Stock Code: 3563

MACHVISION Inc. 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.

Taiwan Stock Exchange Market Observation Post System:
https://mops.twse.com.tw
Company Website：https://www.machvision.com.tw
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Spokesperson
Name: SU YI-FAN
Title: Chief Financial Officer
Tel: 886-3-5638599
E-mail: spokesman@machvision.com.tw

Deputy Spokesperson
Name: WANG SHUN-MIN
Title: R&D Manager
Tel: 886-3-5638599
E-mail: spokesman@machvision.com.tw

Stock Transfer Agent
Transfer Taishin Securities Co., Ltd Stock transfer Agency Department
Address: B1F., No. 96, Sec. 1, Jianguo N. Rd.,Taipei City
Tel: 886-2-25048125
Website: http://ecorp.ctbcbank.com/cts/index.jsp

Auditors
KPMG Taiwan
Auditors: Chung Shun Wu, Chang Chun I
Address: 68th Floor, No. 7, Section 5, Xinyi Road, Taipei City
Tel.: 886-2-81016666
Website: http://www.kpmg.com.tw

Overseas Securities Exchange
Not applicable.

Corporate Website
https://www.machvision.com.tw

Headquarters, Branches and Plant
Address: No. 2~3, Industrial East 2nd Road, Hsinchu Science Park
Tel: 886-3-5638599

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I. Letter to Shareholders

2025 Business Report

Thank you for visiting shareholders' meeting in 2026. Over the past year, the Group's revenue in 2025 was NT$ 3.19 billion, growth of 108.34%. The net profit after tax in 2025 was NT$1,047,329 thousand, growth of 231.44%. The operating net profit margin was 36.41%, the net profit after tax was 32.82%, the return on assets was 16.54%, and the return on equity was 19.23%

1. Business Performance in 2025

(1) Business Performance

Unit: NTD thousands

	2025		2024		Increase(decrease)	
	Amount	%	Amount	%	Amount	%
Operating revenues	3,191,461	100.00	1,531,831	100.00	1,659,630	108.34
Gross profit	1,955,467	61.27	882,129	57.59	1,073,338	121.68
Operating income	1,161,884	36.41	253,482	16.55	908,402	358.37
Net income before income tax	1,277,947	40.04	392,851	25.65	885,096	225.30
Net income after income tax	1,047,329	32.82	315,996	20.63	731,333	231.44
Earnings per share (NT$)	15.80		5.02		10.78	

(2) Budget execution：The company did not disclose financial forecasts in 2025.

(3) Financial income and expenditure and profitability analysis

			2025	2024	2023
Profitability	Return on assets (%)		16.54	5.49	8.52
	Return on equity (%)		19.23	6.15	10.07
	Rate to paid-up capital (%)	Operating income	181.66	43.59	78.80
		Pre-tax net profit	199.80	67.56	87.06
	Net profit ratio (%)		32.82	20.63	23.44
	Earnings per share (NT$)		15.80	5.02	8.21

(4) Research and development status

The main research and development of the company in 2025 were as follows:

a. Index 4W Tester

b. CSP 4W Tester

c. COLOR CSP AOI 4.0

d. Color FC AVI & Bump AOIM

e. IC PVIM

f. FOUP AOI

g. Tray AOIM

2. Summary of the business plan for the year of 2025

Important production and sales policy and company development strategies：

In 2025, the global electronics industry continued to be driven by demand for artificial intelligence (AI), high-performance computing, and advanced packaging applications. As a result, related supply chains gradually recovered and showed a growth trend. MACHVISION continued to deepen its presence in the field of automated optical inspection (AOI) equipment while steadily expanding its footprint in the semiconductor packaging inspection market. Benefiting from the recovery in industry demand and enhanced product competitiveness, MACHVISION achieved significant overall operational growth in 2025, with both revenue and profits reaching record highs.

This operational growth was primarily driven by the recovery in demand for high-end PCB applications, which led to increased shipments of AOI inspection equipment. In addition, semiconductor packaging inspection equipment was gradually introduced to customers, raising the proportion of high value-added products. Coupled with an optimized product mix and market positioning, as well as continuous improvements in cost control and operational efficiency, MACHVISION achieved notable enhancements in revenue scale, profitability, and overall operational strength, demonstrating the effectiveness of its long-term strategic initiatives.

MACHVISION continues to advance its “dual-track, four-line” development strategy by deepening its presence in the PCB AOI equipment market while actively expanding into the semiconductor packaging inspection equipment market. In alignment with this dual-track approach, MACHVISION has established four major product lines: PCB AOI series equipment, PCB four-wire electrical testing series equipment, semiconductor packaging inspection series equipment, and semiconductor packaging and metrology series equipment. Through these initiatives, MACHVISION continues to strengthen its product competitiveness and market positioning, helping customers improve production efficiency and reduce manufacturing costs, thereby enhancing overall competitive advantages.

Looking ahead, as demand for AI applications, advanced packaging, and high-end electronic products continues to grow, the inspection equipment market is expected to maintain steady development. MACHVISION will continue to deepen its presence in the PCB inspection equipment market while advancing its deployment in semiconductor packaging inspection equipment, increasing the proportion of high-end products and sustaining growth momentum. At the same time, MACHVISION will continue to strengthen its R&D capabilities, enhance product quality, and improve operational efficiency, while prudently responding to industry changes and capturing market opportunities, with the aim of creating long-term and stable value for shareholders.

Finally, we would like to express our gratitude to all shareholders for their support and care. All employees of MACHVISION will continue to work diligently to create greater value for shareholders, and we hope that shareholders will continue to support and encourage MACHVISION as they have in the past.

Chairman: Wang, Guang-Shiah

Chief Executive Officer: Chen, Fu-Sheng

Accounting Supervisor: Su, Yi-Fan

II. Corporate Governance Report

2.1 Directors and Management Team

2.1.1 Directors

March 27, 2026

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected MM/DD/YYYY	Term (Years)	Date First Elected MM/DD/YYYY	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	WANG/ GUANG-SHIAH	Male/ 61-70	05/30/2024	3	05/26/1998	1,426,740	3.19%	1,602,414	2.51%	43,368	0.07%	-	-	Ph.D., Institute of Industrial Engineering, Pennsylvania State University Professor, Department of Industrial Engineering Management, Chung Hua University	Company's chief technical officer Director of Machvision (Dongguan) Inc.. Chairman of SISSCA Co.,Ltd. (Legal Representative)	-	-	-	
Director	R.O.C.	CHUANG/ YUNG-SHUN	Male/ 71-80	05/30/2024	3	12/07/2005	417,711	0.93%	492,482	0.77%	-	-	-	-	Master of International Business Studies, National Taiwan University Master of Business Administration, Tulane University, USA Bachelor of Electronic Engineering, National Taiwan University of Science and Technology Chairman of AAEON Technology Co., Ltd.	Chairman of AAEON Technology Co., Ltd. (legal representative) Chairman of AAENO Investment Co., Ltd. (Legal Representative) Chairman of ONYX Healthcare Inc. (Legal Representative) Chairman of AAEON Technology (Suzhou) Co., Ltd. (Legal Representative)	-	-	-	Please see note 1 for other concurrent positions.

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected MM/DD/YYYY	Term (Years)	Date First Elected MM/DD/YYYY	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	YU/ MING-CHANG	Male/ 61-70	05/30/2024	3	08/07/2008	1,073,940	2.40%	1,167,034	1.82%	2,899	0.00%	—	—	Master of Electrical Engineering, Tsinghua University Deputy General Manager of Stark Technology Inc.	Director of Stark Technology Inc. Director of Aspeed Technology Inc. (legal representative) Independent director of CipherLab Co., Ltd.				
Director	R.O.C.	CHANG/ YUNG-YANG	Male/ 71-80	05/30/2024	3	05/25/2007	1,333,904	2.98%	1,525,594	2.39%	—	—	—	—	Doctor of Science and Technology, Institute of Science and Technology Management, Chung Hua University Associate Professor, Kainan University Vice-principal of Taoyuan community college Consultant of Changqiao Accounting firm	Chairman of Changhong Enterprise Management Consulting Co., Ltd. Director of JUIC International corporation Chairman of HUNG CHIAO ENVIRONMENT-TECHNOLOGY ENGINEERING INC.				
Director	R.O.C.	YAN/ WEI-CHYUN	Male/ 61-70	05/30/2024	3	06/10/2013	275,998	0.62%	325,600	0.51%	—	—	—	—	Master of Business Administration, City University of New York, USA Vice Chairman of Atech OEM Co., Ltd.	Vice Chairman of Atech OEM Inc. Director of CipherLab Co., Ltd.				Please note 2 for other concurrent positions

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected MM/DD/YYYY	Term (Years)	Date First Elected MM/DD/YYYY	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Director	R.O.C.	Advanced Semiconductor Engineering Inc.(Representative): LEE/CHUN-CHE	Male/ 61-70	05/30/2024	3	05/30/2024	13,418,000	23.08%	14,759,800	23.08%	—	—	—	—	Bachelor of Aerospace Engineering, Tamkang University General Manager of ASE Electronics Inc.	Supervisor of Advanced Semiconductor Engineering Inc.(Representative) Legal Representative of ASE Test Inc. Directors of ASE(Shanghai) Inc. Legal Representative of ASE Electronics. Inc. Legal Representative of USI Inc.	-	-	-	

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected MM/DD/YYYY	Term (Years)	Date First Elected MM/DD/YYYY	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	YEN/ TZONG-MING	Male/ 71-80	05/30/2024	3	05/26/2017	—	—	—	—	—	—	—	—	Master of Economics, Soochow University Wharton School of the University of Pennsylvania PhD Program in Finance Director of National Science and Technology Council Hsinchu Science Park Bureau Director of Mega Bills Adjunct Associate Professor of National Yang Ming EMEA Chiao Tung University Adjunct Professor, Department of Business Management, Hsuan Chuang University	Independent director of ACTION ELECTRONICS CO., LTD. Director of the Board of directions of Hsinchu Kuang-Fu High School	-	-	-	
Independent Director	R.O.C.	DU/ MING-HAN	Male/ 71-80	05/30/2024	3	12/14/2018	—	—	—	—	—	—	—	—	Master of Management Science, Tamkang University Senior Deputy General Manager of Taiwan Microsoft Corporation President of Taiwan World Vision	Supervisor of K K Intelligent technology Inc. Director of Buy for ESG Inc.(Legal representative)	-	-	-	

Title	Nationality/ Place of Incorporation	Name	Gender/ Age	Date Elected MM/DD/YYYY	Term (Years)	Date First Elected MM/DD/YYYY	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience（Education）	Other Position	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remark(s) (Note)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director	R.O.C.	YANG/ HSING-YU	Female/ 51-60	05/30/2024	3	05/30/2024	—	—	—	—	—	—	—	—	Master of Accounting from the School of Business at Soochow University Vice President of WT Microelectronics Co., Ltd.	Vice President of WT Microelectronics Co., Ltd. Supervisor of WT Technology Korea Co., Ltd. Supervisor of WT Technology Korea Co., Ltd. Supervisor of Brillnics Japan Inc.	-	-	-	

Note 1: Director of Machvision (Dongguan) Co., Ltd., Director of AAEON electronics Inc., director of AAEON TECHNOLOGY (Europe) BV, director of AAEON TECHNOLOGY GMBH, director of AAEON TECHNOLOGY SINGAPORE PTE. LTD., director of Mcfees Group Inc., director of Allied Biotech Corp., director of sunengine corporation LTD (legal representative), director of XAC AUTOMATION CORP. (legal representative), Chairman of Atech OEM Co., Ltd., director of Outstanding Electronics (dongguan) manufacturer Co., Ltd., director of Danyang Qiye Technology Co.,Ltd, director of CHC Healthcare Group (legal representative), chairman of Yanxin Investment Co., Ltd., director of Top union Electronics (Suzhou) Co., Ltd. (legal representative), director of Top union Electronics Co., Ltd., director of board of Allied Oriental International Ltd., chairman of Fu Li Investment Co., Ltd., director of Litemax Electronics Inc. (legal representative), director of Litemax Technology Inc., director of king core electronic Inc., chairman of EVERFOCUS ELECTRONICS CORP, chairman of Onyx Healthcare (Shanghai)Inc.(legal representative), director of ONYX Healthcare Europe B.V., director of ONYX Healthcare USA, INC., chairman of yibao-jhihren Inc.(legal representative), director of Winmate Inc.(legal representative), director of IBASE TECHNOLOGY INC.(legal representative), director of Fengxin venture capital Inc. (legal representative), chairman of the AAEON Culture and Education Foundation, independent director of TAIFLEX SCIENTIFIC CO., LTD., director of Protectlife International Biomedical Inc., chairman of QQE Technology Co., LTD. (legal representative).

Note 2:Director of QQE TECHNOLOGY CO., LTD. (legal representative), independent director of TOP UNION ELECTRONICS CORPORATION.

Note 3: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increasing the number of independent director seats, and more than half of all directors must not concurrently serve as employees or managers) must be disclosed.

Major shareholders of the institutional shareholders:

March 27, 2026

Name of juristicperson shareholder	Major shareholder of juristic-person shareholder
Advanced Semiconductor Engineering, Inc.	ASE Technology Holding Co., Ltd.

Major shareholders of the Company’s major institutional shareholders:

March 27, 2026

Name of juristicperson shareholder	Major shareholder of juristic-person shareholder
ASE Technology Holding Co., Ltd.	VIA Electronics International (Hong Kong) Limited

2.1.2 Disclosure of Professional Qualifications of Directors and Independence of Independent Directors

March 27, 2026

Criteria / Name	Independent director	Audit Committee Member	Professional qualification and experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
WANG/ GUANG-SHIAH	-	-	Please refer to page 5-10.	Not applicable	0
YU/ MING-CHANG	-	-			1
CHANG/ YONGYING	-	-			0
CHUANG/ YUNGSHIN	-	-			1
YAN/ WEI-CHYUN	-	-			1
Advanced Semiconductor Engineering Inc.(Representative): LEE/ CHUN-CHE	-	-			0
YEN/ TZONG-MING	V	V	Please refer to page 5-10. Not been a person of any conditions defined in Article 30 of the Company Law.	Independent directors are in compliance with Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies	1
DU/ MING-HAN	V	V			0
YANG/ HSING-YU	V	V			0

2.1.3 Board Diversity Policy and Implementation Status

Member diversification is considered by the Board members. Factors taken into account include, but are not limited to gender, age, cultures, educational background, race, professional experience, skills, knowledge and terms of service. The Board objectively chooses candidates to meet the goal of member diversification.

Core goals for diversification / Name of director	Nationality	Age	Gender	Employee	Operational management and business judgment	Global market perspectives	Leadership	Industry knowledge	Finance and accounting	Legal Expertise
WANG/ GUANG-SHIAH	R.O.C	61~70	Male	Yes	V	V	V	V		
YU/ MING-CHANG	R.O.C	71~80	Male	No	V	V	V	V		
CHANG/ YONGSHUN	R.O.C	61~70	Male	No	V	V	V	V		
CHANG/ YUNG-YANG	R.O.C	71~80	Male	No	V	V	V	V	V	V
YAN/ WEI-CHYUN	R.O.C	61~70	Male	No	V	V	V	V	V	
Advanced Semiconductor Engineering Inc.(Representative): LEE/ CHUN-CHE	R.O.C	61~70	Male	No	V	V	V	V		
YEN/ TZONG-MING	R.O.C	71~80	Male	No	V	V	V	V	V	V
DU/ MING-HAN	R.O.C	71~80	Male	No	V	V	V	V		
YANG/ HSING-YU	R.O.C	51~60	Female	No	V	V	V	V	V	

2.1.4 Management Team

March 27, 2026

Title	Nationality	Name	Gender	Date Effective MM/DD/YY	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s) (Note)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman and Chief Technology Officer of R/D dept.	R.O.C.	WANG/ GUANG-SHIAH	Male	07/01/06	1,602,414	2.51%	43,368	0.07%	—	—	Ph.D., Institute of Industrial Engineering, Pennsylvania State University Professor, Department of Industrial Engineering Management, Chung Hua University	Director of Machvision (Dongguan) Inc.. Chairman of SISSCA Co.,Ltd. (legal representative)	—	—	—	
Chief Executive Officer	R.O.C.	CHEN/F U-SHEN	Male	02/11/25	22,037	0.03%	—	—	—	—	Master of Industrial Engineering, Tsinghua University Wafer works Group Chairman Special Assistance and Deputy General Manager of Subsidiary Operations	Director of board of SISSCA Co.,Ltd.(legal representative)	—	—	—	
General Manager	R.O.C	HUANG/ CHIA-HSING	Male	02/11/25	101,751	0.16%	—	—	—	—	Maser of Institute of Industrial Engineering, Pennsylvania State University .	Director of Machvision (Dongguan) Inc.. Chairman of You Zhi You Co., Ltd.	—	—	—	

Title	Nationality	Name	Gender	Date Effective MM/DD/YY	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s) (Note)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
General Manager	CHINA	XIA/ MING	Male	02/11/25	—	—	—	—	—	—	Master of Institute of Buisiness and Management Peking University	NA	—	—	—	
Chief Strategy Officer	R.O.C.	CHANG/ SHANG-SHU	Male	07/29/25	—	—	7,000	0.01%	—	—	Department of Chemical Engineering of National Taipei University of Technology General Manager of Ta Liang Technology Co., Ltd. Special Assistant to the Chairman of Usun Technology Co., Ltd. Special Assistant to the Chairman of Advanced Echem Materials Company Limited General Manager of Quick Test Corporation General Manager of Printed Wire Corporation	General Manager of SISSCA Co.,Ltd. General Manager of SISSCA(Jiangsu) Co., Ltd. Corporate Reorganizer Atmopheric Environmental Plasma 41 Co., Ltd.	—	—	—	
Research and Development Deputy General Manager	R.O.C.	WANG/ YUAN-NAN	Male	07/01/19	—	—	—	—	—	—	Master of Taiwan University Department of Mechanical Engineering General manager of Anderson Industrial Corp. General manager of Lianyuan Inc.	NA	—	—	—	

Title	Nationality	Name	Gender	Date Effective MM/DD/YY	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remark(s) (Note)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Financial and accounting officer corporate governance officer	R.O.C.	SU/ YI-FAN	Female	06/01/22	—	—	—	—	—	—	Bachelor of Accounting, Chung Yuan Christian University Assistant manager of KPMG Taiwan	NA	—	—	—	

Note1：Where the President or person of an equivalent post (the highest level manager) and Chairman of the Board of Directors are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (such as increasing the number of independent director seats, and more than half of all directors must not concurrently serve as employees or managers) must be disclosed.

2.2 Remuneration of Directors, Independent Directors, President, and Vice Presidents

2.2.1 Remuneration of Directors and Independent Directors

December 31, 2025 Unit: NT$ thousands

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note 1)
		Base Compensation (A)		Severance Pay (B)		Directors Compensation(C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Employee Compensation (G)						
		The company	All companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
																Cash	Stock	Cash	Stock			
Director	WANG/GUANG-SHIAH	-	-	-	-	10,898	10,898	180	180	1.10%	1.10%	5,228	5,228	-	-	17,247	-	17,247	-	3.32%	3.30%	-
	YU/MING-CHANG																					
	CHANG/YONGSHUN																					
	CHUANG/YUNGSHUN																					
	YAN/WEI-CHYUN																					
	LEE/ CHUN-CHE																					
Independent Director	YEN/TZONG-MING	-	-	-	-	5,449	5,449	240	240	0.56%	0.56%	-	-	-	-	-	-	-	-	0.56%	0.54%	-
	DU/MING-HAN																					
	YANG/HSING-YU																					

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

2.In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services,

such as being independent contractors.

3. The remuneration of directors and the remuneration of employees have not yet been decided, which is based on the percentage of the allocation in previous year.

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements (I)
Less thanNT$ 1,000,000	-	-	-	-
NT$1,000,000 ~ NT$1,999,999	WANG/GUANG-SHIAH、CHUANG/YUNG-SHUN、YU/MING-CHANG、CHANG/YUNG-YANG、YAN/WEI-CHYUN 、LEE/CHUN-CHE 、YAN/ZONG-MING、DU/MING-HAN、YANG/HSING-YU	WANG/GUANG-SHIAH、CHUANG/YUNG-SHUN、YU/MING-CHANG、CHANG/YUNG-YANG、YAN/WEI-CHYUN 、LEE/CHUN-CHE 、YAN/ZONG-MING、DU/MING-HAN、YANG/HSING-YU	CHUANG/YUNG-SHUN、YU/MING-CHANG、CHANG/YUNG-YANG、YAN/WEI-CHYUN 、LEE/CHUN-CHE 、YAN/ZONG-MING、DU/MING-HAN、YANG/HSING-YU	CHUANG/YUNG-SHUN、YU/MING-CHANG、CHANG/YUNG-YANG、YAN/WEI-CHYUN 、LEE/CHUN-CHE 、YAN/ZONG-MING、DU/MING-HAN、YANG/HSING-YU
NT$2,000,000 ~ NT$3,499,999	-	-	-	-
NT$3,500,000 ~ NT$4,999,999	-	-	-	-
NT$5,000,000 ~ NT$9,999,999	-	-	-	-
NT$10,000,000 ~ NT$14,999,999	-	-	-	-
NT$15,000,000 ~ NT$29,999,999	-	-	WANG/GUANG-SHIAH	WANG/GUANG-SHIAH
NT$30,000,000 ~ NT$49,999,999	-	-	-	-
NT$50,000,000 ~ NT$99,999,999	-	-	-	-
Greater than or equal to NT$100,000,000	-	-	-	-
Total	9	9	9	9

2.2.2 Remuneration of the President and Vice Presidents

December 31, 2025 Unit: NT$ thousands

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from ventures other than subsidiaries or from the parent company (Note)
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
Chief Technical Officer	WANG/GUANG-SHIAH	18,486	18,486	200	200	5,386	5,386	45,856	-	45,856	-	6.92%	6.68%	-
Chief Executive Officer	CHEN/FU-SHEN													
General Manager	HUANG/CHIA-HSING													
General Manager	XIA/MING													
Research and Development Deputy General Manager	WANG/YUAN-NAN													

Range of Remuneration	Name of President and Vice Presidents	
	The company	Companies in the consolidated financial statements (E)
Less than NT$ 1,000,000	-	-
NT$1,000,000 ~ NT$1,999,999	-	-
NT$2,000,000 ~ NT$3,499,999	-	-
NT$3,500,000 ~ NT$4,999,999	-	-
NT$5,000,000 ~ NT$9,999,999	HUANG/CHIA-HSING、 XIA/MING、WANG/YUAN-NAN	HUANG/CHIA-HSING、 XIA/MING、WANG/YUAN-NAN
NT$10,000,000 ~ NT$14,999,999	-	-
NT$15,000,000 ~ NT$29,999,999	WANG/GUANG-SHIAH	WANG/GUANG-SHIAH
NT$30,000,000 ~ NT$49,999,999	-	-
NT$50,000,000 ~ NT$99,999,999	-	-
Greater than or equal to NT$100,000,000	-	-
Total	5	5

2.2.3 Names of managerial officers with compensation as employees and the status of payment

	Title	Name	Stock	Cash	Total	Proportion of total to net profit after tax of parent company only (%)
Managerial Officers	Chief Technical Officer	WANG/GUANG-SHIAH	-	48,131	48,131	4.60%
	Chief Executive Officer	CHEN/FU-SHEN				
	General Manager	HUANG/CHIA-HSING				
	General Manager	XIA/MING				
	Development Deputy General Manager	WANG/YUAN-NAN				
	Chief Audit Officer	YAO /HUI-FANG				
	Chief Strategy Officer	CHANG/SHANG-SHU				
	Financial and accounting officer corporate governance officer	SU/YI-FAN				

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

A. The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, supervisors, president and vice presidents of the Company, to the net income.

Year	2024		2025	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Ratio of total remuneration paid to directors to net income (%)	4.82%	4.82%	3.88%	3.84%
Ratio of total remuneration paid to president and vice presidents to net income (%)	8.48%	8.48%	6.92%	6.68%

B. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with risks and business performance.

(a) Remuneration of the Directors

In compliance with the regulations of the competent authorities, the Company has established a Remuneration Committee. Over the past two fiscal years, the remuneration of the members of the Board of Directors has been determined in accordance with the Company's "Board Performance Evaluation Guidelines." In line with corporate governance best practices, the Remuneration Committee evaluates relevant factors such as industry compensation benchmarks, the Company's financial and operational performance, the level of Board engagement, individual contributions to corporate value creation, and risk alignment. Based on its assessment, the Committee's recommendations are submitted to the Remuneration Committee and the Board of Directors for review and approval.

(b) Remuneration of the President and Vice Presidents

Pursuant to applicable regulations, the Company has duly constituted a Remuneration Committee. The total compensation for the President and Vice Presidents, classified under Key Management Personnel (KMP) pursuant to IAS 24 – Related Party Disclosures, includes base salary, annual merit adjustments, year-end bonuses, and performance-based incentives. Such remuneration is subject to review by the Remuneration Committee and submitted to the Board of Directors for final approval.

Annual adjustments and year-end bonuses are determined in accordance with Company-wide compensation policies, while performance-based incentives are established based on the Company's profitability metrics and individual performance evaluations.

(c) Risk Considerations:

The Company undertakes an internal risk assessment process to evaluate the appropriateness of individual compensation packages for directors and managerial personnel. The remuneration structure and payout mechanisms are designed to ensure alignment with long-term shareholder value, regulatory compliance, and the Company's risk appetite framework. All compensation decisions are subject to the review and approval of the Remuneration Committee and the Board of Directors, ensuring no material risk exposures arise from compensation arrangements.

2.3 Implementation of Corporate Governance

2.3.1 Operations of the Board of Directors

A total of 6 (A) meetings of the Board of Directors were held in the previous period.

The attendance of director and supervisor were as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Chairman	WANG/ GUANG-SHIAH	6	0	100.00	
Director	YU/ MING-CHANG	6	0	100.00	
Director	CHANG/ YONG-SHUN	6	0	100.00	
Director	CHANG/ YUNG-YANG	6	0	100.00	
Director	YAN/ WEI-CHYUN	6	0	100.00	
Director	Advanced Semiconductor Engineering Inc.(Representative): LEE/ CHUN-CHE	5	1	80.00	
Independent director	YEN/ TZONG-MING	6	0	100.00	
Independent director	DU/ MING-HAN	6	0	100.00	
Independent director	YANG/ HSING-YU	6	0	100.00	

Other mentionable items:

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:
   (1) Matters referred to in Article 14-3 of the Securities and Exchange Act.
   (2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors.

Date	Proposal and resolution	Matters referred to in Article 14-3 of the Securities and Exchange Act	Other matters involving objections or expressed reservations by independent directors
2025/2/11 Tenth 6th time	1.Approved the 2024 remuneration to directors (including independent directors) and employees.	yes	no
	2.Amendments to certain articles of the Company's Articles of Association.	yes	no
	3.Drafting management and control procedures for sustainable information	yes	no
	4.Approved the company's 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Statement".	yes	no
	5. The appointment and remuneration of the Company's accountants for the year 2025.	yes	no
	6 Adopted the new formulation and derivative financial products credit line contract with banks, with regards to the short term financing loan commitments and flexible use of corporate funds of excellent relationships with banks.	yes	no
	Independent directors' opinions: NA		
	The reaction of independent directors' opinions: NA		
	1. Resolution (1): Reviewed by Compensation Committee and all attendees of directors and independent directors passed without objection expect CTO (WANG GUANG-SHIAH) was not participate in discussions and voting due to interest avoidance. 2. Resolution (2~6): All Attendees of directors and independent directors passed without objection.		

Date	Proposal and resolution	Matters referred to in Article 14-3 of the Securities and Exchange Act	Other matters involving objections or expressed reservations by independent directors
2025/4/29 Tenth 7th time	1. In order to make flexible use of the company's funds, it is proposed to participate in the subscription of bonds.	yes	no
	2. The Company's proposed increase in investment in mainland China.	yes	no
	Independent directors' opinions: NA		
	The reaction of independent directors' opinions: NA		
	Resolution: All Attendees of directors and independent directors passed without objection.		
2025/7/29 Tenth 8th time	1. 2024 Director (including independent directors) remuneration distribution plan.	yes	no
	2. Appointment of a new Group Chief Strategy Officer.	yes	no
	3. 2024 Managerial and Employee Remuneration Distribution Plan.	yes	no
	4. 2025 Routine Salary Adjustment Plan for the Company's Managers.	yes	no
	Independent directors' opinions: NA		
	The reaction of independent directors' opinions: NA		
	1. Resolution (1、3、4): Reviewed by Compensation Committee and all attendees of directors and independent directors passed without objection expect CTO (WANG GUANG-SHIAH) was not participate in discussions and voting due to interest avoidance. 2. Resolution (2): All Attendees of directors and independent directors passed without objection.		
2025/8/20 Tenth 9th time	1.Amendments to certain articles of the Company's Articles of Association.	yes	no
	Independent directors' opinions: NA		
	The reaction of independent directors' opinions: NA		
	Resolution: All Attendees of directors and independent directors passed without objection.		
2025/10/29 Tenth 10th time	1. The Company intends to change its appointed stock affairs agent effective February 1, 2026.	yes	no
	Independent directors' opinions: NA		
	The reaction of independent directors' opinions: NA		
	Resolution: All Attendees of directors and independent directors passed without objection.		

<table>
<tr><th>Date</th><th>Proposal and resolution</th><th>Matters referred to in Article 14-3 of the Securities and Exchange Act</th><th>Other matters involving objections or expressed reservations by independent directors</th></tr>
<tr><td rowspan="7">2025/12/18
Tenth 11th time</td><td>1. Adopted MACHVISION 2026 audit plan.</td><td>yes</td><td>no</td></tr>
<tr><td>2. Revise certain clauses in the Company's "Procedures for Acquiring or Disposing of Assets".</td><td>yes</td><td>no</td></tr>
<tr><td>3. Revise certain clauses in the Company's "Internal Control System - Payroll Cycle".</td><td>yes</td><td>no</td></tr>
<tr><td>4. In order to facilitate the flexible use of the Company's funds, establish good relationships with banks and propose to sign short-term financing agreement with banks.</td><td>yes</td><td>no</td></tr>
<tr><td colspan="3">Independent directors' opinions: NA</td></tr>
<tr><td colspan="3">The reaction of independent directors' opinions: NA</td></tr>
<tr><td colspan="3">Resolution: All Attendees of directors and independent directors passed without objection.</td></tr>
</table>

2. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: Please refer previous item.

3. Implementation Status of Board Evaluations

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Once a year	2025/01/01 ~ 2025/12/31	Board of Directors, individual directors, and functional committees	internal self-evaluation by the Board of Directors, self-assessment by directors, peer evaluation	Note 1
Once three year	2022/1/1 ~ 2023/12/31	Board of Directors, individual directors, and functional committees	Hiring an external professional organization. Taiwan Corporate Governance Association	Note 2

Our company appointed the Taipei Foundation of Finance to conduct an external professional organization assessment from January 2022th to December 2023th, with the appointment made in February 2024. For the assessment report, please refer to this year's Chinese annual report.

Note 1: According to the scope of evaluation, evaluation items must at least include the following items:

(1) Board performance evaluation: At least includes level of participation in company operations, the quality of Board decisions, Board composition and structure, appointment of directors and their continued development, and internal controls.

(2) Individual director performance evaluation: At least includes grasp of company targets and missions, understanding of the director's role and responsibilities, level of participation in company operations, internal relationship management and communication, director's specialty and continued development, and internal controls.

(3) Functional committee performance evaluation: Participation in company operations, understanding of the responsibilities of functional committees, improvement of the decision-making quality of functional committees, composition of functional committees, and member selection and internal control.

Note 2: The seven performance evaluation indicators or dimensions are as follows:

(1) Maintenance of Shareholders' Equity: Ensuring protection and enhancement of shareholders' interests.

(2) Strengthening Board Structure and Operations: Enhancing the effectiveness

and efficiency of the board's organization and functioning.

(3) Level of Participation in Company Operations: Assessing the degree of involvement and engagement of the board in the company's operational matters.

(4) Improvement of Board Decision-making Quality: Enhancing the quality and effectiveness of the board's decision-making processes.

(5) Enhancement of Information Transparency: Increasing transparency in the disclosure of relevant information to stakeholders.

(6) Internal Control: Ensuring the adequacy and effectiveness of internal control mechanisms.

(7) Promotion of Sustainable Development: Initiatives and efforts aimed at fostering sustainable development practices within the company.

2.3.2 Audit Committee

A total of 7 (A) Audit Committee meetings were held in the previous period. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent director	YEN/TZONG-MING	6	0	100.00	-
Independent director	DU/MING-HAN	6	0	100.00	-
Independent director	YANG/HSING-YU	6	0	100.00	-

Other mentionable items:

1.If any of the following circumstances occur, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company’s response to the Audit Committee’s opinion should be specified:

(1) Matters referred to in Article 14-5 of the Securities and Exchange Act.

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors.

Date	Proposal and resolution	Article 14-5 of the Securities and Exchange Act	Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors.
2025/2/11 Third	1. Amendments to certain articles of the Company's Articles of Association.	yes	no

Date	Proposal and resolution	Article 14-5 of the Securities and Exchange Act	Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors.
5th time	2. Drafting of management and control procedures for sustainable information.	yes	no
	3. Draft of the Company's 2024 Internal Control System Effectiveness Assessment and Internal Control System Declaration.	yes	no
	4. 2024 Financial Report.	yes	no
	5. 2025 Auditor Appointment and Remuneration.	yes	no
	Audit Committee’s resolution：Agree.		
	Company’s response to the Audit Committee’s opinion：Agree.		
2025/4/29 Third 6th time	1.Approved the financial statements for the first quarter of 2025.	yes	no
	2. In order to facilitate the flexible use of company funds, we plan to participate in bond subscription.	yes	no
	3. Approved Our company plans to increase its investment in mainland China.	yes	no
	Audit Committee’s resolution：Agree.		
	Company’s response to the Audit Committee’s opinion：Agree.		
2025/7/29 Third 7th time	Approved the financial statements for the second quarter of 2025.	yes	no
	Audit Committee’s resolution：Agree.		
	Company’s response to the Audit Committee’s opinion：Agree.		
2025/8/20 Third 8th time	1. Amendments to certain articles of the Company's Articles of Association.	yes	no
	Audit Committee’s resolution：Agree.		
	Company’s response to the Audit Committee’s opinion：Agree.		
2025/10/29 Third 9th time	1.Approved the financial statements for the third quarter of 2025.	yes	no
	Audit Committee’s resolution：Agree.		
	Company’s response to the Audit Committee’s opinion：Agree.		
2025/12/18 Third 10th time	1. The Company's 2026 Audit Plan.	yes	no
	2. Amendments to certain clauses in the Company's "Procedures for Acquiring or Disposing of Assets".	yes	no
	3. Amendments to certain clauses in	yes	no

Date	Proposal and resolution	Article 14-5 of the Securities and Exchange Act	Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors.
	the Company's "Internal Control System - Payroll Cycle".		
	Audit Committee’s resolution：Agree.		
	Company’s response to the Audit Committee’s opinion：Agree.		

2. If there are independent directors’ avoidance of motions in conflict of interest, the directors’ names, contents of motion, causes for avoidance and voting should be specified: Please refer previous item：None.
3. Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the material items, methods and results of audits of corporate finance or operations, etc.)

Date	Communications
Feb.2025	1. Independent directors and auditors discussed the 2024 internal control statement. 2. Accountants and independent directors discussed the 2024 financial report.
May.2025	Discussed the review status of financial statements and related issues with the head of finance and accounting and the chief internal auditor.
Oct.2025	Independent directors, accountants, CFOs, and auditors discussed the second quarter 2025 financial report.
Independent directors maintain direct communication channels with the internal auditor and the certifying CPA, and communication is smooth and effective. The chief internal auditor reports to the Audit Committee and interacts with independent directors during quarterly Audit Committee meetings based on the annual audit plan and actual execution. In addition, the chief internal auditor submits written audit reports to each independent director on a monthly basis and conducts necessary communications. The CPA attends Audit Committee meetings on an ad-hoc basis to review or audit financial reports and to communicate and interact with independent directors regarding financial, tax, or internal control matters.	

4. 2025 annual work focus：
   (1) Reviewed the internal audit department’s annual work plan, received monthly reports from the internal audit department, examined management’s responses to internal audit findings, and communicated regularly with the head of internal audit.
   (2) Reviewed the semi-annual and annual financial reports for 2025; after discussions and approval by the Audit Committee, the reports were submitted

to the Board of Directors. Additionally, communicated with the external auditors regarding the audit work and the impact of regulatory changes.

(3) Reviewed the proposal for the distribution of earnings for the first half of 2025.

(4) The review considers the company's flexible use of funds and its proposed participation in the bond subscription case.

(5) Reviewing cases involving investment amounts in China.

(6) Review and approve plans to enhance corporate value.

(7) The Directors and Managers Liability Insurance for 2026 shall be assessed in accordance with the law.

(8) Evaluated the effectiveness of the internal control system. The company conducted a self-assessment of the five key elements of its internal control system: control environment, risk assessment, control activities, information and communication, and monitoring activities. Control activities were self-assessed by each department at the operational level, and an internal control review meeting was held to perform audits. The overall assessment concluded that the internal control system was designed and executed effectively and in compliance with internal control standards. The Audit Committee evaluated the effectiveness of the company's internal control policies and procedures—including controls over finance, operations, risk management, information security, outsourcing, and legal compliance—and reviewed regular reports from the internal audit team, external auditors, and management. The Audit Committee believes that the company’s risk management and internal control systems are effective and that appropriate mechanisms are in place to monitor and correct any non-compliance issues.

2.3.3 Corporate Governance Implementation Status and Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	V		The Company has established the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" . The information has been disclosed on the Company's website.	None
2. Shareholding structure & shareholders' rights (1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure? (2) Does the company possess the list of its major	V		In addition to the existing hotline and email channels, the Company has established an internal operating procedure, and has designated appropriate departments, such as Investor Relations, Public Relations, Legal Department, to handle shareholders' suggestions, doubts, disputes and litigation. The Finance & Shared Services Division is	None

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
shareholders as well as the ultimate owners of those shares?			responsible for collecting the updated information of major shareholders and the list of ultimate owners of those shares.	
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?			Rules are made to strictly regulate the activities of trading, endorsement and loans between the Company and its affiliates. In addition, the "Criteria of Internal Control Mechanism for a Public Company", outlined by the Financial Supervisory Commission when drafting the guidelines for the "Supervision and Governance of Subsidiaries", was followed in order to implement total risk control with respect to subsidiaries.	
(4) Does the company establish internal rules against insiders trading with undisclosed			To protect shareholders' rights and fairly treat shareholders, the Company has established the internal rules to forbid insiders trading on	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
information?			undisclosed information. The Company has also strongly advocated these rules in order to prevent any violations.	
3. Composition and Responsibilities of the Board of Directors (1) Does the Board develop and implement a diversified policy for the composition of its members? (2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit	V		 Member diversification is considered by the Board members. Factors taken into account include, but are not limited to gender, age, cultures, educational background, race, professional experience, skills, knowledge and terms of service. The Board objectively chooses candidates to meet the goal of member diversification. The Company has set up the Remuneration Committee and the Audit Committee according to the law; the establishment of other committees	None

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
Committee? (3) Does the company establish a standard to measure the performance of the Board and implement it annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?			is under evaluation. The company has formulated rules and procedures for evaluating the Board's performance and conducts it annually. The Company uses two methods to evaluate the performance of the Board. 1. Self-assessment of Board members Board members fill in the" Self-Assessment Questionnaire for Board Members" at the end of each year. To evaluate the performance of each member's effectively, the questionnaire contains the following factors: A. Their grasp of the Company's goals and missions; B. Their recognition of director's duties; C. Their degree of participation in the	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			Company's operations; D. Their management of internal relationships and communications; E. Their professionalism and continuing professional education; F. Internal controls. 2. Assessment of the Board: The Secretary Office of the Board conducts the assessment of the Board's performance. The following aspects are taken into consideration: A. The degree of participation in the Company's operations; B. Improvement in the quality of decision making by the Board of Directors; C. The composition and structure of the Board	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			of Directors; D. The election of the directors and their continuing professional education. E. Internal controls. The Company conducts director self-assessments and peer assessments in the first quarter each year. Assessment results were reported to the Board of Directors in 10 Feb 2026, and are referenced when determining the remuneration of individual directors and nominations for reelection. F. The external board performance evaluation is conducted at least once every three years by an external professional independent organization or a team of external expert scholars, and an annual performance evaluation is conducted at the end of each	

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			year. At the end of 2023, our company commissioned the external organization " Taipei Foundation of Finance " to conduct a board performance evaluation for the period from January 2022 year to December 2023 year. The association issued the evaluation report on March 18th, 2024 year. For the overall evaluation and recommended actions, please refer to the Corporate Governance section on our company's website.	
(4) Does the company regularly evaluate the independence of CPAs?			The Company evaluates the independence of CPAs annually, ensuring that that they are not stakeholders such as a Board member, supervisor, shareholder or person paid by the Company.	
4. Does the company appoint a suitable number of	V		The board of directors approved Su, Yi-Fan the	None

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders' meetings, and producing minutes of board meetings and shareholders' meetings)?			appointment of corporate governance officer .The responsibility of for corporate governance officer include corporate governance-related matters, providing information required by directors and functional committees to perform their business, drafting agendas of the board of directors and shareholders' meeting and assisting the board of directors to strengthen their functions	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		The Company provides detailed contact information, including telephone numbers and email addresses in the "Stakeholder Area" section of the corporate website. In addition, personnel are in place to exclusively deal with issues of social responsibility, ensuring that various interested parties have channels to communicate with the Company.	None

Evaluation Item	Implementation Status [1]			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The company has appointed the Shareholders' Meeting Affairs Department of Taishin Securities Co., Ltd. to handle shareholder meeting matters.	None
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance? (2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)? (3) Does the company announce and report annual	V		The Company has set up a Chinese/English website (www.machvision.com.tw) to disclose information regarding the Company's financials, business and corporate governance status. The Company has established a spokesman system. Investor conference information is disclosed on the corporate website. The Company has reported annual financial	None

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status [1]</th><th rowspan="2">Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration</th></tr>
<tr><td>financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?</td><td></td><td></td><td>statements within two months after the end of each fiscal year and announced them on the company website.
The Company announced and reported its financial statements for Q1, Q2, and Q3 and filed monthly operating status before the deadline.</td><td></td></tr>
<tr><td colspan="5">8. Is there any other important information to facilitate a better understanding of the company’s corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?Please refer to note2.</td></tr>
<tr><td colspan="5">9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures.
Every year, the company reviews the indicators that have not yet met the scoring standards based on the recent corporate governance evaluation results and the corporate governance evaluation indicators released in the most recent year, arranges improvement schedules, and has completed the improvement of most of the projects that did not meet the standards.</td></tr>
</table>

Note1：CPAs' independence evaluation criteria

Items for Evaluation	Evaluation Result	Compliance with Independence
1.As of the most recent Assurance Service, there has been no instance where the CPA has remained unchanged for seven years.	Yes	Yes
2. The CPA has no significant financial interests with the principal.	Yes	Yes
3. The CPA avoids any inappropriate relationships with the principal	Yes	Yes
4. The accountant should ensure that their assistant personnel adhere to honesty, fairness, and independence.	Yes	Yes
5. Financial statements of the serving organization within the first two years of practice shall not be audited for certification.	Yes	Yes
6. The accountant's name must not be used by others.	Yes	Yes
7. CAP does not hold shares in this company or related enterprises	Yes	Yes
8. The CPA has not engaged in any monetary borrowing or lending with this company or related enterprises.	Yes	Yes
9. The CPA does not have a common investment or shared interest relationship with this company or its affiliated enterprises.	Yes	Yes
10. The CPA does not concurrently hold regular employment with this company or its affiliated enterprises and receive fixed salary.	Yes	Yes
11. The CPA is not involved in managerial functions related to decision-making for this company or its affiliated enterprises.	Yes	Yes
12. The CPA does not engage in other businesses that may compromise their independence.	Yes	Yes
13. The CPA does not have any spousal, direct blood relationship, direct in-law relationship, or second-degree collateral blood relationship with the management personnel of this company.	Yes	Yes
14. The CPA does not receive any commissions related to business activities.	Yes	Yes
15. As of now, the CPA has not been subject to any disciplinary actions or incidents compromising their independence principles.	Yes	Yes

Note2：Other important information to facilitate a better understanding of the company' s corporate governance practices

1. Employees' rights and interests, employee care, investor relations, supplier relationship, and stakeholders' rights

The Company's culture is Service, Elaboration, Family and Innovation. Making considerable investment in employee benefits & work rights and investor relations. The company has been held Badminton Competition since 2016.

In terms of employees' rights & interests and employee care, the Company takes relevant government laws and regulations such as Labor Standards Act, Act of Gender Equality in Employment, Sexual Harassment Prevention Act, etc. as benchmarks for the formulation of personnel management regulations to protect employees' rights and interests. In addition to the announcement and implementation of the said regulations, labor-management meetings are regularly held to facilitate effective communication.

Moreover, "Employee Welfare Committee" has been set up, and funds are allocated on a monthly basis for organizing regular activities to enhance employees' welfare. Detailed benefits programs and budget planning are carried out every year, including gift vouchers for festivals, health-promotion and leisure activities for employees, family days, local/overseas tours, wedding and funeral subsidies, hospitalization subsidies for employees and their families, prizes for year-end parties, health check, labor/health/group insurance, etc. In 2024, the company was awarded the Ministry of Labor's Work-Life Balance Award in the Friendly Family category.

In terms of investor relations, the Company has set up a dedicated Investor Relations Department to act as a communication bridge between the Company and investors for investors to fully and promptly understand the Company's business achievements/ performance and long-term operational strategies/direction, thereby providing investors, analysts and domestic/international professional investment institutions with the best services.

In regards to supplier selection, the Company continues to promote green procurement by requiring raw material suppliers to provide declarations guaranteeing that their products do not contain prohibited substances that are harmful to the environment.

With respect to stakeholders' rights, the Company has created a Stakeholder section on its website, and has set up Independent Director's Mailbox to establish a direct communication channel between the Company and employees, shareholders and stakeholders for the protection of stakeholders' rights.

2. Continuing studying status for directors and independent directors.

Name	Date	Organizer	Course	Training hours
WANG/GUANG-SHIAH	2025/8/20	Taiwan Project Management Association	AI Trends and Corporate Risk Management Strategies	3
WANG/GUANG-SHIAH	2025/9/4	Taiwan Project Management Association	Applications of Generative AI and ChatGPT	3
WANG/GUANG-SHIAH	2025/9/8	Taiwan Project Management Association	Corporate Digital Transformation and Digital Governance	3
WANG/GUANG-SHIAH	2025/9/9	Taiwan Project Management Association	Digital Transformation and Emerging Information Technologies	3
CHANG/YUNG-YANG	2025/8/6	Securities and Futures Institute	US-China Economic Dynamics and Taiwan’s Industry Prospects under Trump 2.0	3
CHANG/YUNG-YANG	2025/11/5	Securities and Futures Institute	Overview and Practical Insights on Corporate Mergers and Acquisitions	3
YU/MING-CHANG	2025/9/3	Taiwan Corporate Governance Association	21st International Corporate Governance Summit – The Role of Boards in Shaping Corporate Transformation Amid Global Environmental Changes	6
CHUANG/YUNG-SHUN	2025/7/22	Taiwan Stock Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit Forum	3
CHUANG/YUNG-SHUN	2025/7/31	Taiwan Stock Exchange Corporation	2025 Taiwan Capital Market Strengthening Summit	3
YAN/WEI-CHYUN	2025/8/22	Chinese National Association of Industry and Commerce	Directors and Supervisors Training – 2025 Taishin & Shin Kong Net-Zero Summit	3

Name	Date	Organizer	Course	Training hours
YAN/WEI-CHYUN	2025/10/30	Independent Director Association Taiwan	AI-Driven Next-Generation Corporate Transformation	3
LEE/CHUN-CHE	2025/4/14	Taiwan Corporate Governance Association	Decoding the Economic and Trade Strategy of the U.S. Trump Administration	3
LEE/CHUN-CHE	2025/10/15	Taiwan Corporate Governance Association	Strengthening Regulatory Compliance to Ensure Sustainable Business Operations	3
YANG/HSING-YU	2025/8/5	Securities and Futures Institute	US-China Economic Dynamics and Taiwan’s Industry Prospects under Trump 2.0	3
YANG/HSING-YU	2025/8/5	Securities and Futures Institute	Risk Management and Strategic Analysis for Corporate Sustainability	3
YEN/TZONG-MING	2025/8/22	Taiwan Science Park Industry Association	Technology-Driven Future Control for Enterprises – Smart Governance Shaping the Future	3
YEN/TZONG-MING	2025/12/11	Taiwan Institute of Directors	Trends in Sustainability Information and Financial Reporting Disclosure	3
DU/MING-HAN	2025/9/3	Chinese Association for Corporate Management and Sustainable Development	NVIDIA’s $3 Trillion Miracle: New Perspectives on the Semiconductor Industry Revolution Behind Artificial Intelligence	3
DU/MING-HAN	2025/9/5	Securities and Futures Institute	Analysis of Sustainability Disclosure Standards: Practical Applications of TCFD, TNFD, and IFRS S1/S2	3

2.Business Implementation and Continuing studying status for the Corporate Governance Officers

Name	Date	Organizer	Course	Training ours
WANG/GUANG-SHIAH	2025/8/20	Taiwan Project Management Association	AI Trends and Corporate Risk Management Strategies	3
WANG/GUANG-SHIAH	2025/9/4	Taiwan Project Management Association	Applications of Generative AI and ChatGPT	3
WANG/GUANG-SHIAH	2025/9/8	Taiwan Project Management Association	Corporate Digital Transformation and Digital Governance	3
WANG/GUANG-SHIAH	2025/9/9	Taiwan Project Management Association	Digital Transformation and Emerging Information Technologies	3
SU/YI-FAN	2025/7/31	Taiwan Stock Exchange	2025 Taiwan Capital Market Strengthening Summit	3
SU/YI-FAN	2025/8/22	Chinese National Association of Industry and Commerce	2025 Taishin & Shin Kong Net-Zero Summit	3
SU/YI-FAN	2025/11/6	Taiwan Science Park Industry Association	Accounting Treatments and Tax Audits for Multilateral Trade	6
SU/YI-FAN	2025/12/24	Accounting Research and Development Foundation, Republic of China	Practical Analysis of Integrated ESG Reporting and Compliance with Sustainability Disclosure Regulations	6
SU/YI-FAN	2026/1/8	Institute of Internal Auditors of the Republic of China	Examining Payroll Cycles and Labor Incidents from a Corporate Governance Perspective	6

4. Implementation of risk management policies and risk measurement standards: The Company has established the “Risk Management Measures” and “Risk Control Procedures” to actively promote the implementation of risk management system. Each management unit will evaluate and review risk factors regularly, compile the major risk factors annually and report it to the Board of Directors on a regular basis, and through the evaluation of major risks, adjust key audit items of next year’s audit plan. Please refer to the website of the Company for details of the operation activities in 2025.
5. Implementation of customer policies: The Company strictly complies with the agreements signed with customers, as well as other relevant regulations. We ensure the rights and interests of customers are well protected while providing them with high quality services.
6.The Company's purchases of liability insurance for directors: The Company purchases liability insurance for directors every year. The insured amount in 2025 was NT$66,410,000 and the insured period was March 29, 2025 to March 29, 2023. Relevant information is also available in the Market Observation Post System.

2.3.4 Composition, Responsibilities and Operations of the Remuneration Committee

The Compensation Committee assists the Board in discharging its responsibilities relating to the Company's compensation and benefits policies, plans and programs, and the evaluation of the directors' and executives' compensation.

The Chairman of the Compensation Committee convened four regular meetings in 2020. The Compensation Committee Charter is available on the Company's corporate website.

A. Professional Qualifications and Independence Analysis of Compensation Committee Members

Title	Criteria / Name	Professional qualification and experience	Independence Criteria	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Remuneration Committee Member
Independent Director	YEN/TZONG-MING	Please refer to page 5-9 of this Directors.	Independent directors are in compliance with Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies	0
Independent Director	YANG/ HSING-YU			0
Other	FU/ HSIN-PIN	1. Professor of Marketing and Process Management, Kaohsiung First University of Science and Technology 2. Chairperson of the Independent Directors and Remuneration Committee of Taijun Technology Co., Ltd. 3. Director and Supervisor of Machvision Technology Co., Ltd. 4. Chief of the Electronic Information Section and Knowledge Services Section, Industrial Development Bureau, Ministry of Economic Affairs	Holding less than 1% of shares does not affect the independence of serving as a compensation committee member executing duties as an expert.	1

B. Attendance of Members at Compensation Committee Meetings

There are 3 members in the Compensation Committee.
A total of 4 (A) Remuneration Committee meetings were held in the previous period.
The attendance record of the Compensation Committee members was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Convener	YEN/TZONG-MING	3	0	100.00%	-
Committee Member	YANG/HSING-YU	3	0	100.00%	
Committee Member	FU/HSIN-PIN	3	0	100.00%	-

Other mentionable items:
1. Scope of Compensation Committee's duties: To ensure sound corporate governance, strengthen the Board functions, assist the board of directors in implementing and evaluating the Company's overall remuneration and benefits policy, and the compensation for managerial officers
2. If the Board of Directors does not accept or amends the suggestions made by the Remuneration Committee, the board meeting date, term/session, content of proposal(s), the board’s resolution result, and the Company's handling of Remuneration Committee's opinions should be stated (for example, if the remuneration approved by the Board is better
than that suggested by Compensation Committee, the difference and its reason(s) should be stated): None.
3. If any of the members has a dissenting or qualified opinion on Compensation Committee’s resolutions, and such opinion has been recorded or declared in writing, the Compensation Committee meeting date, term/session, content of proposal(s), opinions of all members, and the handling of the members' opinions should be stated: None.

4. Compensation Committee's discussion and resolution result, and the Company's handling of members' opinions:

Compensation Committee Meeting Date	Content of Proposal and Subsequent Handling
2025/2/11	1. Remuneration for Directors (including Independent Directors) and Employees for the Year 2024.
	Unanimously approved by all committee members.
	The Company's handling of Compensation Committee's resolutions: CTO (WANGGUANG-SHIAH) voluntarily avoided the discussion and the proposals involved personal interest, all proposals suggested by the Compensation Committee were unanimously approved by other directors who were present.
2025/4/29	1. Salary structure and amount for the newly appointed business group general manager.
	2. Salary structure adjustment for senior executives.
	Unanimously approved by all committee members.
	The Company's handling of Compensation Committee's resolutions: CTO (WANGGUANG-SHIAH) voluntarily avoided the discussion and the proposals involved personal interest, all proposals suggested by the Compensation Committee were unanimously approved by other directors who were present.
2025/7/29	1. Salary structure and amount for the newly appointed Chief Strategy Officer.
	2. Remuneration distribution for Directors (including Independent Directors) for 2024.
	3. Remuneration distribution for Managers and Employees for 2024.
	4. Routine salary adjustment for Managers of the Company for 2025.
	Unanimously approved by all committee members.
	The Company's handling of Compensation Committee's resolutions: CTO (WANGGUANG-SHIAH) voluntarily avoided the discussion and the proposals involved personal interest, all proposals suggested by the Compensation Committee were unanimously approved by other directors who were present.

2.3.5 Implementation of Sustainable Development Promotion

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
1. Has the company established a governance structure to promote sustainable development, and set up a dedicated (or non-dedicated) unit to promote sustainable development, relevant affairs of which are handled by senior managerial officer under the Board's authorization and supervision?	V		To effectively fulfill its commitment to promoting sustainable development, the Company established a dedicated functional committee—the Sustainable Development Committee (hereinafter referred to as the "Sustainability Committee")—as approved by the Board of Directors on December 26, 2024. At the same time, the position of Chief Sustainability Officer (CSO) was created and appointed by the Board to oversee all sustainability-related matters. The Sustainability Committee is composed of three directors. Its members are nominated by the Chairman and appointed by the Board of Directors. A majority of the committee members are independent directors. One director is elected by all members to serve as the convener and chairperson of the committee meetings. The CSO reports directly to the Sustainability Committee. The Committee convenes at least once a year to provide strategic direction on the Company's sustainability vision, long-term policies, management guidelines, and mid- to long-term goals. It also monitors and reviews the performance and effectiveness of sustainability initiatives. Under the Sustainability Committee, an ESG Task Force has been established, composed of cross-departmental managers and staff serving on a part-time basis. The ESG Task Force is further divided into six sub-groups, each responsible for reviewing and planning the Company's strategies and implementation in the areas	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
			of environmental sustainability, corporate commitment, and corporate governance. The CSO leads the ESG Task Force and regularly reports to both the Sustainability Committee and the Board of Directors on strategic directions, goals, implementation progress, and performance reviews. Last Sustainability Committee meeting was held on December 18, 2025. The principal agenda items were: 1. The 2024 Report of the Task Force on Climate-Related Financial Disclosures (TCFD), and 2. The execution report on advancing practical sustainable-development initiatives, among other matters.	
2. Did the company conduct risk assessment of environmental, social and corporate governance issues for its operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		The Company actively implements preventive and control measures for potential risks and has established corresponding early warning mechanisms. Risk assessments are conducted based on the principle of materiality, focusing on those risks relevant to the Company's operations. These assessments serve as a basis for risk management and business strategy, enabling the Company to effectively identify, measure, and control various risks, and to ensure that risks arising from business activities remain within acceptable levels. In the environmental domain, the Company has identified climate change as a key risk. In response, the Company has developed a supplier contingency plan and is taking actions to reduce greenhouse gas emissions from its supply chain.	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			(For more details, please refer to the "Corporate Sustainability" section on the Company's official website.)	
3. Environmental issues (1) Does the company establish proper environmental management systems based on the characteristics of the industries?	V		The Company primarily engages in the research, development, and assembly of machinery. The production process does not generate hazardous substances or wastewater. An environmental management system has been established and promoted by the Administration Center, with a focus on greenhouse gas (GHG) management.	None
(2) Does the Company made effort to enhance the resources efficient use and used regenerated materials to mitigate the impact on the environment?	V		The Company conducts regular evaluations and reviews of surplus materials and obsolete inventory generated during the production process, in order to enhance material utilization and reduce environmental impact.	None
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	V		The Company continuously monitors the impact of climate change on its operations. In formulating relevant strategies, the Company actively seeks to increase efficiency, reduce waste, and minimize environmental impact.	None

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td>(4) Does the company take inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and implement policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?</td><td>V</td><td></td><td>Due to the nature of its operations in equipment R&D and assembly, the Company does not require significant water usage or special gases, nor does it generate large-scale waste. The primary focus is on CO_2 management. For future quantitative targets, the Company adopts a carbon intensity calculation logic (carbon emissions per GDP). The goal is to reduce annual carbon emissions per revenue by 50% in 2025 compared to 2014.
<table>
<tr><td>Item/Unit</td><td>2023</td><td>2024</td><td>2025</td></tr>
<tr><td>Greenhouse gas emissions /CO2e</td><td>632.3</td><td>599.7956</td><td>666.9292</td></tr>
<tr><td>Water consumption / kWh</td><td>7822</td><td>4428.0717</td><td>5002.5716</td></tr>
<tr><td>Total weight of waste /Ton</td><td>10</td><td>16.0993</td><td>19.3192</td></tr>
</table></td><td>None</td></tr>
<tr><td>4. Social issues
(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</td><td>V</td><td></td><td>The Company complies with all relevant laws and adheres to international human rights conventions, including gender equality, the right to work, and non-discrimination. In fulfilling its responsibility to protect human rights, the Company follows applicable labor regulations, and the recruitment, termination, and compensation of employees are handled in accordance with the Company's internal control procedures.</td><td>None</td></tr>
<tr><td>(2) Does the company have reasonable employee benefit measures (including salaries, leave,</td><td>V</td><td></td><td>In accordance with the Labor Standards Act, the Company allocates employee bonuses based on annual business performance, sharing profits with its employees. Details on employee compensation and benefits are available on the Company’s official website under the “Corporate Sustainability” section.</td><td>None</td></tr>
</table>

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
and other benefits), and do business performance or results reflect on employee salaries?				
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		The Company conducts regular occupational safety awareness campaigns and routinely inspects and maintains building facilities to ensure a safe working environment. In addition, the Company provides labor insurance, health insurance, and group insurance in compliance with legal requirements. Employees are offered annual health checkups, influenza vaccinations, and on-site consultations with a resident nurse and physician. The Company also organizes annual health education courses. More information is available on the "Corporate Sustainability" section of the Company's website.	None
(4) Does the company provide its employees with career development and training sessions?	V		he Company has established a succession planning program, which includes both general and department-specific professional training courses. This program aims to develop employees' career competencies through structured training and ensures that business performance and outcomes are appropriately reflected in the Company's compensation policy. These measures help attract, retain, and motivate talent, contributing to the goal of sustainable business operations.	None
(5) Does the company's products and services comply with relevant laws and international standards in relation to customer	V		The Company has set up a Customer Service Center to provide after-sales service and act as a direct contact point for customers. This helps safeguard consumer rights and proactively gathers customer feedback to improve service quality.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented?				
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	V		The Company has implemented supplier management procedures, through which it engages with suppliers on issues related to environmental protection, occupational safety, and hygiene. Suppliers are encouraged to enhance their performance in these areas, thereby supporting the Company's broader sustainability goals.	None
5. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that		V	Since 2025, the Company has prepared its Sustainability Report in accordance with the GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board) standards. Starting in 2025, disclosures related to the financial impacts of climate change will be conducted based on IFRS 2. All sustainability reports have been uploaded to the competent authority's	None

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit?			platform and are publicly available on the Company’s official website, the Market Observation Post System (MOPS), and in the annual report, ensuring the information disclosed is both relevant and reliable in terms of the Company’s sustainability efforts. As of 2025, the Company’s sustainability reports have not yet obtained assurance or verification from an independent third-party assurance provider.	
6. The Company has established its own sustainability practices in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies,” please describe their implementation and any differences from the official principles: The Company has established the following sustainability-related regulations and procedures in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies": ● Sustainable Development Committee Charter of Machvision Inc. ● Internal Control Guidelines for Sustainability Information of Machvision Inc.. ● Operational Guidelines for the ESG Sustainability Task Force of Machvision Inc. ● Procedures for the Preparation and Assurance of the Sustainability Report of Machvision Inc.. ● Sustainability Information Review Procedures of Machvision Inc.. The above sustainability-related rules, guidelines, and procedures are fully aligned with the principles stipulated by the competent authority, with no differences in operation or content.				
7. Other useful information for explaining the status of corporate social responsibility practices: For more details on the Company’s corporate sustainability practices, please refer to the “Corporate Sustainability” section on the Company’s official website.				

Climate-Related Information of TWSE/TPEx Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	● Board of Directors: In 2023, the Company established an ESG Task Force to initiate ESG management efforts. During that year, the execution progress of sustainability projects and the GHG inventory schedule were reported to the Board on a quarterly basis. In 2024, the Company formally established a dedicated unit—the Sustainable Development Committee—and created the position of Chief Sustainability Officer (CSO) to enhance the effectiveness of sustainability promotion. ● Management: Led by the CSO, the Company formed a cross-functional ESG Task Force composed of department heads and staff serving in a part-time capacity. This team integrates resources across departments to identify climate-related risks, develop action guidelines, and oversee implementation. The Company has set GHG reduction targets and implemented energy-saving and carbon-reduction measures as part of its proactive climate action strategy. The ESG Task Force regularly reports to the Sustainability Committee and the Board of Directors on the progress of sustainability initiatives and GHG inventory efforts. It is also responsible for adjusting strategies in response to feedback or guidance from the Committee and the Board.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The financial impact of climate-related risks and opportunities on the Company is currently assessed as minimal. In the short term, the main effects include increased costs associated with compressed air and HVAC systems, transformation costs within the supply chain, and management and communication expenses related to sustainability issues. Following a quantitative assessment, the short-, medium-, and long-term financial impacts of various climate-related issues were each found to be less than 1% of the Company's net revenue.

3. Describe the financial impact of extreme weather events and transformative actions.	The quantified financial impacts of the aforementioned climate-related issues in the short, medium, and long term were each assessed to be less than 1% of the Company's net revenue.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	The Company's risk management scope encompasses risks related to strategic planning, operational management, financial activities, and information security, and also incorporates climate change-related risks. Through a structured process of risk identification and assessment, response planning, indicator and target setting, and ongoing management and monitoring, the Company integrates risk control into its annual planning and reporting mechanisms. Risks are evaluated on a regular basis each year, and specific risk management policies are formulated accordingly. These policies define management objectives, organizational structure, roles and responsibilities, and risk management procedures, ensuring effective identification, assessment, and control of risks. The objective is to maintain all risks arising from business activities within acceptable limits. (For more details, please refer to the "Corporate Sustainability" section on the Company's official website.)
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.	In response to sustainable development, the Company introduced climate scenario analysis in 2024 based on the TCFD framework to assess climate change-related risks at its operational sites. The results of this assessment are scheduled to be disclosed in the "Climate Chapter" of the Company's 2024 Sustainability Report.
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.	Aligned with the TCFD recommendations, the Company has in 2024 conducted an analysis of climate-related risks and opportunities based on its operational conditions. This process includes risk identification, response planning, and management actions, along with the setting of indicators and targets to ensure the effective implementation of climate risk management strategies. These details will also be included in the 2024 Climate Chapter of the Sustainability Report.

7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	In 2026, the Company implemented an internal carbon pricing system to evaluate and analyze the rooftop solar power plant investment project (hereinafter referred to as "this investment project"). This investment project uses the implemented internal "Shadow Carbon Price (SCP)" as its core tool to conduct an investment feasibility assessment for a 60kW rooftop solar photovoltaic project. The assessment covers: • Equipment investment cost (CAPEX) • Annual operating cost (OPEX) • Energy savings from Taipower electricity prices • Annual carbon reduction benefits • Additional benefits from Shadow Carbon Price (SCP) • Financial indicators such as IRR, NPV, and payback period • Policy and carbon price scenarios from 2025 to 2027 The comprehensive analysis results show that: This investment project is fundamentally sound and has significant long-term benefits; however, the power generation capacity is too small, resulting in insufficient financial incentives. In terms of short-term benefits, this project is not necessary before 2027, and the carbon reduction benefits can be achieved through alternative solutions (such as green electricity procurement) (For more details, please refer to the "Corporate Sustainability" section on the Company's official website).
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	In accordance with the Sustainable Development Roadmap for TWSE/TPEx Listed Companies released by the Financial Supervisory Commission (FSC) in March 2022, the Company, with a paid-in capital of less than NT$5 billion, will adhere to the guidance and regulations issued by the competent authority. The Company will continue to manage and monitor the completion timeline for the GHG inventory and verification disclosure. The Company plans to complete its GHG inventory for the entity level by 2026, and the third-party verification of its GHG emissions is expected to be completed by 2028.

achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	
9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	As the Company's paid-in capital is below NT$5 billion, the mandatory requirements are not yet applicable at this stage.

1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 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 paid-in capital is less than NT$5 billion, and therefore, the applicable requirements are not currently applicable. The Company plans to complete its GHG inventory for the entity level by 2026, and the third-party verification of its GHG emissions is expected to be completed by 2028.

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

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

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT$ 1 million) shall be disclosed.

1-1-2 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 Company's paid-in capital is less than NT$5 billion, and therefore, the applicable requirements are not currently applicable. The Company plans to complete the GHG inventory for the entity level by 2026, and the third-party verification of the Company's GHG emissions is expected to be completed by 2028.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that "Complete assurance information will be disclosed in the sustainability report." If the Company does not prepare a sustainability report, it shall note that "Complete assurance information will be disclosed on the Market Observation Post System (MOPS)," and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions shall meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEx.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

1-2 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.
The Company's paid-in capital is less than NT$5 billion, and therefore, the applicable requirements are not currently applicable. The Company plans to complete the GHG inventory for the entity level by 2026 , and the third-party verification of the Company's GHG emissions is expected to be completed by 2028.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the

Regulations.

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024. If a company has disclosed its inventory in its consolidated financial report in an earlier year, it may take the earlier fiscal year as its base year. Also, the data for the base year may be calculated based on a single fiscal year or the average of multiple fiscal years.

Note 3: When preparing the disclosure content, the Company may refer to the best practice reference examples on the TWSE Corporate Governance Center website.

2.3.6 Fulfillment of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs (1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and	V		(1) Company Code of Integrity and Operating Procedures The Company has established a "Code of Integrity" and "Operating Procedures and Conduct Guidelines for Integrity" to clearly define the principles of fairness, honesty, trustworthiness, and transparency in conducting business activities. To implement the policy of integrity management and actively prevent dishonest behavior, the Company specifies the following principles that all personnel (including subsidiaries) must adhere to when engaging in business activities: 1. Prohibition of Improper Benefits: No direct or indirect provision, promise, request, or acceptance of any improper benefits, nor any	None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
management towards enforcement of such policy?			other dishonest acts that violate integrity, law, or fiduciary duties to obtain or maintain benefits (hereinafter referred to as "dishonest behavior"). 2. Prohibition of Gifts and Bribes: No request or acceptance of any form of money, gifts, commissions, positions, services, preferential treatment, or kickbacks, unless they are normal social courtesies, occasional, and do not influence specific rights and obligations. 3. Compliance with Laws: Compliance with laws such as the Company Act, Securities Exchange Act, Commercial Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Public Servants' Conflict of Interest Prevention Act, relevant regulations for listed companies, or any other laws related to business conduct is fundamental to implementing the policy of integrity management.	

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			4. Management’s Integrity: The Company’s senior management operates on the principles of integrity, aiming to create maximum benefits for shareholders and employees. 5. Board of Directors' Self-Discipline: All directors exercise high self-discipline. In cases where a director or their representative has a conflict of interest that could harm the company’s interests, they will only provide opinions or answer questions without participating in discussions or voting. They will recuse themselves during discussions and voting and must not act as proxies for other directors in exercising voting rights. Directors also exhibit mutual self-discipline, without improper mutual support.	
(2) Does the company have mechanisms in place to assess the risk of unethical conduct, and perform	V		(2) Implementation of Integrity Management Procedures The Company has explicitly outlined business operation guidelines in its "Code of Integrity" and "Operating Procedures and Conduct Guidelines for Integrity". The following measures apply to business activities with higher risks of dishonest behavior within the Company’s operational scope:	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Do the company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed			Fair and Transparent Business Practices: The Company conducts business activities in a fair and transparent manner. Prior to engaging in business transactions, the Company will evaluate the legitimacy and integrity records of agents, suppliers, customers, or other business counterparts, and avoid engaging in transactions with those having records of dishonest behavior. Contracts should include clauses to comply with the integrity management policy and allow termination if the counterparty engages in dishonest behavior. The Company explicitly rejects the direct or indirect provision, promise, request, or acceptance of improper benefits, including kickbacks, commissions, facilitation payments, or other forms of improper benefits. Employee Training and Awareness: To ensure that all employees adhere to these standards, the Company holds annual training and awareness programs for employees. Whistleblower Channels: The Company has set up a "Stakeholder Zone" mailbox on its corporate website for external stakeholders to file complaints	

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
Companies? (3) Does the company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the company enforce	 V		and reports. Internally, the Company has a "General Manager’s mailbox" for handling significant complaints, which helps prevent violations of regulations by company personnel. Supplier Compliance: In addition to company employees, the Company’s suppliers must respect and comply with the Company’s ethical standards and culture. They must sign a "Commitment to Integrity" to guarantee compliance. (3) Commitment to Government Regulations and Business Ethics The Company is committed to adhering to government laws and business ethics standards, upholding the highest standards of openness, integrity, and accountability. The Company actively implements corporate social responsibility, ensures corporate ethics, and adheres to integrity management in expanding its business. To ensure the fair, transparent, and ethical operation of the business, the Company has established the "Code of Integrity", "Operating Procedures and Conduct Guidelines for Integrity",	

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
the programs above effectively and perform regular reviews and amendments?			and a "Stakeholder Zone". Additionally, the Company provides confidential channels for stakeholders, including customers, shareholders, government agencies, society, academic research institutions, suppliers, and employees, to report legal violations (e.g., fraud), dishonest behavior (e.g., corruption or bribery), or actual or potential violations of laws and/or company policies. These reports will be handled by dedicated personnel who will update the whistleblower on the progress of the case. The senior management team and the Audit Committee will regularly track and manage the progress of the investigations to ensure that the Company operates in a fair and transparent manner.	
2. Fulfill operations integrity policy (1) Does the company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?	V		(1) According to the company’s “Integrity Management Code of Conduct” and “Integrity Management Operational Procedures and Behavior Guidelines,” if any dishonest behavior is detected in business transactions or among cooperation partners, the company shall immediately cease business dealings with them and list them as prohibited counterparts, in order to implement the company's integrity management policy.	None

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(2) Does the company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?	V		(2) The company has designated the Administrative Center as the dedicated unit responsible for promoting corporate integrity management, and serves as the consultation window for integrity-related concerns. For any incidents of integrity violations, cross-departmental meetings will be held for review. If the violation is significant, it will be submitted to the Audit Committee or the Board of Directors for further action, in accordance with relevant laws and operational procedures. The company will report the execution status to the Audit Committee or the Board of Directors annually. The report for this year is scheduled for December 18, 2025 The main responsibilities include: 1. Assisting in integrating integrity and ethical values into the company’s business strategy and ensuring integrity through legal and regulatory measures to establish relevant anti-corruption measures.	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company establish policies to	V		2. Developing plans to prevent dishonest behavior, and establishing related standard operating procedures and behavior guidelines for each plan. 3. Planning internal organization, structure, and responsibilities, and setting up mutual supervision and checks for business activities with higher risks of dishonesty. 4. Promoting and coordinating integrity policy training and advocacy. 5. Planning a whistleblowing system to ensure its effectiveness. 6. The internal audit unit carries out independent audits according to the audit plan, assessing the effectiveness of the anti-corruption measures implemented to ensure integrity management. Each business unit regularly evaluates its compliance with related business processes, and the responsible unit consolidates the reports. (3) Regarding conflict of interest, employees can report to their direct supervisors or directly report to the CEO's mailbox.	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
prevent conflicts of interest and provide appropriate communication channels, and implement it? (4) Does the company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to	 V		 (4) The company has established effective accounting and internal control systems, along with an internal audit plan. The internal audit unit executes audits according to the plan, and special project audits will be arranged in the case of exceptional circumstances.	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
prevent unethical conduct, or hire outside accountants to perform the audits?				
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	V		(5) The company conducts weekly management meetings and quarterly gatherings to promote and ensure that employees clearly understand the concepts and standards of integrity management. Periodic lectures and courses are also organized. "Integrity Management Code of Conduct" and "Integrity Management Operational Procedures and Behavior Guidelines," On 17–18 December 2025, the company conducted a two-day external audit of its ten most critical suppliers and, concurrently, promoted the company's philosophy of integrity-driven management together with the principles of ethical and clean conduct.	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			At the same time, the company briefed the managers and staff of the Purchasing and Quality-Control divisions—who regularly engage in business with external suppliers—on the matters that must be observed in the performance of their duties. All personnel were expressly instructed that any conduct contrary to the company's integrity standards is prohibited and constitutes a breach of law and Company policy.	
3. Operation of the integrity channel (1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	V		(1) The Company has established the "Procedures for Handling Reports of Illegal, Unethical, or Dishonest Conduct" to manage whistleblowing matters. Reports may be submitted via the following channels: in-person reporting, telephone reporting, or written submissions. The spokesperson is responsible for handling reports from shareholders, investors, and other	None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(2) Does the company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	V		stakeholders, while the head of internal audit handles reports from internal employees, clients, suppliers, and others. (2) Whistleblowing Handling Procedures: 1. Anonymous Reports: In principle, anonymous reports are not processed. However, if the reported content is deemed necessary for investigation, the case may still be handled separately and used as a reference for internal review. 2. Named Reports: The responsible unit shall clarify the intent and specific evidence of the report. If it is deemed that there is a potential violation of law, ethics, or integrity, the case shall be submitted to the General Manager for handling along with the supporting evidence. 3. The Company shall handle all reports with confidentiality and verify them through independent channels, with full protection of the whistleblower's identity, which will be kept strictly confidential.	

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company provide proper whistleblower protection?	V		4. For employee whistleblowers, the Company guarantees that no adverse treatment or retaliation will occur as a result of their report. 5. To protect the rights of the person being reported and to prevent retaliatory actions against them, the Company shall provide them with an opportunity to appeal. If necessary, a Personnel Review Committee hearing may be convened. (3) In order to foster a culture of integrity and establish a sound business operating framework, and to prevent dishonest behavior by relevant personnel during business execution from causing losses to the Company while also protecting whistleblower rights, the Company has formulated the "Whistleblower Protection Channel and Procedure" in accordance with its Code of Integrity and Corporate Governance Best Practice Principles. This policy was approved by the Board of Directors on May 4, 2021.	
4. Strengthening information				None

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
disclosure (1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?	V		The Company has disclosed the "Integrity Management Code of Conduct" and the "Integrity Management Operational Procedures and Behavior Guidelines" on its official website and the Market Observation Post System (MOPS).	
5. If the Company has established its own Integrity Management Code in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," please explain its implementation and any differences from the prescribed guidelines: The Company has established the "Integrity Management Code of Conduct" and the "Integrity Management Operational Procedures and Behavior Guidelines," and there are no significant differences between their implementation and the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies."				
6. Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., review and amend its policies). The Company upholds integrity in all business dealings with its vendors and actively communicates its commitment to ethical business practices.				

2.3.7 Other Important Information Regarding Corporate Governance
None.
2.3.8 Internal Control Systems

Disclosures Required for the Implementation of the Internal Control System

Please refer to page 50 of the Chinese annual report.

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

2.3.10 Major Resolutions of Shareholders' Meeting and Board Meetings
Shareholders' meeting
Date 2025/05/29

Major resolutions	Results
2024nnual financial report and annual business report.	Comply with the resolution result. Please refer to the Company's website.
2024 earnings distribution.	The board resolved to distribute a cash dividend to shareholders. For fiscal year 113, the total cash dividend amount is NT $348,877,404 (NT $6 per share, which includes NT $2 per share from the capital surplus). The dividend has been paid in full according to the announced schedule and disclosed on the company's website.

Date 2025/09/16

Major resolutions	Results
2025 First Half-Year financial report and annual business report.	Comply with the resolution result. Please refer to the Company's website.
2025 First Half-Year earnings distribution.	The board resolved to distribute both cash and stock dividends to shareholders. For the first half of fiscal year 114, the cash dividend totals NT $58,146,234 (NT $1 per share).

	For the same period, the stock dividend amounts to NT $58,146,240 (equivalent to NT $1 per share). Both dividends have been paid in full according to the announced schedule and the details have been disclosed on the company's website.
Profit Transfer to Capital Increase and Issuance of New Shares Plan	The board resolved to distribute a stock dividend to shareholders. The stock dividend amounts to NT $58,146,240, which is implemented by a capital-increase issuance of 5,814,624 new shares. The distribution has been completed in accordance with the announced schedule and disclosed on the company's website.

Board meeting

Date	Major resolutions
2025/2/11 The 10th Session of 6th Board Meeting	1.Approved the 2024 remuneration to directors (including independent directors) and employees. 2.Amendment to Part of the Articles of Association. 3.Approval of the Formulation of Sustainability Information Management and Control Procedures 4. Approved the explanations on whether the company's outstanding account receivable over the granted 3-month term for a significant amount are capital loans. 5. Approved the company's 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Statement". 6. Approved the 2025 appointment and Remuneration of Certifying Accountant. 7. Approved the company's 2024 financial reports. 8. Approved the company's 2024 business report. 9. Proposal to Amend the Company's General Policy on Pre-approval of Non-assurance Services. 10. Approved the company's 2024 earnings distribution proposal. 11. Approved the company's cash dividend distribution proposal. 12. Approved the company's cash dividend distribution from the additional paid-in capital proposal. 13. Adopted the new formulation and derivative financial products credit line contract with banks, with regards to the short

Date	Major resolutions
	term financing loan commitments and flexible use of corporate funds of excellent relationships with banks. 14. Approved the company's 2025 regular shareholders meeting date , Place and related matters. 15. Approved the company's organizational restructuring
2025/4/29 The 10th Session of 7th Board Meeting	1. Report on the financial report for the first quarter of 2025. 2. Approved the explanations on whether the company's outstanding account receivable over the granted 3-month term for a significant amount are capital loans. 3. Adopted the new formulation and derivative financial products credit line contract with banks, with regards to the short term financing loan commitments with banks. 4. To approve the company’s proposal for increasing the investment amount in Mainland China.
2025/7/29 The 10th Session of 8th Board Meeting	1. Approved the financial statements for Q2 of 2025. 2. Approved the explanations on whether the company's outstanding account receivable over the granted 3-month term for a significant amount are capital loans. 3. Approved the business report for the first half of 2025. 4. Approved the distribution of earnings for the first half of 2025. 5. Approval of the Company's Proposal for Capitalization of Earnings to Issue New Shares. 6. Approved the distribution of earnings for the first half of 2025. 7. Approval of the proposal to convene the 1st Extraordinary Shareholders’ Meeting in 2025. 8. Approval of the 2024 Sustainability Report Compilation. 9. Approval of the amendment to the Organizational Rules of the Sustainability Committee. 10. Approved the 2024 remuneration to directors (including independent directors). 11. The company has approved the new hire of the Group Chief Strategy Officer. 12. Approval of the 2024 Allocation of Employee Remuneration for Managers. 13. Approval of the Company's 2025 Routine Salary Adjustment for Management.
2025/8/20	1. Amendment to Part of the Articles of Association.

Date	Major resolutions
The 10th Session of 9th Board Meeting	2. Approval of the proposal to convene the 1st Extraordinary Shareholders' Meeting in 2025(Add an item to the agenda).
2025/10/29 The 10th Session of 10th Board Meeting	1. Approved the financial statements for Q3 of 2025. 2. Approved the explanations on whether the company's outstanding account receivable over the granted 3-month term for a significant amount are capital loans. 3. Approval of the Change of Stock Agency Service Provider from February 1, 2026.
2025/12/18 The 10th Session of 11th Board Meeting	1. Adopted proposition for 2026 MACHVISION Business Plan. 2. Adopted MACHVISION 2025 audit plan. 3. Adoption of the Company's Corporate Value Enhancement Plan. 4. Proposal for Partial Amendments to the Procedures for Acquisition or Disposal of Assets. 5. Approval of the amendment to certain provisions of the Company's Internal Control System – Payroll Cycle. 6. Adopted the new formulation credit line contract with banks, with regards to the short term financing loan commitments and flexible use of corporate funds of excellent relationships with banks.

3.3.11 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors: None.

2.4 Information Regarding the Company’s Audit Fee and Independence

2.4.1 Audit Fee

Unit: NT$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA’s Audit	Audit Fee	Non-audit Fee	Total	Note
KPMG	WU/ CHUNG-SHUN	2025.1.1~ 2025.12.31	2,510	250(Note)	2,760	-
	CHANG/ CHUN-I					

Note: KPMG is the CPA firm entrusted by the Company for the service of " Profit-seeking Enterprise Annual Income Tax Return "

(1) If there is a change in the accounting firm, and the audit fees paid for the fiscal year in which the change took place are lower than those paid for the fiscal year immediately preceding the change, the amount and percentage of and reason for the reduction in audit fees shall be disclosed: N/A.

(2) When the audit fees paid for the current fiscal year are lower than those paid for the immediately preceding fiscal year by 10% or more, the amount and percentage of and reason for the reduction in audit fees shall be disclosed: N/A.

2.5 Replacement of CPA:

A. Regarding the former CPA

<table>
<tr><td>Replacement Date</td><td colspan="4">FEB. 16, 2023</td></tr>
<tr><td>Replacement reasons and explanations</td><td colspan="4">Internal rotation within the accounting firm.</td></tr>
<tr><td rowspan="3">Describe whether the Company terminated or the CPA did not accept the appointment</td><td colspan="2">Parties
Status</td><td>CPA</td><td>The Company</td></tr>
<tr><td colspan="2">Termination of appointment</td><td>-</td><td>-</td></tr>
<tr><td colspan="2">No longer accepted (continued) appointment</td><td>-</td><td>-</td></tr>
<tr><td>Other issues (except for unqualified issues) in the audit reports within the last two years</td><td colspan="4">None</td></tr>
<tr><td rowspan="6">Differences with the company</td><td rowspan="4">Yes</td><td>-</td><td colspan="2">Accounting principles or practices</td></tr>
<tr><td>-</td><td colspan="2">Disclosure of Financial Statements</td></tr>
<tr><td>-</td><td colspan="2">Audit scope or steps</td></tr>
<tr><td>-</td><td colspan="2">Others</td></tr>
<tr><td>None</td><td colspan="3">✓</td></tr>
<tr><td colspan="4">Remarks/specify details:</td></tr>
<tr><td>Other Revealed Matters</td><td colspan="4">None</td></tr>
</table>

B. Regarding the successor CPA

Name of accounting firm	KPMG
Name of CPA	WU/ CHUNG-SHUN HUANG/ TSAI-CHUAN
Date of appointment	FEB 10, 2026
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA’s written opinion of disagreement toward the former CPA	None

2.6 Audit Independence

The chairman, president, chief financial or accounting manager of the Company who holds position in the business under the commissioned CPA firm or its affiliates in 1 year: None

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

Unit: Shares

Title	Name	2025		As of March. 27, 2026	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	WANG/GUANG-SHIAH	145,674	-	-	-
Director	CHUANG/YUNG-SHUN	44,771	-	-	-
Director	YU/MING-CHANG	93,094	-	-	-
Director	CHANG/YUNG-YANG	158,690	-	-	-
Director	YAN/WEI-CHYUN	29,600	-	-	-
Director	ASE Semiconductor Manufacturing Inc. Representative: LEE/CHUN-CHE ASE Semiconductor Manufacturing Inc.	1,341,800	-	-	-
Independent Director	YEN/TZONG-MING	-	-	-	-
Independent Director	DU/MING-HAN	-	-	-	-
Independent Director	YANG/HSING-YU (Assumed office on May 30, 2024.)	-	-	-	-
Chief Executive Officer	CHEN/FU-SHEN (Assumed CEO position on February 11, 2025)	(4,997)	-	-	-
General Manager	HUANG/CHIA-HSING	9,250	-	-	-
General Manager	XIA/MING	-	-	-	-
Chief Strategy Officer	CHEN/SHANG-SHU (Assumed CSO position on July 29, 2025)	-	-	-	-
Research and Development Deputy General Manager	WANG/YUAN-NAN	-	-	-	-
Financial and accounting officer corporate governance officer	SU/YI-FAN	-	-	-	-

2.7.1 Shares Trading with Related Parties: None

2.7.2 Shares Pledge with Related Parties: None

2.8 Relationship among the Top Ten Shareholders

March. 27, 2026`; Unit: shares; %

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Advanced Semiconductor Engineering, Inc.	14,759,800	23.08%	-	-	-	-	-	-	-
Taipei Fubon Commercial Bank Co., Ltd. is the entrusted custodian of the Fuhua Taiwan Technology Excellent Interest ETF Securities Investment Trust Fund account.	1,763,000	2.76%	-	-	-	-	-	-	-
Representative: NA	-	-	-	-	-	-	-	-	-
WANG/GUANG-SHIAH	1,602,414	2.51%	43,368	0.07%	-	-	-	-	-
CHANG/YUNG-YANG	1,525,594	2.39%	-	-	-	-	-	-	-
HUANG, YANG-CHIN	1,306,200	2.04%	-	-	-	-	-	-	-
AAEON Technology Inc.	1,298,217	2.03%	-	-	-	-	-	-	-
Representative: CHUANG/YUNG-SHUN	492,482	0.77%	-	-	-	-	-	-	-
LIAO, SU-YUN	1,286,000	2.01%	-	-	-	-	-	-	-
YU/MING-CHANG	1,167,034	1.82%	2,899	0.00%	-	-	-	-	-
LI,/CHIN-CHU	959,000	1.50%	-	-	-	-	-	-	-
Yuanta Jin-Ding Securities Co., Ltd. serves as the entrusted custodian of the investment account of Rayli International Co., Ltd.	873,700	1.37%	-	-	-	-	-	-	-
Representative: NA	-	-	-	-	-	-	-	-	-

2.9 Ownership of Shares in Affiliated Enterprises

December 31, 2025 Unit: shares/ %

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors/Supervisors/Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
MACHVISION INC. (Samoa)	3,463,650	100.00%	-	-	3,463,650	100.00%
SISSCA Co., Ltd	11,477,463	52.11%	835,500	3.79%	12,312,963	55.90%
Machvision (Thailand) Co., Ltd.	9,999,000	99.99%	1,000	0.01%	10,000,000	100.00%
HYE TECHNOLOGY CO.,LTD	5,390,642	11.48%	-	-	5,390,642	11.48%

Note 1: Investment using the equity method.

III. Capital Overview

3.1 Capital and Shares

3.1.1 Source of Capital

A. Issued Shares

Unit: NTD$/share

Date	Par Value (NT$)	Authorized Capital		Paid-up capital		Remarks		
		Shares	Amount (NT$ thousands)	Shares	Amount (NT$ thousands)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
06/98	10	3,990,000	39,900,000	3,990,000	39,900,000	Set up capital 39,900,000	-	Note 1
06/03	10	10,000,000	100,000,000	5,770,000	57,700,000	Capital increase by retained earnings 15,960,000 Employee bonus1,840,000	-	Note 2
05/04	10	10,000,000	100,000,000	7,100,000	71,000,000	Capital increase by retained earnings 11,540,000 Employee bonus 1,760,000	-	Note 3
06/05	10	10,000,000	100,000,000	10,000,000	100,000,000	Capital increase by retained earnings 25,560,000 Employee bonus 3,440,000	-	Note 4
06/06	10	25,000,000	250,000,000	14,000,000	140,000,000	Capital increase by retained earnings 35,500,000 Employee bonus4,500,000	-	Note 5
02/07	20	25,000,000	250,000,000	16,100,000	161,000,000	Capital increase 21,000,000	-	Note 6
08/07	10	25,000,000	250,000,000	19,491,939	194,919,390	Capital increase by retained earnings 28,175,000 Employee bonus5,744,390	-	Note 7
09/08	10	25,000,000	250,000,000	22,549,635	225,496,350	Capital increase by retained earnings 25,339,520 Employee bonus5,237,440	-	Note 8
01/11	26	50,000,000	500,000,000	25,556,635	255,566,350	Capital increase by cash 30,070,000	-	Note 9
08/11	10	50,000,000	500,000,000	30,667,962	306,679,620	Capital increase by retained earnings 51,113,270	-	Note 10
08/12	10	50,000,000	500,000,000	33,734,758	337,347,580	Capital increase by retained earnings 30,667,960	-	Note 11
07/13	10	50,000,000	500,000,000	37,108,234	371,082,340	Capital increase by retained earnings 33,734,760		Note 12
10/13	56	50,000,000	500,000,000	42,608,234	426,082,340	Capital increase by cash 55,000,000		Note 13
05/20	250	50,000,000	500,000,000	44,728,234	447,282,340	Capital increase by cash 21,200,000		Note 14
06/23	161.5	100,000,000	1,000,000,000	58,146,234	581,462,340	Capital increase by private placement 134,180,000		Note 15
11/25	10	100,000,000	1,000,000,000	63,960,858	639,608,580	Capital increase by retained earnings 58,146,240		Note 16

Note 1: The capital increase was approved by the Construction Department of Taiwan Provincial Government on June 9, 1998. The approved no. was: 87 Jiansanfa No. 178035.

Note 2: The capital increase was approved by the Hsinchu Science and Technology Park Administration on

August 27, 2003. The approved no. was: No. 0920024715.
Note 3: The capital increase was approved by the Hsinchu Science and Technology Park Administration on August 12, 2004. The approved no. was: No. 0930021607.
Note 4: The capital increase was approved by the Hsinchu Science and Technology Park Administration on October 3, 2005. The approved no. was: No. 0940026593.
Note 5: The capital increase was approved by the Hsinchu Science and Technology Park Administration on September 19, 2006. The approved no. is: No. 0950024184.
Note 6: The capital increase was approved by the Hsinchu Science and Technology Park Administration on February 27, 2007. The approved no. is: No. 0960005155.
Note 7: The capital increase was approved by the Hsinchu Science and Technology Park Administration on August 24, 2007. The approved no. is: No. 0960022602.
Note 8: The capital increase was approved by the Hsinchu Science and Technology Park Administration on September 24, 2008. The approved no. is: No. 0970026326.
Note 9: The capital increase was approved by the Hsinchu Science and Technology Park Administration on February 10, 2011, and approval number was: No. 1000004086.
Note 10: The capital increase was approved by the Hsinchu Science and Technology Park Administration on August 23, 2011. The approved number was: No. 100025501.
Note 11: The capital increase was approved by the Hsinchu Science and Technology Park Administration on August 10, 2010. The approved number was: No. 1010024643.
Note 12: The capital increase was approved by the Hsinchu Science and Technology Park Administration on July 31, 2013. The approved number was: No. 1020022636.
Note 13: The capital increase was approved by the Hsinchu Science and Technology Park Administration on November 14, 2013. The approved number was: 1020032941.
Note 14: The capital increase was approved by the Hsinchu Science and Technology Park Administration on May 22, 2020. The approved number was: 1090013900.
Note 15: The capital increase was approved by the Hsinchu Science and Technology Park Administration on July 6, 2023. The approved number was: 1120021878.
Note 16: The capital increase was approved by the Hsinchu Science and Technology Park Administration on Nov 26, 2025. The approved number was: 1140036794.

B. Type of Stock

March 27, 2026

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common stock	63,960,858	36,039,142	100,000,000	-

C. Information for Shelf Registration: not applicable.

3.1.2 List of Major Shareholders

March 27, 2026

Shareholder's Name	Shares	Percentage
Advanced Semiconductor Engineering, Inc.	14,759,800	23.08%
Taipei Fubon Commercial Bank Co., Ltd. is the entrusted custodian of the Fuhua Taiwan Technology Excellent Interest ETF Securities Investment Trust Fund account.	1,763,000	2.76%
WANG/GUANG-SHIAH	1,602,414	2.51%
CHANG/YUNG-YANG	1,525,594	2.39%
HUANG, YANG-CHIN	1,306,200	2.04%
AAEON Technology Inc.	1,298,217	2.03%
LIAO, SU-YUN	1,286,000	2.01%
YU/MING-CHANG	1,167,034	1.82%
LI,/CHIN-CHU	959,000	1.50%
Yuanta Jin-Ding Securities Co., Ltd. serves as the entrusted custodian of the investment account of Ruili International Co., Ltd.	873,700	1.37%

3.1.3 Dividend Policy and Implementation Status

A. Dividend Policy

If earnings are available for distribution at the end of a fiscal year, 10% of net earnings – that is, after offsetting any loss from prior year(s) and paying all taxes and dues – shall be set aside as legal reserve and appropriated in accordance with the Securities Exchange Law. The remaining net earnings can be distributed along with prior accumulated unappropriated retained earnings. The Board of Directors will consider the above-mentioned factors when making the dividend distribution proposal. Cash Dividends will be distributed in accordance with the resolution approved by the Board of Directors. Stock dividend will be distributed in accordance with the resolution approved by the Board of Directors and discussed at the annual shareholders' meeting.

The earnings distribution or loss offset shall be proposed at the close of each half year. The half a year's earnings, if any, shall first be used to pay all taxes, reserve employee compensation, and offset prior years' accumulated losses and then set aside 10% as legal reserve. When such legal reserve amounts to the total paid-in capital, the Company shall not be subject to this requirement. The Company may then appropriate or reverse a certain amount as special reserve according to the relevant regulations. The remaining earnings, plus the previous half year's accumulated undistributed earnings, may be distributed in cash according to the distribution plan proposed by the Board of Directors and approved by the Board of Directors or by issuance of new shares according to the distribution plan proposed by the Board of Directors and approved by the shareholders' meeting.

To address the current and future capital needs for business expansion and to meet shareholders' demand for cash inflows, the Company adopts a residual dividend policy. Dividends may not be distributed if the earnings per share (EPS) for the first half of the year is below NT$5. If a dividend distribution is resolved, the total dividend amount shall generally not be less than 10% of the current period's earnings, with cash dividends accounting for no less than 40% of the total dividends. The amount, type, and ratio of dividend distribution may be adjusted based on the actual earnings and operating conditions of the relevant fiscal year.

The current year's earnings, if any, shall first be used to pay all taxes and offset prior years' accumulated losses and then set aside 10% as legal reserve. The Company may then appropriate or reverse a certain amount as special reserve according to the relevant regulations. The remaining earnings, plus the accumulated undistributed earnings, may be distributed by issuance of new shares according to the distribution plan proposed by the Board of Directors and approved by the shareholders' meeting.

The Company is currently in a phase of steady growth. To meet the capital requirements for current and future business expansion and to satisfy shareholders' demand for cash inflows, the Company adopts a residual dividend policy. As a principle, the total dividends distributed annually shall not be less than 10% of the annual earnings, with cash dividends accounting for no less than 40% of the total dividends. The amount, type, and ratio of dividend distribution may be adjusted based on the actual earnings and operating conditions of the relevant fiscal year.

According to Paragraph 5, Article 240 of the Company Act, the Company may authorize the distributable dividends and bonuses, or legal reserve and capital reserve set forth in Paragraph 1, Article 241 of the Company Act, in whole or in part, to be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; in addition thereto, a report of such distribution shall be submitted to the shareholders’ meeting.

B. Proposed Distribution of Dividend

	FIRST HALF OF 2025	SECOND HALF OF 2025
Board resolution day	2025/07/29	2026/02/10
Dividend Payment Date	2025/12/03	To be distributed
Dividend per share	1	0
Cash dividend per share		
Earnings distribution	1	11
Capital Surplus	0	1

3.1.4 The effect of bonus share distribution proposed at this shareholders' meeting on the Company's 2025 operating performance and earnings per share:
In accordance with the "Guidelines for the Processing of Publicly Offered Companies' Financial Forecast Information" and the "Standards for Determining the Completion of Financial Forecasts for Listed Companies" issued by the Taiwan Stock Exchange Corporation, our company has not disclosed its financial forecast for 2025. Therefore, we are unable to disclose forecast information such as operating revenue, profit and loss, and earnings per share. Consequently, this item is not applicable.

3.1.5 Compensation of Employees and Directors

A. Information Relating to Compensation of Employees and Directors in the Articles of Incorporation

Article 26 of the Articles of Incorporation stipulates that: "From the profit earned by the Company as shown through the annual account closing, no less than 5% shall be taken for employee compensation, and no more than3% taken for directors’ and supervisors’ compensation, provided that the amount of accumulated loss, if any, be first withheld.”

B. The basis for estimating the amount of employee and director compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.

C. Remuneration distribution approved by the board of directors:
The allocated cash compensation for employees was NT$136,234,286 and NT$16,348,114 for directors, which was not different from the amount estimated when the expenses were recognized.

D. Distribution of Compensation of Employees, Directors for 2025 Approved in the Board of Directors Meeting: EPS is NT$15.80 after the compensation of employees, directors and supervisors.

E. Information of 2024 Distribution of Compensation of Employees, Directors and Supervisors (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed) and, if there is any discrepancy between the actual distribution and the recognized employee, director, or supervisor compensation, additionally the discrepancy, cause, and how it is treated.

Unit: (NT$) in thousands.

Employee Compensation – in Cash	33,568
Directors' and Supervisors' Compensation	4,196

The above-mentioned actual distribution of compensation of employees, directors and supervisors was in line with the resolution of the Board of Directors.

3.1.6 Buy-back of Treasury Stock: Not applicable.

3.2 Status of Corporate Bond: Not applicable.

3.3 Status of Preferred Stocks: Not applicable.

3.4 Status of GDR/ADR: Not applicable.

3.5 Status of Employee Stock Option Plan: Not applicable.

3.6 Status of New Employee Restricted Stock Issuance: Not applicable.

3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions: Not applicable.

3.8 Financial Plans and Implementation: For the execution status of privately placed securities in fiscal year 2025, please refer to pages 141-143 of this annual report.

IV. Operational Highlights

4.1 Business Activities

4.1.1 Business Scope

(1) Main contents of business

CB01010 Mechanical equipment manufacturing

CE01010 General Instrument manufacturing

CE01030 Optical instrument manufacturing

I301010 Information software service

F401010 International trade

Research, develop, manufacture and market following products:

(a) Non-contact mechanical vision inspection system equipment (detection accuracy below 10μm)

a. BGA, CSP substrate inspection system equipment

b. LCD PANEL detection system equipment.

c. PCB high-speed hole measurement equipment

(b) Smart vision module

(c) Wire width detector

(d) Drill needle detector

(e) Arrow targe

(f) analysis software

(g) Concurrently engage in import and export trade related to the above products

(2) Business share of major products

Product value / Item	2025	
	Revenue (NTD$ thousand)	Operating proportion (%)
Appearance inspection series	793,051	25%
Circuit inspection series	1,044,825	33%
Other testing series	1,104,304	34%
Service	249,281	8%
合　　計	3,191,461	100%

(3) Company's current commodity (service) projects

The company's expertise is divided into three major technologies: (1) appearance inspection (commonly called AVI); (2) 2-D/3-D measurement; and (3) circuit-inspection (commonly called line AOI). The three technologies are applicable to various industries. For example, AVI can be used for final appearance inspection of PCBs and COFs, appearance inspection of IC substrates, semiconductor wafer appearance inspection, IC package appearance inspection, appearance inspection of passive and active components, LCD defect inspection, Mini-LED PCB appearance inspection, etc. The 3-D measurement technology has broader applications, such as PCB dimple defect inspection, BGA bump inspection, wafer bump inspection, SMT solder-paste thickness inspection, and so on. The circuit-inspection technology can be applied to PCB and COF line inspection, as well as glass substrate and touch-panel line/pattern inspection for LCD arrays. Because the core inspection technologies have been modularized, new inspection systems required by the market can be developed rapidly. In addition, the integration of AI deep-learning reduces false-alarm rates and minimizes verification labor. Below is a concise summary of the inspection products already developed for the PCB, semiconductor, and COF industries, grouped by process:

(A) PCB drilling and forming process measurement and testing series
- (a) High-speed hole position measuring machine Hole-AOI
- (b) High speed hole inspection machine
- (c) General-purpose dimension measurement machine – EZ3D.

(B) PCB/COF circuit inspection series
- (a) Artwork inspection machine
- (b) Line width/spacing measurement instrument
- (c) Inner and outer layer circuit inspection machine

(C) HDI and IC carrier board inspection series
- (a) Laser blind-via inspection machine – Laservia AOIM
- (b) Dimple inspection machine – 3D Profiler
- (c) Solder ball bump inspection equipment
- (d) 3 D scanning inspection machine
- (e) Solder-bump and substrate warpage inspection (dual function) equipment
- (f) Automatic stereoscopic imaging measurement machine
- (g) Rigid board appearance inspection machine
- (h) Flexible board / post assembly flexible board appearance inspection machine.
- (i) IC substrate appearance inspection machine
- (j) HDI circuit inspection machine

(D) Semiconductor packaging and inspection series
- (a) Wafer appearance inspection machine – Wafer AVI
- (b) Automatic full-field wafer inspection machine – Auto OM

(c) Wafer carrier (FOUP) inspection machine – FOUP AOI
(d) IC package appearance inspection machine
(e) Chip-on-Film (COF) appearance RTR inspection machine
(f) Tray inspection machine

(E) Four wire electrical test series
(a) HDI 4W Automated Test Equipment (ATE)
(b) CSP 4W Automated Test Equipment (ATE)
(c) Fixture probe inspection machine

(4) Planned Development of New Products (Services)

We plan to develop a high precision 4 wire automated test equipment for substrate testing in the ATE market, incorporating our AOI technology to assist fixture installation and tuning. This will significantly simplify the fixture-installation process, shorten cycle time, and increase throughput. During the probing stage, the system can detect probe offset conditions and aid in correcting prober-offset errors, thereby reducing the setup time, which can further boost productivity of ATE. In the semiconductor sector, we will also leverage our experience with IC substrate panels to develop a series of inspection equipment required for wafer and advanced-package AOI (FOPLP, FOWLP, and silicon photonics).

4.1.2 Industry Overview

(1) Current status and development of industry

Our company is a professional developer and manufacturer of machine-vision systems. We own and integrate optical imaging, image processing, precision mechanics, motion control, and artificial-intelligence technologies to develop non-contact precision measurement and Automated Optical Inspection (AOI) systems. We deliver complete machine-vision solutions.
Our products not only differentiate good from defective items, but also provide high-precision 2D/3D measurement and quality-control statistical functions.
Today our products are primarily applied in the printed circuit board (PCB) industry, covering drilling and routing process measurement & inspection, circuit inspection, HDI and IC substrate inspection, server-mainboard inspection, and we also develop inspection equipment for semiconductor and advanced-package markets. The current status and development analysis of these related industries are as follows:

Analysis of industrial development

A. Industry Development Analysis

Printed circuit boards (PCBs) interconnect electronic components via patterned conductive traces, serving as the essential medium for signal communication and mechanical support. They are the foundation of all electronic products and are widely used in consumer electronics, communications, IT appliances, automotive and aerospace sectors. PCB types include single- or double-sided boards, high-layer-count (HLC) boards, HDI (high-density interconnect) boards, IC substrates, and flexible boards.

As demand for electronic, communication, and AI products grows, trends toward high-speed, and multifunctional designs drive higher-specification needs for PCBs such as HDI, IC substrates, and flexible boards, consequently intensifying the demand for precision measurement and high-accuracy inspection equipment.

The semiconductor industry comprises front-end wafer fabrication and back-end packaging/testing. The rapid expansion of AI applications further amplifies the need for high-precision inspection tools.

(A) Global PCB and Semiconductor Industry Overview

According to a market analysis by TPCA and ITRI's Industrial Technology Center, global PCB output in 2025 is projected at US$92.36 billion, a 15.4% year-over-year increase. Regionally, mainland China accounts for 38.2% of global output (the largest share), followed by Taiwan (31.5%), Japan (12.7%) and South Korea (8.9%). Growth is driven primarily by expanding AI-server applications and a modest recovery in the smartphone and PC markets.

It is forecast that in 2026 global PCB output will exceed the US$100 billion threshold, reaching US$105.21 billion with a double-digit growth rate of 13.9%. The driving force is the continued expansion of AI infrastructure, which fuels demand for AI servers and high-performance computing (HPC).

The World Semiconductor Trade Statistics (WSTS) released a December 2025 forecast indicating that AI-related applications and data-center infrastructure continue to drive the market, raising expected growth to 22% and projecting a total market size of US$772 billion in 2025. For 2026, growth is expected to exceed 25%, with the market reaching US$975 billion. Growth will be across all regions and product categories, with memory and logic chips again posting very high rates—each projected to grow over 30% annually.

(B) Taiwan PCB Industry Overview

According to TPCA's February 2026 market analysis, Taiwan's PCB sector rebounded strongly in 2025, with total domestic and overseas PCB manufacturing output reaching NT$915.2 billion—a historic second-highest level—and a year-over-year growth of 12.0%. The primary catalyst was continued AI-server demand, which boosted shipments of high-layer count boards (HLC), substrates, and HDI products.

Computer and semiconductor applications remained the main growth engines; consumer markets benefited from AI-smart glasses and other new products; automotive applications declined due to a slowdown in EV demand in Europe and the U.S., making it the only shrinking segment in 2025.

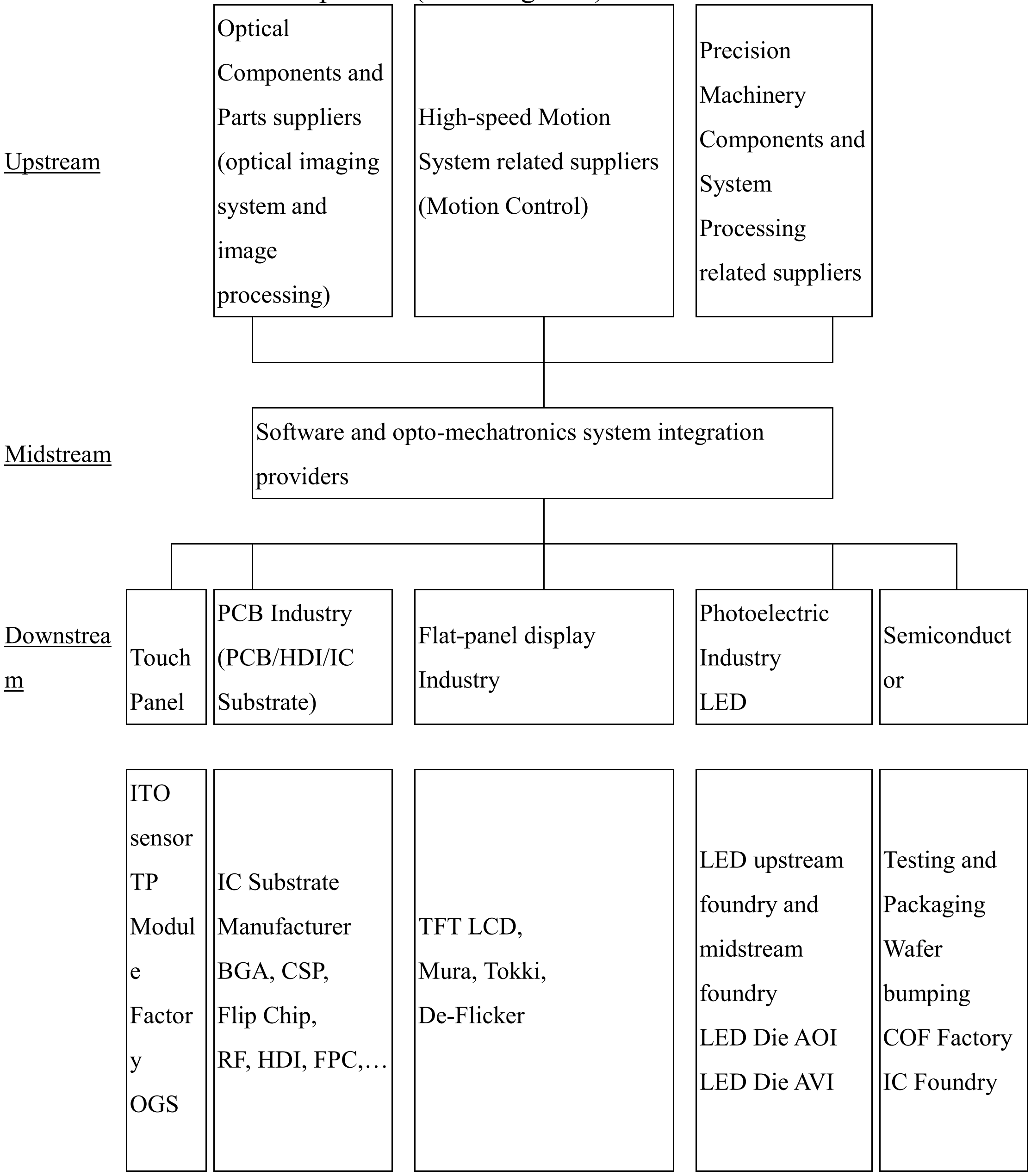
Profitability improved as high-margin AI-related products accounted for a larger share, and the depreciation of the New Taiwan dollar added a foreign-exchange benefit. PCB manufacturers performed markedly wider profit margins after Q3 2025, enjoying both price and volume gains. However, AI-server demand outpaced expectations, creating material-supply constraints for high-performance copper-clad laminates and copper foil, prompting firms to adjust pricing and form strategic alliances.

It is projected that in 2026 PCB output will cross the NT$1 trillion mark, reaching NT$1.02 trillion (an 11.5% increase). Growth drivers will shift from AI model training to inference deployment, expanding applications from single-point servers to full systems and edge-computing devices. The demand for large-size substrates to support AI chips will become a key focus for R&D and volume production, making 2026 a pivotal year for technology validation and mass-production transition.

In response to geopolitical considerations, Taiwanese firms operating advanced production lines in Thailand (e.g., ZD, Unimicron, Compaq, GCE) are expected to reach peak capacity in 2026. Upstream CCL material suppliers such as TUC and ITEQ are also accelerating local manufacturing to bolster supply-chain resilience. Additionally, Taiwanese companies are establishing footprints in Vietnam, gradually shaping a Southeast-Asian strategic cluster.

(2) Relationship among the upstream, midstream, and downstream of the industry

Machine-vision-related inspection (including AOI):



(3) Development trends and competitive situation of the products

A. AOI equipment is moving toward higher precision and higher speed

In Taiwan and other advanced economies, the trend toward thinner, lighter, and more compact electronic products, together with ever-higher quality demands, will drive a renewal of conventional AOI equipment. Measurement capabilities will shift from 2-D inspection to 3-D volumetric inspection, and AI-based defect detection will become more sophisticated, thereby increasing demand for more precise and faster AOI systems.

B. Trends in demand for AOI manufacturing

AOI has always been a necessary investment for advanced-nation industries to guarantee product quality. In traditionally labor-intensive factories, production speeds were low and AOI was not required for quality control; the focus was on automation to boost output. As automation has matured, the need for inspection personnel has risen sharply to match higher capacity. While low labor costs once made manual inspection viable, increasingly stringent product specifications, rising wages, and the reluctance of younger workers to stay in manufacturing have led to high turnover. Consequently, AOI has become an essential next-stage investment for the electronics and semiconductor sectors, and demand is naturally expanding.

C. Growing demand for AOI in traditional industries

Manual visual inspection can no longer ensure quality in traditional factories. To avoid obsolescence, Taiwanese conventional manufacturers are moving toward higher-quality processes and are replacing manual checks with AOI equipment, leading to a continued rise in AOI demand.

D. Localization of equipment production

The rapid rise of emerging high-tech sectors has dramatically increased the need for precision metrology, especially for automated visual inspection. AOI technology spans many fields—semiconductor, flat-panel displays, LED, PCB, and optical lenses. Most AOI users are located in Asia, and historically Taiwan's major industries relied on imported AOI systems, which are often expensive, hard to service, and carry high distribution costs. Government support for localization, exemplified by ITRI's "Automated Optical Inspection Equipment Alliance," unites industry, academia, and research institutes to formulate a national AOI development strategy. In recent years, local OEMs have markedly improved their capabilities, offering prices more competitive than foreign brands and enabling faster, more effective communication with customers. Consequently, both domestic and overseas players are increasingly sourcing AOI equipment from local manufacturers to cut costs and enhance service quality.

E. Competitive landscape

Our R&D focuses on developing cutting-edge products for blue-ocean markets where no dominant rivals currently exist, so our primary competition is our own ability to innovate and keep pace with industry evolution. Where competitors do exist, they typically serve larger market segments; for example, in PCB circuit inspection the main foreign rivals are KLA, CIMS (formerly Camtek's

PCB division), and SCREEN, which constitute our chief external competition. In 2017 we introduced higher-throughput, labor-saving solutions that prompted many major manufacturers to replace legacy equipment, dramatically boosting our competitiveness and positioning us as a market leader. In the appearance-AVI inspection arena, overseas competition is led by Japanese firms such as Shirai, while domestically companies like Utech also develop similar systems. Both product categories compete primarily on detection rate and throughput, and the integration of newly developed AI deep-learning capabilities further reduces re-inspection labor. This not only challenges old leaders but also widens the gap with other rivals, while our quality-service system enhances customer satisfaction.

For many of our other product lines, competitors are mainly followers. Take the Hole-AOI system as an example: high-end foreign vendors compete on advanced functionality, while low-end players compete mainly on price. Our strategy is to expand R&D, continuously improve and segment the market, and launch multiple models to serve varied customer tiers, thereby safeguarding margin and competitive advantage. Patent protection further widens the functional gap with rivals. In addition, we are committed to elevating service quality, consolidating existing client relationships, and attracting new customers.

In the semiconductor sector we have historically relied heavily on foreign suppliers, but in the back-end packaging domain—especially for advanced packaging processes—rapid production changes create a strong demand for inspection equipment, giving domestic solutions a greater chance of being adopted to meet those needs.

4.1.3 Research and Development

(1) Technology / R&D update

Short-term: continuously develop the combination of 4-wire inspection system technology and AOI optics technology, use AOI as an assistance to help the process that can quickly and accurately complete the adjustment in the process of electrical testing replace the manual adjusting mode, develop higher accuracy 4-wire substrate inspection system, study to strengthen the use of inspection system on various testing functions and improve the efficiency of the inspection, and develop separately fixture inspection system to detect the irregular condition on the probe of the fixture so that the user may take early actions to handle the irregularity on the probe and prevent the abnormal situation from happening when mass production is in the process.

Mid-term: continue to move towards Industry 4.0 for key products of circuit inspection and fraction inspection of PCB, strive to simplify the operation of the equipment, and start to focus on the high efficiency and intellectualization of substrate circuit inspection system, which can greatly resolve the issue on the efficiency of traditional stand-alone detection, as well as the issue of labor costs in the past.

Long-term: Set foot on the major optical and electrical testing products for PCB, IC substrate, and semi-conductor and fulfill the objectives of automation, online availability, and intellectualization, provide a comprehensive smart inspection program for Industry 4.0 to significantly reduce labor costs, process time, and acquisition cost, and optimize management mode to enhance its competitiveness in the industry.

(2) Research and development personnel and their academic experience

Unit: people

Item / Year		2024	2025
Education	Ph.D.	5	5
	Masters	101	104
	Bachelor's Degree	45	45
	Senior High School	2	1
Total		153	155
Average Years of Service		5.67	5.66

(3) R&D expenses invested each year in the last five years

NTD Thousand

Item / Year	2021	2022	2023	2024	2025
A. R&D expenses	282,338	242,072	237,814	254,189	388,607
B. Revenue	2,750,264	2,102,302	1,760,590	1,531,831	3,191,461
A/B	10,.26%	11.51%	13.51%	16.59%	12.18%

(4) R&D list for last 5 years

Year	Product/Proprietary technology	Main purposes
2021	Multifield Laservia Inspector t	For blind hole detection, optically provide multiple wavelength detection capabilities to solve the problem of easy leakage of translucent residual glue in the blind hole process in the past, and can filter false points by comparing image items of different wavelengths to reduce equipment false alarms.
	FPCB Assembly AVI	The track type can be connected in series in the production line, replacing the previous single-machine inspection mode using the loading and unloading machine. Reduce related handling operations and improve production efficiency.
2022	Test fixture inspection system	Perform a test on the test fixture to detect the irregularity on the probe of the fixture so that the user may take early actions to handle the irregularity on the probe, and measure the related relations of position between the probe and pinning metal and calculate for the best compensation position suggested.
	High-speed colorful CSP AFI	The improvement of the resolution of CSP fraction inspection is helpful in detecting the finer details and maintaining the characteristics of high speed. In addition, use the property of multiple information of color to strengthen the ability of inspection and that of learning and reinsertion of AI.
2023	Multisource Color PCB Visual Inspection Machine	For defects beneath PCB solder mask, IR light is utilized for inspection while retaining the original capability for white light inspection, enabling examination of images from both light sources while maintaining the original production speed.
	Electrical Test Fixture Inspection Machine	For electrical test fixtures, detection capabilities include identifying defects such as needle misalignment, broken needles, foreign objects, as well as offering detection for needle offset and piercing damage.
2024	Packaged IC AOI+ Metrology	Designed for 6-sided appearance inspection and 2D/3D measurement of post-packaged ICs, this system offers the highest throughput currently available on the market.
	New Wafer AVI	A newly enhanced optical wafer inspection system with added 3D inspection capabilities, providing a more comprehensive inspection solution for advanced semiconductor manufacturing processes.
	FPCA AVI	This provides an inspection solution for FPCA. It utilizes image algorithms and AI for inspection. Furthermore, it offers programmable multi-angle side viewing for multi-sided product inspection, and programmable tilt angles to achieve comprehensive, dead-angle-free inspection.
2025	FPC AVI	This inspection machine is designed for the appearance inspection of FPC bare boards. Compared to previous models, it features significant upgrades to both the optical inspection system and the motion transmission system. A backlight source has been added and combined with a glass carrier stage to obtain high-quality backlit images, greatly enhancing the detection capability for slots and through-holes. In addition to conventional image-based logic inspection, an AI-based defect detection system has been incorporated, forming a dual-track inspection core.
	FOUP	This system is designed to inspect FOUPs for external defects, including dimensional deviations, deformation, contamination, and foreign particles. It ensures the integrity and reliability of FOUPs, thereby reducing losses associated with defective units.

4.1.4 Long-term and Short-term Development

(1) Short-term Business Development Plan

A. Marketing Strategy

In the PCB and semiconductor industries, we promote the inspection of high-end server mainboards, IC substrates, AI-related HPC logic and memory wafers and IC packages, optimize the circuit-AOI and appearance-AVI inspection product families, and also provide advanced 4W ATW to meet AI strong market demand.

B. R&D Strategy

Enhance the cooperation with component suppliers and customers to actively develop high-end mechanical vision products.

Let R&D personnel engaged with the market more in order to develop the system that meets the market's needs.

Inline inspection equipment for the complete manufacture process, modularize software and hardware design to accelerate the development of new systems for other industries.

C. Production Strategy

Implementing process indicator management to enhance operational efficiency. Promoting lean management practices to eliminate waste across all operations. Introducing Incoming Quality Control (IQC) in manufacturing to improve production efficiency and reduce management costs, while ensuring off-site product quality compliance. With the Taiwan headquarters serving as the global operations center, we effectively leverage the strengths of each production site through task specialization, providing flexible solutions that meet customer needs, reduce costs, and enhance market responsiveness and competitiveness.

D. Finance Strategy

Implement performance management and strengthen finance management to enhance the capability in risk management.

Fully push the company's entry into a capital market in hopes of establishing a comprehensive funding channel to make a healthy financial structure and setup the idea of sustainable management, and then make profit to share with the society.

The short-term financial plan is made based on the mid-term and long-term capital demand plan and the principle of safety and stability.

E. The Management

Enhance ERP as well as computerize and automate the operations flow from design, receiving order, production, shipment, inventory, to finance to improve management and operation efficiency.

Provide training and assessment to the personnel in R&D, production, sales, and management to cultivate the talents and human resource in the Company and keep on driving innovation and enhancing the overall competitiveness.

Keep expanding our knowledge management system by establishing the database of successful experiences in the Company for newcomers to efficiently connect with the system operation and motivate new successful experiences.

(2) Long-term Business Development Plan

A. Marketing Strategy

Leverage the advantages generated by strategic alliances to continuously strengthen quality and customer-service capabilities, and deepen relationships with the existing user base.

B. R&D Strategy

Expand the communication and cooperation with domestic and international research or academic institutes to enhance the vision of R&D personnel as well as introduce new ideas and technologies.

Work closely with key component suppliers to develop new systems with the latest technology.

Make good use of "Coopetition" (Competition and Cooperation) to enhance the level of research and development.

C. Production Strategy

Implement an international division of labor and flexible production model, actively expanding overseas production to improve production and operational performance.

Strengthen target management to reduce inventory and increase inventory turnover rate.

Continuously improve and enhance process technology to reduce defect rates and production costs, thus increasing competitiveness.

Align with company policies by introducing new equipment and expanding production capacity to stabilize product quality, meeting market and customer demands.

D. Finance Strategy

Build a close relationship with financial institution to control financial market dynamics and enhance financial performance.

Expand the Company's operating scale and raising funds for medium and long-term to develop our strength in long term.

E. The Management

Cultivate outstanding talents and build a corporate culture of professionalism, service and partnership.

Adhere to the concept of sustainable management, strengthen corporate governance and value social responsibility.

4.2 Market and Sales Overview

4.2.1 Market Analysis

(1) Sales area of main products (services): Sales percentage of inspection products for PCB industry by market is as listed in the table below:

Region/Year		2024		2025	
		Amount	%	Amount	%
Export	China	1,119,561	73%	2,050,151	64%
	Others	152,583	10%	479,973	15%
	Sub-total	1,272,144	83%	2,530,124	79%
Domestic Sales		259,687	17%	661,337	21%
Total		1,531,831	100%	3,191,461	100%

(2) Market share

Our core business is the manufacture, research-development and sale of machine-vision inspection and metrology equipment. In the 2025 global top-100 PCB ranking, more than 90 % of the listed firms are our customers.

Our product portfolio comprises PCB drilling and routing process measurement & inspection series, 2D/3D metrology series, PCB pattern inspection series, HDI and IC substrate & FPCB inspection series. We focus chiefly on board and panel metrology and inspection, making us one of the few companies in the industry simultaneously possessing pattern AOI, AVI, and 2D/3D metrology technologies.

Certain products-such as the ultra-high speed 1.4 mil AOI (LW/LS 10/10 µm also available), Laser-Via AOIM, and flexible/rigid board appearance inspection machines—lead the market in the fields. Other offerings, like artwork inspection machines and 2D metrology instruments, also hold a measurable share.

(3) Future market supply/demand and growth

Printed circuit boards (PCBs) serve as the substrate that interconnects electronic components via patterned circuitry, thereby enabling each component to perform its function. PCBs are the foundational and critical component of the entire electronics industry.

As PCB products-including HDI, IC substrates and flexible boards-move toward higher-density, finer-pitch designs, visual inspection by eye becomes impossible, and contact-type electrical tests are often infeasible due to the minute line widths. Consequently, the demand for precision metrology and inspection equipment becomes increasingly acute.

Rising labor costs and workforce shortages further push manufacturers to replace manual inspection with automated systems, even for mid-and low-end products. Moreover, as Taiwan's PCB market shows a strongly rebound, Taiwanese PCB makers continue to expand capacity in China and Southeast Asia and deepen ties with major system-integrator supply chains, which will stimulate greater demand for inspection equipment.

Leveraging more than two decades of 2D and 3D inspection expertise in the industry sector, we will extend our technologies to other micro-electronics fields such as semiconductor packaging/test and COF (chip-on-film) manufacturing, thereby broadening our addressable market. Ongoing integration of AI deep-learning capabilities will further reduce labor dependence and enlarge our market footprint.

(4) Strength for competition

A. The Strong R&D Team

We are a professional manufacturer of machine-vision inspection and metrology systems, integrating core competencies in optical imaging, image processing, AI, precision mechanics and motion control. Our R&D team combines expertise from optics, mechanics, electronics and software, and we have instituted a suite of professional training programs to build a knowledge-management platform that enhances engineers' capabilities. This enables us to deliver highly accurate, fast-to-market visual inspection solutions that keep pace with a rapidly evolving environment, bridging theory and practice. Our technology development already surpasses domestic rivals, and several products meet international-advanced standards, earning strong trust and reliance from our customers. In 2024 we also invested in HYE Technology Co., Ltd., expanding our R&D and product-development capacity.

B. Providing a Comprehensive Range of Products

We have developed a comprehensive product suite for the PCB, semiconductor packaging/test, and COF sectors that not only meets customer requirements but also surpasses the quality of imported equipment. This full-range metrology and inspection portfolio enables us to offer plant-wide measurement solutions, enhancing our competitiveness through bundled sales. Moreover, each product line includes both mid-range and high-end models, allowing us to serve diverse customer segments and boost market share. As IC substrates and advanced packaging (e.g., CoPoS, CoWoP) become increasingly interlinked, we can further leverage upstream and downstream integration.

C. Timely local after-sales service and professional maintenance capability

The development of machine-vision systems requires close, long-term collaboration with customers, who also prefer a nearby supplier. Asia accounts for over 90 % of global PCB production value, and the majority of semiconductor and packaging manufacturers are located in the Asia-Pacific. We maintain service centers in Taiwan, Mainland China, Southeast Asia and Northeast Asia, providing rapid, convenient on-site maintenance and technical support. Issues are resolved promptly, and we can perform on-the-fly hardware or software adjustments to meet market demands, enhancing product functionality and competitiveness while building customer trust. Additionally, we offer remote augmented-reality (AR) maintenance support; anomalies can be diagnosed and remedied under the guidance of our command center via AR, reducing the need for on-site personnel.

We also operate a dedicated customer-service training program that educates client personnel on operating our equipment, ensuring long-term, confident usage and deepening client reliance and demand for our solutions.

D. Having the leading clients in terms of channel

We offer a wide variety of inspection equipment for different manufacturing processes and serve more than one hundred customers, spanning full-process factories, single-process shops, equipment manufacturers, and material suppliers across diverse professional fields. All of the world's top ten PCB manufacturers are long-term customers, and 90 % of the top 100 PCB makers use our equipment.

Having such an extensive installed base enables the company to quickly gain market entry when launching new products. Over the years, we have built a strong brand reputation and expanded into international markets, giving us a significant competitive advantage in the AOI industry.

(5) Positive and negative factors for developing vision and the preventive

measures

A. Positive Factors

(A) Continuous expansion of inspection demand:

The surge of 5G, electric-vehicle, and AI technologies is driving the electronics, information and communications sectors worldwide toward thinner, lighter and more compact products. Taiwan's well-integrated ICT ecosystem further stimulates demand for upstream production equipment. Meanwhile, global AI servers, personal computers and peripheral devices continue to expand, creating abundant application opportunities for the electronics industry. Advanced packaging technologies such as CoWoS, CoPoS and CoWoP accelerate the convergence of PCBs and substrates. Our long-standing focus on PCB and semiconductor vision inspection and metrology equipment positions us to meet this trend, enabling rapid development of high-performance AOI systems that satisfy emerging market needs.

(B) High entry barriers:

A machine-vision system must integrate optics, image processing, precision mechanics, automatic control and AI. This demands recruitment of multidisciplinary talent and close cooperation with end-users, making the entry barrier extremely high; consequently, only a few companies have succeeded in entering this field.

(C) Experienced development team:

We have successfully created dozens of patented innovative products, validated by several world-class manufacturers, and continue to receive proactive requests from customers to co-develop related vision-inspection systems. Ongoing investment in new technologies ensures we maintain a technology-leading position.

(D) High labor costs and increasing demand:

Higher wages, benefits and social-insurance expenses in electronic manufacturing raise the incentive to adopt automation. Consequently, the willingness to invest in AOI equipment grows. Our automated solutions help customers reduce labor and increase net income, which will further support the future development of their operations, particularly in cutting-edge microelectronics.

(E) Sound operations and solid finances:

Since our establishment in 1998, we have continuously developed a range of visual-metrology and inspection systems that have been well received by major domestic and international customers. Revenue and profit have remained strong, with profit reported every year to date, and we have not engaged in aggressive financial maneuvers. This stable operational and financial foundation enables us to invest in R&D, monitor market trends, and launch new products promptly. Advanced AOI development, which has high entry barriers, requires strong financial support.

B. Negative Factors

(A)Critical components such as cameras, CCD sensors, image-acquisition cards and lenses are still import-dependent

Countermeasure: Maintain strong relationships with multiple suppliers rather than relying on a single source; in product design, increase system flexibility so that components from different manufacturers can be interchanged.

(B)Product line consists of optical inspection systems only

Countermeasure: We also invest in SISSCA Co., Ltd., which is developing a high-end 4W ATE system and owns core electronic technology, to reduce the industry's reliance on imported equipment. In addition, we can pair this offering with our existing automated optical pattern inspection systems, providing customers with a complete solution that covers both electrical signal testing and image inspection capabilities.

(C)Growth of advanced industries makes recruitment of R&D engineers difficult

Countermeasure: Leverage state-of-the-art AI tools to aid software and hardware development, thereby reducing the amount of human R&D effort required. Simultaneously, continue building industry alliances to expand our development capacity and market reach.

4.2.2 Production Procedures of Main Products

(1) Functions of the major products

A. The measuring and inspection series for the manufacturing process of

PCB drilling and routing:

a. Express Hole-AOI: as the trend of PCB fine line, the drilled hole will be getting smaller (pore size under 100um) and there shall be more holes drilled (500 thousand holes/piece), hence the precision of the drilled hole is getting more important. By using Express Hole-AOI, the precision can be up to +/- 5 um, and the measuring for a piece of board with 300 thousand holes can be completed in 20 seconds that can not only enhance the yield of drilling process, but also can monitor the output quality of a drilling machine on the production line as well as reduce the obsolescent and maintenance cost.

b. All-purpose Dimensional Measuring System: measuring the device under test mainly by non-contact way to automatically measure the angle, coordinates, distance, dimension of a two dimensional object such as point, line, circle, and arc. That can be applied widely to the size measuring of profiled board, the dilatation of inner layer and film, and the various quality inspection report. In addition to save manpower, it can also help on obtaining more precise measuring results and feedback to the production line for continual improvement and enhancing the capability of manufacturing process.

B. PCB Wiring Inspection Series:

a. Film AOI system: films are the critical basis for producing PCB wiring while any of the continuity & insulation, indenting, bump, splotch on the film shall cause a bad inner and outer layer PCB or make it discarded. A film AOI system can read the original design data of the wiring on a film as the basis for comparison to inspect any defects and reduce the false alarm rate.

b. Line gauge: measuring line width can get the quality level on how does etching result control the conducting lines. The traditional way of measuring by naked eyes with microscopic magnifier does not only have the problem of bad reproducibility, but due to the trend of fine lines, measuring by naked eyes can no longer meet the requirement. Line Gauge has the imaging mechanism with patent that can show the image of fine lines clearly; when working together with the image processing technology of sub-pixel and linear regression, the precision accuracy of measuring can reach 1 um.

c. Wiring inspection for inner and outer layers:

Multi layered board of PCB has 6, 8, or 10 layers, and even up to more than 30 layers for achieving the requirement of electronic products in being small and compact. However, the lines on each layer have to be scanned and inspected to avoid spur, indenting, and continuity & insulation, as well as to enhance the yield of drilling process and reduce the loss of obsolescent. Right now, it can also help on enhancing the production rate and even reach unmanned high-speed production with the add-on of automation.

C. HDI and IC Substrate Inspection Series:

a.LaserVia-AOIM: due to the requirement of mobile phone PCB and IC substrate in being small and compact, laser drilling has become an important production process. LaserVia-AOIM can inspect if the laser power is weak or over and if there is residual or shift, to enhance the processing capability of engineering unit and prevent from the bad output of production unit.

b. 3D Profiler: in order to ensure the reliability of products, it is required to have copper-filling plating after laser drilling. However, it would be time consuming and inaccurate to inspect hundreds of thousands of holes on the board and get the hole with the denting up to 5 ums. The inspection for copper-filling plating utilizes the most advanced 3D measuring technology that can measure the denting level of each hole for 1 million holes in 3 minutes, a revolutionary breakthrough for the filling in copper electroplating.

c. Solid Measuring Viewer system: high-end PCB has to be measured on its 3D data such as line thickness, solder height, or hole depth. The traditional measuring way may cause destruction and time consuming if it adopts slicing; therefore, it can protect device under test while save time by adopting optical measurement 3D solution.

D. AFI Series:

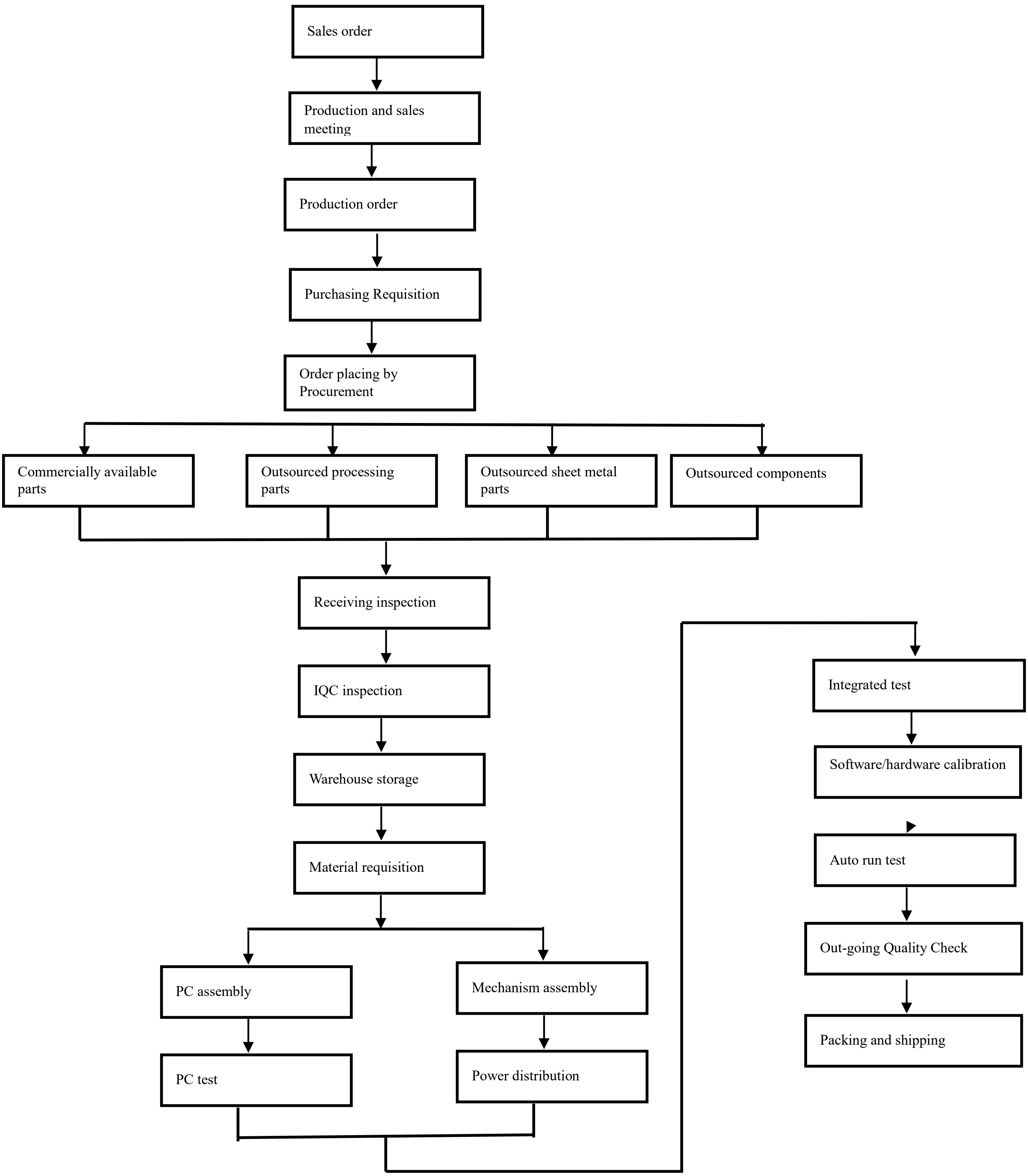
AFI series can be applied to various automatic final inspecting systems including multi layered board, HDI board, IC substrate, FPCB, assembled FPCB, wafer and COF. The series can also add AI capability to the system.

(2) The manufacturing process

A. The Company's products are mainly modular assembly that can be categorized to the modules of mechanism, electric control, optics, and software system.

B. Each module is assembled and quality controlled based on assembly operation standards and test specification.

C. The assembled product will be going through a 72-hour function and system software test by the quality control team to ensure the quality of the shipment.


Sales order
Production and sales meeting
Production order
Purchasing Requisition
Order placing by Procurement
Commercially available parts
Outsourced processing parts
Outsourced sheet metal parts
Outsourced components
Receiving inspection
IQC inspection
Warehouse storage
Material requisition
PC assembly
Mechanism assembly
PC test
Power distribution
Integrated test
Software/hardware calibration
Auto run test
Out-going Quality Check
Packing and shipping

4.2.3 Supply Status of Main Materials

Item	Main materials	Supply condition
1	Optics and photoelectric component	More than six suppliers with good supplying condition. The inventory level will be adjusted in accordance with the condition of markets. There is no risk of outage.
2	Transmission component	More than five suppliers with good supplying condition. The inventory level will be adjusted in accordance with the condition of markets. There is no risk of outage
3	Electrical machine component	More than five suppliers with good supplying condition. The inventory level will be adjusted in accordance with the condition of markets. There is no risk of outage

4.2.4 Major Suppliers and Clients

A. Major Suppliers in the Last Two Calendar Years

Item	2024				2025				2026Q1			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Supplier A	67,674	13.78	-	Supplier A	138,804	14.46	-	Supplier B	57,606	18.77	
2	Supplier B	63,735	12.98	-	Supplier B	124,009	12.91	-	Supplier F	37,604	12.25	
3	Supplier D	15,920	3.24	-	Supplier E	90,235	9.40	affiliation	Supplier A	10,440	3.40	
4	Others	343,654	70.00	-	Others	607,166	63.23	-	Others	201,211	65.58	
	Net Total Supplies	490,983	100.00		Net Total Supplies	960,215	100.00		Net Total Supplies	306,861	100.00	

Unit: NT$ thousands

Note: Supplier A, B and D are all long-term suppliers with stable supply and quality, and continue to purchase goods from them. Due to its reliable supply and quality, Vendor E—an affiliated enterprise—became our third-largest supplier in 2025 following a surge in purchasing demand. Because of the product-specification requirements for year 2026, Supplier F was promoted to become the second-largest supplier by purchase volume in the first quarter of that year.

B. Major Clients in the Last Two Calendar Years

Unit: NT$ thousands

Item	2024				2025				2026Q1			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	F Client	235,074	15.35	-	B Client	434,864	13.63	-	B Client	124,326	14.40	-
2	I Client	138,229	9.02	-	A Client	368,536	11.55	-	F Client	111,986	12.97	-
3					F Client	233,102	7.30	-	A Client	19,313	2.24	-
					I Client	141,258	4.42	-				
	Others	1,158,528	75.63		Others	2,013,701	63.10		Others	607,790	70.39	
	Net Sales	1,531,831	100.00		Net Sales	3,191,461	100.00		Net Sales	863,415	100.00	

Note: They are long-term clients, which had higher demands on machines in the last year.

4.3 Human Resources

Year		2024	2025	Data as of ending data in the current year
Number of Employees	Direct	42	46	52
	Indirect	247	325	345
	R&D	153	155	151
	Total	442	526	548
Average Age		36.38	36.36	37.10
Average Years of Service		5.18	5.42	5.51
Education	Ph.D.	1.36%	1.13%	0.91%
	Masters	29.86%	33.03%	26.28%
	Bachelor’s Degree	60.63%	71.27%	47.99%
	Senior High School	8.14%	13.57%	24.82%
	Below Senior High School	-	-	-

4.4 Environmental Protection Expenditure

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):

None

4.5 Labor Relations

4.5.1 Employee Welfare

List any employee benefit plans, continuing education, training, retirement systems, the status of their implementation, and the status of labor agreements and measures for preserving employees' rights and interests:

1. Employee benefits program

The Company is committed to fostering a harmonious labor-management relationship and continuously enhancing employee welfare programs and facilities to support employees' physical and mental well-being. Key employee welfare initiatives are outlined as follows:

(1) All employees are covered by Labor Insurance, National Health Insurance, group insurance, high-limit employer liability accident insurance, and business travel insurance.

(2) Year-end bonuses are provided at the close of each fiscal year.

(3) Employee welfare funds are allocated in accordance with applicable regulations to establish an Employee Welfare Committee, which organizes a variety of welfare activities, including festive events, birthday celebrations, birthday gifts, and subsidies for weddings, funerals, and other major life events.

(4) A wide range of club activities and wellness seminars are offered to promote work-life balance and enhance employee well-being.

(5) The Company provides periodic domestic and overseas travel programs, regular health check-ups, and influenza vaccinations.

(6) An education subsidy program is available for employees' children from birth to age six, including childcare allowances for ages 0–3 and free preschool

education for ages 3–6.
(7) Workplace safety and hygiene in factory facilities are comprehensively enhanced to maintain a clean, safe, and comfortable working environment.
(8) Diverse lunch options and a café-style relaxation space are provided for employees.
(9) A fully equipped gymnasium is designed to meet various fitness needs, along with organized sports programs to promote physical health and encourage regular exercise habits.
(10) Employee services include an on-site massage room, counseling support, and emergency assistance programs.

2. Advanced study, training and development
(1) Employees are considered as the most important assets in the Company. Therefore, we provide necessary and appropriate training and development courses for employees to make them contribute by their strength and competent, continue to complete the designated tasks and achieve the goals while keep on creating the core competence of the Company.
(2) Training and people development system
We provide the training courses based on competency to equip employees with the basic knowledge, skills and attitudes necessary for achieving business goals, which include:
a. New hire training: the training for new employees and the training for new managers.
b. Professional training: sales, production, R&D, finance, procurement, administration, etc.
c. General education training: The Company's mission, corporate culture, the company's value, customer satisfaction and quality.
d. Direct labor training: the skill training of assembly station.
e. Project-oriented training: workshop for R&D project.
f. Self-development training: speech, seminar, reading circle, in-service training.
g. Pass the baton training: "Pass the baton" upward and downward training includes job responsibilities, key performance indicators, work attitude and mindset management.

3. Retirement System and Implementation Status:
The Company has established employee retirement policies in accordance with the Labor Standards Act. For employees who have elected to remain under the

legacy pension scheme, as well as for the retained seniority accrued under the legacy scheme by employees who have transitioned to the new pension system, the Company allocates appropriate pension reserves based on the original pension standards and deposits such reserves into a designated account with the Bank of Taiwan. The calculation and disbursement of pensions for eligible retirees are handled by the Labor Pension Reserve Supervisory Committee in accordance with applicable regulations.

In addition, the Company has implemented a new pension scheme in accordance with the Labor Pension Act. Under this scheme, the Company contributes 6% of each employee’s monthly salary to the employee’s individual pension account maintained with the Bureau of Labor Insurance. Employees may also make voluntary contributions of up to 6% of their monthly salary, which are fully tax-deductible from their annual gross income. For employees assigned or transferred to affiliated companies, their years of service are carried forward to ensure enhanced protection and to facilitate talent mobility within the Group.

For the Company’s subsidiaries in China, contributions are made monthly to employees’ individual social security accounts in accordance with the local social insurance system, covering pension benefits, outpatient and major medical care, maternity benefits, unemployment insurance, and housing provident funds.

For the subsidiary in Thailand, retirement funds are contributed to a designated bank pension account in accordance with the Company’s internal policies. Employees may also voluntarily contribute to the pension fund account and, upon meeting retirement eligibility requirements, may withdraw their pension from the designated account.

4. Protection Measures for Working Environment and Employee Personal Safety

Item	Content
Access security	1. A rigorous surveillance system is activated around the clock. 2. An access control card or a facial recognition device is installed at each entrance and exit of the company. 3. A security company is contracted to protect factory safety at night and on holidays. 4. The facial recognition device has been upgraded to have a temperature detection function equipped in order to prevent the invasion of diseases. The access control cannot be lifted for those who have a temperature exceeding 37.5 degrees, and an e-mail will be issued automatically to notify the relevant controllers. The individuals in concern must approach the front desk to have their body temperature re-checked and must meet the requirements before they can return to work. The relevant body temperature rechecks are recorded for future reference. 5. For the care and protection of employees, the reception room on the first floor is provided as a remote office with necessary computer equipment provided for the logistic personnel who have been infected with notifiable diseases but still need to work, except for those who can work from home due to their duties. The said remote office arrangement is for the protection of the public.
Maintenance and inspection of various equipment	1. Each electrical and mechanical or fire-fighting equipment (such as fire alarms, fire extinguishers, etc.) is regularly maintained on an annually, quarterly, monthly, and weekly basis in accordance with the respectively prescribed time in order to ensure that it is in the best condition for use at all times. In addition to regular maintenance, the external inspection of fire-

	fighting facilities and equipment was also completed and reported to the Fire Department on November 19, 2025. 2. A qualified fire inspection company was contracted to perform a fire safety inspection on the factory on November 19, 2025, in accordance with the Fire Services Act. An annual report with 0 nonconformity was filed with the Fire Department. 3. The company inspects and maintains each equipment, such as electricity, air conditioning, fire-fighting facility, passenger and freight elevator, etc., on a regular basis, among which: a. Electricity: The maintenance service is planned in line with the annual maintenance schedule of the science park, that was, completed the inspection by external units on January 10, 2026, and January 30, 2026, and reported the power equipment of the company in good condition to Taiwan power company and Hsinchu Science Park Bureau, NSTC. b. Air conditioning: Maintenance service was scheduled on January 17, 2026, in order to maintain the equipment properly and secure better operating efficiency. c. Fire-fighting: As stated above, the fire safety inspection was performed by an external unit and completed on November 19, 2025., which should be reported to the Fire Department with 0 nonconformity identified. d. Passenger and freight elevator: It is an important operation of mechanical equipment inspection and maintenance. In addition to the monthly maintenance service to be performed by external professional service providers, an annual safety inspection was completed on August 29, 2025, with a certificate of approval issued. 4. According to the provisions of the Occupational

	Safety and Health Act, a qualified inspector shall be contracted to perform a working environment inspection on the company every six months (scheduled on June 16 and November 19, 2025), including noise, lighting, CO_2 concentration, etc. The satisfactory inspection results have been announced in accordance with the governing regulations. 5. It is to be handled in accordance with the "Regulations Governing Building Safety Inspection Certification and Reporting" (once every two years). A qualified architect firm was contracted to conduct the building public safety inspection, which was completed on September 27, 2025.
Prevention measures and contingency plan for disasters	1. The company has the "Disaster Prevention and Contingency Plan" established to clearly regulate the role and responsibility of each employee at all levels of the company for disaster prevention, incident handling, and accident reporting upon the occurrence of an emergency, major incident, general accident, and other emergency. A drill shall be carried out accordingly. An evacuation drill was carried out on June 10 and September 19, 2025, respectively. 2. The company formed a self-defense firefighting group: Fire-fighting team, notification team, evacuation team, safety protection team, and rescue team, which shall be reported regularly. The reporting dates for 2025 were June 11 and September 23. 3. In order to maintain the safety and health of employees and implement safety and health management, the Administration Office is a Class-I unit and is responsible for promoting environmental protection, and safety and health. Various safety and health-related posters are produced in January every year for promotion;

	also, the promotion of current affairs related to earthquakes/fires/industrial accidents is implemented occasionally. 4. According to the Disaster Prevention and Protection Act, emergency evacuation drills and firefighting equipment training shall be conducted every six months, which shall be planned in different scenario, including earthquakes, air raids, fires, man-made accidents, and other scenarios. The training was conducted on June 10 and September 19, 2025.

5. Employee Code of Conduct

The Company's Employee Manual has clearly conveyed the benefits and systems that have being continually stipulated in these years and based on the Company's culture of respect and caring to every employee. In the manual, it clearly states the code of conduct and the Company's expectation for all employees while the employees shall follow the law and based on ethical principles to maintain the Company's assets, interests and image. The manual is available on the Company’s website for propaganda and employee’s reading.

6. Labor-Management Agreements and Employee Rights Protection Measures

Since its establishment, the company has adopted a people-oriented approach to self-management, providing employees with ample respect and care. We continuously plan and implement various employee welfare measures to create an optimal working environment. In accordance with legal requirements and actual needs, labor-management meetings are held annually to ensure open channels for thorough communication and discussion between both parties. As a result, labor relations remain very harmonious, and no losses have occurred due to labor disputes.

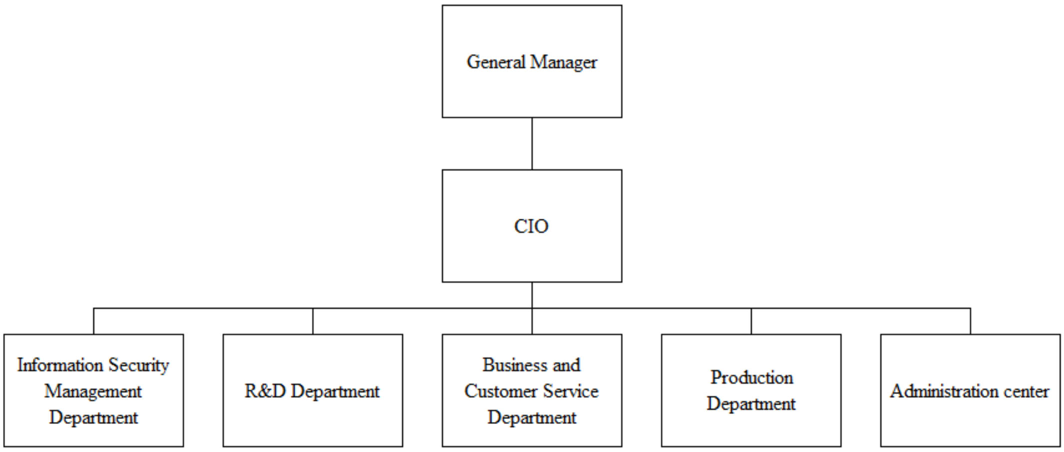
4.5.2. Total Losses

Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes (including labor inspection results found in violation of the Labor Standards Act, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions): None

4.6 Information-Communication Security Management

(A) Information/Communication Security Risk Management Infrastructure, Information/Communication Security Policies, Specific Management Approaches and the Resources Required to Invest in the Management of Information/Communication Security Management

1. Information/Communication Security Risk Management Infrastructure



The Company establishes the Risk Management Committee targeting risks related to information security. The chief of the IT Department serves as the convener while the network service members participating in the actual execution of information security projects form the Committee members. One dedicated information security supervisor and one dedicated personnel are assigned to take charge of the establishment of the information security system, technical introduction, and information security supervision and auditing through cooperation with colleagues from the IT Department.

The Committee conducts risk analysis on the information security and internet risk assessment procedures based on the level of risk effect and probability of occurrence. The Committee also conducts corresponding management mechanisms for high-risk environments and systems to establish the high-reliability model, data backup architecture, and remote backup model, which will reduce the impact of information security events.

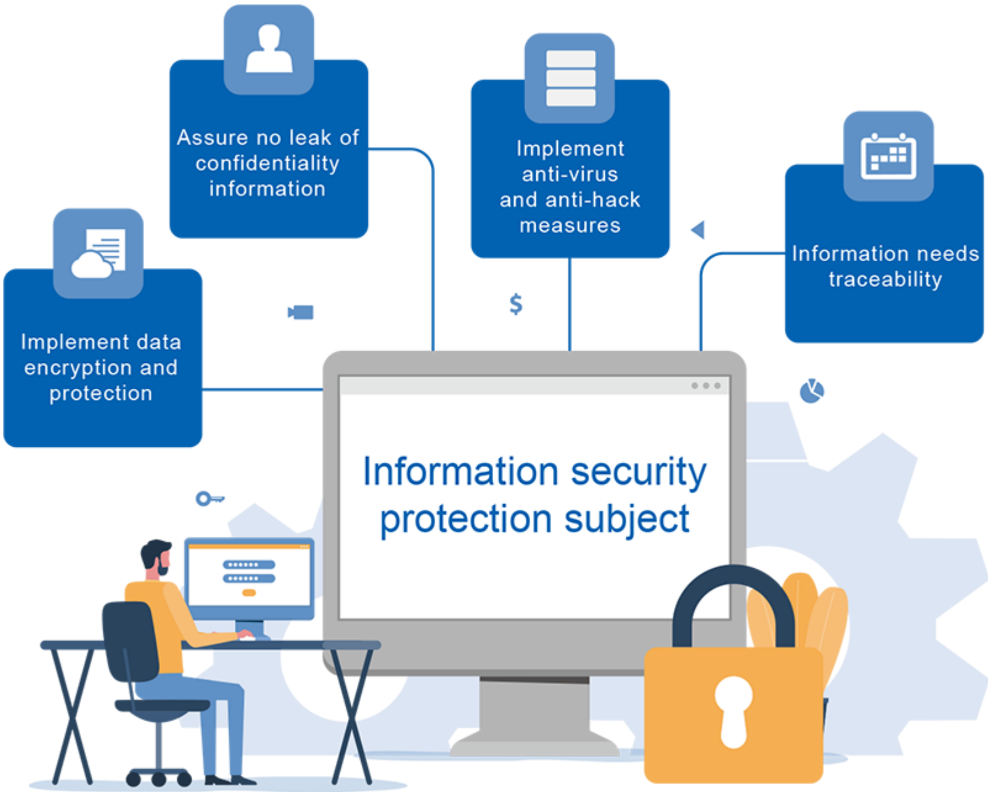
The Committee formulates and regularly reviews the information security policies in addition to reporting the information security event reporting and response mechanism on the monthly information security report and anomalies review meeting. The Committee also reports the information security checks to the Board of Directors.

2. Information/Communication Security Policies

(1) Enterprise Information Security Management Strategies and Infrastructure

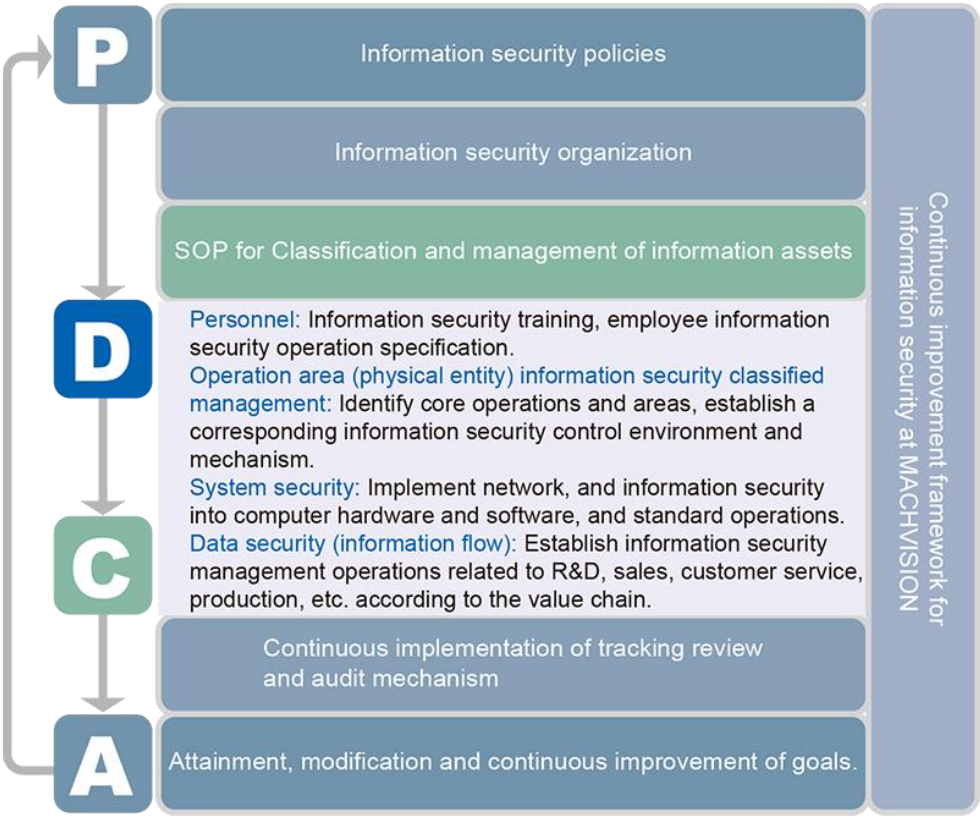
Machvision views information security as a critical operational priority. We are committed to safeguarding the confidentiality, integrity, and availability of our information assets while ensuring robust privacy protection. By establishing management systems and publicizing security policies, we aim to prevent both internal and external threats-whether intentional or accidental-and mitigate security risks to an acceptable level.

The company requires all employees and business associates (including customers, suppliers, and partners) to comply with relevant regulations. This collective adherence ensures the continuous operation of our business and services, fulfilling the requirements of both regulatory authorities and legal mandates.



(2) Continuous Improvement Infrastructure

Our company will be maintaining the PDCA (Plan-Do-Check-Act) Cyclic Management to ensure that targets are met and continuous improvement is in place.



We will be following the "Information/Communication Security Control Guide for Publicly Listed and OTC Companies" published by the Taiwan Stock Exchange, as the foundation for our cyclic improvements. The guide was meant to assist public listed companies in strengthening their information security protection and management.

3. Specific Management Approaches and the Resources Required to Invest in the Management of Information/Communication Security Management

MACHVISION is a team based on IT research and development, so it especially emphasizes and maintains the key competitiveness of research and development, in addition to the anti-virus and anti-hacking protective measures for software and hardware that many other companies have implemented.

As of 2025, the implementation of three-level information security has been completed, as described below:

(1) Data encryption management：All internal digital assets, including documents, image files, and source code, are protected by comprehensive data encryption. Any sharing of specific reports or data with customers and suppliers must undergo a stringent application and decryption review process. This ensures that

external partners access information only under secure authorization, striking a perfect balance between business development and the protection of confidentiality.

(2) Machvision implements hierarchical management of its operational environments. For high-sensitivity core areas, comprehensive endpoint device controls are enforced, strictly prohibiting unauthorized external hardware from connecting to the internal network. Upon detection of abnormal connections or unauthorized operations, the system immediately triggers automated isolation and blocking protocols.
Furthermore, to balance operational needs with data exchange requirements for business and customer service units, "Dedicated Virus Scanning Stations" have been established on every floor for USB device management. We strictly enforce a Standard Operating Procedure (SOP) of "Scan Before Release" for all external data, ensuring the integrity and security of our internal network environment.

(3) Boundary Protection and Endpoint Security Architecture In response to the increasing frequency and complexity of malware and cyberattacks, Machvision continues to fortify its overall information security awareness and infrastructure. By deploying internal endpoint protection systems and external firewall mechanisms, we proactively block external threats. We are committed to mitigating cybersecurity risks to ensure that our operations, financial standing, and overall development remain resilient against the impact of security incidents.

(4) Supporting and backup mechanism: Execute the upgrade of the critical server system to high reliability, and incorporate the upgrade and improvement on the virtual server model and backup server. Full-system backups are implemented for computers used by R&D personnel and senior executives to ensure a complete restoration of their operating environments. This measure is designed to mitigate the risk of data loss resulting from malware and computer virus attacks.

(5) Introduction of mail filtering service: Introduce cloud mail filtering service to mitigate the risk of related mail attacks.

(6) Establishing the management architecture of server status: Established a monitoring platform for server services and resource status.

(7) Conduct vulnerability scanning and social engineering drills to assess internal

and external environmental risks and strengthen social engineering awareness training.

(8) Early Warning Mechanisms for System and IT Infrastructure Anomalies: To ensure the availability and security of our information services, the Company continuously optimizes its monitoring mechanisms for IT infrastructure and equipment. By dynamically reviewing and progressively expanding system anomaly alert functions, we are committed to enhancing early detection capabilities for potential risks, ensuring the stable and secure operation of our corporate environment.

(9) Mobile Device Management (MDM) mechanisms have been implemented within controlled areas and on employee devices to strictly prevent unauthorized photography and safeguard the security of confidential information.

(10) To mitigate potential data leakage risks associated with external AI services, the Company has established a dedicated internal offline Large Language Model (LLM). This initiative balances operational efficiency with robust corporate information security.

(B) Major Information/Communication Security Incidents, the Incurred Damages, Possible Impacts, and the Action Plans for the Recent Fiscal Years and as of the date the Annual Report is Issued.

1. For the recent fiscal years and as of the date our annual report is issued, no incurred damages were identified to be resulting from major information/communication security incidents.

2. Information technology security risks and the management measures

Machvision has been continuously reviewing and evaluating the information security protocols and procedures to ensure their adaptability and effectiveness. However, in view of the ever-changing information security threats, we can not guarantee to be immune to possible impacts resulting from innovative risks and deliberate attacks.

In view of the recent complex events regarding a few big names being attacked by some malware and/or computer viruses, we have continuously strengthened our information security protection awareness. By leveraging the resources from the top-line information security companies for training and real-time assistance, we pledge to minimize the risks that may compromise our commitments to our customers and stockholders, also to prevent any negative impacts that may jeopardize our operation results, financial, and future outlook.

4.7 Important Contracts

Agreement	Counterparty	Period	Major Contents	Restrictions
Agency contract	A Company	2018/10/15 till now	Dealership in Taiwan and China	-
Agency contract	B Company	2017/09/10 till now	Dealership in Taiwan and China	-
Agency contract	C Company	2022/01/01 till now	Dealership in Taiwan, China, Japan and Thailand.	-
Agency contract	D Company	2018/08/31 till now	Dealership in Korea	-
Agency contract	E Company	2022/01/01~2025/01/01	Dealership in China	-
Agency contract	F Company	2017/01/01~2018/12/31	Dealership in Taiwan specific customer	-
Lease contract	Hsinchu science park bureau	2019/06/01~2038/12/31	No. 3, Gongye E. 2nd Rd., East Dist., Hsinchu City	-
Lease contract	Hsinchu science park bureau	2025/01/01~2029/12/31	1F., No.3 and 1F-2F., No. 1, Zhanye 1st Rd., East Dist., Hsinchu City	-
Lease contract	Hsinchu science park bureau	2021/06/01~2040/12/31	Keyuan Section, Keyuan Subsection Land serial no.59-4	-

V. Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Analysis of Financial Status

Unit: NT$ thousands

Item \ Year	2024	2025	Difference	
			Amount	%
Current assets	4,889,229	5,926,301	1,037,072	21.21
Financial assets at fair value through profit or loss-non-current	9,644	-	(9,644)	(100)
Property, plant and equipment	240,649	257,063	16,414	6.82
Intangible assets	-	-	-	-
Other non-current assets	644,384	707,481	63,097	9.79
Total assets	5,783,906	6,890,845	1,106,939	19.14
Current liabilities	585,044	988,842	403,798	69.02
Non-current liabilities	105,435	103,549	(1,886)	(1.79)
Total liabilities	690,479	1,092,391	401,912	58.21
Ordinary shares	581,462	639,608	58,146	10.00
Capital surplus	1,948,128	1,835,550	(112,578)	(5.78)
Retained earnings	2,479,957	3,197,752	717,795	28.94
Other equity interest	1,600	3,847	2,247	140.44
Total equity	5,093,427	5,798,454	705,027	13.84

Note: Analytical basis: the change rate is more than 20%, and the change amount is more than NTD$10 million.

Analysis descriptions:

1. The increase in current assets was primarily due to business growth, which led to higher accounts receivable and increased available funds.
2. The increase in current liabilities and total liabilities were mainly attributable to improved operating performance, resulting in higher income tax payable for the current period.
3. The increase in retained earnings was mainly due to an increase in net income after tax.
4. The increase in other equity was mainly due to exchange differences arising from the translation of financial statements of foreign operations, affected by fluctuations in exchange rates.

5.2 Analysis of Financial Performance

Unit: NT$ thousands

Item \ Year	2024	2025	Increase (decrease) amount	Change ratio (%)
Operating income	1,531,831	3,191,461	1,659,630	108.34
Operating cost	649,702	1,235,994	586,292	90.24
Operating gross profit	882,129	1,955,467	1,073,338	121.68
Operating expenses	628,647	793,583	164,936	26.24
Operating net profit	253,482	1,161,884	908,402	358.37
Non-operating income and expenses	139,369	116,063	(23,306)	(16.72)
Continuous operate dept. pre-tax net profit	392,851	1,277,947	885,096	225.3
Less: income tax expense	76,855	230,618	153,763	200.07
Current net profit	315,996	1,047,329	731,333	231.44
Other comprehensive profit and loss	6,691	(56)	(6,747)	(100.84)
Total consolidated profit and loss in this period	322,687	1,047,273	724,586	224.55

Note: Analytical benchmark: the change ratio before and after is more than 20% and the change amount is more than NTD$10 million.

Analysis descriptions:

1. The increase in operating revenue / operating costs / gross profit were mainly due to an increase in product sales.
2. The increase in operating expenses was primarily due to higher sales-related expenses, such as freight and agency fees, as well as increased research and development expenses.
3. The increase in operating income / profit before tax from continuing operations / income tax expense / net income for the period / total comprehensive income for the period were mainly attributable to increased profitability.
4. The decrease in other comprehensive income was mainly due to a decrease in exchange differences arising from the translation of financial statements of foreign operations.

- Expected annual sales volume and its basis: Please refer to "Section I: Letters to Shareholders."
- Effect of changes on the company’s future business: The Company’s business scope has not changed significantly.
- Future response actions: Not applicable.

5.3 Analysis of Cash Flow

5.3.1 Remedy for Cash Deficit and Liquidity Analysis

Unit: (NT$) thousands

Item \ Year	2024	2025	Variance (%)
Cash Flow Ratio (%)	57.98	86.58	49%
Cash Flow Adequacy Ratio (%)	121.45	127.66	5%
Cash Reinvestment Ratio (%)	(1.34)	9.01	(772)%

Analysis of financial ratio change:

1. The increase in cash flow ratio was mainly due to improved operating performance, resulting in higher net cash inflows.
2. The increase in cash reinvestment ratio was mainly due to revenue growth, which led to increased operating cash inflows.

5.3.2 Analysis of improvements in liquidity insufficiency

There is currently no liquidity shortage; the increase in the cash flow ratio is mainly due to higher operating cash inflows.

5.3.3 Cash Flow Analysis for the Coming Year

Unit: (NT$) thousands.

Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Cash Outflow (Inflow) (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
1,051,357	860,000	(800,000)	1,111,357	NA	NA

Analysis of change in cash flow in the coming year:

(1) Operating activities: Net cash inflow from operating activities was mainly due to the increasing of the net assets in the coming year.
Financing activities: Net cash outflow from financing activities was mainly due to the payment of dividends.

(2) Remedial measures and liquidity analysis for cash shortfalls: NA.

5.3.4 Impact of significant capital expenditures in the most recent year on financial and operating activities:

(1) Utilization of significant capital expenditures and sources of funds: None.

(2) Expected benefits: None.

5.4 Major Capital Expenditure Items

5.4.1 Major Capital Expenditure Items and Source of Capital: None.

5.4.2 Expected Benefits

A. Estimated Increase in Production, Sales, and Gross Profits: None.

B. Other Benefits: None.

5.5 Investment Policy in the Last Year, Main Causes for Profits or Losses, Improvement Plans and Investment Plans for the Coming Year

Unit: NT$ thousands

Remarks / Item	2025 Income (Loss) Amount	Policies	Reasons for Gain or Loss	Action Plan	Investment Plan for the Next 12 Months
Samoa Machvision Inc.	38,708	Investment	Mainly from the profitability of the investment company.	-	-
Machvision (Thailand) Co., Ltd.	(13,510)	Maintaining and trading of machinery equipment	Promotion/After -sales service	Actively expand market.	-
HYE TECHNOLOGY CO.,LTD	2,659	Manufacturing of machinery equipment	Sales of machinery equipment.	-	-
Machvision (Dongguan) Inc.	38,707	Maintaining and trading of machinery equipment	-	-	-
SISSCA Co.,Ltd.	40,185	Manufacturing of computer peripheral products	Steady operation	Keep on research and development	-
SiSSCA (JIANG SU) Co., Ltd.	8,110	Manufacturing of machinery equipment	Promotion/After -sales service	Actively expand market.	-

5.6 Analysis of Risk Management

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

The Company and its subsidiaries adopt a conservative and prudent approach to fund management. Cash is primarily held in bank demand deposits and time deposits, which are financial instruments with relatively stable market interest rates; accordingly, their impact on profit or loss is not material.

The Company and its subsidiaries are exposed to foreign exchange risk mainly arising from cash and cash equivalents, receivables, and payables denominated in foreign currencies, which give rise to exchange gains or losses upon translation. The Company manages foreign exchange risk under conservative and prudent principles and closely monitors exchange rate movements and related information in order to mitigate the impact of exchange rate fluctuations on operating profitability.

The Company and its subsidiaries continuously monitor fluctuations in market prices, seek optimal alternative materials, and maintain sound relationships with suppliers and customers. As such, inflation has not had a material impact on the Company's operations.

5.6.2 Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

The Company and its subsidiaries focus on their core business operations and do not engage in high-risk or highly leveraged investments. Relevant policies and procedures have been established, including the "Procedures for Acquisition or Disposal of Assets," "Procedures for Derivatives Trading," "Procedures for Endorsements and Guarantees," and "Procedures for Lending of Funds to Others," for compliance and governance purposes.

From 2025 to the date of publication of this annual report, the Company and its subsidiaries have not engaged in any of the aforementioned transactions. Should such transactions be required in the future due to business development needs, they will be conducted in accordance with the Company's established policies and procedures.

5.6.3 Future Research & Development Projects and Corresponding Budget

Plan	purpose
Packaged IC AVI (for COWOS)	For the visual inspection system optimized for large-size CoWoS ICs, this machine adopts a new-generation 3D+2D hybrid optical module that combines high-speed structured-light scanning with high-resolution imaging. It also features hardware structures optimized for large-size IC handling, including loading and unloading, and uses dual PnP to increase machine throughput.
Automatic Tray AOIM	This machine automatically detects defects on trays, such as scratches, stains, size and warpage(3D). It helps customers avoid yield loss or decreased production efficiency caused by tray issues.
Dimple AOIM	A high-speed automated 3D measurement system that combines high-resolution cameras with 3D scanning to rapidly inspect defects and dimples in PCB via filling, and automatically generates reports to improve quality control and production efficiency.
Backdrill AOI	Used to inspect the position, size, and quality of backdrilled holes on circuit boards. It can quickly identify misalignment, residue, or machining abnormalities, helping improve process stability and reduce defect rates. It is widely used in advanced PCB manufacturing lines.
FOPLP AOI	Detects defects in RDL circuits on Panel Level carriers, including short/open circuits, abnormal line width, mouse bite, and micro shorts.

Estimated investment in research and development in 2026: it is estimated that 11% to 17% of net operating income will be spent on research and development.

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

The Company and its subsidiaries conduct all operations in compliance with applicable laws and regulations of the competent authorities. They continuously monitor and gather information on key domestic and international market developments and legal changes, and, where appropriate, consult legal and accounting professionals to formulate responsive measures to significant policy and regulatory changes in Taiwan and abroad.

5.6.5 Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales

The Company and its subsidiaries' core technology lies in optical machine vision, which can be applied across a wide range of industries. Two key strategic principles guide their operations: market diversification and deep industry engagement. In terms of market diversification, the Company and its subsidiaries have expanded into the PCB, IC substrate, and semiconductor sectors, and are actively developing electrical testing equipment. In addition, the Company and its subsidiaries have consistently emphasized deep industry engagement, enabling them to stay abreast of the latest industry trends and, in turn, develop advanced equipment to meet industry needs.

The Company and its subsidiaries continuously monitor technological changes and developments within the industries in which they operate, while closely tracking industry dynamics and peer market information. Through ongoing improvements in product quality and manufacturing processes, active expansion of production capacity, and enhancement of research and development capabilities, together with the adoption of prudent financial management strategies, the Company maintains its market competitiveness. Accordingly, technological advancements and industry changes have not had a material impact on the Company and its subsidiaries to date.

5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures

The Company and its subsidiaries are recognized as professional manufacturers of optical inspection and measurement equipment. They focus on research and development and the operation of their core business, and have established a strong reputation, having obtained 68 patents domestically and internationally, with an additional 14 patent applications currently pending.

Since inception, the Company and its subsidiaries have actively strengthened internal management, remained focused on their core business, and been committed to maintaining their corporate image while complying with all applicable laws and regulations. As of the date hereof, there have been no incidents in which changes in corporate image have given rise to corporate crisis management issues.

5.6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans: None.

5.6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans: None.

5.6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

In procuring key components, the Company and its subsidiaries adopt a dual-sourcing principle by maintaining at least two qualified suppliers, where necessary, to ensure supply continuity. While long-term and sound cooperative relationships have been established with suppliers, the Company’s supplier management policies provide for regular evaluations of supplier performance in terms of quality, delivery, pricing, and cooperation. These measures are intended to ensure stable procurement and to mitigate the risk of supply shortages arising from force majeure events.

The Company and its subsidiaries primarily engage in the sale of optical inspection equipment, with principal customers comprising printed circuit board manufacturers and semiconductor manufacturers. The Company actively develops new customers each year while maintaining strong relationships with existing customers.

5.6.10 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%: None.

5.6.11 Effects of, Risks Relating to and Response to the Changes in Management Rights: None.

5.6.12 Litigation or Non-Litigation Matters

(1) Major ongoing lawsuits, non-lawsuits or administrative lawsuit: None.
(2) Major ongoing lawsuits, non-lawsuits or administrative lawsuits caused by directors, supervisors or shareholders with over 10% shareholdings: None.

5.6.13 Other Major Risks: None

5.7. Other material matters: None

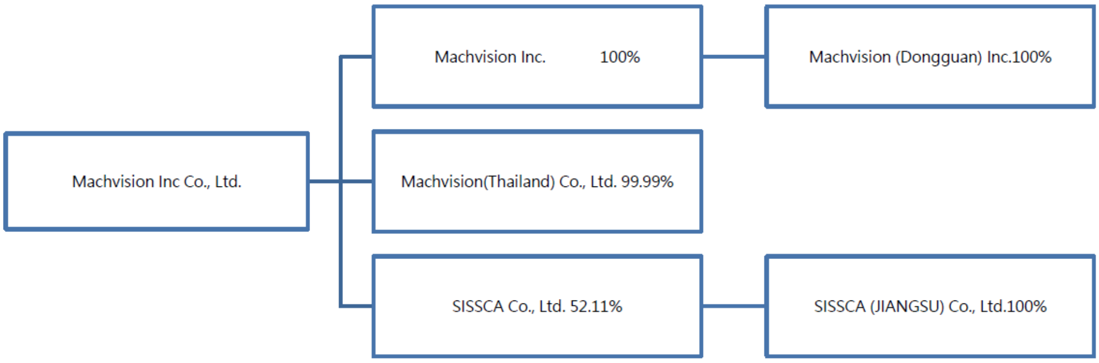
VI. Special Disclosure

6.1 Summary of Affiliated Companies

6.1.1 Organizational Overview of Affiliated Companies

6.1.1.1 Organizational chart of the company's affiliated companies

As of 12/31/2025



6.1.1.2 Profiles of the Company's affiliated companies

Unit: NT$ thousands

Name of enterprise	Date of establishment	Address	Paid-in Capital	Nature of business
Samoa Machvision Inc.	2004.12.09.	Samoa	105,433	Investment
Machvision (Dongguan) Inc.	2005.06.02.	China	105,361	Maintaining and trading of machinery equipment
SISSCA Co.,Ltd.	2020.03.17	Taiwan	220,248	Manufacturing of optical inspection machinery equipment and computer peripheral products
SISSCA (JIANG SU) Co., Ltd.	2023.02.23	China	80,018	Manufacturing of optical inspection machinery equipment
Machvision (Thailand) Co., Ltd.	2023.06.07	Thailand	92,115	Maintaining and trading of machinery equipment

Note: MACHVISION KOREA Co., Ltd. applied to cease operations in March 2025, and the approval has been granted.

6.1.1.3. Information on overlap shareholders of companies deemed to have controlling and subordinate relationships: None

6.1.1.4 The industries covered by the business of the overall affiliated enterprises:

Please See the second item.

6.1.1.5 Profiles of Directors, Supervisors and Presidents of the Company's affiliates

Unit: NT$ thousands

Name of enterprise	Title	Name of Representative	Number of shares	
			Number of shares	Shareholding ratio
Samoa Machvision Inc.	Director	Machvision Inc Co., Ltd. Legal representative：HUANG,CHIA-HSING	3,463,650	100.00%
Machvision (Dongguan) Inc.	Director	Machvision Inc Co., Ltd. Legal representative：HUANG,CHIA-HSING	(Note1)	100.00%
		Machvision Inc Co., Ltd. Legal representative：WANG,GUANG-SHIAH		
		Machvision Inc Co., Ltd. Legal representative：CHUANG,YUNG-SHUN		
	President	HUANG,CHIA-HSING		
Machvision (Thailand) Co., Ltd	Director	Machvision Inc Co., Ltd. Legal representative：WANG,GUANG-SHIAH	9,999,000	99.99%
		WANG,GUANG-SHIAH	1,000	0.01%
		CHEN,FU-SHEN	-	-
SISSCA Co., Ltd.	Director	Machvision Inc Co., Ltd. Legal representative：WANG,GUANG-SHIAH	11,477,463	52.11%
		Machvision Inc Co., Ltd. Legal representative：CHEN,FU-SHEN		
		YoungTek Electronics Corp. Legal representative：CHEN,KUEI-PAO	3,370,752	15.30%
		LEE, WEN-TSERN	98,313	0.45%
		LI,TSU-TE	-	-
	Supervisor	CHEN,PEI-SHIH	-	-
	President	CHEN, SHANG-SHU	-	-
SISSCA (JIANGSU) Co., Ltd.	Director	SISSCA Co., Ltd. Legal representative：WANG,GUANG-SHIAH	(Note1)	100.00%
		SISSCA Co., Ltd. Legal representative：CHEN,FU-SHEN		
		SISSCA Co., Ltd. Legal representative：CHEN,KUEI-PAO		
	Supervisor	CHEN,PEI-SHIH		-
	President	CHEN,SHANG-SHU		-

Note1: limited company

6.1.1.6 Operation overview of the Company's affiliates

December 31, 2025 Unit: unless otherwise specified, NT$1,000

Name of enterprise	Paid-up capital	Total assets	Total liabilities	Net worth	Operating revenue for current period	Operating profit for current period	Profit or loss for current period (After tax)	Earnings per share (NT$) (After tax)
Samoa Machvision Inc.	105,433	185,494	-	185,494	-	-	38,708	Not applicable
Machvision (Dongguan) Inc.	105,361	748,504	563,230	185,274	619,781	64,444	38,707	Not applicable
SISSCA Co., Ltd.	220,248	278,741	30,841	247,900	61,207	21,619	76,770	3.49
Machvision (Thailand) Co., Ltd.	92,115	81,041	2,428	78,613	-	(13,342)	(13,511)	Not applicable
SISSCA (JIANGSU) Co., Ltd.	80,018	174,087	89,931	84,156	145,240	12,245	15,493	Not applicable

6.1.2 Consolidated Financial Statements of Related Entities

For the Republic of China fiscal year 114 (January 1 to December 31 2025), the companies that must prepare consolidated financial statements of related entities in accordance with the “Guidelines for the Preparation of Consolidated Operating Reports, Consolidated Financial Statements and Related Reports of Related Entities” are the same entities that, under International Financial Reporting Standard 10 (as approved by the Financial Supervisory Commission), are required to prepare parent-subsidiary consolidated financial statements. Moreover, the information that would be disclosed in the related-entity consolidated financial statements has already been disclosed in the aforementioned parent-subsidiary consolidated financial statements. Consequently, no separate consolidated financial statements of related entities will be prepared.

6.1.3 Related-Party Report: Not applicable.

6.2 Private Placement Securities in the Most Recent Years:

Item	2023 private Placements Date：2023/6/21
Private placemen	Common Shares
The date of approval by the shareholders' meeting and the Amount limit of the private placement	According to the resolution of the shareholders' meeting held on May 25, 2023, The quota within 15,000,000 shares (inclusive) can be processed once within one year from the date of resolution of the shareholders' meeting.
Pricing basis of private placement and its reasonableness	1. The price of privately placed common shares of the Company is set at no less than 80% of the reference price, and the reference price shall be the higher of either the simple average closing price of the common shares of TWSE listed or TPEx listed company for any of either the 1,3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction, or the simple average closing price of the common shares of TWSE listed or TPEx listed company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction. 2. The price per share of these privately placed common shares is determined in accordance with the relevant regulations set by the competent authority, however, the factors such as the operation status of the Company and market prices of common shares have also been considered when setting the price. The pricing method is deemed reasonable. Therefore, it is proposed that the Board of Directors shall be authorized by the shareholders’ meeting, within the scope not lower than the percentage needed for the adoption of a resolution, to determine the actual price determination date and actual price based on market status and situation when specific persons are determined.
The method for selecting the specific persons	The private placement of securities carried out this time is with the specific persons prescribed under Article 43-6 of the Securities and Exchange Act, and in order to expand future product market and increase the competitiveness of the Company, the selection of the specific persons shall be limited to strategic investors. It is proposed that the Board of Directors shall be fully authorized by the shareholders’ meeting for matters of determining the specific persons. The necessity and anticipated benefits of selecting strategic investors as specific persons: In response to the needs of long-term operation and business development of the Company, the priority will be given to those who can benefit directly or indirectly from the future operations of the Company and who can help the Company expand business and product markets, strengthen customer relationships, improve product development integration efficiency, enhance technology, or who

<table>
<tr><td></td><td>can provide financial resources and strengthen financial cost management to enhance the Company’s competitive advantage. The introduction of funds provided by strategic investors not only benefit the operation and business development of the Company, but is helpful to the improvement of the overall operation structure of the Company, which is beneficial to the competitiveness of the Company’s long-term operation and development as well as operational effectiveness.</td></tr>
<tr><td>The necessity for conducting a private placement</td><td>1. Private placement has the properties of quick and convenient, and since there are regulations preventing securities obtained through private placement from transferring within three years after the date of delivery, the long-term cooperative relationship between the Company and the places will be more secure. In addition, the mobility and flexibility of the Company’s fundraising activity will be enhanced effectively, if the Board of Directors is authorized to conduct private placements based on actual operation needs of the Company.
2. The issuance of common shares through private placement shall be limited to a maximum of 15,000,000 shares, and it may be carried out by entirety within one year of the date of the resolution of the shareholders’ meeting when the time is right and the market allows.
3. The use of the funds raised by private placement and anticipated benefits.</td></tr>
<tr><td>Record date for c</td><td>2023/06/21</td></tr>
<tr><td>The information of Specific Investor</td><td><table>
<tr><th>Private Placement Target</th><th>Qualification Criteria</th><th>Subscription Quantity (Shares)</th><th>Relationship with the Company</th><th>Involvement in Company Operations</th></tr>
<tr><td>Advanced Semiconductor Engineering, Inc.</td><td>Article 43-6, Paragraph 1, Subparagraph 2 of the Securities and Exchange Act</td><td>13,418,000</td><td>-</td><td>-</td></tr>
</table></td></tr>
<tr><td>Actual private placement price</td><td>The price of private placement that is NT$161.50 and number of 13,418 thousand shares privately placed, total amount to NT$2,167,007,000 had been received.</td></tr>
<tr><td>The difference between the actual subscription price and the reference price</td><td>Reference price is NTD$201.80 per share. The price for common shares of this private placement is no less than 80% of the reference price.</td></tr>
<tr><td>Use of the funds raised in this private placement</td><td>The funds raised by this private placement will be used to enrich working capital or meet other funding needs for long-term operation and development of the Company.</td></tr>
<tr><td>Utilization of private placement funds and</td><td>As of the end of 2025, there were no outstanding funds from this private placement.</td></tr>
</table>

progress in plan execution	
The manifestation of the benefits of private placement	The mobility and flexibility of the Company’s fundraising activity will be enhanced effectively.

6.3 Shares in the Company Held or Disposed of by Subsidiaries in the Most Recent Years: None.

6.4 Other Necessary Supplementary Notes: None.

VII. Occurrence of events that have a significant impact on shareholders' equity or the price of securities as specified in Article 36, Paragraph 3, Subparagraph 2 of Securities and Exchange Act in the Most Recent Year up to the Publication Date of this Annual Report: None.