2. Proposal for the appropriation of losses for 2024. 3. Proposal for distribution of capital reserve in cash 4. Proposal to discontinue the private placement of ordinary shares or domestic or overseas convertible corporate bonds as approved by the 2024 annual general meeting. 5. Proposal for the engagement and compensation of the Company's CPAs for 2025. 6. Addition of the reasons for convention of 2025 annual general shareholders' meeting
2025/5/8 (9-11)	1. The Company's 2024 Q1 consolidated financial statements 2. Proposal for a capital increase in the investee company JOCHU TECHNOLOGY (VIETNAM) CO., LTD. 3. Proposal to lift the non-compete restrictions for managerial officers.
2025/8/13 (9-12)	1. Proposal to conduct a cash capital increase through the issuance of common shares and to issue the Company's first domestic secured convertible bonds in 2025. 2. Proposal for a capital increase in the investee company JOCHU TECHNOLOGY (VIETNAM) CO., LTD.

	3. Proposal to lift the non-compete restrictions for managerial officers. 4. Proposal for appointment of R&D manager
2025/11/13 (9-15)	1. The Company's consolidated financial statements of the first three quarters in 2025
2025/12/22 (9-15)	1. Revision of plan to increase the capital of the investee, JOCHU TECHNOLOGY (VIETNAM) CO., Ltd. 2. Proposal for change of right-of-use assets amount of related parties
2026/2/10 (9-17)	1. Proposal for convention of the 2026 annual general shareholders' meeting and acceptance of proposals from shareholders with shareholding exceeding 1%
2026/3/12 (9-18)	2. The Company's 2025 business report, consolidated financial statements, and parent company only financial statements 3. Proposal to distribute the accumulated earnings from overseas subsidiaries back to the Company. 4. Proposal for the appropriation of losses for 2025. 5. Proposal for distribution of capital reserve in cash 6. Private placement of ordinary shares or domestic convertible corporate bonds 7. Termination of the non-competition restriction imposed on directors and managers.

(XI) The main contents of important resolutions of the Board passed but with directors voicing opposing opinions on the record or in writing during the most recent year and up to the date of publication of the annual report: None.

IV. Disclosure of external auditor's fees:

(I) Information on the professional fees of the attesting CPAs

Unit: NT\$ Thousand

Name of CPA Firm	Name of CPA	Audit Period	Audit Fees	Non-audit Fees	Total	Remarks
PwC Taiwan	Fu-Ming Liao	2025.01.01 to 2025.12.31	3,160	1,166	4,326	The non-audit fees were spent in the enterprise risk management consulting and transfer pricing reports.
	Yung-Chih Lin					

(II) If a change of CPA firm resulted in a lower audit fee for that year compared to the previous year, the amount, percentage, and reason of the reduction before and after the change must be disclosed: not applicable.

(III) If the audit fee was reduced by more than 10% from the previous year, the actual amount, proportion, and reasons for the reduction must be disclosed: Please refer to the preceding paragraph.

V. Replacement of CPA in the recent two years and after period:

(I) Information on the former CPAs

Date of replacement	January 31, 2024		
Reason and Descriptions	In response to the job-rotation of PwC Taiwan, the original CPAs, Fu-Ming Liao and Sheng-Chung Hsu of PwC Taiwan were replaced by CPAs, Fu-Ming Liao and Yung-Chih Lin of PwC Taiwan.		
Specify Whether the Client or CPA Terminated or Rejected the Appointment	Counterpart Situation	CPA	Client
	Terminated the Appointment Voluntarily	Not Applicable	
	No Longer Accepted (continued) the Appointment		
Issuance of an Audit Report Other Than an Audit Report Containing Unqualified Opinions in the Most Recent Two Years	None		
Any Disagreement With the Issuer	Yes		Accounting principles or practices
			Disclosure of financial report
			Audit scope or steps
			Others
	None	V	
	Explanation		
Other Disclosures (To be disclosed under Subparagraphs 6.1(4)-(7) of Article 10 of the Regulations.)	None		

(II) Information on the succeeding CPAs:

Name of CPA Firm	PwC Taiwan
Name of CPAs	Liao Ming-Fu, CPA and Hsu Sheng-Chung, CPA
Date of Appointment	January 31, 2024
Consultation About the Accounting Treatment of or Application of Accounting Principles to a Specific Transaction or the Type of Audit Opinion That Might be Rendered Prior to the Formal Engagement, and the Consultation Result	Not Applicable
Written Disagreements From the Succeeding CPAs Against Opinions of the Former CPAs	Not Applicable

(III) Former CPAs' Response to the Items Referred to in Subparagraphs 6(1) and (2)3 of Article 10

of the Regulations: Not applicable.

VI. If the Chairman, President, and managerial officers in charge of the Company's finance and accounting operations held any positions within the Company's external auditor firm or its affiliates during the past one year: None.

VII. Changes in the transfer or pledge of shares of shareholders holding over 10% of the outstanding shares in the most recent year and by the date of publication of the annual Report:

(I) Changes in Equity of Directors, Managerial Officers, and Major Shareholders

1. Equity transfers: Please visit the Market Observation Post System > Individual Company > Shareholding Changes / Securities Issuance > Equity Transfer Information Inquiry > Insider Shareholding Change Post-Reporting Form Inquiry.

Website: https://mops.twse.com.tw/mops/#!/web/query6_1

2. Changes in share pledge status: Please visit the Market Observation Post System > Individual Company > Shareholding Changes / Securities Issuance > Insider Share Pledge / Release > Insider Share Pledge / Release Announcement Inquiry.

Website: https://mopsov.twse.com.tw/mops/web/STAMAK03_1

(II) Whether the counterpart of transfer of shares by any director, supervisor, managerial officer, or major shareholder of the Company in the most recent year is a related party: None.

(III) Whether the counterpart of pledge of shares by any director, supervisor, managerial officer, or major shareholder of the Company in the most recent year is a related party: None.

VIII.Disclosure of the Relationships Among the Top Ten Shareholders Including Related Parties, Spouses, and Relatives Within the Second Degree of Kinship:

March 23, 2026

Name	Shareholding		Shares held by spouse and minor children		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree		Remarks
	Number of Shares	Shareholding ratio (%)	Number of Shares	Shareholding ratio (%)	Number of Shares	Shareholding ratio (%)	Name	Relationship	
Heng Xing Investment Co., Ltd. Representative: Pei-Fang Lu	10,742,120	9.74%	0	0	0	0	None	None	
	10,000	0.01	0	0	0	0	None	None	
Morgan Stanley & Co. International plc Investment Account, under the custody of HSBC Bank (Taiwan) Limited Representative: Jui-Ming Chi	4,304,320	3.90%	0	0	0	0	None	None	
Shu-Yi Lee	3,556,361	3.23%	0	0	2,810,282	2.55%	Chou Yeh Investment Co., Ltd.; Shu-Tsung Lee	Representative; brother	
Jindian Asset Management Co., Ltd. Representative: Chih-Fa Cheng	3,299,642	2.99%	0	0	0	0	None	None	
			0	0	0	0	None	None	
Chou Yeh	2,810,282	2.55%	0	0	0	0	None	None	

Chou Yeh Investment Co., Ltd. Representative: Shu-Yi Lee	2,810,282	2.55%	0	0	0	0	None	None	
	3,556,361	3.23%	0	0	2,810,282	2.55%	Shu-Yi Lee	Representative	
Barclays Capital SBL/PB investment account under the custody of Citibank Taiwan Representative: Sheng-Hsin Chang	2,716,484	2.46%	0	0	0	0	None	None	
Chun-Jung Lin	2,430,775	2.21%	0	0	0	0	None	None	
Merrill Lynch International Investment Account under the custody of HSBC Bank (Taiwan) Representative: Jui-Ming Chi	2,099,817	1.90%	0	0	0	0	None	None	
Shu-Tsung Lee	1,717,668	1.56%	0	0	0	0	Shu-Yi Lee	Brother	
E-Hsing Li	1,384,789	1.26%	76,655	0.07%	0	0	None	None	

IX. Number of Shares Held by the Company, and the Company's Directors, Managerial Officers, and the Entities Directly or Indirectly Controlled by the Company, in a Single Investee, and Consolidated Shareholding Percentage of the Above Categories:

December 31, 2025; Unit: Share

Investee	Investment by the Company		Investment by Directors, Managerial Officers, and Entities Controlled Either Directly or Indirectly by the Company		Comprehensive investment	
	Number of Shares	Shareholding ratio (%)	Number of Shares	Shareholding ratio (%)	Number of Shares	Shareholding ratio (%)
JOCHU INVESTMENT LTD.	40,464,535	100	0	0	40,464,535	100
Legiun Technology Co., Ltd.	8,000,000	100	0	0	8,000,000	100
eBio International Co., Ltd.	17,994,284	75.49	50,000	0.21	18,044,284	75.70
eBio Technology Co., Ltd.	13,611,682	75.49	0	0	7,645,781	52.02
Suzhou Jochu Precision Metal Co., Ltd.	0	0	Not applicable (Note)	100	Not applicable (Note)	100
JOCHU GLOBAL INVESTMENT (CAYMAN) LTD.	0	0	10,000,000	100	10,000,000	100
JOCHU INTERNATIONAL (CAYMAN) LTD.	0	0	10,000,000	100	10,000,000	100
Jochu Technology (Xiamen) Co., Ltd.	0	0	Not applicable (Note)	100	Not applicable (Note)	100
PROSPERITY INVESTMENT HOLDING TPE. LTD.	0	0	20,247,500	65.0	20,247,500	65.0
JOCHU TECHNOLOGY (VIETNAM) CO., LTD.	0	0	Not applicable (Note)	65.0	Not applicable (Note)	65.0

Note: Not applicable, as the Company is not a company limited by share.

Three. Fundraising

- I. Capital and Shares
(I) Source of Capital
1. capital share formation process

March 23, 2026; Unit: Shares; Currency: NTD								
Year/ Month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of Capital	Offset Share Capital Via Properties Other Than Cash	Others
2000.06	10	1,500,000	15,000,000	1,500,000	15,000,000	Capital for incorporation	0	
2001.01	10	2,000,000	20,000,000	2,000,000	20,000,000	Cash capital increase by NT\$5,000,000	0	Ministry of Economic Affairs approval letter under Jing-Zhong-Zi No. 090679612 dated January 2, 2001
2001.01	10	2,500,000	25,000,000	2,500,000	25,000,000	Cash capital increase by NT\$5,000,000	0	Ministry of Economic Affairs approval letter under Jing-Zhong-Zi No. 090157441 dated January 16, 2001
2002.06	10	4,000,000	40,000,000	4,000,000	40,000,000	Cash capital increase by NT\$15,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09132238900 dated June 12, 2002
2003.11	11	7,000,000	70,000,000	7,000,000	70,000,000	Cash capital increase by NT\$30,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09232995740 dated November 20, 2003
2004.08	12	9,199,987	91,999,870	9,199,987	91,999,870	Cash capital increase by NT\$21,999,870	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09332567410 dated August 11, 2004
2004.12	15	13,199,987	131,999,870	13,199,987	131,999,870	Cash capital increase by NT\$40,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09333270200 dated December 29, 2004
2005.05	15	18,199,987	181,999,870	18,199,987	181,999,870	Cash capital increase by NT\$50,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09432061260 dated May 2, 2005
2005.09	10 28	45,000,000	450,000,000	19,600,000 28,880,000	196,000,000 288,800,000	Capital increase out of earnings by NT\$14,000,130 Cash capital increase by NT\$92,800,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09432061260 dated September 8, 2005
2006.04	10	45,000,000	450,000,000	31,768,000	317,680,000	Capital increase out of employee stock warrants converted into shares by NT\$28,880,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09532071020 dated April 20, 2006
2006.05	10	45,000,000	450,000,000	33,369,333	333,693,330	Capital increase out of consolidation of You Rui Precision Technology Co., Ltd. by NT\$16,013,330	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09532188740 dated May 16, 2006
2006.06	10	80,000,000	800,000,000	42,448,412	424,484,120	Capital increase out of earnings by NT\$90,790,790	0	Ministry of Economic Affairs approval letter under Jing-Shou-Zhong-Zi No. 09532310270 dated June 12, 2006
2006.07	55	80,000,000	800,000,000	52,448,412	524,484,120	Cash capital increase by NT\$100,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No.

Year/ Month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of Capital	Offset Share Capital Via Properties Other Than Cash	Others
								09501158020 dated July 24, 2006
2007.03	75	80,000,000	800,000,000	62,448,412	624,484,120	Cash capital increase by NT\$100,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 09601061730 dated March 27, 2007
2007.09	10	100,000,000	1,000,000,000	72,226,150	722,261,500	Capital increase out of earnings by NT\$97,777,380	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 09601237460 dated September 28, 2007
2010.04	55	100,000,000	1,000,000,000	78,226,150	782,261,500	Cash capital increase by NT\$60,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 09901063860 dated April 2, 2010
2011.03	42	100,000,000	1,000,000,000	83,226,150	832,261,500	Cash capital increase by NT\$50,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 10001052690 dated March 18, 2011
2017.01	10	100,000,000	1,000,000,000	81,436,150	814,361,500	Capital reduction out of cancellation of treasury stock 17,900,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 10601005270 dated January 13, 2017
2018.09	10	100,000,000	1,000,000,000	79,436,150	794,361,500	Capital reduction out of cancellation of treasury stock 20,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 10701111110 dated September 18, 2018
2020.04	15	150,000,000	1,500,000,000	90,028,150	900,281,500	Cash capital increase by NT\$10,592,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 10901068820 dated May 20, 2020
2021.01	10	150,000,000	1,500,000,000	89,263,150	892,631,500	Capital reduction out of cancellation of treasury stock 7,650,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 11001000750 dated January 22, 2021
2021.08	10	200,000,000	2,000,000,000	89,263,150	892,631,500	Increase in authorized capital	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 11001135270 dated August 9, 2021
2026.02	35	200,000,000	2,000,000,000	110,263,150	1,102,631,500	Cash capital increase by NT\$21,000,000	0	Ministry of Economic Affairs approval letter under Jing-Shou-Shang-Zi No. 11530012780 dated February 3, 2026

2. Type of Share

March 23, 2025; Unit: Share

Type of Share	Authorized Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Ordinary Shares	110,263,150	89,736,850	200,000,000	TWSE Listed Stocks

Note: Outstanding shares include 1,000,000 treasury shares held by the Company.

3. Information relevant to the shelf registration system: not applicable.

(II) List of major shareholders

March 23, 2025

Names of major shareholders	Shares	Shares held	Shareholding ratio (%)
Heng Xing Investment Co., Ltd.		10,742,120	9.74%
Morgan Stanley & Co. International plc Investment Account, under the custody of HSBC Bank (Taiwan) Limited		4,304,320	3.90%
Shu-Yi Lee		3,556,361	3.23%
Jindian Asset Management Co., Ltd.		3,299,642	2.99%
Chou Yeh Investment Co., Ltd.		2,810,282	2.55%
Barclays Capital SBL/PB investment account under the custody of Citibank Taiwan		2,716,484	2.46%
Chun-Jung Lin		2,430,775	2.21%
Merrill Lynch International Investment Account under the custody of HSBC Bank (Taiwan)		2,099,817	1.90%
Shu-Tsung Lee		1,717,668	1.56%
E-Hsing Li		1,384,789	1.26%

(III) Dividend Policy and Execution Status:

1. Dividend policy under the articles of incorporation

When allocating the earnings retained upon the final accounting of each fiscal year, if any, the Company shall first pay the taxes payable, offset its losses accumulated in the past, and set aside the legal reserve at 10% of the remaining earnings, unless the legal reserve has reached the amount of the Company's paid-in capital. Then, the Company shall contribute or reverse a special reserve pursuant to laws. The balance, if any, plus the undistributed earnings for the previous years, shall be allocated according to the earnings distribution plan prepared by the Board of Directors as resolved by a shareholders' meeting, after an adequate amount is set aside from the same to satisfy business needs, if any.

According to Article 240 of the Company Act, the Company authorizes the Board of Directors to distribute the bonus and dividends to be distributed, or the legal reserve and capital reserve defined under Article 241 of the Company Act, in cash, in whole or in part, and report the distribution to a shareholders' meeting.

The life cycle of the industry which the Company is engaged in is still growing. The distribution of earnings shall take into account the budget for the Company's future capital expenditure and funding needs, and then be determined per the plan prepared by

the Board of Directors and subject resolution by a shareholders' meeting.

Notwithstanding, the payout ratio of dividends shall be no less than 1% of the distributable earnings for the current year. The bonus and dividends to shareholders may be paid in cash or in shares. Among other things, the dividends distributed in shares shall be no more than 60%.

2. The dividends to be distributed per resolution by the Shareholders' Meeting: none
3. Expected significant changes in the dividend policy: none.

(IV) The effects of stock bonus proposed at this shareholders' meeting on the Company's business performance and earnings per share: None.

(V) Remuneration to Employees and Directors:

1. The percentages or ranges with respect to the remuneration to employees and directors, as set forth in the Company's Articles of Incorporation:

According to the Company's current Articles of Incorporation, the Company shall allocate no less than 8% of the earnings retained by the Company in the current year, if any, as the remuneration to employees and no more than 3% thereof as the remuneration to directors. However, when the Company still has accumulated losses, the losses shall be made up.

The remuneration to employees in the preceding paragraph shall be no less than 10% of the total amount of the actual contribution as remuneration to the entry-level employees.

The remuneration to employees may be paid in cash or in shares, and the recipients of the stock or cash may include the employees of the Company's associates meeting certain specific requirements which are defined by the Board of Directors.

2. The basis for estimating the amount of remuneration to employees and directors/supervisors, for calculating the number of shares to be distributed as the stock dividends, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

Based on the earnings for the current year (namely, the income before the current income before tax less of the remuneration to employees and directors) less the accumulated losses, the Company estimates the remuneration to employees and directors at a specific proportion and states the same as operating expenses. Should there be any change on the date of approval of the issuance of the financial statements in the next year, the change shall be accounted for as the change of accounting estimates in the next year.

3. The earnings distribution plan approved by the Board of Directors:

- (1) Remuneration to employees and directors distributed in cash or in shares. Disclose the amount, causes and treatments of any differences between the amount paid and the amount estimated in the year in which the expense was recognized: The Company did not distribute employees' or directors' remuneration for 2025; therefore, this is not applicable.

- (2) Percentage to employees paid in shares as resolved, relative to net income and total remuneration to employees shown in the current period: No employees' remuneration was distributed for 2025; therefore, this is not applicable.

4. Actual payment of the remuneration to employees and directors in the previous year (including the number of shares allocated, the sum of cash paid, and the price at which shares were issued) and any differences from the figures estimated (explain the amount, the cause, and treatment of such discrepancies): No employees' or directors' remuneration was distributed for 2024; therefore, this is not applicable.

(VI) Buyback of the Company's Shares:

1. Buyback of the Company's shares (execution completed): none.

2. Buyback of the Company's shares (currently in progress): none.

II. Corporate Bonds (including outstanding and pending ones):

(I) Status of corporate bond issuance

Type of corporate bond		First secured corporate bonds
Date of issuance (process)		December 26, 2025
Par value		Par value: NT\$100,000 per certificate
Issuance and trading location		The Republic of China
Issue prices		Issued at 111.76% of par value
Total amount		Total par value of NT\$400,000,000
Interest rate		0% coupon rate per annum
Term		3 years; Maturity Date: December 26, 2028
Guarantor institution		CTBC Bank Co., Ltd., Liujiashuang Branch
Trustee		E.Sun Commercial Bank, Ltd., Trust Department
Underwriting institutions		Grand Fortune Securities Co., Ltd
Certifying lawyer		AnZon Attorneys at Law/ Wan-Ting Chang, Attorney
External Auditor		PwC Taiwan/Fu-ming Liao, CPA and Yung-Sheng Lin, CPA
Repayment method		Starting from the day following three months after the issuance date until the maturity date, holders of the corporate bonds may request conversion into the Company's common shares at the conversion price in lieu of repayment of principal.
Outstanding principal		NT\$ 400,000,000
Redemption or early repayment provisions		Handled in accordance with Article 18 of the Company's "Terms and Conditions for the Issuance and Conversion of the First Domestic Secured Convertible Bonds."
Restrictive covenants		None
Credit rating agency, rating date, and bond rating result		Not applicable
Other rights attached	Amount converted (exchanged or subscribed) into common shares, overseas depositary receipts, or other securities as of the publication date of the annual report	Not Applicable
	Issuance and conversion (exchange or subscription) terms	Handled in accordance with the Company's "Terms and Conditions for the Issuance and Conversion of the First Domestic Secured Convertible Bonds."
Impact of issuance and		No material impact

Type of corporate bond	First secured corporate bonds
conversion, exchange or subscription terms on potential equity dilution and existing shareholders' rights	
Custodian institution for underlying securities for exchange	Not Applicable

(II) Convertible bond information

Type of corporate bond		First secured convertible bonds	
Year/item		2025	Up to March 23 for 2026
Convertible bond prices	Highest	119.00	145.50
	Lowest	116.00	118.00
	Average	117.05	130.52
Conversion price		45	
Date of issuance (process)		December 26, 2025	
Price of conversion at issuance		NT\$111.76	
Method of fulfilling conversion obligation		Issuance of new shares	

III. Preferred Stock: None.

IV. Global Depository Receipts: None.

V. Employee Stock Warrants: None.

VI. Restricted Stock Awards (RSAs): None.

VII. Issuance of New Shares in Connection With Mergers or Acquisitions or With Acquisitions of Shares of Other Companies: None.

VIII. Implementation of capital utilization plan:

For the execution status of previously issued or privately placed securities that have not yet been completed, as well as those completed within the most recent three years whose expected benefits have not yet been realized, please refer to the Market Observation Post System under: Investment Section > Fundraising Project Execution Section.

Website: https://mopsov.twse.com.tw/mops/web/bfhtm_q2

Four. Operation Overview

I. Business contents

(I) Scope of business

1. Main business lines:

The Company is primarily engaged in the manufacturing, processing, and trading of display stamping components (including TFT Bezels and TFT back covers, etc.), household metal products, and medical supplies (such as manufacturing of mobile vehicles and medical and healthy sleep products), and the import and export of related products. and expanded into the manufacturing and processing of (AI) server racks and related peripheral components in 2025.

2. Business proportion:

Unit: NTD Thousand; %

Year	2024		2025	
Product Items	Operating Revenue, Net	Proportion (%)	Operating Revenue, Net	Proportion (%)
Display stamping parts	2,184,094	68	2,032,933	62
Household Metal Products	873,041	27	916,591	28
Medical Supplies	171,408	5	246,027	8
Others (Note)			68,466	2
Total	3,228,543	100	3,264,017	100

Note: (AI) server racks and peripheral components.

3. Main product (service) lines:

(1) Manufacture of display structural components

Production of peripheral metal structural components for optoelectronic products such as televisions, monitors, and laptops, including key components such as bezels, back covers, lamp covers, and grounding plates.

(2) Manufacture of household metal products

Provision of metal furniture frames, rails, wall-mount systems, drawer sets, and related components and finished products for international home furnishing brands, covering applications such as bedrooms, kitchens, and storage.

(3) Design, OEM, and sales of medical assistive devices

Provision of OEM (contract manufacturing) and ODM (original design manufacturing) services for medical assistive devices such as electric wheelchairs, mobility scooters, and care beds, as well as sales of self-developed products.

(4) Diversified metal stamping components

Provision of customized metal stamping parts based on the specific requirements of customers across various industries.

(5) Integrated manufacturing solutions

Integration of multiple processes, including plastic injection molding, die casting, sheet metal processing, coating/painting, and server cabinet assembly, to provide one-stop manufacturing services ranging from individual components to complex products for customers.

4. New products (services) under development:

(1) In response to the demand for thinness, the optoelectronic products have been developed together with iron plastic (stamping + plastic injection) and have passed

customer validation and is being continuously promoted.

- (2) In addition to continuing to deepen its existing product lines in the home metal products business, the Company is actively developing applications for metals with high recycling ratios in response to the rapid growth in demand for sustainable materials in the global home industries. This is to meet the environmental protection and circular economy requirements of major international brand customers and to further strengthen product competitiveness.
- (3) For medical assistive products, the Company will continue to expand its OEM and ODM service capabilities, and actively expand applications in medical, general health, and sleep.
 - ① Mobility devices: In the fourth quarter of 2025, OEM mobility scooters for a European brand and high-end OEM autonomous wheelchairs for the Japanese market entered mass production and were officially shipped. Both new mobility devices have reached commercialization milestones, and shipment volumes are expected to continue expanding in 2026. In addition, the Company is currently assisting new European customers in jointly developing a wheelchair with a standing function, which is expected to enter mass production in 2026.
 - ② Medical and healthy sleep products: The Company will continue to deepen the development of AI + IoT pressure equalization control technologies, provide OEM and ODM services, and expand its customer base.
- (4) Metal structural components for AI server infrastructure (such as server racks) and subsystem module components (such as manifold pipes): In order to capture new business opportunities arising from the rapid development of the AI server infrastructure and subsystem module supply chain ecosystem, the Company has undertaken R&D and manufacturing transformation. Mass production and shipment of server racks commenced in 2025. In 2026, the Company expects to expand its customer base and increase the variety of products shipped.

(II) Overview of industry

1. Industry current status and development:

(1) Display industry and servers:

The display industry has undergone several years of adjustment due to supply–demand imbalances. Since 2025, the overall supply–demand structure has gradually moved toward equilibrium.

Over the past two years, major global panel manufacturers have continued to implement production cutback strategies, effectively curbing the oversupply of medium- and large-size panels. Market prices have gradually stabilized, and industry sentiment has clearly turned more positive.

On the demand side, Microsoft officially terminated technical support for the Windows 10 in October 2025, which is expected to drive a wave of replacement demand for commercial laptops and monitors among enterprise users. In addition, the rapid proliferation of AI PCs and AI display concepts has prompted brand vendors and channel distributors to accelerate new product deployments, thereby supporting demand for high-specification small- and medium-sized display panels.

However, geopolitical risks remain a significant challenge for the industry. The reciprocal tariff policy implemented by the Trump administration has had a significant impact on the global supply chain landscape, prompting brand customers to accelerate their evaluation of relocating production bases out of mainland China. As a result, manufacturing hubs in Southeast Asia and Taiwan have attracted increased attention.

The Company's production base in the Dong Van Industrial Zone, Vietnam is responding to the trend of the industry's southward expansion and continues to provide customers with more flexible supply chain options.

In the automotive display segment, the proliferation of smart cockpits has driven continued growth in multi-display demand, including integrated central control screens, passenger-side displays, and digital instrument clusters. Global shipments of automotive display panels are projected to exceed 240 million units in 2026. Industrial displays (IPC) are benefiting from the rapid expansion of Edge AI applications, with demand continuing to grow across areas such as smart transportation, manufacturing automation, and electric vehicle charging infrastructure.

Looking ahead, the deep integration of display technologies with AIoT applications has transformed displays from simple image output devices into core interactive interfaces through which users engage with smart environments, thereby creating sustained and diversified business opportunities for the industry. The Company will continue to deepen its core technology in the field of display punching components and capitalize on this wave of industrial transformation to actively enhance its competitive advantage. However, it is worth noting that although panel prices had gradually stabilized in 2025, TrendForce reminds us that there may be a risk of price increases for memory products in 2026, which will in turn squeeze the overall cost structure of consumer electronics, thereby affecting the terminal shipment momentum of brand company. This potential downside risk will be an external variable that the Company continued to carefully track.

With the rapid development of artificial intelligence (AI) technology, AI has in recent years rapidly penetrated various fields, including generative AI, autonomous driving, smart cockpit systems, industrial automation, and healthcare. The widespread adoption of AI is driving demand for high-performance computing (HPC) infrastructure, further accelerating the expansion of the advanced AI server industry.

According to a research report by Precedence Research, major technology companies such as Google, Meta, Amazon Web Services (AWS), and Microsoft continue to increase capital expenditures on AI server deployment in order to maintain their leadership in the AI field. In addition, the rapid advancement of hardware technologies such as GPUs and TPUs, driven by global leading companies' investments in AI development, has significantly contributed to the growth in demand and market scale of AI servers. The AI server market size is estimated at USD 30.74 billion in 2024 and is expected to grow to USD 39.23 billion in 2025, reaching USD 352.28 billion by 2034, with a projected compound annual growth rate (CAGR) of 27.62% from 2024 to 2034.

The Company will continue to expand and deepen the business development of its Taiwan and Vietnam operations in the fields of server racks and power racks.

(2) Household metal product industry:

The global home industry continues to be profoundly influenced by the rising consumer awareness of environmental sustainability. Major international home brands have progressively incorporated suppliers' environmental material standards, carbon footprint disclosure, and circular economy performance into their procurement evaluation criteria, thereby driving the entire supply chain to actively transform.

Due to their high recyclability and durability, metal materials are playing an increasingly important role in the material substitution trend for home products, gradually replacing certain applications of traditional wood-based materials. The

Company has actively aligned with the ESG policy requirements of its key customers by continuously developing applications of high-recycled-content metal materials. In 2025, these efforts were recognized by customers, enabling the Company to retain orders in Taiwan while effectively improving its profit structure.

In terms of global supply chain deployment, geopolitical uncertainties have prompted brand customers to continuously assess the possibility of diversifying their sourcing. The increasing number of competitors in regions such as Southeast Asia and India has brought sustained competitive pressure to the Company. The Company will continue to strengthen differentiated material applications, automated production efficiency, and compliance with customer environmental protection regulations to consolidate existing customer relationships and seek opportunities to expand its customer base.

(3) Medical assistive devices:

The global aging trend continues to accelerate, creating sustained and stable growth momentum for demand in medical assistive devices. Across major markets (Europe, the Americas, and Asia) the proportion of elderly populations continues to rise, driving steady demand for products such as mobility aids, care beds, and pressure relief devices. According to research institutions, the global mobility aids market is expected to maintain a stable annual growth rate of approximately 7–8%.

In the field of mobile devices, the integrated application of AI and IoT technology drives the intelligent evolution of products, including scene positioning, automatic navigation, and user health data monitoring, further enhancing the added value of electric wheelchairs and mobility scooters. The Company leverages integrated Group resources to provide customers with comprehensive OEM/ODM services spanning design, validation, and manufacturing, and achieved the milestone of mass production and shipment of key new products in both the European and Japanese markets in the fourth quarter of 2025.

In the medical and healthy sleep segment, the prevention and management of pressure injuries (pressure ulcers) continue to be a core demand for long-term care institutions and healthcare facilities. The Company is committed to developing AI+IoT pressure redistribution control technology, utilizing sensor mats and algorithms to accurately identify high-risk pressure points and dynamically adjust in real time, thereby establishing a differentiated competitive positioning. Related patent filings are also being continuously pursued both domestically and internationally.

2. Correlation of the upstream, midstream, and downstream segments of the industry:

(1) Display industry:

The upstream of display products is mainly panel manufacturing and module assembly. The main components of panels include glass substrates, color filters, backlight modules, polarizers, iron/plastic parts, etc. The downstream is system assembly plants and brand operators, applicable to notebook computers, LCD monitors and LCD TVs, smart phones, industrial displays, and automotive displays. The Company implements complete supply chain management for upstream material suppliers, to ensure the competitiveness and stability of cost and quality, while maintaining good long-term relationships with downstream panel, backlight module and system assembly plants, to ensure sales stability, reduce market risk, and enhance supply chain synergy.

(2) Household metal product industry:

The upstream is mainly the steel materials, and a few suppliers of the peripheral parts used to make up household products, such as dense plates, metal fasteners, paper packaging materials, and plastic molded parts. The downstream is the international

large-scale home product retailers, who sells directly to the end consumers through the retailer's sales channels. The Company continues to deepen long-term partnerships with upstream suppliers in steel procurement, while actively developing a supply chain for high-recycled-content materials that comply with customers' ESG requirements.

(3) Mobile carrier:

The product structure of electric wheelchairs and mobility scooters is relatively complex. Upstream suppliers primarily provide standard components such as motors, gearboxes, controllers, and frames; the midstream segment consists of assembly manufacturers; and the downstream segment is represented by sales channels. The Company provides brand customers with design services, metal fabrication and forming services, and final product assembly services, while continuing to expand OEM/ODM partnerships in high-end products such as site-specific self-driving wheelchairs.

(4) Medical and healthy sleep products:

The Company's product portfolio includes electric hospital beds/home care beds and air mattresses. Upstream suppliers primarily provide components such as mattresses, textile fabrics, motors, controllers, metal fabricated parts, and plastic components; the midstream segment consists of assembly manufacturers; and the downstream segment is represented by sales channels. The Company provides design solutions, metal fabrication and forming services, and final product assembly services, while independently developing AI+IoT-based pressure redistribution control technology that integrates sensing and algorithms to deliver precise pressure relief solutions.

3. Product development trend:

(1) Display stamping industry:

Amid the continued impact of global geopolitical uncertainties and reciprocal tariff policies, brand customers are accelerating their shift away from the China market. The Company's production base in Hanoi, Vietnam, established in advance, is well positioned to capture this southbound industry migration demand. In Taiwan, the Company will actively advance business transformation initiatives and enhance value through new technologies (such as metal-plastic integration and low-carbon products), while continuing to expand its local customer base and non-China market sources to maintain competitiveness. Against the backdrop of continued growth in automotive and industrial displays, diversified process integration capabilities—including die casting, sheet metal fabrication, painting, and enclosure integration—will become a key enabler in addressing customers' differentiated requirements.

(2) Household metal product industry: :

Global consumer awareness of environmental protection and sustainability continues to rise, and brand customers have incorporated requirements such as high-recycled-content materials, lightweight design, and carbon neutrality targets into product specifications. The Company will continue to deepen its R&D and mass production capabilities for high-recycled-content metal materials to meet customers' ESG procurement requirements and enhance product value. Going forward, in addition to the continued adoption of differentiated materials that meet environmental and sustainability requirements, product design will also evolve toward lightweighting, composite material integration, energy efficiency and carbon reduction, and intelligentization.

(3) Medical device industry:

① Mobile carrier:

The global aging trend continues to drive growing demand for electric wheelchairs,

mobility scooters, and mechanical assistive devices. The Company will continue to expand its OEM/ODM service scope, further optimize its existing electric wheelchair and mobility scooter product lines, and increase its market share in the high-end assistive device markets in Europe and the United States.

② Medical and healthy sleep products:

Smart pressure redistribution mattresses, integrating AI algorithms and IoT sensing technologies, will continue to expand into professional application settings such as healthcare and long-term care institutions. Due to varying requirements across different application settings in terms of product functionality, usage scenarios, and validation standards, medical-related products must not only possess strong system integration capabilities but also be able to complete the necessary validation and deployment in accordance with specific field requirements, thereby resulting in relatively high development and market entry barriers. This feature helps the Company continue to deepen its positioning in high value-added medical products and optimize its overall product structure and profitability.

4. Market competition:

(1) Display industry:

The supply chain for stamped components used in display applications continues to face low-price competition from Chinese manufacturers, while reciprocal tariff policies have further accelerated the restructuring of the global supply chain landscape. The Company's response strategy focuses on three key areas: first, strengthening the capacity and efficiency of its Vietnam production base to directly capture brand customers' non-China sourcing demand; second, continuously reducing production costs through intelligent manufacturing and lean management to maintain pricing competitiveness; and third, actively developing low-carbon products and differentiated processes (such as metal-plastic integration and cabinet integration services) to increase customer switching costs.

(2) Household metal product industry: :

Amid rising manufacturing costs in Taiwan and increasing competitive pressure from emerging regions such as Southeast Asia and India, the Company continues to position ESG-driven low-carbon materials differentiation as a core competitive advantage. In alignment with the sustainability policies of its key customers, the Company is also actively evaluating transformation opportunities in smart home applications, strengthening product differentiation capabilities, and progressively expanding into diverse industry applications. These efforts support business diversification and enable the Group to realize synergies in ESG low-carbon materials.

(3) Medical assistive devices:

① Mobile carrier:

The Company's electric wheelchairs and mechanical assistive device products feature high barriers to entry due to the integration of IoT application technologies for sites and customized design capabilities, making them difficult for competitors to replicate quickly and less susceptible to pure price competition. The co-development program for standing wheelchairs in the European market, initiated in 2025, has further deepened technological collaboration with strategic customers.

② Medical and healthy sleep products:

The Company's AI+IoT pressure redistribution mattress adopts an active, precision pressure relief approach distinct from conventional alternating air mattress systems in the market. By integrating sensor mats with proprietary algorithms, it dynamically adjusts to each user's pressure distribution, thereby delivering differentiated product

functionality and user experience. The Company continues to advance its patent portfolio both domestically and internationally to reinforce the competitive advantage of this technology pathway.

(III) Overview of technology and R&D:

1. Technical level of the business:

The Company is a specialized manufacturer of precision metal stamping and forming products, with its product and service offerings centered on four key development pillars: optoelectronics, household metal products, medical, and server-related applications. In recent years, in order to improve the manufacturing quality and production efficiency, the traditional stamping molding has been promoted to develop a high-quality, highly efficient, and flexible production capacity. The Company has continued to promote smart manufacturing projects, including equipment awareness technology and monitoring data integration, equipment and equipment automation serial technology development, AOI (visual inspection system) real-time product monitoring, human-machine cooperation technology and automatic warehouse system applications, which have been gradually implemented in the factory process operations, and have also enhanced the Company's internal talent capabilities, reduced the on-site manpower factor and strengthened product quality, in order to reduce manufacturing losses and to ensure product delivery and other benefits.

At the same time, in consideration of the Group's sustainable operations, a Product Design Department and a Project Management Office have been established under the General R&D Division. Within the Product Design Department, a Process Introduction Section has been newly established to integrate the planning and development of new products and process technologies across the Group. Meanwhile, the Company cooperated with customers and academic institutions to develop the product technology of micro-movement and green power applications. In recent years, the Company has completed new research and development projects such as fuel cells, composite material applications and micro-movement green power systems, and established the structure of new product design and process manufacturing to jointly develop new products and technologies, and built the foundation for the Group's operational transformation. The Company will continue to deepen and advance its core capabilities in metal manufacturing technologies, stamping die technologies, and sheet metal and welding technologies for its existing industry products.

For product services, the Company continues to strengthen the human factor engineering and industrial design technology capabilities, and to cultivate the integration of mechanism and electrical control integration design, in order to provide customers with ODM/OEM design and development services for products, such as optoelectronics, furniture, medical devices and mobility carriers, servers and design products, meeting the needs of people, thereby ensuring product quality through realistic management to create competitive advantages in the industry.

2. Research and development:

- (1) The Company is a professional manufacturer engaged in metal precision stamping products. The product and service lines consist of metal mechanical parts required by displays and are applied to the development and manufacturing of furniture, medical equipment, and auto parts, servers, etc. The Company also provides customers with product integration solutions, helps customers to integrate production processes, such as metal and plastic integration process, product structure, in order to provide customers with total solutions for production complexity.

- (2) In addition to cooperating with domestic and foreign panel manufacturers to develop metal mechanical parts, the TFT-LCD industry has also cooperated with other display and touch panel manufacturers in recent years, and ITRI and other research institutions to develop transparent displays for transportation vehicles. It was demonstrated and verified on the Tamsui Light Railroad and Kaohsiung Light Railroad in 2023 and 2024, respectively.
- (3) In the home industry, the Company continues to apply automated packaging, assembly and inspection systems, automated warehouse systems, and lean manufacturing processes, and highly automated production processes, in conjunction with spraying processes, to improve product quality, and assist customers in developing new products.
- Since 2021, the Company has been working with customers to organize energy-saving and carbon-reducing activities. In addition to optimizing and adjusting the manufacturing process to improve process efficiency and reduce production capacity, the Company has also been collaborating with vendors to develop and certify green materials, and has passed the certification for high-strength steel sheets in Taiwan. In addition to grasping the sources of steel plate materials.
- (4) In the medical industry, in addition to continuously applying rigorous production management to provide customers with high-quality products, the Company has also developed the first product design capabilities since 2018 to solve customers' product design problems, to optimize product structure, and to improve product functions and applications. During the period, the Company also continues to develop and certify its own products such as electric wheelchairs, medical beds and home care beds with customers.
- ① Medical electric wheelchairs: The Company was granted the first production permit for electric wheelchairs in 2018 and officially started the mass production. In 2019, the Company began the new contract for the design of slim and light weight electric wheelchairs. The design was completed in Q3 of 2020 and the certification was completed. The mass production was started in the second half of 2021. The product was certified for the European derived model and started mass production in 2022. In order to enhance the cooperation with customers and continue to strengthen the design capabilities, the Company has started to develop the IERO vehicle on its own since 2022, and has completed the product quality verification in 2024, and has also sent samples to the customers for confirmation, and the mass production has been started since 2025.
- ② Medical beds and home care beds: Since 2018, the Company has started to help customers verify and design medical beds. Meanwhile, in the second half of that year, the Company engaged in sales of the relevant parts of intelligent medical beds, and started the new home care bed designs, continued to improve the technology, and executed the design contract. In 2019, the Company exhibited it at the HCR Exhibition in Japan. The Company started mass production and shipped goods in the first half of 2020. In 2022, the Company completed the development of derivative products and created the product data per the CE MDR of the EU, starting mass production in 2023.
- ③ Since 2019, the Company has cooperated with several medical material startup companies in Taiwan to develop smart medical gas pad bed, muscle support device and muscle recovery products through the Company's assistance in medical material manufacturing, product development and system processes. Among them, the medical gas pad bed has been put to trial production in 2020

and has been shipped to customers for market analysis. In 2022, the Company has also integrated the design of multi-function beds and cooperated with Japanese companies to develop anti-decubitus mattress, and the mass production of the mattress has started in 2023. The Company received medical mattress QMS certificates in 2023

(5) In terms of new business development, the Company aims to strengthen overall Group operations and expand its business scope by integrating internal and external technological resources and collaborating across business units to address low-volume, high-mix business opportunities. Leveraging its product design capabilities, the Company will also co-develop new products and applications with customers.

- ① The application of cabinet products is in line with the ESG trend development, and the Company also pays attention to energy-saving/storing energy-related products. In 2024, the Company cooperated with many customers and brands domestically and abroad to develop energy-saving and energy-storing cabinets to meet the energy storage applications for industrial and home use. The Company completed validation and small-batch production of energy storage enclosures for Japanese customers.
- ② Development of micro-mobility vehicles for shared service. In 2023, we worked with sharing service companies and Taiwanese auto manufacturers to develop shared mud scooters, including IoT, motor controller, vehicle body design and integration, etc., in order to apply such products in domestic major universities and public fields. The mass production has been started during the third quarter of 2024 to officially enter the micro mobile vehicle market.
- ③ In addition to the smart factory project, the intelligent AI-AOI technology has been applied to improve the inspection technology, to improve production efficiency, and to reduce labor costs. It has been expanded to the industrial application, and cooperated with manufacturers from different industries. The Company has developed high-end products such as automotive mirrors, precision gearboxes, and small-scale barcode monitoring, and the whole machine development. In 2026, the Company has continued to promote the application of new industries, including the inspection of the surface quality of metal raw materials and the appearance quality of consumer electronics. The Company has also cooperated with numerous customers to develop and test projects, and will continue to expand the business opportunities.
- ④ Regarding mass production of AI servers, in 2025, the Company commenced mass production of its first AI server racks, continuing to accumulate experience in rack manufacturing and quality control. In the same year, the Company also began receiving RFQs from other customers for server development, and will continue to expand its R&D capabilities in server racks while completing preparations for transitioning its plants to manufacture server racks. Development of AI server power busbars commenced in 2025 and is expected to enter mass production in 2026.

(IV) R&D personnel and educational background/working experience:

The Company actively strengthens the R&D team and R&D resources. Currently, the Company continues to develop the relevant technical talent. Professional technical fields Include: Design and validation capabilities for AI server infrastructure racks, and manufacturing and validation technologies for thermal module components metal surface treatment, processing technology and automation technology, mold and fixture design, laser

welding technology, mechanism design, sample development, new material application and new product R&D, etc.

February 28, 2026

Item	Number of Persons (persons)	Proportion (%)
Doctor	1	3.13%
Master	15	46.88%
University/senior high school	16	50.00%
Total	32	100.00%

(V) The R&D expenses invested in the most recent year and until the date of publication of the annual report, and technology or product developed successfully:

1. R&D expenditures invested: The Company invested R&D expenses totaling NT\$66,885 thousand in 2025. In addition, up to the printing date of the annual report, the Company has not yet disclosed the financial report for Q1 2026.

2. Products developed successfully:

Year	R&D Results	Application Fields/Main Functions
2016	R&D of Metal Drawers	Unlike wooden drawers, metal drawers can prolong the service life significantly, and the raw materials are recyclable and reusable.
	Development of European and American Adjustable Medical Electric Assistive Seats 18" Seat	Wheelchair seats used by Europeans and Americans/wheelchair seats with a width of 18", which meet the international standards for safety and angle adjustment.
	Aspherical Plastic Lens Set	Head-up displays/assist Taiwan-based manufacturers in developing optical components for projection-type heads-up displays, primarily used for imaging optics.
	User Assembly-type Intelligent Electric Wheelchairs Model C	Medical care/assembly-type electric wheelchairs integrated with different means of transportation, such as: cars, trains, and buses, allowing users to move for middle and long distances.
2017	Lightweight and High-intensity Structural Laminates Metal Boards	Shelving panels for furniture/developed to replace wooden support plates, which cannot overcome the problem of environmental humidity.
	Furniture Certification Method and Automated Detection Development	Furniture/certify whether self-developed products meet norms or custom standards.
	Development of Electric Home Care Beds	Medical and assistive devices/build medical care beds that meet various needs of the public, and provide users with safe, convenient, and comfortable products.
2018	Exoskeleton Lightweight Structural Design	Industry and care/mitigate fatigue at work, and rehabilitation.
	Intelligent Home Care Beds	Medical and home care/provide environmental and human body monitoring functions for the purpose of care safety or analysis.

Year	R&D Results	Application Fields/Main Functions
2019	Unpowered Exoskeleton	Rehabilitation products/applied to train the muscles of sub-healthy persons.
	Assistive Paramount Bed	Assist the user to adjust his/her posture from a prone position to a sitting position to help him/her get up or move to another assistive device.
2020	Exoskeleton Power Component Detecting Equipment	Development of pressure airbag durability test equipment and certification method for exoskeletons, which can be applied to the certification of mass production of exoskeleton products.
2021	Foldable Lightweight Electric Wheelchairs	Portable electric wheelchairs that users may carry with them when traveling.
	Development of Assistive Paramount Beds Meeting European Specifications	Amend product design directly according to the relevant CE standards.
2022	Foldable Lightweight Electric Wheelchairs - European Version	Designed per European insurance-related regulations.
	Key Parts for Exoskeletons	Airbag artificial muscle, labor-saving device/power and movement control.
	European Scooter	Assistive device/scooter.
2023	Plug-in electric wheelchair IoT module	Collection and management of electric wheelchairs related data
	Applications of carbon/glass fiber production process to optoelectronic products	Improve the carbon emission of the existing aluminum alloy/magnesium aluminum alloy process, through the characteristics of composite materials, and propose the programs for strength and new design of the existing materials
	Carbon inventory for manufacturing and design of mobile products	Establish the basis for carbon calculation of product design and manufacturing, and provide customers with solutions for green products in the future
2024	Hydrogen energy fuel battery module	Use of precision stamping technology and micro-channel design technology to complete the development of PEM (electroless metal deposition) hydrogen energy fuel battery modules, and achieve zero-carbon energy generation.
	Modularized climbing wheelchair POC	The modularized multi-functional climbing wheelchair is used to expand the development of various types of carriers.
	Development of field-sharing domestically manufactured scooter	Domestically manufactured scooter with field-operating system
2025	Development of AI server power busbars	Providing customers with ORV2-type power busbars
	Exploration of performance and cost	Preparation for the development of next-

Year	R&D Results	Application Fields/Main Functions
	optimization for mobility devices	generation in-house branded mobility products
	Development of design and validation technologies for AI server racks.	Support the business group in developing new business opportunities in the manufacturing of AI server racks and related peripheral components.
	Research on AI server manifold technologies	Evaluation of establishing manufacturing and testing capabilities for manifolds

(VI) Long-term/short-term business development plan:

1. Short-term business plan:

(1) Business sales

- ① Consolidate customer relationship, improve process development abilities, provide customers with precision stamping application solutions, continue to expand the proportion in existing customer base, strongly develop the applications in special fields including vehicles, industrial control and medical care, and offer a one-stop procurement model to reduce customers' purchasing costs.
- ② Expand the production capacity of medical mobile vehicles, medical care, and healthy sleep products, explore distribution partners in Europe and the Americas, and construct diversified business models such as sales, leasing, and after-sales services.
- ③ Improve sales representatives' abilities in products and technologies, work with customers to develop niche products, work with customers in design, production expansion, and sales service, and create a win-win situation jointly.
- ④ Continue to work with leading international home furnishing manufacturers and the trend of development towards sustainable industries, and conduct evaluation on, and engage in development of key technologies of the home multi-functional and sustainable industries. In addition, allocate more resources to capture opportunities in low-volume, high-mix metal product markets.
- ⑤ The Vietnam plant will continue to promote product diversification to mitigate business risks. In 2025, the Company has actively pursued customer collaboration opportunities in the server rack business, expanding toward higher value-added manufacturing segments.
- ⑥ In Taiwan, in alignment with value transformation initiatives, the machinery plant under the R&D division will continue to strengthen development and production capabilities for products such as server and energy storage cabinets. Together with the Vietnam plant, this will form a cross-site collaborative layout to capture emerging business opportunities.

(2) Production and operation

- ① Use production technology and dies technology to improve production efficiency and quality yield to reduce production costs and expand the advantages in business quotation.
- ② Continue to deploy smart manufacturing, including the introduction of automatic production line inspection equipment such as AOI and automated production equipment, and promote the digital transformation of plants to enhance overall competitiveness.
- ③ In response to ongoing global fluctuations in material prices, the Company constantly promotes lean production management and develops alternative supply chains to maintain its market competitiveness.

(3) R&D

- ① Establish new business capabilities through corporate cooperation, academic cooperation and related technology-specific projects, and build process planning capabilities, to accelerate the development of new business products and technologies, in order to achieve product commercialization.
- ② Collaborate with sales representatives to verify the market demand, continue to expand R&D teams and technical capabilities, and invest in R&D resources.
- ③ Cultivate the talents of mechanism and electronic control development. In response to the current status of industrial intelligence and rapid technological integration, it supports the needs for opportunities in the medical equipment, household product business, and micro-mobile industries.
- ④ Improve production efficiency and quality yield, and exercise automated and dies technology to reduce production costs and while establish the sheet metal process capacity, to expand the competitiveness in business quotation of diverse products with small quantities.

2. Long-term business plan:

- (1) In response to shifts in the display panel industry landscape and the uncertainties arising from the U.S.–China trade tensions, the Company will strengthen its business deployment and market development among domestic customers in mainland China, while continuing to deepen its display product manufacturing capabilities in Vietnam and Taiwan.
- (2) Formulate the strategic development of M&A and cooperation in response to the Group's medium and long-term development needs.
- (3) Expand the R&D team scale, develop medical care service, household products, and process technologies, in particular the manufacturing and verification technologies related to the green energy industry, to achieve diversified development of the industry, and continue patent layout to improve the Company's competitiveness.
- (4) For construction of future factories, continue to implement intelligent system integration and application.
- (5) A medical equipment sales company has been established to continue collecting and feeding back market information, enhancing the Company's sensitivity to assistive device market demands and helping the R&D team grasp product design direction.
- (6) Continue to cultivate talents and build the core management team to form the corporate culture and fulfill corporate social responsibilities.
- (7) The development of medical business will be moved toward the direction of senior big health, focusing on mobile and sleep care related applications, and providing services from design, manufacturing to sales and after-sales maintenance under the principle of differentiation. With the in-house R&D, supplemented by external strategic integration, we will develop products required by the market and prepare for the needs of an aging society.
- (8) The Company will continue to expand and deepen the business deployment of its Taiwan and Vietnam plants in the server rack and energy storage cabinet segments, with Taiwan-based R&D as the technological core and the Vietnam plant's manufacturing capacity as support. Together, they will capture emerging high value-added opportunities, diversify the product portfolio, and reduce sole dependence on the display industry.

II. Overview of market and production and marketing

(I) Market analysis

1. Territories where the main products (services) are sold (provided):

Unit: NTD Thousand

Year	2023		2024		2025	
Amount, %						
Territory	Amount	%	Amount	%	Amount	%
Domestic Marketing (Note 1)	143,919	4	151,004	5	295,960	9
Export Sales	3,108,384	96	3,077,539	95	2,968,057	91
Total	3,252,303	100	3,228,543	100	3,264,017	100

Note: Domestic sales refer to sales to Taiwan.

2. Market Share and Future Market Supply, Demand and Growth, Competition Niche, and Positive Factors and Negative Factors to the Development Outlook, and Responsive Measures:

(1) Display industry

① Market share:

The Company is a manufacturer of display stamping parts. Since metal stamping parts are applied extensively, almost covering all 3C industries, and the materials, specifications, and unit price of stamping parts vary depending on the end products they are applied to, it is not easy to gather the statistics on the market share ranking of each manufacturer.

② Future market supply, demand, and growth:

On the supply side, since 2025, the supply–demand balance for medium- and large-size panels has gradually improved, as panel manufacturers continue to implement production reduction strategies. Taiwanese manufacturers have also continued to shift toward niche products, such as automotive, industrial control, and gaming applications. The automotive display panel market continues to grow, with global shipments projected to exceed 240 million units in 2026. AIoT and Edge AI applications are also driving sustained demand growth for industrial control displays.

③ Competition niche:

a. Barriers to entry formed due to economies of scale and flexible production.

As the price of the display industry keeps dropping, for the Company, the quality of cost control and selection of niche products are the important factors critical to the Company's profitability. Since the Company was established, it has focused on the field of display industry metal stamping parts. Given the trend that winner takes all, the Company's production bases also follow the “Go-West Policy” and set up production bases in Suzhou and Xiamen in China and Vietnam, so as to reduce the transportation costs due to geographical advantages and also provide customers with the need for huge production capacity. Additionally, the display panel industry develops toward the production of niche-type and diversified products, such as automotive and industrial control products, which become more and more diversified. Given the high threshold for in-vehicle product certification, and the high standards for quality and reliability of car makers, if the design or reliability is defective, car makers will have to deal with some huge compensation problem. Therefore, it will not easy to replace a certified supplier and build the customer relationship for long-term cooperation. As display niche products tend

to be more and more diversified, in the production of metal stamping parts, the Company's production capacity has to satisfy customers and also provide customers with flexible, rapid, precise, and efficient complete services at the same time. Therefore, this creates an entry barrier for peers in the stamping industry.

b. Irreplaceable dies design and assembly experience:

The Company has accumulated a great deal of experience in professional dies design and metal parts stamping manufacturing over many years. Given the development trend that the entire metal stamping industry tends to adopt the professional division of labor, dies design and manufacturing has been standardized. Stamping service suppliers may contract external professional dies manufacturers to produce dies in response to the need of display industry for increasingly diversified niche products. The Company's entire dies development procedure consists of proposal, design, processing, assembly, correction, trial production, measurement, and review. Since dies processing may be contracted to others at present, the Company is primarily responsible for optimization of "Separation", "Assembly", and "Adaption" in dies design, in order to ensure that the output of outsourcing dies development engineering drawings may satisfy customers' precision specifications and subsequent demand for mass production. Meanwhile, the Company exercises practical experience accumulated over many years during assembly operations for implementation and trial production of dies, and corrects the defects soon upon trial production. This is the competitive strength that makes it impossible for peers to replace the Company.

c. Technology to save materials and production costs:

The Bezels of the Company's display panel adopts self-made technology for laser welding and baking paint. Unlike other outsourcing paint manufacturers for the pure stamping process, the Company may not only improve the utilization rate of metal materials effectively, but also reduce the transportation and packaging costs generated by the outsourcing process, so as to save production costs. Meanwhile, laser welding may be applied to slim display products more optimally.

d. Implement human-machine collaboration to realize the intelligent factory.

In recent years, the Company has successively implemented automated intelligent production equipment, e.g., AOI (Automated Optical Inspection), CCD (Charge Coupled Device), automatic cleaning, packaging/attachment automation, and IoT technology, etc., in order to develop toward intelligent manufacturing, improve production efficiency, and refine manufacturing capabilities with equipment sensing technology, and use the improved testing technology to monitor finished goods in real time, upgrade the traditional stamping and forming process to a human-machine collaboration that takes into consideration the quality, efficiency, and flexibility, root the core technologies, and sprout automated processes to realize an intelligent factory.

④ Positive factors and negative factors to the development outlook, and responsive measures:

a. Positive Factors:

● Emerging business model driving the demand for new products:

The continued rise of AIoT, smart living technologies, and the Industrial Internet is generating sustained and diversified application demand for display stamping components, covering niche products such as industrial control displays, medical displays, automotive displays, and gaming monitors. Starting from 2025, the rapid proliferation of AI PCs and AI displays has

further driven rising demand for mid- to high-end panel components. Meanwhile, the Group is actively expanding into emerging manufacturing fields such as server racks and energy storage cabinets, continuously extending its application footprint beyond displays and reducing dependence on a single product line.

- Strengthen laser welding technology to reduce production costs and improve production efficiency:

The Company has applied laser welding technology, originating from the automotive industry, to display panel frame welding. Through years of refinement, design, and R&D, it has effectively improved metal material utilization, significantly reduced intermediate and scrap waste generated during cutting processes, and further enhanced production efficiency through mechanized automated production. The laser welding process is particularly well-suited to the requirements of thin display products, enabling the Company to maintain a competitive advantage in processing amid the ongoing trend toward slimmer displays.

- Advantages of dies design and development:

The core production method for display stamping components is mold development and stamping forming, with the quality of mold design directly affecting product precision, production yield, and manufacturing efficiency. The Company possesses both critical mold design capabilities and specialized development expertise. In response to the industry characteristics of short product life cycles and the need for close collaboration with customers for rapid adjustments, the Company's core strengths in mold design and new process technology development have established a long-term competitive advantage that is difficult for competitors to replicate in the short term.

- Long-term deepened cooperation with leading international manufacturers:

The Company has long been supplying display stamping components to leading global panel manufacturers, with applications spanning televisions, notebook computers, smartphones, and tablet devices. In recent years, it has further expanded into niche segments such as industrial control, medical, and gaming applications. The Company has accumulated extensive experience over many years in the production of display panel front bezels and back covers, with its quality highly recognized by customers. Its production capacity is sufficient to support the requirements of leading international companies, and it has established production bases in Suzhou, Xiamen, and Vietnam to serve key customers in close proximity, continuously strengthening long-term partnerships and trust.

b. Negative factors and responsive measures:

- The market price has dropped so as to reduce the gross profit to be earned by suppliers.

Affected by the oversupply conditions in the panel market, panel companies have maintained stringent cost control requirements for component suppliers, resulting in persistently high pricing pressure on components. In 2025, impacted by Donald Trump's reciprocal tariff policies, supply chain restructuring accelerated, and some brand customers adjusted their procurement strategies, making pricing competition increasingly intense. The Company's response measures include, on the

one hand, continuously expanding process automation (including robotic arms, AOI, and CCD equipment) to reduce labor and production costs; and on the other hand, strengthening lean production management to continuously improve yield rates and output efficiency, thereby maintaining pricing competitiveness.

- The Company improves and optimizes the production process to enhance production efficiency.

The Company continues to research, develop, and improve the production process, improve production efficiency and quality yield, in order to reduce production costs, improve product competitiveness, and also works with customers' R&D teams to research new raw materials and processes to expand the range of orders and create profit margins.

- Raw materials and supplies price fluctuation:

The primary raw materials for display stamping components include metal materials such as galvanized steel sheets, aluminum sheets, and stainless steel sheets, accounting for approximately 60%–70% of product costs. Fluctuations in international raw material prices directly affect production costs and the profit structure. The Company's response measures include establishing long-term partnerships with upstream steel suppliers, regularly entering into supply agreements, and implementing advance material stocking mechanisms to ensure a stable supply. At the same time, procurement is diversified across multiple suppliers to avoid overconcentration or supply disruption risks. The Company also continuously monitors market conditions and flexibly adjusts the timing of inventory buildup.

- Vertical integration in the panel industry has strengthened the bargaining power of system assemblers:

Panel manufacturers continue to pursue vertical integration through mergers or by establishing subsidiaries. Some have strategically shifted toward selling open cells directly to system assemblers, significantly increasing system assemblers' bargaining power over component suppliers, resulting in displacement effects on existing orders and intensified price compression. The Company's countermeasures: Actively develop new panel and backlight module customers in mainland China and Japan; establish long-term cooperation with backlight module manufacturers and system assembly plants through existing customer designations; and continue to consolidate customer loyalty with differentiated product strategies (laser welding, diversified niche applications).

(2) Household metal product industry: :

① Competition Niche:

The Company has obtained certifications from leading international furniture manufacturers regarding standards related to labor rights, environmental safety, and sustainable development. Its material sourcing and production processes are in compliance with customers' ESG procurement requirements. In 2025, the Company continued to deepen the application of high-recycled-content metal materials, successfully gaining customer recognition, maintaining orders in Taiwan for local production, and improving its profit structure. The Company has also deployed highly automated production lines integrated with IoT applications to manufacture

a range of metal household products. Through automated assembly, inspection, and packaging, as well as lean manufacturing processes, it enhances quality while reducing manufacturing losses. At the same time, the Company continues to advance its stamping and roll forming technologies, combining them with differentiated steel material applications to help customers reduce material and logistics costs, thereby securing more opportunities for new product orders.

② Positive factors and negative factors to the development outlook, and responsive measures:

a. Positive Factors:

● Sustainability awareness driving the substitution of wood with metal materials:

Consumers worldwide are becoming increasingly environmentally conscious, and they tend to choose durable and recyclable products. In household products, metal materials—due to their high recyclability and durability—are gradually replacing wood and plastic materials. This trend is particularly evident in major European and American markets and directly benefits the Company's core product positioning.

● Customers strengthening long-term partnerships through a strategic supplier model:

Key customers emphasize long-term business collaboration with strategic suppliers that possess capabilities in R&D, manufacturing, and ESG certification. The Company conducts in-depth annual reviews of future business plans jointly with its customers, with both parties maintaining strong alignment on growth objectives, thereby achieving stable order visibility and deepening the level of collaboration.

● Automation and differentiated steel materials reduce customer costs:

The Company continues to enhance its stamping and roll forming technologies, complemented by automated surface coating equipment. By leveraging the advantages of differentiated steel material applications, it effectively reduces material and logistics costs for customers and secures orders for high value-added new products.

● Actively pursuing smart home development opportunities:

In alignment with key customers' expansion into smart home products, the Company continues to participate in customers' new smart home product development and evaluation activities, expanding its role and value within the customer supply chain and laying the groundwork for future value-added growth.

b. Negative factors and responsive measures:

● The cost competitiveness of Southeast Asia and India continues to rise:

In recent years, the manufacturing environment in India and Southeast Asian countries has improved significantly, with cost competitiveness gradually surpassing other regions in Asia. In addition, as Europe and the United States are the primary consumer markets for household products, Southeast Asia holds greater appeal in terms of geographic location and tariff advantages. As a result, the household products supply chain continues to shift toward these regions, posing a structural challenge to the Company's long-term business development. The Company's response measures include focusing on ESG-driven material differentiation (high-recycled-content metals), enhancing production efficiency through automation, and deepening R&D collaboration with customers. These

efforts aim to strengthen customers' strategic reliance on the Company and to counter pure cost-based competition through technological and service barriers.

- Fluctuations in raw material prices and market demand:

Prices of raw materials such as steel are affected by global market fluctuations. In addition, cyclical variations in consumer demand in Europe and the United States increase the difficulty of determining the timing of inventory buildup. The Company's countermeasures: Through regular in-depth communication with customers, we gained an early understanding of changing customer needs and used this information to proactively plan material procurement. By stocking up on materials when raw material prices were relatively favorable, we effectively reduced raw material cost risk and ensured a rapid transition to increased supply when demand rose.

(3) Mobile carrier:

- ① Market share and future market supply, demand, and growth:

Mobility devices: In the fourth quarter of 2025, OEM mobility scooters for a European brand and high-end OEM autonomous wheelchairs for the Japanese market entered mass production and were officially shipped, and are expected to continue expanding in 2026. The Company is currently assisting new European customers in jointly developing a wheelchair with a standing function, which is expected to enter mass production in 2026.

- ② Competition niche:

The Company leverages its core technologies accumulated over many years in precision stamping and laser processing to provide brand customers with comprehensive OEM/ODM services, covering design, validation, and manufacturing. Through the Group's integration of electronic and software design capabilities, it provides a one-stop vertically integrated service covering mechanical, electronic control, and software, effectively shortening customers' product development timelines. This integrated service capability gives the Company a higher competitive barrier than pure contract manufacturers when developing customers for high-spec mobility devices.

- ③ Positive factors and negative factors to the development outlook, and responsive measures:

- a. Positive Factors:

- Global aging drives sustained and stable market demand:

The proportion of the elderly population worldwide continues to rise, and ongoing government investment in long-term care and assistive device subsidy policies is creating stable and growing market demand for mobility aids such as electric wheelchairs, mobility scooters, and standing wheelchairs. The United States, the European Union, and Japan are the world's largest markets for assistive devices. With higher disposable incomes, consumers in these regions show strong acceptance of high-specification and high-reliability products, which is favorable for the Company to target high-value OEM collaboration opportunities.

- Established track record of shipping in diverse markets:

The Company has successfully expanded into the European, Japanese, and U.S. markets. In the fourth quarter of 2025, electric mobility scooters (for

a European brand) and autonomous wheelchairs (for a Japanese brand) entered mass production and shipment successively, with volumes expected to continue ramping up in 2026. The ongoing co-development of a standing-function wheelchair with a new European customer is expected to ramp up in volume in 2026, further strengthening the Company's position as a supplier in the high-end assistive device market.

- Product quality and certification capabilities trusted by customers:

To enter the European, U.S., and Japanese markets, mobility devices must comply with stringent medical device regulatory certifications. The Company has established a quality management system that meets relevant regulatory standards, and its product quality has been consistently recognized by end customers, forming long-term partnerships that are difficult to replace once integrated into the supply chain.

- b. Negative factors and responsive measures:

- Low-price competition in the Chinese red supply chain:

Chinese manufacturers have been entering the power wheelchair and mobility scooter market with low costs, putting continuous price pressure on Taiwanese manufacturers. The Company focuses on high-specification, high-certification-threshold markets in Europe, the United States, and Japan, leveraging IoT application integration, customized design capabilities, and comprehensive OEM/ODM services as differentiation tools to avoid pure price competition with Chinese manufacturers in the low-end product segment.

(4) Medical and healthy sleep products:

- ① Market share and future market supply, demand, and growth:

The global aging trend continues to drive growing demand for long-term care assistive devices and medical beds. The Company's high-end functional care beds and smart pressure redistribution mattresses have established a strong reputation in the Japanese market and are continuing to expand into the European and American markets.

- ② Competition niche:

The Company has many years of experience in medical device manufacturing and has obtained quality management system certifications that comply with relevant medical regulatory requirements. Its independently developed AI + IoT pressure redistribution control technology, which combines sensing pads with algorithms to deliver precise pressure relief solutions, follows a technological approach that differs significantly from conventional alternating air mattress systems in the market, creating clear differentiation. The Company provides customers with a one-stop, end-to-end service from R&D to production, and continues to deepen ODM collaboration with Japan's second-largest assistive device brand. It has successfully established a diversified market presence across Europe, the Americas, and Japan.

- ③ Positive factors and negative factors to the development outlook, and responsive measures:

- a. Positive Factors:

- Aging-driven long-term care demand provides a foundation for stable growth:

The long-term trend of population aging is driving steady growth in demand for medical assistive devices such as care beds and pressure ulcer prevention equipment across countries. The Company leverages its

strengths in design and manufacturing services to co-develop new applications with customers, while continuously expanding diversified business models (sales, leasing, and after-sales services) to broaden its service scope and revenue structure.

- Strong technological differentiation in pressure redistribution mattresses:

The Company's AI + IoT pressure redistribution mattresses adopt an active, precision pressure relief approach, creating clear differentiation in functional positioning compared to conventional products. They are well-suited for high-demand healthcare and long-term care settings. Clinical trials have been progressively advanced, and related patent deployments are ongoing, with a technological moat being gradually established.

- b. Negative factors and responsive measures:

- Low-price competition from Chinese manufacturers:

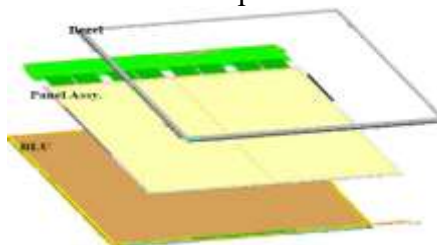
Chinese manufacturers have a clear cost advantage in producing standard care beds and air mattresses, continuously exerting pressure on Taiwanese manufacturers in the mid- to low-end market segments. The Company's response measures include focusing on high value-added, functionally integrated and intelligent products (such as AI + IoT pressure redistribution mattresses), leveraging technological differentiation and comprehensive solutions to maintain competitiveness, and avoiding direct cost competition with Chinese manufacturers in standardized products.

(II) Important purposes and production processes of main products

1. Display stamping industry:

(1) Important purposes:

The Company's display panel bezels and back covers of the backlight module. Due to the display panel module design which takes thinness and being lightweight into consideration, the selection of structure and materials for such product is limited. As shown in the following figure, the main structure of the display panel module consists of three major parts, including the Bezel, Panel Assy, and BLU. The most important structural part supporting the structure of the backlight module is the backplane. The backplane is used as the basis for the assembly of other module parts (such as plastic frames, diaphragms, light strips, and light guide plates). All of the structural reinforcement ribs, precise convex shells, card slots, pin-attachment rivets, and assistive labeling materials need to be presented on a single backplane.



(2) Production processes:

① Development procedure:

Review/proposal → dies design → processing and assembly → correction → trial production → measurement review

② Manufacturing process:

Dies erection → materials feeding → stamping → online quality inspection → ultrasonic cleaning → attachment → full inspection → packaging → sealing → stock-in

2. Household metal product industry: :

(1) Important purposes:

The household metal products produced by the Company are primarily applied to the beds in bedrooms and storage shelves in living rooms, hanging rails for the installation of kitchen cabinets, and drawers of the cabinets for bedrooms and living rooms.

(2) Production processes:

The manufacture of household metal products includes the integration of multiple different processing techniques, plus highly automated production, in order to meet customers' requirement about order quantity, quality, and cost.

① Development procedure:

Customers provide quotations and product specifications → evaluation of the Company's products and process technology evaluation, and manufacturing solutions and quotations → accept customers' orders → mass production line planning and contract awarding/evaluation on raw materials and packaging materials suppliers → forming dies design and manufacturing → mass production line installation and trial run → dies samples, raw materials, and packaging materials test at the customer end → small trial production → mass production

② Manufacturing process:

Steel sheet forming processing→surface treatment (limited shelf system and steel sheet drawer) → assembly → marking or labeling → retail heat shrinkable film packaging (limited shelf system and suspension rail) → manual packing (except for bed posts) → pallets stacking → pallet bales and stretch film wraps → manual stock-in

3. Mobile carrier:

(1) Important purposes:

The home care beds designed and produced by the Company have received ISO13485 Medical Care-related Quality certification. The products designed by the Company can help the elderly and those with difficulty in moving to get up from the bed conveniently and safely, and mitigate the caregivers' physical burden. The electric home care bed will be one of the products required by the aging society in the future.

(2) Production processes:

Electric bed products are made up of multiple process parts, including metal pipe bending and forming, plastic forming, driving motor components, assembly and product certification, etc. Some components shall be developed and manufactured by qualified suppliers.

① Development procedure:

Proposal/customer proposal → product evaluation → definition of product certification method → design discussion and structural analysis → parts manufacturing and planning (self-made and outsourcing) → supplier evaluation → self-making and outsourcing of samples → production tooling development → sample approval → sample assembly → function and safety certification → small trial production → safety certification → assembly line and product inspection line adjustment → medium trial production → quality certification → mass production

② Manufacturing process:

a. Self-made parts:

Production tooling installation → equipment testing → first article test → process validation sample production → mass production of parts → quality inspection → stock-in

b. Outsourced parts:

Confirmation of drawing specifications → outsourcing qualified suppliers → production → quality inspection → stock-in

c. Product assembly:

Preparation for materials → cleaning of production line → explanation to assembly personnel → calibration of assembly tooling → pickup of materials at each station → assembly at the assembly line → inspection during the manufacturing process → assembly completed → inspection on finished products → random check on products → inspection before packaging → inventory-taking of shipment → completion of production history form → packaging → stock-in

4. Medical and healthy sleep products:

(1) Important purposes:

The products of nursing and sleep designed and produced by the Company have received ISO13485 Medical Care-related Quality certification. The products designed by the Company can help the elderly and those with difficulty in moving to get up from the bed conveniently and safely, and mitigate the caregivers' physical burden. The products of nursing and sleep will be the essential products required by the aging society in the future.

(2) Production processes:

Medical and healthy sleep products are made by combining various process and components, including components covering metal, plastic, electronic and driving units. They require rigorous assembly and manufacturing control, as well as quality inspection. Some components require the collaborative development and manufacturing of qualified suppliers.

① Development procedure:

Proposal/customer proposal → product evaluation → definition of product certification method → design discussion and structural analysis → parts manufacturing and planning (self-made and outsourcing) → supplier evaluation → self-making and outsourcing of samples → production tooling development → sample approval → sample assembly → function and safety certification → small trial production → safety certification → assembly line and product inspection line adjustment → medium trial production → quality certification → mass production

② Manufacturing process:

a. Self-made parts:

Production tooling installation → equipment testing → first article test → process validation sample production → mass production of parts → quality inspection → stock-in

b. Outsourced parts:

Confirmation of drawing specifications → outsourcing qualified suppliers → production → quality inspection → stock-in

c. Product assembly:

Preparation for materials → cleaning of production line → explanation to assembly personnel → calibration of assembly tooling → pickup of materials at each station → assembly at the assembly line → inspection during the manufacturing process → assembly completed → inspection on finished products → random check on products → inspection before packaging → inventory-taking of shipment → completion of production history form → packaging → stock-in

(III) Supply of key raw materials:

1. Display stamping parts

Key Raw Materials	Suppliers	Status of Supply
Electro-galvanized Steel Sheets	Aoyang, JOY ALLIED TECHNOLOGY INC.,	Good
Aluminum Sheets	Run Sheng, KO SHUN CHEONG STEEL COIL CENTRE LIMITED, Yu Ning	Good
Stainless Steel Sheets	Smith, Jia De Shi	Good
Labeling Materials	San Jiu Optoelectronics, SUNDA, MEYPLA, Jinyue	Good

2. Household Metal Products

Key Raw Materials	Suppliers	Status of Supply
HDG	Chun Yuan, Hua Ming	Good
M.D.F.	Salary	Good
Paint Powder	AKZO NOBEL	Good
Packing Materials	Convenient Paper (??), YING CHAN PAPER CO., LTD.	Good
Plastic Parts	APLUS MOLDS & PLASTICS CO., LTD., UNIMOLD TECHNOLOGY INC.	Good

3. Mobile carrier

Key Raw Materials	Suppliers	Status of Supply
Metal Parts	Tung Yi Hsin, Jia Peng, Luo Feng	Good
Casting Parts	Jie Hui	Good
Plastic Parts	Shangbo	Good
Electronic Materials	NIDEC-READ TAIWAN CORPORATION, Delta	Good

4. Medical and healthy sleep products

Key Raw Materials	Suppliers	Status of Supply
Metal Parts	YU TE STEEL TUBE CO., LTD., KE PRECISION INDUSTRY CO., LTD.	Good
Plastic Parts	Your Show	Good
Electronic Materials	TiMOTION, Prowin Biotech	Good

(IV) List of main suppliers/buyers

1. A list of any suppliers accounting for 10 percent or more of the Company's total procurement amount in either of the most recent two years, the amounts bought from each, the percentage of total procurement accounted for by each, and causes of any changes:

Unit: NTD Thousand

Item	2024				2025				Up to 1st quarter for 2026 (Note 1)			
	Name	Amount	To the Annual Net Purchase Amount %	Relationship With the Issuer	Name	Amount	To the Annual Net Purchase Amount %	Relationship With the Issuer	Name	Amount	To the Net Sales Amount up to the Previous Quarter in the Current Year (%)	Relationship With the Issuer
1	Hua Ming	285,949	16	None	Hua Ming	299,655	16		Not applicable (Note 1)			
2	Yuning Precision	118,922	7	None	Yuning Precision	187,986	10					
3	Others	1,411,640	77	None	Others	1,437,708	74					
	Purchase	1,816,511	100	None	Purchase	1,925,349	100					

Note 1: Up to the printing date of the annual report, the Company has not yet disclosed the 2026 Q1

financial report information.

Note 2: The changes in the Company's purchase amount are mainly due to fluctuations in the market price.

- A list of any customers accounting for 10 percent or more of the Company's total sales amount in either of the most recent two years, the amounts sold to each, the percentage of total sales accounted for by each, and causes of any changes:

Unit: NTD Thousand

2024					2025				Up to 1st quarter for 2026			
Item	Name	Amount	To the Annual Net Sales Amount %	Relationship With the Issuer	Name	Amount	To the Annual Net Sales Amount %	Relationship With the Issuer	Name	Amount	To the Net Sales Amount up to the Previous Quarter in the Current Year (%)	Relationship With the Issuer
1	V Company	751,166	23	None	V Company	831,445	25	None	Not applicable (Note 3)			
2	V Company	275,783	9	None	V Company	214,540	7	None				
3	V Company	535,032	17	None	V Company	468,857	14	None				
4	Company Q	359,809	11	None	Company Q	274,790	8	None				
5	Others	1,306,753	40	None	Others	1,474,385	46	None				
	Net Sales	3,228,543	100		Net Sales	3,264,017	100					

Note 1: Since the Company has executed a non-disclosure agreement with the customer, the customer's name is represented by a code.

Note 2: The Company's sales amount varies depending on the customers' needs and market sales.

Note 3: Up to the printing date of the annual report, the Company has not yet disclosed the 2026 Q1 financial report information.

(V) R&D personnel and educational background/working experience:

The Company actively strengthens the R&D team and R&D resources. Currently, the Company continues to develop the relevant technical talent. Professional technical fields Include: metal surface treatment, processing technology and automation technology, mold and fixture design, laser welding technology, mechanism design, sample development, new material application and new product R&D, etc.

February 28, 2026

Item	Number of Persons (persons)	Proportion (%)
Doctor	1	3.13%
Master	15	46.88%
University/senior high school	16	50.00%
Total	32	100.00%

Note: Disclosed based on the consolidated information about the Company's affiliates.

III. Information on employees

Year		2023	2024	Up to February 28 for 2025
Number of Employees	Direct	261	283	303
	Indirect	645	667	672
	Total	906	950	975
Average Age		37.85	38.72	38.61
Average Service Seniority		6.53	7.12	6.65
Academic Background Distribution	Doctor	0.33%	0.32%	0.31%
	Master	5.63%	6.63%	6.36%
	College/University	37.75%	38.00%	36.72%

Ratio	Senior High School	28.70%	32.00%	29.03%
	Below Senior High School	27.59%	23.05%	27.59%

Note: Disclosed based on the consolidated information about the Company's affiliates.

IV. Information about environment protection expenditures

Disbursements for environmental protection: any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: none.

V. Labor-management relationship

(I) List the Company's employee welfare measures; education, training, retirement system, and implementation status thereof; and labor agreements as well as the various employee rights protection measures:

1. Employee welfare measures and implementation status:

(1) Welfare Measures Provided by the Company: Labor and national health insurance, group insurance, employee health checkups, business travel insurance, annual accidental insurance, meal allowance, year-end bonus, employee remuneration, and year-end party meal allowance, etc.

(2) Welfare Measures Provided by the Employee Welfare Committee: Regularly organize employee tours, gifts for the three major festivals, birthday gift money, year-end party gifts, community subsidies, emergency relief, execution of agreements with special contractors, and subsidies for weddings, funerals, and celebrations.

(3) Relieving and friendly working environment:

① The Company has a remote work-from-home mechanism in place. Colleagues may apply for it, if necessary, so that they may take care of family and work at the same time.

② Maternity protection is one of the Company's key concerns. The Company sets up the breastfeeding room for female employees and also executes contracts with day care centers around the Company to provide employees who need childcare services with an alternative choice.

③ Provide employees with convenient facilities, such as parking spaces, parking lots exclusive for pregnant employees, and parking shuttle buses outside the factory premises.

(4) Value employees' health and safety:

① Employees' health examination are held on a regular basis, and the health care progress of employees is continuously tracked by the Company's designated medical personnel. Daily health consultations and services are also provided to employees, and various seminars are regularly arranged, covering diverse topics and knowledge such as health care, diet and nutrition, and interpersonal communication. The Company has obtained the corporate sports certification from the Sports Administration, Ministry of Education, ROC (Taiwan) in 2024.

② Regularly organize fire safety training courses and enhance communication of

knowledge about fire safety to employees.

2. Education, training and implementation status thereof:

The Company first sets the functions, then plans adequate programs and on-the-job training subject to the characteristics of individual functions. The programs include orientation training, management training, professional training, and general education training to cultivate talents with professional abilities and potential. Meanwhile, in response to diversified learning resources and the results review, the Company allows colleagues to apply what they have learned to grow together, and achieve the training policy for "the right person in the right place, learning anywhere". For the implementation status thereof, please refer to Page 28 of the Annual Report.

3. Retirement system and implementation status thereof:

(1) The Company established the Labor Pension Supervisory Committee pursuant to the Labor Standards Act, subject to the competent authority's approval on March 15, 2001. The Company shall contribute 2% of total employees' salary to the exclusive account maintained at the Bank of Taiwan (formerly known as the Central Trust of China) on a monthly basis. At the end of each year, the Company retains an actuary to calculate the fund contributed to the account, in order to ensure sufficient pension liabilities. Upon actuarial calculation of the pension reserve in the exclusive account at the end of 2011, the pension reserve was found to satisfy the total pension fund under the retirement requirements. Therefore, since March 2012, the Company has applied with the competent authority for suspension of the contribution year by year, and the application was approved until now.

(2) The new labor retirement system has been implemented since July 1, 2005. According to the Labor Pension Act, for employee who choose the new system, the Company shall contribute no less than 6% of the employee's salary to the labor pension account on a monthly basis, and apply the retirement requirements under the Labor Pension Act. If any employee wishes to contribute to the pension fund voluntarily, the Company will withhold the fund at the voluntary contribution rate and deposit the same to the personal labor pension fund account at the Bureau of Labor Insurance. For the implementation status, please refer to Pages 27–29 of the Annual Report.

4. Labor-management negotiation:

The Company adopts various requirements in accordance with the Labor Standards Act, and also convenes labor-management meetings regularly. So far, the labor-management relationship has been harmonious, and no significant labor-management disputes have arisen.

5. Employee rights protection measures:

The Company adopts a complete document control system, which specifies various management measures, and practices equal remuneration, employment conditions, training, and promotion opportunities. Any condition endangering labors' basic rights is forbidden.

(1) Robust Regulations and Systems: The promotion, reward and punishment, performance appraisal, business travel, vacation, and salary and wage systems are all subject to specific management regulations. The related operating and management regulations are updated in a timely manner, in response to laws and regulations, in order to keep various operating activities in line with laws and regulations, deepen corporate management, and protect employees' interest and right based on prefect regulations and systems.

(2) Fair, Reasonable, and Competitive Remuneration System: The Company continues to allocate a specific proportion of earnings as employee remuneration. In addition to the

fixed monthly salary, the Company also designs a diversified incentive system to encourage employees for their outstanding performance, and recruit and retain talents based on the remuneration policy, taking into consideration the internal fairness and external competitiveness.

- (3) The Company provides a working environment upholding gender equality and prohibiting discrimination and harassment. The Company has adopted its own “Anti-Discrimination Management Regulations” and “Regulations for Establishing Measures of Prevention, Complaint, and Punishment of Sexual Harassment at the Workplace”. Meanwhile, the Company organizes promotion and training programs regularly and establishes the complaint channels for employees, namely the sexual harassment complaint hotline and email address, which will take appropriate actions immediately if necessary, in order to maintain employees’ interests and rights and strengthen the safety of the workplace.
- (II) List the losses suffered by labor disputes in the most recent year and as of the publication date of the Annual Report, and disclose the amount of losses that may occur from such disputes in the future as well as the response measures. If the amount cannot be reasonably estimated, explain the facts behind why the reasonable estimation cannot be made: None.

VI. Cybersecurity:

- (I) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management:

1. Cyber security risk management framework

The Company has established an Information Security Management System (ISMS) based on ISO 27001(2025/1/3-2028/1/2), covering risk assessment, control measures, monitoring and auditing, and continuous improvement mechanisms. The system operates effectively through the PDCA cycle. In 2025, the Company continued to deepen the implementation of its systems and expand them across multiple sites, strengthening the consistency of information security governance across the Group.

The Company’s top management actively participates in information security strategy planning and oversight. The Company has established a dedicated unit, the “Information Security Office,” responsible for system development, implementation, and monitoring. It has also set up an “Information Security Committee,” chaired by a Deputy General Manager as the supervising chair and the head of the information department as the chair, with senior executives from each functional unit serving as members. The Information Security Committee convenes regularly, and through a management review mechanism, evaluates the effectiveness of system operations to ensure that information security governance is fully integrated into the Company’s overall management framework.

2. Cyber security management solutions and resources

The "Information Security Committee" and the "Information Security Office" continues to strengthen the information security and protection of confidential information, in order to ensure the Company's continuous competitiveness and to achieve the goals of information security management. The Company regularly conducts asset inventories, risk assessments, and business continuity drills in accordance with standard procedures, and reviews and continuously improves implementation effectiveness through internal and third-party audits, as well as management review mechanisms. Based on risk impact, likelihood, and the cost of remediation, the Company adopts the Plan-Do-Check-Act management cycle to comprehensively strengthen its information security defense framework from internal to external.

In 2025, the Company continued to implement the following information security

management measures:

- (1) External security: Conduct vulnerability scanning on external websites and servers to continuously strengthen defense capabilities.
- (2) Security awareness: Carry out simulations of common social engineering attacks to enhance personnel risk awareness.
- (3) Education and training: Arrange online information security training for new hires on their first day to build fundamental security awareness.
- (4) Business continuity: Use scenarios such as system downtime caused by anomalies in financial systems to verify the timeliness of recovery operations.
- (5) Risk management: Perform asset assessments based on core business operations and continuously track improvement actions.
- (6) Infrastructure: Continuously optimize the architecture and protection measures of critical systems to ensure stable business operations.
- (7) System enhancement: Promote the implementation of ISO 27001 management systems across all sites to strengthen the Group's information security resilience.

In addition, the Company has initiated the planning of management policies related to generative artificial intelligence (AI), which will be progressively incorporated into the internal control and risk management framework in the future.

- (II) List any losses suffered by the Company in the most recent fiscal year and up to the date of publication of the Annual Report due to significant cyber security incidents, and potential effects to be caused and responsive measures to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

VII. Important contracts

Supply contracts, technical cooperation contracts, engineering contracts, and long-term loan contracts which remain valid currently and expired in the most recent year, and other important contracts may affect the investors' rights and interests:

Nature of Contract	Involving Party (Note)	Duration of Contract	Main Contents	Restrictive Clauses
Long-term Loan Contract	E-Sun Bank	September 2021-December 2028	Long-term Secured Loan	None

Note: The parties to the contract are indicated by confidentiality codes.

The Company has executed supply contracts with customers and contractors. Notwithstanding, the shareholders' equity remains unaffected by said contracts.

Five. Review and Analysis of Financial Status and Financial Performance, and Risk Management

I. Analysis of Financial Position

Unit: NTD Thousand; %

Item \ Year	December 31, 2025	December 31, 2024	Difference	
			Amount	%
Current Assets	2,679,394	2,748,144	(68,750)	(2.500)
Property, Plants, and Equipment	1,428,946	1,242,723	186,223	14.99
Intangible Assets	55,185	57,862	(2,677)	(4.63)
Other Assets	214,653	243,607	(28,954)	(11.89)
Total Assets	4,378,178	4,292,336	85,842	2.00
Current Liabilities	1,059,959	1,087,575	(27,616)	(2.54)
Other Liabilities	633,484	349,204	284,280	81.41
Total Liabilities	1,693,443	1,436,779	256,664	17.86
Share Capital	946,344	892,631	53,713	6.02
Capital Surplus	1,673,964	1,622,130	51,834	3.20
Retained Earnings	220,695	422,757	(202,062)	(47.80)
Other Equity	(355,248)	(280,708)	(74,540)	26.55
Treasury Stock	(25,619)	(25,619)	0	0.00
Non-controlling Interest	224,599	224,366	233	0.10
Total Shareholders' Equity	2,684,735	2,855,557	(170,822)	(5.98)
Please explain the main reasons for major changes in the Company's assets, liabilities, and shareholders' equity (if the change in the former and latter periods exceeds over 20%, and the change amount reaches NT\$10 million), the impact posed by them, and future responsive plan: 1. Increase in other liabilities: Mainly due to the issuance of the Company's first domestic secured convertible bonds during the period. 2. Decrease in retained earnings: Mainly due to the loss in 2025. 3. Decrease in other equities: Mainly due to the change in exchange difference from translation of the financial statements of foreign operations. Said changes refer to normal operational changes, which posed no significant impacts to the Company's financial position.				

II. Financial performance

(I) Analysis of financial performance

Unit: NT\$ Thousand %

Item \ Year	2025	2024	Increase (Decrease)	Change (%)
Operating Revenue, Net	3,264,017	3,228,543	35,474	1.10
Operating Cost	2,935,330	2,784,749	150,581	5.41

Gross Profit	328,687	443,794	(115,107)	(25.94)
Operating Expenses	593,276	540,372	52,904	9.79
Operating Income	(264,589)	(96,578)	(168,011)	173.96
Non-operating Revenue and Expenditure	17,061	1,003	16,058	1,601.00
Net Profit Before Tax	(247,528)	(95,575)	(151,953)	158.99
Income Tax Expense	3,504	42,876	(39,372)	(91.83)
Current Net Profit (loss)	(251,032)	(138,451)	(112,581)	81.31

The following analysis is for the change in the former and latter periods exceeding over 20% and the change amount reaching NT\$10 million:

1. Decrease in gross operating profit, operating income, net profit before tax, and net income in the period, was mainly due to increased material costs and inventory valuation cost.
2. The increase in non-operating revenue and expenditure in the period was mainly due to the recognition of goodwill impairment loss in the same period last year.
3. The decrease in income tax expense for 2025 was mainly due to a decrease in net profit before tax.

(II) Causes for changes in the Company's main business contents; material changes in business policy, market condition, economic environment, or other internal/external factors already incurred or expected to be incurred, if any, and the potential effect upon the Company's business and finance posed therefor, and the measures to be taken in response: None.

(III) Sales volume forecast for next year and the basis thereof, and main factors critical to the continued growth or declination of sales volume expected by the Company: Not applicable.

III. Analysis on cash flow

(I) Analysis of liquidity for the most recent two years

Unit: %

Item \ Year	2025	2024	Increase (decrease) Proportion (%)
Cash Flow Ratio (%)	-14.50	13.45	-207.81
Cash Flow Adequacy Ratio (%)	8.20	30.48	-73.10
Cash Reinvestment Ratio (%)	-3.91	1.19	-428.57

The decrease in the cash flow ratio compared to the previous period was mainly due to the net cash flow from operating activities turning into a net outflow during the year. This was primarily attributable to increased working capital requirements, resulting in changes in working capital items such as accounts receivable and inventories, which reduced cash flows from operating activities.

The decrease in the cash flow adequacy ratio compared to the previous period was mainly due to a decline in net cash flows from operating activities over the past five years, along with increased capital expenditures.

The decrease in the cash reinvestment ratio compared to the previous period was mainly due to the decrease in net cash flows from operating activities in the current year, resulting in relatively less cash available for investment.

(II) Corrective measures against insufficient cash position: the Company has no insufficient liquidity.

(III) Analysis of Cash Flow for Next Year

Unit: NTD Thousand

Balance of Cash, Beginning	Net Cash Flow From Operating Activities for the Year	Net Cash Flow From Investing and Financing Activities for the Year	Cash Surplus (deficit)	Financing of Projected Cash Deficits	
				Investment Plans	Wealth Management Plans
967,332	-437,329	559,998	1,090,001	Not Applicable	Not Applicable
1. Analysis of changes in cash flow for 2025: (1) Operating activities: mainly due to changes in working capital, with a significant increase in receivables indicating sales growth or a longer collection period, resulting in funds being temporarily tied up in working capital. (2) Investing activities: mainly due to the plant construction and increase in equipment purchase. (3) Financing activities: mainly due to increases in cash capital increases and short-term borrowing. 2. Financing of cash deficits, and analysis of cash flow: not applicable, as no cash deficits are expected.					

IV. Impact posed by material capital expenditures in the most recent year and impacts to business/finances:

In 2025, the Company allocated a portion of its fundraising proceeds to the expansion of its Vietnam plant, equipment procurement, and working capital demands to meet future operational growth needs. These investments are expected to have a positive impact on overall business development. For the impact of significant capital expenditures on financial and operational performance, please refer to Section “Three. II.m 2 “Issuance plan and implementation status” of the Company’s prospectus dated December 2025.

V. The investment policy for the most recent year, major causes for profits or losses thereof, and improvement plan, or investments planned for the next year:

(I) Investment policy for the most recent year:

The Company’s management policy on investees is established in accordance with the “Operating Procedure for Investment Under Equity Method”, “Procedure for Acquisition or Disposal of Assets”, “Regulations Governing Transactions With Group Entities, Specific Companies, and Related Parties”, and “Regulations Governing Operations of Subsidiaries” enacted by it. According to the Company’s investee management policy, the Company shall obtain the financial statements and business reports of its investees under the equity method regularly, and convene meetings to review the subsidiaries’ business performance, regularly or from time to time, in order to verify the investees’ operations and analyze their profitability. Meanwhile, the Company’s Board of Directors delegates internal auditors to include the supervision and management of important investees into the annual audit plan, in order to complete the internal audit of subsidiaries and achieve the purpose of controls in a timely manner.

(II) Major causes for profits or losses thereof

Unit: NTD Thousand

Investee	Main Business Lines	Investment gains and losses recognized in 2025	Major causes for profits or losses thereof	Improvement Plan
JOCHU INVESTMENT LTD. (JOCHU BVI)	Investment and sale of TFT stamping parts and precision	(50,380)	Recognition of investment	None

Investee	Main Business Lines	Investment gains and losses recognized in 2025	Major causes for profits or losses thereof	Improvement Plan
	instruments, and import/export sale of related products		revenue from investees.	
Legiun Technology Co., Ltd.	Wholesale and retail of medical devices, and import/export of related products	(9,094)	Not yet reached an operational scale	Continue to pursue agency rights for medical device products with commercial value
Suzhou Jochu Precision Metal Co., Ltd. (Note)	Production and sale of TFT stamping parts and precision instruments, and import/export sale of related products	29,058	Stable operation and stable profit.	None
JOCHU GLOBAL INVESTMENT (CAYMAN) LTD. (Note)	Investment holding	17,009	Recognition of investment gains from Jochu Technology (Xiamen) Co., Ltd.	None
JOCHU INTERNATIONAL (CAYMAN) LTD. (Note)	Investment holding	17,009	Recognition of investment gains from Jochu Technology (Xiamen) Co., Ltd.	None
Jochu Technology (Xiamen) Co., Ltd. (Note)	Production and sale of TFT stamping parts and precision instruments, and import/export sale of related products	25,512	Stable operation and stable profit.	None
PROSPERITY INVESTMENT HOLDING PTE. LTD. (PIH Company) (Note)	Investment holding	(96,373)	Recognition of the investment loss from the investee (Jochu Technology	None

Investee	Main Business Lines	Investment gains and losses recognized in 2025	Major causes for profits or losses thereof	Improvement Plan
			(Vietnam) Co., Ltd.)	
JOCHU TECHNOLOGY (VIETNAM) CO., LTD. (Jochu Technology (Vietnam)) (Note)	Production and sale of optoelectronics parts, tooling and precision instruments, and import/export sale of related products	(96,037)	Not yet reached an operational scale	Understand market demand at any time, develop strategic partnerships with customers, and actively seek business development opportunities across different fields.
eBio International Co., Ltd.	Investment holding	(4,878)	Recognized investment losses in eBio Technology.	None
eBio Technology Co., Ltd. (Note)	R&D and manufacturing of medical electronic devices, biomedical sensors, and integrated design services for healthcare and care systems	(3,429)	The products are still in the development stage.	Accelerate product development progress and identify potential customers

Note: Indirect investment, and no investment income is recognized directly.

(III) Investments planned for the next year:

The Company will develop its business at home and abroad proactively, subject to its business and the global layout, and continue to collect market information to verify the latest customers' movement and product information. In response to changes in the industry supply chain, international tariff policies, and the rapid development of the AI industry, Jochu Technology (Vietnam) leverages its tariff and labor cost advantages to continuously expand orders for optoelectronic products, while planning to establish new production lines for AI server racks to capture market growth opportunities. In 2025, the Company allocated a portion of its fundraising proceeds to the expansion of its Vietnam plant, equipment procurement, and working capital demands to meet future operational growth needs. These investments are expected to have a positive impact on overall business development. For details of the relevant investment plans, please refer to Section "Three. II.m 2 "Issuance plan and implementation

status” of the Company’s prospectus dated December 2025.

VI. Risk management, and assessment of the following risk issues in the most recent year until the date of publication of the annual report:

(I) Impacts of interest rate/foreign exchange rate fluctuation and inflation to the company's income, and future responsive measures:

1. Impacts of Interest Rate Fluctuation to the Company's Income, and Future Responsive Measures

The Company’s interest revenue was NT\$10,986 thousand in 2025, i.e., 0.34% of the operating revenue, net. The interest expense was NT\$9,392 thousand in 2025, i.e., 0.29% of the operating revenue, net. In general, the Company’s interest revenue and interest expenses account for a low proportion of the operating revenue, net. Therefore, the interest rate fluctuation posed no significant impacts to the Company. The Company has a steady financial position, and utilizes capital in a manner involving low risk as the first priority. \ For the time being, the Company uses its own capital primarily and maintains a fair relationship with correspondent banks. Therefore, even if the Company has a short-term funding need, it may negotiate with the banks to seek optimal interest rates. The future interest rate fluctuation is not expected to pose any significant impact to the entirety of the Company’s operations.

2. Impacts of foreign exchange rate fluctuation to the company's income, and future responsive measures

The Company’s 2025 exchange losses were NT\$10,334 thousand, i.e., 3.91% of the annual operating income. About 90% of the goods sold by the Company are for export sales, and the Company’s procurement projects are mostly outsourced. The main currencies applied by the Company are USD and CNY. Therefore, the exchange gains and losses vary depending on the foreign exchange rate for conversion of USD to NTD and CNY. The Company executed the forward foreign exchange contracts with financial institutions to evade the risk over foreign exchange rate for foreign currencies with respect to the Company’s foreign currency asset and liability positions, in reference to the foreign exchange rate information provided by the correspondent banks.

3. Impacts of inflation to the company's income, and future responsive measures

The Company keeps noting the quotation for the market price of raw materials and supplies, and builds a fair relationship with suppliers, and control the cost structure to respond to the environmental changes in the market and mitigate the impact posed by inflation resulting in the changes in product costs to the Company’s income. No significant impact to the Company’s business and finance has been caused by inflation in the most recent year and until the date of publication of the annual report.

(II) Policies on high-risk and highly leveraged investments, loans to third parties, endorsements/guarantees, and derivatives trading, main causes of profit or loss incurred and future responsive measures:

1. The Company has adopted the “Regulations Governing Loans to Third Parties”, “Regulations Governing Endorsements/Guarantees”, and “Procedure for Acquisition or Disposal of Assets” as the basis to be followed by the Company when the Company is engaged in related activities.

2. The Company has never engaged in high-risk and highly leveraged investment plans in the most recent year until the date of publication of the annual report.

3. In the most recent year until the date of publication of the annual report, the counterparts to whom the Company loaned funds were limited to the Company’s affiliates, and the Company never loaned to any person (company) other than its subsidiaries.

4. In the most recent year until the date of publication of the annual report, the derivatives

trading which the Company was engaged in refers to the forward foreign exchange transactions primarily intended to evade the risk over foreign exchange rate fluctuation arising from payment and collection of foreign currency accounts resulting from the procurement and sales during routine operations. Additionally, trading counterparts are mostly financial institutions with fair credit, and the credit risk is considered minor. Therefore, no significant impact is likely to arise.

No significant impact is expected.

(III) Future R&D plans and expected R&D expenditures:

1. Future R&D plans:

In addition to strengthening the competitiveness of existing stamping core technologies and manufacturing processes, the Company continues to invest in the development of high-stress steel and high-precision continuous mold design and stamping, rolling, system and assembly, coating, and automated mass production technologies for various potential industrial applications. The Company has also established high-precision laser cutting, precision gold foiling, aluminum alloy MIG automated welding, and laser welding production technologies. In response to the small amount of diverse manufacturing energy, with the Company's abilities to research and develop own products, to develop tool designs and to perform product assembly and verification capabilities, the Company is able to provide customers one-stop shop development solutions including manufacturing, commissioned design and verification. Furthermore, with the Company's active development competence, the Company aims to application and collaboration with brand customers.

Based on the aforementioned core technologies, the Company will continue to apply them to components and finished products in its core industries, including displays, household, medical, and assistive devices. It is also actively entering the server industry to strengthen its system product capabilities, with the aim of providing total solutions in the future. The Company obtained ISO13485 and QMS certification for the design and manufacture of medical electric wheelchairs successfully. The electric wheelchairs and medical assistive devices developed and produced through the Company's cooperation with customers have been successfully launched to the market. The mass production thereof remains stable.

In the future, the Company will continue to move towards the development of green energies and smart solutions in the future, in order to also take into account environmental issues of sustainability and environmental protection.

Core foundations:

- (1) Establish an AI-enabled intelligent development process management system.
- (2) Continue to establish medical equipment, energy storage, and mobility-related national specifications systems to provide relevant product design, process technology research and development, and production compliance.
- (3) Build a self-product inspection and testing technologies and hardware, construct product market assessment and certification platform, and provide customers and requesters with a new product solution.
- (4) Strengthen the energy of the metal process of the work machine, and establish the ability to respond to a wide variety of products with a small amount of time.

Product Research and Development:

- (1) Integrate micro-mobility and green power application development, develop products of low-carbon emissions and complying with the trend of carbon neutrality.
- (2) Continue to pay attention to the needs of the elderly and the elderly population as well

as the mobility needs of various ethnic groups in society, establish an innovative mobility service platform, and develop smart, diversified, and modular green-energy micro-mobility products.

(3) Continue to engage in the development and manufacturing of related energy storage/server racks and thermal components in line with market and industrial trends. Develop high-efficiency power supply and transmission equipment.

(4) Expand photoelectric display integrated development technology and application

Process Research and Development

(1) Enhance the development of automated welding technology in response to the development of cabinet and micro-mobility products.

(2) Establish high-precision welding and processing capabilities according to the product development of cooling components

(3) For server-related products, establish system testing and validation equipment and capabilities within the production line.

(4) Formulate ESG sustainable development strategies, extend the experience of high-strength steel plates for home appliance business groups, develop 4R green material verification and product applications.

Based on the projects toward the said directors, R&D teams has been expanded constantly, and R&D resources are enhanced with investment and energy structure, such as development of IoT application and software, product structure design, CAE simulated analysis of software and hardware, industrial design software, mock-up samples and sheet metal (such as large-scale display metal mockup samples, and metal structural parts for household or medical appliances) factories, lab for product reliability certification, among other things, to complement the basic R&D energy, and establish the key sections of the Company's sustainable development.

2. Expected R&D expenditures:

Based on a sustainable management philosophy, and enhance the competitiveness of development, the foster and investment in R&D talent and development of technology for forward-looking products are emphasized. Every year, the Company expects to budget about 2.0% to 4.0% of the revenue as the R&D expenses as appropriate based on the progress of planned new product and new technology development, and make adjustment subject to changes in market and operating conditions, in order to ensure the Company's competitiveness.

(IV) Impact on the Company's business and finances due to changes in domestic or foreign policies and laws, and responsive measures:

The Company's business administration is used to complying with related laws and regulations at home and abroad. The Company also continues to note any changes in important domestic and foreign policies and laws, and collects information related to important policies and laws to provide the management with a reference for decision making. Therefore, the Company is considered able to respond to and control the impact posed by changes in important domestic and foreign policies and laws effectively. In the most recent year until the date of publication of the annual report, the Company's business and finances have never been affected due to changes in important domestic and foreign policies and laws.

(V) Impact on the Company's business and finances due to technological or industrial changes, and responsive measures:

As digital transformation accelerates, supply chains become increasingly interconnected, and generative artificial intelligence (AI) technologies advance rapidly, the technology risks faced by enterprises have evolved from single-system protection to include cross-site operational disruptions, data security, and system availability risks. In the event of a significant information and cybersecurity incident, it may have an impact on the Company's operations and financial condition.

To mitigate the impact of such risks on the Company's operations, the Company established an Information Security Committee in 2022 and continues to strengthen its information security governance framework. After obtaining ISO 27001 certification in 2024, the Company further expanded its information security management framework across all sites during 2025, promoting group-wide consistent risk management standards and control measures to enhance cross-site operational resilience and supply chain stability.

In addition, in response to the management risks that may arise from the application of generative artificial intelligence (AI), the Company has initiated the planning of an AI governance framework. It is formulating relevant policies for AI application management, access control, and system development management, which will be progressively incorporated into the Company's risk management and internal control framework to ensure the parallel development of technological applications and risk control.

The Company will continue to strengthen its ability to identify and respond to technological risks in order to maintain operational stability and long-term competitive advantage.

(VI) Impact on crisis management in the event of a change in corporate identity, and responsive measures:

In its operations, the Company complies with applicable laws and regulations, and places importance on corporate image and risk management. In the most recent year until the date of publication of the annual report, no impact has been caused to the Company's crisis management due to changes in corporate identity.

(VII) Expected benefits and possible risks of merger and acquisition, and responsive measures:

The Company had no merger and acquisition plan in the most recent year until the date of publication of the annual report. Notwithstanding, if the Company engages in the assessment on and execution of said related plans in the future, it will evaluate the effect and control risk carefully in accordance with related laws and the Company's internal management regulations to ensure the Company's interest and shareholders' equity.

(VIII) Expected benefits and possible risks of facilities expansion, and responsive measures:

- (1) Driven by long-term production and sales development, the influence of the industry supply chain, and global development trends, and further impacted by the return of U.S. President Trump to the White House and the renewed wave of tariff conflicts, Vietnam has gained a comparative advantage following the announcement of its tariffs. Accordingly, the optoelectronic products of Jochu Technology (Vietnam) are expected to secure orders from local customers and achieve continued growth. In addition, with the rapid development of the AI industry in recent years, demand for AI server deployment has increased significantly. Considering that Vietnam offers more competitive labor costs and tariff advantages compared to Taiwan and mainland China, the Company plans to establish new production lines at Jochu Technology (Vietnam) to manufacture AI server racks. The Company has already raised funds in 2025, part of which will be allocated to the expansion of the Vietnam plant, procurement of machinery and equipment, and subsequent working capital to support future business growth. With contributions from investment income, these initiatives are expected to have a positive impact on the Company's overall operational planning and development.

- (2) Potential risks and mitigation measures: If overall demand declines or technical specifications change, it may result in low capacity utilization or excess production capacity. The Company will closely monitor market demand, establish strategic partnership relationships with customers, and actively pursue cross-industry business development to mitigate the adverse impacts of market or technological changes.

(IX) Risks and responsive measures associated with concentrated sales or purchases:

1. Assessment of risk over concentrated purchases and responsive measures

The Company's primary raw materials include galvanized steel sheets, aluminum sheets, stainless steel sheets, laminates, high-density fiberboard, metal parts, castings, and electronic control components. In 2024 and 2025, purchases from suppliers accounting for more than 10% of total procurement represented 16% and 26% of total purchase amounts, respectively. Fluctuations in procurement amounts from individual suppliers were mainly driven by customer-designated materials, development of customer product models, and pricing quotations from various steel sheet suppliers, and such variations are considered reasonable. In addition, due to intense competition in the steel industry and the influence of price factors, there is little concern over supplier monopolization or difficulty in sourcing raw materials; therefore, the risk of excessive reliance on a single supplier is considered minimal. Overall, based on the assessment, there have been no significant abnormalities in changes among the Company's major suppliers in the most recent period, and there is no risk of procurement concentration. Additionally, the Company always maintains two or more suppliers for most of the raw materials and supplied purchased by it, in order to disperse the risk of procurement. In addition, the Company always maintains fair and permanent interaction with various suppliers and also searches other suppliers proactively to maintain a stable sources of supply. Therefore, there should be no concern about excessive concentrated purchases and instability in supply sources..

2. Assessment on risk over concentrated sales, and responsive measures

For the time being, the revenue generated by TFT-LCD stamping parts still accounts for a higher proportion of the Company's current operating revenue, followed by household metal products and medical care supplies. Customers of TFT stamping parts are primarily TFT-LCD factories and backlight module factories. For the Company and its subsidiaries, the largest customer accounted for 23% and 25% of net revenue in 2024 and 2025, respectively. As no single customer contributed more than 30% of total revenue, there is no risk of sales concentration. The Company maintains the close cooperative relationship with customers based on stable quality, precise delivery, and perfect services. Meanwhile, the Company satisfies existing customers' needs and also proactively develops opportunities for cooperation with overseas TFT-LCD manufacturers. Additionally, the Company's R&D strategy has been oriented towards new business lines, such as furniture and medical equipment, to increase new customers and diversification of products and also expand its business scale. In the future, the Company will continue to mitigate the risk over concentrated sales.

- (X) Impact and risks to the Company due to major transfer or conversion of equity by directors or shareholders with more than 10% ownership interest, and responsive measures: In the most recent fiscal year and up to the date of publication of the annual report, the Company has not experienced such circumstances.

- (XI) Impact and risks to the Company due to a change of the right of management: In the most recent fiscal year and up to the date of publication of the annual report, the Company has not experienced such circumstances.

(XII) Litigious and Non-litigious Matters: If there has been any material impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving any of the Company's directors, President, de facto responsible person, major shareholders with a stake of more than 10 percent, and subsidiaries, and the matter was finalized or remained pending, please disclose the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case until the date of publication of the annual report:

1. If there has been any material impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute, and the matter was finalized or remained pending, please disclose the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case: None.
2. If there has been any material impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving any of the Company's directors, supervisors, President, de facto responsible person, major shareholders with a stake of more than 10 percent, and subsidiaries, and the matter was finalized or remained pending in the most recent two years until the date of publication of the annual report: None.
3. If the Company's directors, supervisors, managers, and major shareholders with a stake of more than 10 percent meet the circumstances referred to in Article 157 of the Securities and Exchange Act in the most recent two years until the date of publication of the annual report, and the Company's current practices: None.

(XIII) Other important risks and responsive measures:

The Company's issuance of new shares through a cash capital increase and the issuance of its first domestic secured convertible bonds in 2025 became effective upon filing under FSC Letter Nos. Chin-Kuan-Cheng-Fa Tzu No. 1140362016 and No. 11403620161 dated November 27, 2025. In accordance with the FSC's approval letter, the required risk disclosures are as follows:

The Company, in accordance with the "Trial Measures on the Administration of Overseas Securities Offerings and Listings by Domestic Enterprises" (the "Measures") promulgated by the China Securities Regulatory Commission (the "CSRC"), and after conducting an assessment based on Chapter 3, Article 15, items (1) and (2) of the filing requirements regarding the determination criteria for indirect overseas offering and listing by domestic enterprises, determined that the net assets of the Company's subsidiaries in mainland China for the most recent fiscal year exceeded 50% of the relevant figures in the Company's audited consolidated financial statements for the same period, and that the Company's subsidiaries located in mainland China are one of the main production bases, meeting the criteria that the main components of operating activities are conducted within mainland China or that the principal place of business is located within mainland China; therefore, the Company is subject to the Measures, and the Company has not violated the provisions under Article 8 of the Measures which prohibit overseas offering and listing, and accordingly, the Company's issuance of new shares through a cash capital increase and its first domestic secured convertible bonds is considered feasible, and the Company shall, in accordance with Article 13 of the Measures, complete the filing with the CSRC within three business days after completion of the offering. The Company has engaged licensed attorneys of a law firm with relevant practical experience to assist in preparing the filing report and filing materials to be submitted and to issue a legal opinion, and will complete the filing with the CSRC within the prescribed timeframe in accordance with the Measures, in order to comply with the provisions of the Measures and reduce the risk of adverse impact on its financial and operational performance.

VII. Other important matters: None.

Six. Special Notes

- 一、Information on Affiliates :
Consolidated Business Reports of Affiliates、Consolidated financial statements of affiliates and Affiliation report, Please visit the Market Observation Post System (<https://mops.twse.com.tw>) and search the "Affiliated Enterprises Three Statements Section" to view the relevant information.
- 二、Status of Private Placement of Securities During the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report: None.
- 三、Other Matters That Require Additional Description: None.
- 四、Please state any occurrences of events defined under Subparagraph 2, Paragraph 3, Article 36 of the Securities and Exchange Act in the most recent year up to the date of publication of the annual report that significantly impacted shareholders' equity or security price item by item: None.

