CyberPower

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ANNUAL REPORT 2025

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(V) Name of the Offshore Stock Exchange and Method for Accessing Information on Offshore Securities:

N/A.

(VI) Company Website:

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I. Letter to Shareholders

Dear Shareholders,

(I) 2025 Business Report

A. 2025 Business Results

1. 2025 Business Plan Implementation Achievement

Consolidated net operating income in 2025 is NT$ 11,869,881,000, a decrease of 4.98% compared to NT$ 12,492,000,000 last year; after consolidation, net profit after tax is NT$1,375,621,000, and the profit per share after tax is NT$14.47.

2. Budget execution

Unit: NT$ Thousand

Item	Consolidated			Individual		
	Budget amount	Actual amount	Achievement rate (%)	Budget amount	Actual amount	Achievement rate (%)
Operating income	14,078,222	11,869,881	84.31%	8,187,283	5,862,283	71.60%
Operating costs	6,830,630	5,503,393	80.57%	5,790,137	4,015,964	69.36%
Operating margin	7,247,592	6,366,488	87.84%	2,397,146	1,846,319	77.02%
Unrealized profits with subsidiaries, affiliated enterprises and joint ventures	-	-	-	(14,152)	(10,452)	73.86%
Operating expenses	4,451,261	4,449,159	99.95%	1,080,889	1,105,633	102.29%
Net operating profit	2,796,331	1,917,329	68.57%	1,302,105	730,234	56.08%
Net non-operating revenue and expenditure	(42,985)	(103,170)	240.01%	1,050,278	819,489	78.03%
Pre-tax profit	2,753,346	1,814,159	65.89%	2,352,383	1,549,723	65.88%

3. Financial revenue and expenditure and profitability analysis

Unit: NT$ Thousand

Item	Analysis	2025		2024	
		Consolidated	Individual	Consolidated	Individual
Financial revenue and expenditure	Operating income	11,869,881	5,862,283	12,492,000	7,562,873
	Operating margin (notes)	6,366,488	1,835,867	6,364,750	2,026,384
	Net profit after tax	1,375,621	1,362,738	2,308,378	2,283,855
Financial structure	Proportion of liabilities in assets (%)	31.96	27.77	39.34	34.87
	Proportion of long-term funds in real estate, factory building and equipment (%)	671.98	826.27	576.75	703.52

<table>
<tr><th rowspan="2">Item</th><th rowspan="2" colspan="2">Analysis</th><th colspan="2">2025</th><th colspan="2">2024</th></tr>
<tr><th>Consolidated</th><th>Individual</th><th>Consolidated</th><th>Individual</th></tr>
<tr><td rowspan="2">Debt paying ability</td><td colspan="2">Current ratio (%)</td><td>360.81</td><td>245.47</td><td>201.69</td><td>151.36</td></tr>
<tr><td colspan="2">Liquidity ratio (%)</td><td>248.80</td><td>199.87</td><td>143.85</td><td>128.90</td></tr>
<tr><td rowspan="6">Profitability</td><td colspan="2">Return on assets (%)</td><td>9.42</td><td>10.00</td><td>16.45</td><td>17.07</td></tr>
<tr><td colspan="2">Return on equity (%)</td><td>14.30</td><td>14.28</td><td>27.39</td><td>27.27</td></tr>
<tr><td rowspan="2">Ratio in paid-up capital (%)</td><td>Net operating profit</td><td>203.61</td><td>77.55</td><td>257.77</td><td>100.60</td></tr>
<tr><td>Pre-tax profit</td><td>192.66</td><td>164.57</td><td>313.15</td><td>269.64</td></tr>
<tr><td colspan="2">Net profit ratio (%)</td><td>11.59</td><td>23.25</td><td>18.48</td><td>30.20</td></tr>
<tr><td colspan="2">Earnings per share (NT$)</td><td>14.47</td><td>14.47</td><td>24.75</td><td>24.75</td></tr>
</table>

Notes: Individual financial statements include unrealized profits with subsidiaries, affiliated enterprises and joint ventures.

4. R&D status

Based on attention to brand value, the company especially focuses on product development and investment in long-term core technical competence so it launches products that satisfy customer demands; in the last two years, the company has invested about 3%~5% of turnover in research and development and innovation, continuously developing new products and upgrading existing ones to lay a solid technology foundation for the sustainable development of the company.

(II) Summary of 2026 business plan

A. Management policy

In the first half of 2025, the global economy exhibited solid growth momentum, supported by short-term factors such as front-loaded trade activities and inventory adjustments. However, as these effects gradually subsided, economic indicators weakened in the second half of the year, accompanied by a cooling labor market. The lagged impact of tariff policies also became increasingly apparent. As a result, market expectations generally point to a renewed slowdown in global economic growth in 2026, with weakening trade momentum being particularly notable. In response to the rapidly evolving international market and industrial environment, the Company will continue to adhere to its established strategic direction while further strengthening a systematic, digitalized, and automated management approach. By leveraging quantitative indicators to monitor the quality of decision-making, the Company aims to build a flexible and efficient operating model that enables timely identification of operational changes and swift responses, while steadily advancing toward its vision of becoming a global leader in power management.

B. Expected sales and their basis

Relying on its strong research and development capabilities, the company has consistently received multiple prestigious awards both domestically and internationally. It is also committed to providing its partners with diverse resources and technical support, thereby deepening collaborative relationships and maximizing brand value. With the rapid development of data centers, cloud computing, and AI applications, the importance of power quality and power management continues to grow, driving sustained market demand. This trend is expected to further boost the company's revenue and market share, enabling it to steadily achieve its operational objectives.

C. Important production and sales policies

1. In the aspect of production policy:

   Self-owned factory is the key to allows us to effectively control product costs, quality, and delivery schedules, making significant contributions to enhancing overall competitiveness. Through efficient supply chain management, we can continuously monitor market demands and changes, implementing strategic material planning to reduce inventory levels, offering flexible production to meet diverse customer needs, providing customized services to enhance customer satisfaction, and strengthening production quality management to ensure stable and high-quality products. These strategies enable us to consistently deliver premium products that meet customer expectations, thereby strengthening our market competitiveness.

2. In the aspect of sales policy:

   By implementing core competitive strategies through adopting a parallel model of retail, distribution, and system integrator channels, we promote our brand with an emphasis on trust, quality, and value. Leveraging market information to flexibly adjust marketing strategies, enhancing the loyalty of existing core customers, and strengthening after-sales services through global locations, serving as the cornerstone of long-term operational growth.

D. Impact of the external competitive environment, regulatory environment, and overall operation environment

1. External competitive environment

   The company recognizes that market expectations for product reliability, energy efficiency, and intelligent management continue to rise. Accordingly, it will continue to develop innovative products and offer solutions that better address user needs, as a key strategy to maintain its competitive advantage. Looking ahead, the company will focus on strengthening its core competitiveness by optimizing its product portfolio, expanding into emerging markets, and enhancing its channel strategies. At the same time, it will reinforce the application of energy-saving and intelligent technologies to respond to external competitive pressures and achieve steady overall operational growth.

2. Regulatory environment

   The company complies with national policies and regulations and stays ahead of changes to significant policies and regulations via the finance, stock, audit, and law units. We also adjust our internal systems and operational activities accordingly to fully comply with the regulatory requirements and ensure smooth operations. There are currently no significant effects on the finance and business of the company resulting from regulatory changes at home and abroad.

3. Overall operation environment

   Geopolitical risks and climate change remain key variables affecting the global economy. The prolonged Russia–Ukraine war and escalating conflicts in the Middle East have led to significant volatility in energy and raw material markets, thereby impacting the stability of global supply chains and increasing inflationary pressures. Broad market consensus suggests that the global economy in 2026 will experience moderate growth accompanied by persistent risks. Key growth drivers are expected to include artificial intelligence (AI), digital transformation, and technology-related capital expenditures. Meanwhile, supply chain restructuring, geopolitical uncertainties, and fluctuations in trade policies will pose critical challenges to corporate strategic planning.

Amid heightened global economic and geopolitical uncertainties, the Company remains committed to its core philosophy of “empowering technological advancement and enhancing quality of life through power quality.” It will continue to create value and expand its influence in the field of power solutions. Looking ahead to 2026, the Company will actively expand its lithium battery-related solutions and product applications. While consolidating its existing market foundation, it will further strengthen its competitive advantages through product portfolio optimization, expansion into emerging markets, enhancement of channel strategies, and elevation of brand value. In addition, the Company is committed to improving resource utilization efficiency by strengthening cost management and optimizing global resource allocation, thereby enhancing organizational agility and resilience. While pursuing sustainable growth, it is also proactively addressing climate risks by adopting green design principles, enhancing product intelligence and energy efficiency, and implementing circular packaging and the digitalization of product manuals. Through these initiatives, the Company is dedicated to advancing sustainable development. As a leading Taiwan-based brand, it firmly believes that each advancement represents a new milestone and will continue to enhance its global market presence and long-term sustainable value.

Best Regards,
Chairman: Kuo, Chin
Manager: Ho, Lien-Hsun
Accounting Officer: Chen, Chih-Chang

II. Corporate Governance Report

(I) Profile of the Company's Directors, General Manager, Deputy General Manager, associate managers, and the heads of all Company divisions and branch units

A. Directors

1. Profile of Directors (I)

Unit: Share; ％ : March 28, 2026

Title	Nationality / place of incorporation	Name	Gender	Date elected	Term (years)	Date first elected	Shareholding when elected		Current shareholding		Shares held by spouse and underaged children		Shares held under name of another person		Education/ Experience	Other position	Executives, Directors or Supervisors who are spouses or within the second degree of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	R.O.C.	Chih Yuan Investment Co., Ltd.	-	2023.06.13	3Years	2008.04.07	4,261,880	5.10	5,609,974	5.92	-	-	-	-	-	-	-	-	-	-
	R.O.C.	Representative:Kuo, Chin	Female 61~65	2023.06.13	3Years	2008.04.07	907,379	1.09	952,747	1.01	-	-	-	-	Bachelor of Business Administration, Feng Chia University Financial Manager of Rite-Tech Industrial Co., Ltd.	Note1	Director	Lee,Chien-Chin	Affinity	-
Director	R.O.C.	Ning Yuan Investment Co., Ltd.	-	2023.06.13	3Years	2014.06.12	5,400,000	6.47	5,700,000	6.01	-	-	-	-	-	-	-	-	-	-
	R.O.C.	Representative: Ho, Lien-Hsun	Male 51~60	2023.06.13	3Years	2014.06.12	1,400,000	1.68	1,932,000	2.04	-	-	12,000,000	12.66	Bachelor of Electrical and Control Engineering, National Chiao Tung University Bachelor of Management Science, National Chiao Tung University Master of Electrical and Control Engineering, National Chiao Tung University Project Manager of Power Electronics Research Laboratory of Industrial Technology Research Institute	Note 2	-	-	-	-
Director	R.O.C.	Hsien Yueh Investment Co., Ltd.	-	2023.06.13	3Years	2008.04.07	5,418,089	6.49	5,688,993	6.00	-	-	-	-	-	-	-	-	-	-
	R.O.C.	Representative: Lee, Chien-Chin	Male 61~65	2023.06.13	3Years	2008.04.07	349,007	0.42	491,457	0.52	97,750	0.10	-	-	Bachelor of Foreign Languages, Christ's College Taipei Director of Maofei Investment Co., Ltd.	Chairman of Hsien Yueh Investment Co., Ltd. Director of Maofei Investment Co., Ltd.	Chairman	Kuo,Chin	Affinity	-
Director	R.O.C.	Lu, Lee-Da	Male 71~75	2023.06.13	3Years	2011.06.24	-	-	-	-	-	-	-	-	Bachelor of Electrophysics, National Chiao Tung University MBA and Electrical Engineering, University of California, Los Angeles President, Operation and Investment Business of Acer Inc.	Note 3	-	-	-	-
Independent Director	R.O.C.	Ko, Po-Cheng	Male 61~65	2023.06.13	3Years	2020.06.12	-	-	-	-	-	-	-	-	Master, Business Administration, Soochow University Associate Professor of Accounting, Soochow University	NA	-	-	-	-
Independent Director	R.O.C.	Wang, Chin Yen	Female 61~65	2023.06.13	3Years	2023.06.13	-	-	-	-	2,000	0.00	-	-	Master of Management, National Central University CPA, Deloitte & Touche, Taiwan	Note 4	-	-	-	-
Independent Director	R.O.C.	Ou Yang, Mang	Male 51~60	2023.06.13	3Years	2023.06.13	-	-	-	-	-	-	-	-	Ph.D, Department of Photonics, National Chiao Tung University Associate Professor, Department of Optics and Photonics, National Central University Professor, College of Electrical and Computer Engineering, National Chiao Tung University	NA	-	-	-	-

Note 1 Legal Representative of Directors: CliqueFie Co., Ltd., Broad Win International Investment Co., Ltd
Director: Chih Yuan Investment Co., Ltd., Da Yuan Investment Co., Ltd., Planet Technology Limited, Join Master Co., Ltd, Portal Star Co., Ltd., Shining Pearl Co., Ltd., Cyber Power Systems (HK) Limited, Fast Wind International Limited, Global Way Co., Ltd, Global Win Co., Ltd., Full Star Co., Ltd, Grown Tech Ltd., CTK Power (Shenzhen) Inc., Cyber Energy Technology (Shenzhen) Co., Ltd., Dongguan Cyber Energy Co., Ltd., CyberPower (Shenzhen) Co., Ltd., Cyber Power Systems B.V., Cyber Power Systems K.K, Cyber Power Systems (India) Pvt Ltd., Cyber Power Systems Manufacturing, Inc.

Note 2 Chairman: Cyber Power Systems Manufacturing Inc., Ning Yuan Investment Co., Ltd., Dan Zhi Investment Co., Ltd., Jing De International Co., Ltd.,
Director: Cyber Power Systems (USA), Inc., Join Master Co., Ltd, Portal Star Co., Ltd., Shining Pearl Co., Ltd., Fast Wind International Limited, Global Way Co., Ltd, Global Win Co., Ltd., Full Star Co., Ltd, Grown Tech Ltd., Cyber Power (Shenzhen) Ltd., Cyber Energy Technol, Cyber Power Systems B.V., Cyber Power Systems K.K, Nitram SASU, CyberPower Systems GmbH, Cyber Power Systems S.A. DE C.V., Cyber Power Systems (India) Pvt Ltd., Best Top (Shenzhen) Inc., Cyber Energy Co., Ltd., Supervisor Representative of Liang Kao Co., Ltd.

Note 3 Director: YODN Lighting Corp., APACER Technology Inc.

Note 4 Independent Director: TaipeiStarBank, LEATEC FINE CERAMICS CO., LTD.
Legal Representative of Directors: SENTEC E&E CO., LTD.

Note 5 When the Chairman and Presidents or equivalents (General Manager) are the same person, spouse, or relatives within the first degree of kinship, details of relevant reaons, rationality, necessity and countermeasures (such as increasing numbers of independent directors, and over half of the directors are not company employee or managers) must be specified. There are no such condition.

2. Major shareholders of corporate shareholders

March 28, 2026

Name of corporate shareholder	Major shareholders of corporate shareholders
Chih Yuan Investment Co., Ltd.	Da Yuan Investment Co., Ltd.100%
Ning Yuan Investment Co., Ltd.	Ho, Lien-Hsun98.8% Huang, Hsi-Feng1.0% Ho, Li Ti 0.2%
Hsien Yueh Investment Co., Ltd.	Kai Wu Investment Co., Ltd. 96.36% Lee, Chien-Chin 1.09% Hsieh, Chun-Chu 1.09% Li, Mei-Chuan 0.15% Lee, Chien-Hong 1.09% Gu, Ru-Fen 0.11% Jiang,Huei-Ruei 0.11%

3. Major shareholders of major corporate shareholder

March 28, 2026

Name of corporate shareholders	Major shareholders of corporate shareholders
Da Yuan Investment Co., Ltd.	Kuo, Chin 100%
Kai Wu Investment Co., Ltd.	NEW POWER CORPORATION 100%

4. Profile of Directors (II)

(1) Professional Qualifications and Independence Analysis of Directors

Criteria / Name (Note)	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
Chih Yuan Investment Co., Ltd. Representative: Kuo, Chin (Chairman)	With a Bachelor's degree in Business Administration from Feng Chia University, he currently serves as the Chairman of the Company with over 30 years of experience in commerce, finance and corporations. Director Kuo, Chin has leadership decision-making, marketing, operation management, and strategy planning skills, an international perspective and insights, and leads the Company to drive sustainable development.	-	NA
Ning Yuan Investment Co., Ltd. Representative:Ho, Lien-Hsun (Director)	With a Master's Degree in Electrical and Control Engineering from National Chiao Tung University, he currently serves as the President of the Company and also holds a concurrent post of director in several affiliated enterprises, and possesses rich industrial knowledge and over	-	NA

Criteria / Name (Note)	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
	20 years of experience in operation management. Director Ho, Lien-Hsun possesses technical and engineering expertise, has leadership, decision-making judgement, and crisis handling skills, and also an awareness of the international market. He is the helmsman for the Company to go global and lay out brand values, and keeps leading the Company to be an industry leader and pioneer and pursue sustainable operations.		
Hsien Yueh Investment Co., Ltd. Representative:Lee, Chien-Chin (Director)	With a Bachelor's Degree in Foreign Languages from Christ's College Taipei, he has years of experience in commerce, finance and corporations. Director Lee, Chien-Chin is an expert in operational judgment and management, and has industrial knowledge and decision-making skills, and presents operation management suggestions and policies by virtue of his management expertise in the technological industry.	-	NA
Lu, Lee-Da (Director)	With a MBA and Electrical Engineering degrees from the University of California, Los Angeles, he has served as General Manager of Acer Europe AG and as director of several companies. Director Lu, Lee-Da has years of experience in international enterprise operation management, has built a foundation in operational judgment, brand marketing, leadership and decision-making, and provides the Company with valuable opinions on brand operations, operational judgment and crisis prevention.	-	NA
Wang Chin Yen (Independent Director)	Graduated from National Central University with Master's Degree in Management and served as CPA at Deloitte & Touche. Director Wang Chin Yen has expertise in operation management, accounting and financial analysis,	The qualifications shall comply with the requirements of Articles 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. • I, my spouse or relatives within	2

Criteria / Name (Note)	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
	operational judgement, capital operation and planning, and years of experience in accounting and auditing, and can substantially facilitate the operational management of the operational team of the Company and improve the supervisory function of the Audit Committee.	the second degree of kinship are not directors, supervisors or employees of the Company or its affiliated enterprises. • I, my spouse or relatives within the second degree of kinship (or in the name of others) hold no shares of the Company. • I, my spouse or relatives within the second degree of kinship are not directors, supervisors or employees of companies that have specific relations with the Company. • I have not provided relevant services involving commerce, law, finance and accounting of the Company or affiliated enterprises for remuneration in the past two years.	
Ou Yang Mang (Independent Director)	Obtaining his doctoral degree from Institute of Electro-Optical Engineering, National Chiao Tung University, Director Ou Yang Mnag served as associate professor in Department of Electronics, National Chiao Tung University and currently serves as professor in Department of Electronics, National Chiao Tung University. Director Ou Yang has expertise and knowledge of electronic engineering, and has leadership and decision-making, operational management, industrial expertise and crisis handling capacities, and can provide diversified suggestions and policies on industrial linkage.	The qualifications shall comply with the requirements of Articles 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. • I, my spouse or relatives within the second degree of kinship are not directors, supervisors or employees of the Company or its affiliated enterprises. • I, my spouse or relatives within the second degree of kinship (or in the name of others) hold no shares of the Company. • I, my spouse or relatives within the second degree of kinship are not directors, supervisors or employees of companies that have specific relations with the Company. • I have not provided relevant services involving commerce, law, finance and accounting of the Company or affiliated enterprises for remuneration in the past two years.	NA
Ko, Po-Cheng (Independent Director)	He graduated from Soochow University with a Master's in Accounting, and served as an	The qualifications shall comply with the requirements of Articles 3 of the Regulations Governing Appointment	NA

Criteria / Name (Note)	Professional qualifications and experience	Independence status	Number of other public companies where the director holds a concurrent post of independent director
	Associate Professor of Accounting in Soochow University and Adjunct Associate Professor of Accounting Information in the National Taipei University of Business. Director Ko, Po-Cheng has served as Independent Director and Audit Committee Member of several enterprises with years of experience in multiple industries and fields, and has operational judgment, accounting and financial analysis, crisis handling and decision-making skills. The Company can expect an improvement across many aspects by virtue of Director Ko's management experience and horizons in different industries.	of Independent Directors and Compliance Matters for Public Companies. • I, my spouse or relatives within the second degree of kinship are not directors, supervisors or employees of the Company or its affiliated enterprises. • I, my spouse or relatives within the second degree of kinship (or in the name of others) hold no shares of the Company. • I, my spouse or relatives within the second degree of kinship are not directors, supervisors or employees of companies that have specific relations with the Company. • I have not provided relevant services involving commerce, law, finance and accounting of the Company or affiliated enterprises for remuneration in the past two years.	

Note: No directors are involved in any situation stipulated in Article 30 of the Company Act.

(2) Diversity and Independence of the Board of Directors:

A. Diversity of the Board of Directors：

According to Article 20 of the Corporate Governance Best Practice Principles that The composition of the Board of Directors shall be diverse except that the number of directors holding a concurrent post of manager of the Company shall not exceed one third of the total directors. Furthermore, proper diversity guidelines are drafted based on corporate operations, business types and development requirements. It is advisable to include, but do not limit to, standards regarding the following two aspects:

(A) Basic conditions and values: gender, age, nationality, culture, etc.

(B) Professional knowledge and skills: professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skills, industry experience, etc.

The nomination and selection of members of the Boards of Directors shall be subject to the Articles of Association of the Company and candidate nomination system. Except for their academic backgrounds, director candidates' integrity, reputation, commitment to participating in supervising the company business with sufficient time, and capabilities of assisting in operational management shall be also evaluated.

The composition of the Board of Directors currently includes seven directors, including four directors and three independent directors, who account for 42.9%; the current members of the Board of Directors all have diversified and complementary industrial experience in manufacturing, brand channels, technological research, accounting and finance, information and technology, etc., conforming to the management objectives of the diversity policy of the Board of Directors.

It is specified in Article 20 of the Corporate Governance Best Practice Principles, the Board of Directors shall also generally possess the knowledge, skills and expertise required to execute their duties. To achieve corporate governance goals, the Board of Directors shall possess the following competencies overall:

Core diversity item / Name of Director	Basic condition				Capability							
	Nationality	Gender	Age	Independent Director Tenure	Operational judgment	Accounting and financial analysis capabilities	Operation management capabilities	Crisis handling capabilities	Industrial knowledge	Awareness of the international market	Leadership	Decision-making capabilities
Chih Yuan Investment Co., Ltd. Representative: Kuo, Chin	R. O.C.	Female	61~65		✓	✓	✓	✓	✓	✓	✓	✓
Ning Yuan Investment Co., Ltd. Representative: Ho, Lien-Hsun	R. O.C.	Male	51~60		✓	✓	✓	✓	✓	✓	✓	✓
Hsien Yueh Investment Co., Ltd. Representative: Lee, Chien-Chin	R. O.C.	Male	61~65		✓		✓		✓	✓		✓
Lu, Lee-Da	R. O.C.	Male	71~75		✓	✓	✓	✓	✓	✓	✓	✓
Wang, Chin Yen	R. O.C.	Female	61~65	< 3 Years	✓	✓	✓	✓		✓	✓	
Ou Yang, Mang	R. O.C.	Male	51~60	< 3 Years			✓	✓	✓	✓	✓	✓
Ko, Po-Cheng	R. O.C.	Male	61~65	3~6 years	✓	✓		✓		✓		✓

Specific management objectives of the diversity policy for the Board of Directors and current fulfillment conditions:

Specific management objectives:

(1) At least three directors among all the directors must possess any one capability as indicated in the Table above.

(2) Any specific director must at least possess five capabilities as indicated in the Table above.

(3) The Company values the gender equality of the composition of the Board of Directors, and has least one female director.

Current fulfillment condition:

(1) At least three directors among all the directors must possess any one capability as indicated in the Table above.

(2) Individual directors all possess at least five capabilities as indicated in the Table above.
(3) The Company selected two female directors at the general re-election of the Board of Directors in 2023, fulfilling the short-term objective of diversity policy for the Board of Directors. Currently, the male directors account for 71.4% (5 male directors) and the female directors account for 28.6% (2 female directors); in the future, the Company will continue to increase number of independent directors conforming to the long-term objective to enhance Board diversity, in alignment with the board succession plan, the Company intends to identify director candidates through various channels, including industry and academia, to ensure that directors of either gender account for at least one-third of the Board seats by the end of the current term in 2026, thereby enhancing gender diversity on the Board.

B. Independence of the Board of Directors:
(1) The composition of the Board of Directors currently includes seven directors, including three Independent Directors who account for 42.9%. moreover, two Independent Directors have their term of office within three years, and one Independent Director has the term of office within 3-6 years.
(2) A director who is also an employee of the Company accounts for 1/7, less than 1/3 of the directors.
(3) No directors of the Company gets involved in the situations as set out in Article 26, Paragraph 3, Sub-paragraphs 3 and 4 of the Securities and Exchange Act. For other independence evaluation items, please refer to Item 1 of Profile of Directors (II) for Professional Qualifications of Directors and Independence Information Disclosure of Independent Director.

5. Further education of directors

Title	Name	Dates		Sponsor	Course	Hours	Remarks
		From	From				
Legal Representative of Director	Kuo, Chin	2025/5/8	2025/5/8	Taiwan Corporate Governance Associate	Legal Liabilities and Compliance Practices of Financial Crimes in the Digital Age	3	
		2025/8/7	2025/8/7	Taiwan Corporate Governance Associate	Board Actions on 12 ESG Risks	3	
Legal Representative of Director	Ho, Lien-Hsun	2025/5/8	2025/5/8	Taiwan Corporate Governance Associate	Legal Liabilities and Compliance Practices of Financial Crimes in the Digital Age	3	
		2025/8/7	2025/8/7	Taiwan Corporate Governance Associate	Board Actions on 12 ESG Risks	3	

Title	Name	Dates		Sponsor	Course	Hours	Remarks
		From	From				
Legal Representative of Director	Lee, Chien-Chin	2025/5/8	2025/5/8	Taiwan Corporate Governance Associate	Legal Liabilities and Compliance Practices of Financial Crimes in the Digital Age	3	
		2025/8/7	2025/8/7	Taiwan Corporate Governance Associate	Board Actions on 12 ESG Risks	3	
Director	Lu, Lee-Da	2025/5/8	2025/5/8	Taiwan Corporate Governance Associate	Legal Liabilities and Compliance Practices of Financial Crimes in the Digital Age	3	
		2025/8/7	2025/8/7	Taiwan Corporate Governance Associate	Board Actions on 12 ESG Risks	3	
Independent Director	Ko, Po-Cheng	2025/5/8	2025/5/8	Taiwan Corporate Governance Associate	Legal Liabilities and Compliance Practices of Financial Crimes in the Digital Age	3	
		2025/8/7	2025/8/7	Taiwan Corporate Governance Associate	Board Actions on 12 ESG Risks	3	
Independent Director	Wang, Chin Yen	2025/5/8	2025/5/8	Taiwan Corporate Governance Associate	Legal Liabilities and Compliance Practices of Financial Crimes in the Digital Age	3	
		2025/7/4	2025/7/4	CPA ASSOCIATIONS R.O.C.(TAIWAN)	Money Laundering Control Act from the Perspective of Judicial Practice	6	
		2025/8/7	2025/8/7	Taiwan Corporate Governance Associate	Board Actions on 12 ESG Risks	3	
		2025/12/9	2025/12/9	CPA ASSOCIATIONS R.O.C.(TAIWAN)	Application of Sustainability Strategies: Risk Assessment and Financial Impact (IFRS S2)	6	
		2025/12/10	2025/12/10	CPA ASSOCIATIONS R.O.C.(TAIWAN)	Sustainability Governance Practices: Integrity and Decision-Making (IFRS S1)	6	
Independent Director	Ou Yang, Mang	2025/5/8	2025/5/8	Taiwan Corporate Governance Associate	Legal Liabilities and Compliance Practices of Financial Crimes in the Digital Age	3	
		2025/8/7	2025/8/7	Taiwan Corporate Governance Associate	Board Actions on 12 ESG Risks	3	

B. Profile of directors, supervisors, and the management team

Unit: Shares; %; March 28, 2026

Title (Note 1)	Nationality	Name	Gender	Date of appointment to position	Shareholding		Shares held by spouse and minor children		Shares held through nominees		Experience (education) (Note 2)	Other position	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Remark (Note 4)
					Shares	%	Shares	%	Shares	%			Remark	Remark	Remark	
Director cum President	R.O.C.	Ho, Lien-Hsun	Male	1999/07/02	1,932,000	2.04	-	-	12,000,000	12.66	Master of Electrical and Control Engineering, National Chiao Tung University Project Manager of Power Electronics Research Laboratory of the Industrial Technology Research Institute	Note 3	-	-	-	-
Assistant of R&D Division	R.O.C.	Yeh, Hsiu-Ting	Male	2006/01/01	638,187	0.67	51,450	0.05	-	-	Master of Electrical and Control Engineering, National Chiao Tung University BenQ electronics engineer	Director of Cyber Power Systems Manufacturing, Inc. Director of Cyber Power (Shenzhen) Ltd.	-	-	-	-
Audit Manager	R.O.C.	Lin, Yun-Chien	Female	2015/06/08	4,000	0.00	-	-	-	-	Deputy Head of the Audit Department, Deloitte & Touche Tax Director of Nu Skin Enterprises Taiwan	-	-	-	-	-

Title (Note 1)	Nationality	Name	Gender	Date of appointment to position	Shareholding		Shares held by spouse and minor children		Shares held through nominees		Experience (education) (Note 2)	Other position	Other managerial officer(s) with which the person has a relationship of spouse or relative within the second degree			Remark (Note 4)
					Shares	%	Shares	%	Shares	%			Remark	Remark	Remark	
Accounting Officer	R.O.C.	Chen, Chih-Chang	Male	2023/04/25	8,000	0.01	-	-	-	-	Assistant Vice President of Accounting Department, Cyber Power Systems, Inc.	Director of Shuo Mao Electronics (Shenzhen) Co., Ltd.	-	-	-	-
Corporate Governance Officer	R.O.C.	Chen, Chien-Chung	Male	2023/04/25	8,000	0.01	1,050	0.00	-	-	Assistant Vice President of Financial Department, Cyber Power Systems, Inc.	Director of Cyber Power Systems UK Limited.	-	-	-	-

Note 1 Data about the President, Vice President, Assistant Vice President, heads of departments and branches, and anyone with the title equivalent to President, Vice President or assistant, regardless of title, shall be disclosed.

Note 2 If they have any experience relating to their current posts, for example, having worked in CPA firms or affiliated enterprises, their posts and responsibilities must be stated.

Note 3 **Chairman:** Cyber Power Systems Manufacturing, Inc., Ning Yuan Investment Co., Ltd., Dan Zhi Investment Co., Ltd., Jing De International Co., Ltd.
Directors: Cyber Power Systems(USA), Inc., Join Master Co., Ltd, Portal Star Co., Ltd., Shining Pearl Co., Ltd., Fast Wind International Limited, Global Way Co., Ltd, Global Win Co., Ltd., Full Star Co., Ltd, Grown Tech Ltd., CTK Power (Shenzhen) Inc., Cyber Energy Technology (Shenzhen) Co., Ltd., Cyber Power Systems B.V., Cyber Power Systems K.K, Nitram SASU, CyberPower Systems GmbH, Cyber Power Systems S.A. DE C.V., Cyber Power Systems (India) Pvt Ltd., Best Top (Shenzhen) Inc., Cyber Energy Co., Ltd. , Supervisor Representative of Liang Kao Co., Ltd.

Note 4 When the President or equivalents (General Manager) and the Chairman are the same person, spouses, or relatives within the first degree of kinship, details of the reasons, rationality, necessity and countermeasures (such as increasing the numbers of independent directors, and over half of the directors are not company employees or managing managers) must be specified. There are no such conditions.

(II) Remuneration of directors, supervisors, president, and vice-presidents

1. Remuneration of directors and independent directors

Year: 2025
Unit: NT$ Thousand; Thousand Shares
(Except that the price per share is expressed in NT$)

Title	Name	Remuneration of directors								Sum of A+B+C+D and ratio to net income (%)(Note 6)		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income (%) (Note 6)		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 8)
		Base compensation (A)(Note 1)		Retirement pay(B)		Director profitsharing compensation (C)(Note 2)		Expenses and perquisites (D)(Note 3)				Salary, rewards, and special disbursements (E) (Note 4)		Retirement pay and pension (F)		Employee compensation(G) (Note 5)						
		The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company Cash	The Company Stock	All Consolidated entities (Note 7) Cash	All Consolidated entities (Note 7) Stock	The Company	All Consolidated entities(Note 7)	
Chairman	Chih Yuan Investment Co., Ltd. Representative Kuo, Chin	3,605	3,605	-	-	850	850	716	716	5,171 0.38	5,171 0.38	-	-	-	-	-	-	-	-	5,171 0.38	5,171 0.38	NA
Director cum President	Ning Yuan Investment Co., Ltd. Representative Ho, Lien-Hsun	-	-	-	-	850	850	28	28	878 0.06	878 0.06	32,988 (註 9)	32,988 (註 9)	-	-	19,333	-	19,333	-	53,199 3.90	53,199 3.90	NA
Director	Hsien Yueh Investment Co., Ltd. Representative Lee, Chien-Chin	-	-	-	-	850	850	28	28	878 0.06	878 0.06	-	-	-	-	-	-	-	-	878 0.06	878 0.06	NA
Director	Lu, Lee-Da			-	-	850	850	19	19	869 0.06	869 0.06	-	-	-	-	-	-	-	-	869 0.06	869 0.06	NA
Independent Director	Ko, Po-Cheng	120	120	-	-	850	850	79	79	1,049 0.08	1,049 0.08	-	-	-	-	-	-	-	-	1,049 0.08	1,049 0.08	NA
Independent Director	Wang Chin Yen	120	120			850	850	79	79	1,049 0.08	1,049 0.08									1,049 0.08	1,049 0.08	NA
Independent Director	Ou Yang Mang	120	120	-	-	850	850	79	79	1,049 0.08	1,049 0.08	-	-	-	-	-	-	-	-	1,049 0.08	1,049 0.08	NA

Title	Name	Remuneration of directors								Sum of A+B+C+D and ratio to net income (%)(Note 6)		Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income (%) (Note 6)		Remuneration received from investee enterprises other than subsidiaries or from the parent company (Note 8)
		Base compensation (A)(Note 1)		Retirement pay(B)		Director profitsharing compensation (C)(Note 2)		Expenses and perquisites (D)(Note 3)				Salary, rewards, and special disbursements (E) (Note 4)		Retirement pay and pension (F)		Employee compensation(G) (Note 5)						
		The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company	All Consolidated entities(Note 7)	The Company		All Consolidated entities (Note 7)		The Company	All Consolidated entities(Note 7)	
																Cash	Stock	Cash	Stock			
Total		3,965	3,965	-	-	5,950	5,950	1,028	1,028	10,943 0.80	10,943 0.80	32,988	32,988	-	-	19,333	-	19,333	-	63,264 4.64	63,264 4.64	NA

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:
   The compensation of independent directors of the Company includes the directors' compensation and travel expenses of the Board of Directors, and its concurrent functional committee; fixed quarterly compensation shall be increased after being proposed by the Remuneration Committee and resolved by the Board of Directors. Changes in the future economic environment and the operation fulfillment and contributions of the operation team shall be regarded as the measurement basis for compensation, and compensation shall be adjusted subject to the corporate operation performance and relevant acts and regulations.
2. Compensation received by the directors of the Company for providing services to all companies in the consolidated financial statement (e.g., serving as the parent company, or All Consolidated entities, or reinvestment is not for consultants but employees, etc.) in recent years except those disclosed above: NA.

Note 1 The directors' compensation in the recent year (including directors' salary, duty allowance, retirement pay, bonuses, rewards, etc.).
Note 2 The amount of directors' compensation distributed by the Board of Directors in the recent year.
Note 3 The relevant Professional Practice Expense of the Board of Directors in the recent year (including travel expenses, special disbursement, allowances, provision of dormitory, car and other material objects, etc.).
Note 4 The salary, duty allowance, retirement pay, bonuses, rewards, travel expenses, special disbursement, allowances, provision of dormitories, car and other material objects, etc., paid to a director cum employee (including employees holding concurrent posts of the president, vice president and other managing managers) in the recent year. If houses, cars and other vehicles or exclusive individual expenditures are provided, the natures and costs of assets, actual rents or those calculated at fair market value, fuel bills and other payments must be disclosed. Additionally, if drivers are required, please state the relevant compensation paid to drivers by the Company in a note which will not be credited into remuneration. Besides, in accordance with salary expenses recognized in IFS 2 - Share-based Payment, they include employee stock options, restricted stock grants, participation in share subscription by capital increase by cash, etc., and all should be credited in the compensation.
Note 5 The amount of distributed employee compensation.
Note 6 Net income after tax is the annual net income after tax in the recent year; when IFS is adopted, net income after tax is the net income after tax in annual or individual financial statements in the recent year.
Note 7 The total amount of various compensation paid to directors of the Company by all companies (including the Company) in the consolidated financial statements.
Note 8 The amount of relevant compensation received by directors of the Company from an invested company other than the Company's subsidiaries or parent company which should be specified.
Note 9 The special disbursements include the rental of the cars allocated the director & president of the Company, involving a total amount of NT$ 1,471,000.
∗ The compensation contents disclosed in the Table are different from the concept of income in the Income Tax Act, so the Table is only for the purpose of information disclosure rather than taxation.

2. Remuneration of president and vice-presidents

Year 2025

Unit: NT$ Thousand; Thousand Shares

(Except that the price per share is expressed in NT$)

Title	Name	Salary (A) (Note 1)		Severance Pay (B)		Bonuses and allowances (C) (Note 2)		Profit SharingEmployee Bonus (D) (Note 3)				Sum of A+B+C+D+E+F+G and ratio to net income (%)(%)(Note 5)		Compensation paid to directors from an invested company or from the Company's subsidiary (Note 6)
		The Company	All Consolidated entities (Note 4)	The Company	All Consolidated entities (Note 4)	The Company	All Consolidated entities (Note 4)	The Company		All Consolidated entities(Note 4)		The Company	All Consolidated entities (Note 4)	
								Cash	Stock	Cash	Stock			
President	Ho, Lien-Hsun	12,757	12,757	320	320	30,114 (Note 7)	30,114 (Note 7)	22,833	—	22,833	—	66,024 4.84	66,024 4.84	NA
Assistant Vice President	Yeh, Hsiu-Ting													
Assistant Vice President	Chen, Chih-Chang													
Assistant Vice President	Chen, Chien-Chung													

Pay the company's remuneration grade of president and vice-presidents	president and vice-presidents Year 2025	
	The Company	All Consolidated entities (Note 4) (E)
NT$0~NT$999,999	—	—
NT$1,000,000～NT$1,999,999	—	—
NT$ 2,000,000～NT$3,499,999	Chen, Chih-Chang Chen, Chien-Chung	Chen, Chih-Chang Chen, Chien-Chung
NT$ 3,500,000～NT$4,999,999	—	—
NT$ 5,000,000～NT$9,999,999	Yeh, Hsiu-Ting	Yeh, Hsiu-Ting
NT$ 10,000,000～ NT$14,999,999	—	—
NT$ 15,000,000～ NT$29,999,999	—	—
NT$ 30,000,000～ NT$49,999,999	—	—
NT$ 50,000,000～NT$99,999,999	Ho, Lien-Hsun	Ho, Lien-Hsun

Pay the company's remuneration grade of president and vice-presidents	president and vice-presidents	
	Year 2025	
	The Company	All Consolidated entities (Note 4) (E)
Over NT$ 100,000,000	—	—
Total	4	4

Note 1 This refers to director base compensation in the most recent fiscal year including director salary, duty allowances, severance pay, and various rewards and incentives, etc..

Note 2 This includes any remuneration received by a director for concurrent service as an employee in the most recent year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee) including salary, duty allowances, severance pay, rewards, incentives, travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the Company to the driver, but do not include it in the calculation of the director remuneration. Additionally, salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering, etc.—should be included in the calculation of remuneration.

Note 3 This refers to employee profit-sharing compensation (including stocks and cash) received by a director for concurrent service as an employee in the most recent fiscal year

Note 4 Disclose the total amount of remuneration in each category paid to the directors of the Company by all companies in the consolidated financial report (including the Company)

Note 5 Net income refers to the net income after tax on the parent company only or individual financial report for the most recent fiscal year for those adopted IFRS standard.

Note 6 Please specifically disclose the amount of remuneration received by the directors of the Company from investee enterprises other than subsidiaries or from the parent company.

Note 7 The special disbursements include the rental of the cars allocated the managerial officers of the Company, involving a total amount of NT$ 2,007,000.

＊ The compensation contents disclosed in the Table are different from the concept of income in the Income Tax Act, so the Table is only for the purpose of information disclosure rather than taxation.

3. Name and Distribution of Remuneration of Managing Manager

Year 2025
Unit: NT$ Thousand; Share
(Except that the price per share is expressed in NT$)

	Title (Note 1 & Note 2)	Name (Note 1& Note 2)	Stock	Cash	Total	Ratio of total amount to net income (%)
Managing Manager	President	Ho, Lien-Hsun	-	22,833	22,833	1.68
	Assistant Vice	Yeh, Hsiu-Ting				
	Assistant Vice	Chen, Chih-Chang				
	Assistant Vice President	Chen, Chien-Chung				

Note 1 Individual name and title shall be disclosed, but the profit distribution shall be disclosed as a summary.

Note 2 The amount of employee compensation (including shares and cash) distributed to the managing manager by the Board of Directors in the recent year. If unpredictable, the distribution amount of the year shall be proposed based on the actual ratio of distributed amount last year. Net income after tax is the annual net income after tax in the recent year; when IFS is adopted, net income after tax is the net income after tax in annual or individual financial statements in the recent year.

Note 3 Scope of managing manager. As stipulated in Official Letter No. 0920001301 issued by the Securities and Futures Commission of the Ministry of Finance on March 27, 2003, the scope of the managing manager is:

1. President and equivalents
2. Vice President and equivalents
3. Assistant Vice President and equivalents
4. Financial officer
5. Accounting officer
6. Others with the right of affair management and signing on behalf of the Company

Note 4 If a Director, President and Vice President have received employee compensation (including shares and cash), the Table shall be additionally filled in, except for Table 1-2.

4. Compare and describe total remuneration, as a percentage of net income, as paid by this company and by each other company in during the past 2 fiscal years to directors, supervisors, general managers, and assistant general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

(1) Analysis of the ratio over the past two fiscal years

Title	2025		2024	
	Company	All Consolidated entities	Company	All Consolidated entities
Director	0.80%	0.80%	0.45%	0.45%
President& Vice President	4.84%	4.84%	2.76%	2.76%

(2) Remuneration payment policy, standard and combination, establishment procedure of remuneration, and relevance between performance and future risk

As stipulated in Article 19-2 of the Articles of Incorporation, if there is profit for the year, the Board of Directors shall determine to allocate no less than 2% as employee compensation(At least 10% of the total employee remuneration under this proposal shall be allocated to non-executive employees), and no less than 2% as director compensation.

The director remuneration of the Company is determined based on the Rules for Performance Evaluations of the Board of Directors; except for the overall operation performance and future operation risks of the Company, directors' participation in the Company's operations, decision-making quality, performance fulfillment rates and relevant contributions are also considered to determine reasonable remuneration. The remuneration of managing manager include salary and bonus; the salary is determined with reference to industry standards, ranks, professional competence, responsibilities, etc., and the bonus ratio is comprehensively determined by referring to a managing director' participation in the Company's operation and performance indicators, including financial indexes (operating income, yield, growth rate, and operation effectiveness fulfillment rate) and non-financial indexes (innovation and integration, risk management and information security, material weakness in compliance and operational risks of the department) to determine reasonable remuneration. The remuneration rationality of directors and managing directors shall be reviewed by the Remuneration Committee and the Board of Directors, and the remuneration policy shall be duly inspected based on the actual operation status and in accordance with relevant acts to pursue a balance between sustainable management and risk control of the Company.

While actively conforming to the Articles of Incorporation of the Company and complying with labor laws, the Company also participates in remuneration investigations of corporate management consultancies to check the rationality and competitiveness of its remuneration as a reference to determine or improve various remuneration systems.

(III) Implementation of corporate governance

A. Operations of the Board of Directors

A total of 7 meetings [A] of the Board of Directors were held in 2025. The attendance records of directors are as follows:

Title	Name (Note 1)	Attendance in person (B)	By proxy	Attendance rate [B/A] (Note 2)	Remarks
Chairman	Chih Yuan Investment Co., Ltd. Representative:Kuo, Chin	6	1	85.71%	
Director	Ning Yuan Investment Co., Ltd. Representative:Ho, Lien-Hsun	7	-	100%	
Director	Hsien Yueh Investment Co., Ltd. Representative:Lee, Chien-Chin	7	-	100%	
Director	Lu, Lee-Da	5	-	71.43%	
Independent Director	Ko, Po-Cheng	7	-	100%	
Independent Director	Wang, Chin Yen	7	-	100%	
Independent Director	Ou Yang, Mang	7	-	100%	

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: the Company established the Audit Committee on June 12, 2020, so Article 14-3 of the Securities and Exchange Act is not applicable. The Audit Committee of the Company had no objection to the five matters referred to in Article 14 of the Securities and Exchange Act. Please refer to [Operation of the Audit Committee] in the Annual Report for relevant information.
   (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: NA.
2. Regarding recusals of directors from voting due to conflicts of interests, the names of the directors, contents of motions, reasons for recusal, and results of the voting shall be specified:

Term and date	Contents of motions	Names of the directors	Reasons for recusal	Results of the voting
12th Board of Directors meeting of the 10th Session January 9, 2025	Allocation of Year-End Performance Bonuses for Managers and the Head of Internal Audit for 2024	Ho, Lien-Hsun	Director Ning Yuan Investment Co., Ltd. with Representative Ho, Lien-Hsun holding the concurrent post of President of the Company.	Recused from discussion and voting of the motion due to a conflict of interests, and other directors present without conflicts of interests approved the motion unanimously.
14th Board of Directors meeting of the 10th Session April 11, 2025	Proposed List of Recipients for the 2025 Employee Stock Options Issuance	Ho, Lien-Hsun	Director Ning Yuan Investment Co., Ltd. with Representative Ho, Lien-Hsun holding the concurrent post of President of the Company.	Recused from discussion and voting of the motion due to a conflict of interests, and other directors present without conflicts of interests approved the motion unanimously.
16th Board of Directors meeting of the 10th Session August 7, 2025	Remuneration Committee of the Company reviewed and presented the motion for remuneration of the President.	Ho, Lien-Hsun	Director Ning Yuan Investment Co., Ltd. with Representative Ho, Lien-Hsun holding the concurrent post of President of the Company.	Recused from discussion and voting of the motion due to a conflict of interests, and other directors present without conflicts of interests approved the motion unanimously.

Term and date	Contents of motions	Names of the directors	Reasons for recusal	Results of the voting
18th Board of Directors meeting of the 10th Session December 18, 2025	Remuneration Committee of the Company reviewed and presented the motion for remuneration of the Chairman 、 President or any managerial officer and Audit officer.	Kuo, Chin Ho, Lien-Hsun	Chairman:Kuo, Chin. Director Ning Yuan Investment Co., Ltd. with Representative Ho, Lien-Hsun holding the concurrent post of President of the Company.	Recused from discussion and voting of the motion due to a conflict of interests, and other directors present without conflicts of interests approved the motion unanimously.

3. Details of self-evaluation of the Board including evaluation cycle, period, scope, method and contents

Frequency	Period	Scope	Method	Content
Once a year	2025/01/01~ 2025/12/31	Performance evaluation of the Board of Directors, individual Board members and functional committees.	Internal self-evaluation of the Board of Directors, self-evaluation of Board members, and appointed external professional institution (Every three years)	Measurement items for performance evaluation of the Board of Directors (as a functional committee) shall at least cover the following five aspects: 1. Participation in the Company's operation. 2. Improvement in the Board of Directors' decision-making capabilities. 3. Composition and structure of the Board of Directors. 4. Election and continuing education of directors. 5. Internal control. Measurement items for performance evaluation of (self-) evaluation of Board members shall at least cover the following six aspects: 1. Understanding of the Company's goals and missions. 2. Understanding of the directors' responsibilities. 3. Participation in the Company's operation. 4. Management and communication of internal relations. 5. Expertise and continuing education of directors. 6. Internal control.

Practices of the Board evaluation:

(1) Internal self-evaluation of the Board of Directors
In 2025, the Company, in accordance with Rules for Performance Evaluation of Board of Directors, completed the performance evaluation of the Board of Directors, directors, the Remuneration Committee, the Audit Committee and the Nomination Committee; individual directors' indicator fulfillment rates were above 90%, the overall performance indicator fulfillment rate of the Board of

Director was above 90%, and those of functional committees were above 90%, and the performance evaluation results were submitted to the Board of Directors on December 18, 2025. As of 2025, the indicator fulfillment rates of all internal self-evaluation of the Boards of Directors have been above 90% and rated as [beyond the standard], It sufficiently manifests that the Company has obtained significant achievements in operating the Board of Directors, enhancing directors' participation in the Company's operation and decision-making quality and strengthening the functions of the Board of Directors.

(2) External evaluation of the Board of Directors

In August 2025, the Company entrusted an external agency, the Taiwan Institute of Ethical Business (TIEB), to evaluate the operation functionality of 2025. The Institute designated three experts to evaluate four aspects including 24 index contents of professional functions, decision-making effectiveness, internal control and corporate social responsibility via questionnaire survey and site visit. The Institute delivered the evaluation report on January 6, 2026 and the Company submitted it to the Board of Directors for improvement on January 15, 2026.

The suggestions from the Institute are as follows:

(A) Establish an integrated Sustainability Development Committee and enhance discussion of sustainability issues at the Board level

Although the Company has established a sustainability task force, it is not currently a functional committee. It is suggested that the Company may consider elevating the task force in the future to a functional committee to further strengthen corporate governance and sustainable operations. Based on interviews with directors, the Company has already recognized the importance of sustainable development. It is expected that the Board will continue to pay attention to this issue and engage in more frequent and in-depth discussions.

The Company has established a sustainability task force and regularly reports its sustainability initiatives to the Board of Directors. In 2026, the Company will evaluate the feasibility of upgrading it to a functional committee depending on operational and organizational development needs.

(B) Strengthen the independence of the whistleblowing management unit

The Company has established multiple and clearly defined reporting channels, including department supervisors, the head of internal audit, the head of human resources, and the legal department. A dedicated reporting email is also available for employees and external stakeholders. For cases involving senior executives or directors, an independent reporting channel has been established, and the Internal Audit Office is responsible for conducting confidential investigations in accordance with regulations, ensuring the confidentiality and security of whistleblowers' identities and information. This demonstrates the Company's strong commitment to confidentiality and fairness in its whistleblowing system. To avoid confusion regarding reporting channels, it is suggested that the Company consider integrating existing mechanisms into a single, independent whistleblowing channel (e.g., a dedicated mailbox under the Audit Committee or independent directors). This would further strengthen case handling and investigation procedures. Centralized and specialized management of whistleblowing cases can better protect anonymity and safety, reduce retaliation risks, and ensure fair, appropriate, and professional handling of reports, thereby strengthening the Board's integrity culture. Alternatively, the Company may engage an independent external organization to provide a dedicated whistleblowing email or hotline to further enhance the independence of the reporting mechanism and increase trust among internal whistleblowers.

The Company has already established diversified and confidential reporting channels. Going forward, it will assess the feasibility of consolidating them into a single independent whistleblowing channel to strengthen fairness in case handling and whistleblower protection.

(C) Review the appropriateness of performance evaluation standards and strengthen succession planning

Talent development and human capital management are essential to sustainable business operations and are also key ESG values. A significant aspect of talent development relies on establishing transparent and appropriate performance evaluation standards and employee compensation mechanisms.

In accordance with the statements made by the interviewed directors as well as questionnaire responses, it is suggested that the Company continue to optimize the establishment of succession echelons for middle and senior management as well as appropriate performance measurement standards. By setting transparent and forward-looking performance measurement standards and improving the reward and compensation mechanism, the Company may improve talent engagement and retention rate and ensure a stable talent system with long-term competitiveness, thereby laying a solid foundation for corporate sustainable management. Besides, in consideration of the gradual expansion of the company scale and the diversified development of overseas subsidiaries, it is recommended that the evaluated enterprise formulate a refined talent pool development strategy that extends from the frontline staff to the middle and senior management, and establish medium- and long-term succession plans, to systematically promote talent development and succession. Additionally, it is recommended that the Board of Directors increase the frequency of discussions on succession plans and diversified talent recruitment policies, stay updated with the progress of talent cultivation as well as potential gaps, and adjust countermeasures in a timely manner based on the external environment and internal needs, thereby continually ensuring the enterprise's long-term competitive advantages and sustainable development capabilities.

The Company will progressively optimize its performance and compensation systems. As the organization expands and its global presence increases, it will systematically implement talent development initiatives to strengthen retention and succession planning.

4. Measures taken to strengthen the functionality of the Board in the current and the latest year (e.g., establishing the Audit Committee, enhancing information transparency), and implementation status:
   (1) The Company developed Measures for the Management of the Rules of Procedures for Meetings of Board of the Directors and operated functions of the Board of Directors, and arranged relevant advanced courses for Board Directors to enrich their knowledge relating to corporate governance, etc. In accordance with the Financial Supervisory Commission (FSC) letter No. 1120383996 dated January 11, 2024, which forwarded the amended provisions of the "Regulations Governing the Exercise of Powers by Audit Committees of Public Companies" and the "Rules of Procedure for Board of Directors Meetings of Public Companies", the Company, at the 8th meeting of the 10th Board of Directors held on May 10, 2024, resolved to amend certain provisions of its "Audit Committee Charter" and "Rules for Proceedings of Board of Directors Meetings" to comply with regulatory requirements and to enhance the procedural completeness of board meetings.
   (2) To increase information transparency, the Company also released relevant financial information, information on major resolutions, advanced study of directors and supervisors and their attendance (attendance as a non-voting attendees) in meetings of the Board of Directors in TWSE MOPS in accordance with regulations, and established a dedicated section for investors on its website to disclose relevant information on financial business and corporate governance for reference of the investors and the public.
   (3) To implement corporate governance and enhance the operation efficiency of the Board of Directors, the Company developed the Methods of Performance Evaluations of the Board of Directors to specify one internal control every year and evaluation by external agencies or external expert and scholar team every three years to drive Board of Directors' to enhance the sound operation of the Board.
   (4) The Company purchased liability insurance for its directors and key employees in 2025, with an insured amount of USD 10 million and the coverage period from June 30, 2025 to June 30, 2026. By purchasing the insurance, the Company aims to spread the legal liability risks of directors and key managerial officers and improve corporate governance capabilities. This project was already reported to the Board of Directors on August 7, 2025.

B. Operation of the Audit Committee：
   1. The Company conducted a general re-election of the Board of Directors on June 12, 2020, and elected three independent sirectors and established the Audit Committee in lieu of supervisors' duties
   2. The Audit Committee must at least hold one meeting every quarter, and its work priorities are to execute the fair presentation of financial statements of the Company, effective implementation of election (removal) of CPAs and their independence and performance, and internal control, compliance with relevant acts and rules, control of existing and latent risks of the Company, etc.
   3. A total of Seven Times [A] Audit Committee meetings were held in 2025. The attendance of independent directors is as follows:

Title	Name	Attendance in person [B]	By Proxy	Attendance rate (%) [B/A]	Remarks
Independent Director (Convener)	Wang, Chin Yen	7	-	100%	
Independent Director	Ou Yang, Mang	7	-	100%	
Independent Director	Ko, Po-Cheng	7	-	100%	

Other matters to be recorded:

1. With regard to the implementation of the Audit Committee, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all Audit Committee resolutions, and the Company's handling of such resolutions shall be specified:
   (1) Matters referred to in Article 14-5 of the Securities and Exchange Act:

Term	Date	Contents of motions	Audit Committee resolutions and the Company's handling of Audit Committee's resolutions
12th meeting of the 2nd Session	2025/01/09	Approved the issuance of 2025 employee stock options	Audit Committee resolutions: approved by all Audit Committee members present The Company's handling of Audit Committee's resolutions (2025.01.09): approved by all directors present
13th meeting of the 2nd Session	2025/03/11	Approved the proposal for issuing the statement of the internal control system of the Company. Approved the proposal for the business report and financial Statement 2024 of the Company. Approved the 2024 of dividend distribution Approved that the receivables among the parent company and subsidiaries of the Company Group which are overdue by three months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds. Approved the amendments to the "Article of company " Approved the issuance of restricted stock awards Approved the audit fees of certified CPAs of the Company in 2025. Approved the adoption of the company's internal control system – "Sustainability Information Management Procedures."	Audit Committee resolutions: approved by all Audit Committee members present The Company's handling of Audit Committee's resolutions (2025.03.11): approved by all directors present
14th meeting of the 2nd Session	2025/04/11	Approved the proposed recipients of 2025 employee stock options	Audit Committee resolutions: approved by all Audit Committee members present The Company's handling of Audit Committee's resolutions (2025.04.11): approved by all directors present
15th meeting of the 2nd Session	2025/05/08	Approved the proposal for the consolidated financial statement of the company in the first quarter of 2025 Approved that the receivables among the parent company and subsidiaries of the Company Group which are overdue by three months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds Approved the establishment of a trading company in China	Audit Committee resolutions: approved by all Audit Committee members present The Company's handling of Audit Committee's resolutions (2025.05.08): approved by all directors present
16th meeting of the 2nd Session	2025/08/07	Approved the proposal for the Consolidated Financial Statement of the Company in the Second Quarter of 2025 Approved the Proposal for Not Distributing Earnings of of 2025H1 Approved that the receivables among the parent company and subsidiaries of the Company Group which are overdue by three months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds Approved the proposed investment to establish a subsidiary in the UK Approved the amendments to the Company's "Terms and Conditions for the issuance and conversion of the third domestic unsecured convertible bonds"	Audit Committee resolutions: approved by all Audit Committee members present The Company's handling of Audit Committee's resolutions (2025.08.07): approved by all directors present

Term	Date	Contents of motions	Audit Committee resolutions and the Company's handling of Audit Committee's resolutions
17th meeting of the 2nd Session	2025/11/06	Approved the proposal for the Consolidated Financial Statement of the Company in the Third Quarter of 2025 Approved that the receivables among the parent company and subsidiaries of the Company Group which are overdue by three months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds Approved the long-term equity investment	Audit Committee resolutions: approved by all Audit Committee members present The Company's handling of Audit Committee's resolutions (2025.11.06): approved by all directors present
18th meeting of the 2nd Session	2025/12/18	Approved the audit plan of the Company in 2026 Approved that the receivables among the parent company and subsidiaries of the Company Group which are overdue by three months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds Approved the situations of regular evaluation of independence and competency of certified CPAs of the Company Approved the amendments to the " internal control system "	Audit Committee resolutions: approved by all Audit Committee members present The Company's handling of Audit Committee's resolutions (2025.12.18): approved by all directors present

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

2. Regarding recusals of independent directors from voting due to conflicts of interests, the names of the independent directors, contents of motions, reasons for recusal, and results of the voting shall be specified: NA
3. Communications between the independent directors, the Company's chief internal auditor and CPAs (include material items, methods and results of audits of corporate finance or operations, etc.):
   Communications between the independent directors, the Company's chief internal auditor and CPAs in 2025 are as follows:

Date	Communication highlights and summary
2025/03/11	1. CPAs explained the audit results of the financial reports and consolidated financial reports in 2024. 2. CPAs explained the internal audit results of important subsidiaries and proposed improvement suggestions. 3. CPAs discussed and communicated the problems raised with attendees. 4. The Company’s chief internal auditor reported the audit projects, results and follow-up improvement results in the Fourth Quarter of 2024. 5. The Company’s chief internal auditor reported the contents of the Statement of Internal Control in 2024, and explained the self-evaluation results of risk internal control.
2025/05/08	The Company’s chief internal auditor reported the audit projects, results and follow-up improvement results in the First Quarter of 2025.
2025/08/07	1. CPAs explained the audit results of the financial reports and consolidated financial reports in Second Quarter of 2025. 2. CPAs discussed and communicated the problems raised with attendees. 3. The Company’s chief internal auditor reported the audit projects, results and follow-up improvement results in the Second Quarter of 2025.
2025/11/06	The Company’s chief internal auditor reported the audit projects, results and follow-up improvement results in the Third Quarter of 2025.
2025/12/18	1. CPAs reported the identified critical audit events in 2025. 2. CPAs discussed and communicated the problems raised with attendees.

C. Corporate Governance implementation status and deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
1. Has the Company established and does it disclose its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company has established the Corporate Governance Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies approved by the board of directors in November 13,2014. It is revised from time to time with the regulations and the company's actual needs, and disclosed in the company's websit and public information observatory for investors' reference.	No Discrepancy
2. Shareholding structure & shareholders' rights				
(1) Has the Company established internal operating procedures to deal with shareholders' suggestions, concerns, disputes and litigation, and does the Company implement such procedures in accordance with the procedures?	✓		(1) To protect shareholders' interests, the Company has spokesperson, acting spokesperson and specially-appointed person to handle shareholders' suggestions, doubts and disputes. Shareholders can also express their opinions by phone or email, and the company will handle it in accordance with relevant operating procedures.	No Discrepancy
(2) Does the Company keep a list of its major shareholders with controlling power as well as the ultimate owners of those major shareholders?	✓		(2) The Company can fully keep track of major shareholders and ultimate controllers of major shareholders by entrusting a shareholder agent to regularly update the Register of Shareholders and the Register of Major Shareholders. The list of the top ten shareholders is also announced in the annual report every year.	No Discrepancy
(3) Has the Company established and does it execute a risk management and firewall system within its affiliated companies?	✓		(3) The Company is mutually independent from personnel, assets and financial rights and liabilities of affiliated companies. The Company has established the Subsidiary Supervision and Management Methods and Rules Governing Financial and Business Matters Between this Corporation and its Related Parties to establish a risk management and firewall system with its affiliated companies.	No Discrepancy
(4) Has the Company established internal rules against insider trading and the use of undisclosed information in securities trading?	✓		(4) The Company has established Ethical Corporate Management Principles, Codes of Ethical Conduct of the Board of Directors, Supervisors and Management, and Procedures for Handling Material Inside Information and Preventing Insider Trading to prohibit insiders of the Company from trading negotiable securities by using undisclosed information.	No Discrepancy

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
3. Composition and responsibilities of the Board of Directors				
(1) Does the Board of Directors develop and implement a diversity policy for the composition of its members?	✓		(1) The Company has adopted a candidate nomination system and established the Nomination Committee which is responsible for seeking, reviewing and nominating director candidates, and submitting nominations to the Shareholders' Meeting for election confirmation following approval of the Board of Directors. Additionally, in accordance with Article 20 of The Corporate Governance Best Practice Principles of the Company, the composition of the Board of Directors should take into account gender equality, and members of the Board of Directors must possess the necessary knowledge, skills and qualities to perform their duties. To achieve the ideal objectives of corporate governance, the Board of Directors shall possess the overall capabilities as follows: a. Operational judgment b. Accounting and financial analysis capabilities c. Operation management capabilities d. Crisis handling capabilities e. Industrial knowledge f. Awareness of the international market g. Leadership h. Decision-making capabilities The diversity of the Board of Directors is available in P.9~11.	No Discrepancy
(2) In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?	✓		(2) The Company has established the Remuneration Committee and Audit Committee in accordance with regulations. The company voluntarily established the Nominating Committee approved by the board of directors in November 12, 2018, to Improve the functions of the board of directors and implement the idea of Company's corporate governance.	No Discrepancy
(3) Has the Company established standards and methods to evaluate the performance of the Board of Directors, conduct evaluations annually and regularly, report the evaluation results to the Board of Directors, and use them as a reference for individual directors' remuneration, nomination and renewal?	✓		(3) The Company has established the Rules for Performance Evaluation of Board of Directors, stipulates the board of directors shall conduct a performance evaluation of the board of directors, board members and functional committees at least once a year. The members of the Board of Directors to evaluate their own and the overall operation performance of the Board of Directors and functional committees by means of	No Discrepancy

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			questionnaire at the end of every fiscal year and report the evaluation results to the Board of Directors as a reference for individual directors' remuneration, nomination and renewal. Measurement items for performance evaluation of the Board of Directors shall at least cover the following five aspects: a. Participation in the Company's operation. b. Improvement in the Board of Directors' decision-making capabilities. c. Composition and structure of the Board of Directors. d. Election and continuing education of directors. e. Internal control. Measurement items for performance evaluation of (self-) evaluations of Board members shall at least cover the following six aspects: a. Understanding of the Company's goals and missions. b. Understanding of the directors' responsibilities. c. Participation in the Company's operation. d. Management and communication of internal relations. e. Expertise and continuing education of directors. f. Internal control. In November 2025, the Company completed the performance evaluation of the Board of Directors, the directors, the Remuneration Committee, the Audit Committee and the Nomination Committee, and reported the performance evaluation results to the Board of Directors on December 18, 2025. The annual indicator fulfillment rates have been above 90% and rated as [beyond the standard], manifesting satisfactory performance. (a) Board of Directors: above 90% and rated as beyond the standard (b) Members of the Board of Directors: above 90% and rated as beyond the standard (c) Remuneration Committee: above 90% and rated as beyond the standard (d) Audit Committee: above 90% and rated as beyond the standard (e) Nominating Committee: above 90% and rated as beyond the standard	

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
(4) Does the Company regularly evaluate the independence of the CPAs?	✓		(4) The Company evaluates the independence of verified CPAs regularly every year with reference to No. 10 Announcement on Audit and Inspection of Independence to Code of Ethics for Professional Accountants of Republic of China. The recent evaluation was done based on the standards as set out in Note 1 and 13 AQIs in 2024 after obtaining the Statements of Independence issued by their CPA Firms to verified CPAs Chen, Wen-Hsian and Cheng, Te-Chen and information of Audit Quality Indexes (AQIs), and the evaluation results were approved by the Audit Committee on December 18, 2025 and submitted to the Board of Directors on December 18, 2025 which made the resolution that the two CPAs' independence and competency were secured.	No Discrepancy
4. Does the Company appoint adequate persons and a chief governance officer in charge of corporate governance matters (including, but not limited to, providing directors and supervisors with the required information for business execution, assisting directors and supervisors in following laws and regulations, handling matters in relation to Board Meetings and Shareholders' Meetings and keep minutes at Board Meetings and Shareholders' Meetings as required by law)?	✓		The Corporate Governance Officer was made by the Board of Directors on June 28, 2022, to position adjustment within the group on April 25, 2023, appoint Assistant Vice President Chen, Chien-Chung of the Finance Department as the Corporate Governance Officer approved by the board of directors, to protect shareholders' interests and strengthen the functions of the Board of Directors. Chen, Chien-Chung has over ten years of management experience in finance, stock or handling matters in relation to Board Meetings and Shareholders' Meetings management, etc. of listed companies. The Corporate Governance Officer is mainly in charge of overall planning of providing directors with the required information for business execution from various business units, assisting directors in following laws and regulations, handling matters in relation to Board Meetings and Shareholders' Meetings and keep minutes at Board Meetings and Shareholders' Meetings as required by law, etc. The business execution in 2025 is as follows: 1. Assisted Independent Directors and General Directors in duty performance, providing required information and arranging continuing education for directors: • Provided directors with the required corporate information, and kept communication open among the directors, supervisors and business officers. • Assisted in arranging relevant meetings when Independent Directors and supervisors needed to	No Discrepancy

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			comprehensively understand the financial business of the Company with the chief internal audit officer or certified CPAs in accordance with Corporate Governance Best Practice Principles. • Assisted in arranging annual continuing education plans and courses for Independent Directors, supervisors and general directors. 2. Assisted the Board of Directors and the Board of Shareholders in Rules of Procedures for Meetings and in following laws and regulations: • Drafted the agenda of Board Meetings and notified Directors seven days in advance, conveyed the Meetings and provided meeting data, reminded directors concerned when they needed to recused from discussion about some topics due to conflicts of interests, and completed minutes at Board Meetings within twenty days after Board Meetings were closed. • Reported the corporate governance operation results to the Board of Directors, Independent Directors and supervisors and confirmed whether Board Meetings and Shareholders' Meetings were held in accordance with relevant laws and Corporate Governance Best Practice Principles. • Assisted directors in and reminded them of laws and regulations which they should follow in executing business or making formal resolutions of the Board of Directors. • After Meetings, reviewed matters to be published on material information of important resolutions of the Board of Directors to ensure the legitimacy and correctness of the material information contents. 3. Maintained the relationships with investors: arranged exchanges and communication between directors or the operation team and shareholders and institutional investors as needed to make investors sufficiently informed to evaluate and determine the reasonable capital market value of the Company and properly safeguard shareholders' interests. 4. Handled shareholders' meeting date pre-registration, made meeting notifications, handbooks and minutes according to	

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			law, and handled change of registration for amendments to the Articles of Incorporation or director re-election. Continuing education in 2025: 1. 3-hour [The Legal Liabilities and Compliance Practices of Financial Crimes in the Digital Age] by Taiwan Corporate Governance Associate on May 8, 2025 2. 3-hour [Board Actions on 12 ESG Risks] by Taiwan Corporate Governance Associate on Aug 7, 2025 3. 6-hour [Practical Applications of Sustainability Policies and Disclosure Standards] by Accounting Research and Development Foundation on Oct 3, 2025. 4. 6-hour [Practical Workshop on Sustainability Information Preparation and Reporting] by Securities and Futures Institute (SFI Taiwan) on Oct 29, 2025.	
5. Has the Company established communication channels and build a dedicated section on its website for stakeholders (including, but not limited to, shareholders, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?	✓		(1) The Company has established a dedicated section on its website (https://www.cyberpower.com/) for stakeholders, including customers, employees, government agencies, shareholders and investors, suppliers, communities and non-profit organizations, and requests specialized windows to communicate with stakeholders based on their natures. (2) The Company has set up a spokesperson, a deputy spokesperson and E-mails as communication channels with investors. (3) The Company has various communication meetings, encourages employees to exchange their opinions with managers, and has established an email exclusively for employees and whistle-blowing channels in the dedicated section of human resources so that employees can report their opinions and provide advice via email in a timely manner, and the Company hopes to keep close contact with employees.	No Discrepancy
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		Besides establishing the specialized shareholder service unit, the Company also appoints Capital Securities Corp. Stock Agency Services to deal with shareholder affairs.	No Discrepancy
7. Information Disclosure (1) Does the company disclose and publish the annual financial reports within two months after the end of financial year, and disclose and publish the financial	✓		(1)The Company has a website both in Chinese and English to introduce related business activities, and set up a dedicated section for investors on its website to completely disclose information on	No Discrepancy

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
statements and business performance of 1st - 3rd quarter of the year before the deadline?			the Company's financial information, including revenue statistics, financial statements, corporate governance, etc., and linked the information to the Market Observation Post System for the public to refer to. (https://www.cyberpower.com/tw/zh/investor)	
(2) Does the Company have other information disclosure channels (e.g., an English website, appointing designated people to handle information collection and disclosure, a spokesperson system, and webcasting investor conferences)?	✓		(2) The Company has designated a person responsible for the collection and disclosure of corporate information, and established the spokesperson and deputy spokesperson system according to law, and disclosed their name and contract information on its website.	No Discrepancy
(3) Does the Company announce and file annual financial reports within two months after the close of the given fiscal year and publicly announce and file the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline?		✓	(3) The Company has announced and filed Financial Reports of the First, Second and Third Quarters and operation of each month ahead of the required deadline, and will announce and file annual financial reports within two months after the close of the given fiscal year.	No Discrepancy
8. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including, but not limited to, employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, directors' and supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by directors and supervisors)?	✓		(1) Employee interests and well-being: the Company has established the Employee Welfare Committee selected by employees to handle various welfare matters for employees, distributes and increases retirement pay in accordance with with the Labor Standards Act and the Labor Pension Act. All the measures of labor relations of the Company have been developed in accordance with relevant acts and implemented satisfactorily, and any addition or amendment to labor relation measures shall be finalized through full negotiations and communication between employees and the Capital to reach the win-win situation between them. (2) Investor relations: the Company conveys shareholders' meetings annually in accordance with the Company Act and relevant acts, and also gives shareholders opportunities to sufficiently voice their issues and presents their proposals, and has established a spokesperson system to deal with shareholders' suggestions, concerns and disputes. The company was invited to participate in two Investor Conferences in 2025(2025/3/21 , 2025/9/3), to help investors understand the company's operating status. The Company also handles relevant information announcement and filing as stipulated by competent authorities to timely provide various information which might affects investors' decisions.	No Discrepancy

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<tr><th rowspan="2">Item</th><th colspan="3">Implementation status</th><th rowspan="2">Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td>(3) Supplier relations: valuing the rationality of purchase prices, the purchasing agents of the Company selects suppliers after enquiring with multiple suppliers, comparing their prices and fully comparing the unit prices, specifications, payment terms, leadtime, product and service quality, or other data; the Company establishes long-term and close ties with its suppliers, work together, trust each other and seek mutual trust and benefit, and pursue sustainable win-win results and growth.
(4) Stakeholder rights: the Company keeps open communication channels with banks, employees, customers, suppliers, etc., respects and safeguards their due legitimate interests, and has establishes a spokesperson system to answer investors' questions to provide investor and stakeholders with highly-transparent financial information.
(5) Continuing education of directors and supervisors: the directors and supervisors of the Company all possess professional backgrounds of industries and practical experience in operation management, and provides directors with relevant courses of corporate governance irregularly, see details in P.11~12.
(6) Implementation of risk management policies and risk measurement standards: the Company has established various management procedures, including the Methods of Management for the Acquisition or Disposal of Assets of the Company and the Methods of Management for Lending Funds and Endorsement Guarantees of the Company as the risk management bases for business execution of execution units and audit units and risk measurement standards.
(7) Implementation of customer protection policy: to comprehensive sever and protect customers, the Company fully communicates with customers in time when they have any complaints, understand customers' demands to promote the interaction effects with them, and conducts self-examination and improvement in internal meetings irregularly.
(8) [liability insurance for directors, supervisors and managing managers] for directors, supervisors and important employees since March 17, 2018 regularly every year. In 2025, the</td><td></td></tr>
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Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			insurance was approved by the board of directors on March 11, 2025, to sound the corporate operation and protect directors . (9) Linkage between the intellectual property management plan and operational goals Since its establishment, Cyber Power Systems, Inc. has continuously pursued progress and product innovation. The Company has built a strong global engineering R&D team of over 350 professionals. Its patent applications are primarily focused on the Asia-Pacific region and North American markets, while also extending to Europe. **Management plan:** The Company manages all patents and technical documentation through an electronic document management system, with regular inventory checks and reviews conducted to closely monitor the progress of patent application examinations. In addition, the Company regularly organizes intellectual property-related education and training programs to enhance employees' awareness and understanding of intellectual property protection. Intellectual property management is implemented under the leadership of supervisors across R&D units, and the execution results of intellectual property-related matters are reported to the Board of Directors annually in the fourth quarter. **Development plan:** The Company has established an R&D innovation incentive mechanism to encourage R&D personnel to actively pursue product innovation, supported by rigorous technical expert review meetings. The Legal Affairs Department is responsible for patent maintenance and has established comprehensive regulations governing patent application and maintenance, along with an online management system. Through these mechanisms, personnel ranging from R&D staff to senior management are able to promptly understand and effectively manage the Company's valuable patent assets. **Implementation status:** In 2025, the Company obtained five new patents and reported intellectual property-related deliberation matters to the Board of Directors on December 18, 2025.	
9. Please explain the improvements made in accordance with the Corporate Governance Evaluation results released by the Taiwan Stock Exchange's Corporate Governance Center, and				

Item	Implementation status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
provide the priorities and plans for improvement with items yet to be improved (not applicable for companies excluded from evaluation). (1) The Company was ranked top 21%-35% among listed company according to the 11 th (2024) Corporate Governance Evaluation Results (2) Solutions to scoreless but improved items in the 12th Corporate Governance Evaluation, items to be improved and items to be improved with priority reinfocement are explained as follows: **<u>Scoreless but improved items:</u>** Item 3.9 Did the company upload the changes in the shareholding of insiders in the previous month to MOPS by the 10th (inclusively) of each month? <u>The company provides the relevant information to its stock transfer agent by the 5th of each month and reminds the agent to complete the required disclosure to the MOPS by the 10th of each month.</u> **<u>Items to be improved with priority reinforcement</u>** Item 1.15 Did the company adopt bylaws prohibiting insiders, including directors and employees, from using information not publicly disclosed in the market to trade securities, with content including (but not limited to) a prohibition against directors trading the company's stock during a blackout period of 30 days before the publication of the company's annual financial report and 15 days before the publication of each quarterly financial report, and were those bylaws and the status of their implementation disclosed on the company's website? <u>All insiders of the Company abide by relevant laws and regulations. However, the establishment of these regulations and the subsequent implementation method shall be further planned.</u> Item 4.34 Has the company established a board-level sustainability committee with no less than three members, who shall possess corporate sustainability expertise and ability, and with at least one director participating in its supervision, and disclosed its composition, duties, and operations? <u>In 2026, it will evaluate whether to upgrade the committee into a functional committee based on organizational and operational needs.</u>				

Note1: CPA independence evaluation standards

Independence evaluation item	Evaluation result	Compliance with independence
Does the certified CPA or the CPA firm he/she works for or his/her affiliated companies have direct or indirect major financial interests with the Company, or its directors, supervisors or managing mangers?	No	Yes
Does the certified CPA or the CPA firm he/she works for or his/her affiliated companies have fundraising or guarantee behaviors with the Company, or its directors, supervisors or managing mangers?	No	Yes
Does the certified CPA or the CPA firm he/she works for or his/her affiliated companies have close business relations or potential employment with the Company?	No	Yes
Dose or did the certified CPA or any audit service team member serve as a director, supervisor, managing manager or hold other important posts which greatly impacts the audit currently or in the past two years?	No	Yes
Does the certified CPA provide any non-audit services to the company that may directly affect the audit work?	No	Yes
Does the certified CPA intermediation of stocks or other securities issued by company?	No	Yes
Does the certified CPA act as the defender of company or to coordinate conflicts with third parties on behalf of company?	No	Yes
Is the certified CPA or any audit service team member the couple or relative within the second degree of kinship with a director, supervisor, managing manager or an employee with the post having great impacts on the audit?	No	Yes

D. Composition, duties and operations of functional committees:

1. Composition, duties and operations of the Remuneration Committee

(1) Information about Remuneration Committee members

The Remuneration Committee of the Company aims to determine and regularly check the policies, systems, standards and structures of performance evaluation and remuneration of the Company's directors and managing managers, and regularly evaluate and determine the remuneration for directors and managing managers. The professional qualifications and independence status of Remuneration Committee members are as follows:

December 31, 2025

Title \ Qualification \ Name		Professional qualifications and experience/Independence status	Number of other public companies where the individual concurrently serves as a Remuneration Committee member
Independent Director (Convener)	Ko, Po-Cheng	Please refer to P.7~9 for professional qualifications and independence information disclosure for independent directors	NA
Independent Director	Wang, Chin Yen		NA
Independent Director	Ou Yang, Mang		2

(2) Operational status of the Remuneration Committee

(A) There are three members of the Remuneration Committee of the Company.

(B) Term of office of members: From June 21, 2023 to June 12, 2026. A total of five Remuneration Committee meetings were held in 2025. The attendance of the members is as follows:

Title	Name	Attendance in person (B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Convener	Ko, Po-Cheng	5	-	100%	
Committee Member	Ou Yang, Mang	5	-	100%	
Committee Member	Wang, Chin Yen	5	-	100%	
Other matters to be recorded: 1. If the Board of Directors refuses to adopt or amend a recommendation of the Remuneration Committee, the date of the meeting, session, the content of the motion, resolution of the Board of Directors, and the Company's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and reason for the difference) shall be specified: None. 2. If there were resolutions of the Remuneration Committee to which members objected or expressed reservations, and for which there is a record or declaration in writing, the date of the meeting, session, the content of the motion, all members' opinions and the response to members' opinion shall be specified: None.					

(3) Contents of motions and resolutions of the Remuneration Committee in the recent year:

Date/Term	Contents of motions	Remuneration Committee resolutions	The Company's handling of Remuneration Committee's resolutions
2025/01/09 5th meeting of the 5th session	Discussion about the allocation of year-end performance bonuses for managers and the head of internal audit for 2024	Approved without objection by all Remuneration Committee members present	Approved without objection by all Board Directors present
2025/03/11 6th meeting of the 5th session	Discussion about the proposal for the remuneration of directors of the Company in 2024	Approved without objection by all Remuneration Committee members present	Approved without objection by all Board Directors present
2025/04/11 3rd meeting of the 5th session	Discussion about the list of managers allocated Employee Stock Options for 2025	Approved without objection by all Remuneration Committee members present	Approved without objection by all Board Directors present
2025/08/07 8th meeting of the 5th session	Discussion about the proposal for the 2024 Distribution of Remunerations to Directors Discussion about the proposal for the 2024 Distribution of Remunerations to President or any managerial officer	Approved without objection by all Remuneration Committee members present	Approved without objection by all Board Directors present
2025/12/18 9th meeting of the 5th session	Discussion about the proposal for the remuneration of Chairman , President or any managerial officer and audit officer of the Company	Approved without objection by all Remuneration Committee members present	Approved without objection by all Board Directors present

2. Composition, duties and operations of the Nomination Committee

(1) Qualification of Nomination Committee members

The Company established the Nomination Committee on Nov 12, 2018, and the members shall be from at least three directors elected by the Board of Directors and half of them shall be Independent Directors.

The directors’ term of office in the Committee, unless otherwise stipulated in acts, or the Articles of Incorporation of the Company, rules, shall be from the election date till the expiration of the term of office as director, resignation as the Committee member or director, or election of new members of the Committee by the Board of Directors to replace original directors.

Title \ Name \ Qualification		Professional qualifications and experience/Independence status
Independent Director (Convener)	Ou Yang, Mang	Please refer to P.7~9 for professional qualifications and independence information disclosure for independent directors
Independent Director	Wang, Chin Yen	
Independent Director	Ko, Po-Cheng	

(2) Responsibilities of the Nomination Committee

The Committee is authorized by the Board of Directors to assist the Board of Directors in:

(A) Seeking, reviewing and nominating director candidates.

(B) Building and developing the organizational structures of the Board of Directors and committees to guarantee their proper composition.

(C) Establishing and reviewing on corporate governance guidelines and related regulations.

(D) Other matters directed by the Board of Directors to the Committee.

If any committee member has stakes before fulfilling the foregoing responsibilities, the member shall explain the important contents of stakes at the Committee Meeting; if it is harmful to the Company's interests, the member shall not discuss or vote and recuse from the discussion or voting, or exercise the voting rights on behalf of other Committee members. If the Committee members' couple, relatives within the second degree of kinship, or companies controlled by or affiliated to the Committee members have stakes with the matters in the meeting, the committee member has stakes with the matters. The Committee shall at least hold meetings twice annually and hold meetings at anytime as needed.

(3) Professional qualifications and experience of Nomination Committee members and operations of the Nomination Committee

(A) There are three members of the Nomination Committee of the Company.

(B) Term of office of members: from June 21, 2023 to June 12, 2026. A total of two Nomination Committee meetings were held in 2025. The qualifications and attendance of the members are as follows:

Title	Name	Attendance in person (B)	By Proxy	Attendance rate (%)(B/A)	Remarks
Convener	Ou Yang, Mang	2	-	100%	
Committee Member	Wang, Chin Yen	2	-	100%	
Committee Member	Ko, Po-Cheng	2	-	100%	
Other matters to be recorded: The date of the meeting, session, the content of the motion, the Nomination Committee members' suggestions or contents of motions objected, the Nomination Committee resolutions and the Company's handling of Nomination Committee's opinions shall be specified.					

Date/Term	Contents of motions	Nomination Committee resolutions	The Company's handling of Nomination Committee's resolutions
2025/01/09 4th of the 3rd session	Discussion about the amendments to the Company's “Corporate Governance Practice Principles	Approved without objection by all Nomination Committee members present	Approved without objection by all Board Directors present
2025/12/18 5th of the 3rd session	Report on the 2025 Performance Evaluation Results of the Board of Directors and Functional Committees Report on the Implementation Results of Corporate Governance in 2024	Report to all Nomination Committee members present	Report to all Board Directors present

E. Implementation status of promotion of sustainable development, deviations from Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof:

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
1. Has the Company established a governance structure to promote sustainable development and set up a full-time (or part-time) unit to promote sustainable development which is handled by senior management authorized by the Board of Directors and supervised and guided by the Board of Directors?	V		The Company has established its " Sustainability Practice Development Principles" in accordance with the " Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies".The Company assigned the Global Brand & Marketing Division to establish the Sustainability Task Force in early 2022, specially-appointed employees and team plan, evaluate and execute ESG projects and are mainly engaged in and pay attention to the five aspects of: corporate governance, employee care, environmental protection, sustainability value chain and social participation. The Sustainability Task Force has developed short-, medium-, and long-term goals in accordance with the "Sustainable Development Roadmap for TWSE/TPEx Listed Companies" and is carrying out sustainability planning in line with the statutory timeline. The Task Force reports at least once a year to the Board of Directors on the progress and implementation of sustainability initiatives. The status of greenhouse gas (GHG) inventory and verification is reported quarterly to the Board, while the results of sustainability report preparation are submitted annually. In accordance with this procedure, the Task Force presented the progress of the above-mentioned sustainability projects to the Board in 2025. The Board of Directors regularly monitors the implementation status and achievements of sustainability projects, supervises and urges the Sustainability Task Force to make necessary adjustments, and ensures that sustainable development strategies and measures are fully integrated into daily operations, with the goals of corporate governance and sustainable development successfully achieved.	No Discrepancy
2. Has the Company implemented a risk evaluation of issues related to corporate operations, including environment, society and corporate governance, according to the materiality principle and established relevant risk management policies or strategies?	V		This disclosure covers the Company's sustainability performance at its major operational sites from January to December 2025. The scope of risk assessment is primarily limited to the Company (the parent entity on a standalone basis). The Sustainability Task Force adopts the GRI Universal Standards as its primary reporting framework and uses the AA1000 AccountAbility Principles (2018) as the basis for identifying and communicating material issues. Through a systematic process of collecting feedback and concerns from both internal and external stakeholders, the Task Force identifies material topics, formulates effective risk management policies, and implements concrete action plans to mitigate potential impacts associated with relevant risks. Based on the evaluated risks, the Company has developed the following risk management policies:	No Discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	

Material Issues	Risk item	Description
Environmental	Response to climate change	Execute organizational greenhouse gas and product carbon footprint inventory verification according to ISO 14064-1 and ISO 14067 to check the status quo of energy utilization and carbon emissions. Introduce TCFD (Task Force on Climate-Related Financial Disclosures) framework to evaluate the transition and physical risks resulting from climate change. Strengthen climate resilience based on energy-saving and carbon reduction strategies to improve the risk response and operational stability.
Social	Talent cultivation	Be dedicated to building a diverse, equal, non-discriminatory and friendly workplace and adhere to the principle of employing the right persons for the right jobs without discrimination based on race, nationality, gender, age, politics or religious beliefs. Attach importance to talent cultivation and guarantee of compensation and welfare, so that employees can develop continually and create performance and value with the enterprise.
	Human rights policy	Support the core labor principles specified in *United Nations Universal Declaration of Human Rights*, *United Nations Global Compact* and *International Labour Organization Core Conventions, spare no effort to imple*ment freedom of association, protection of child labor and elimination of forced labor and

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	

Material Issues	Risk item	Description
		discrimination in employment. Pay continual attention to the risks of human rights and promote relevant education and preventive measures.
Governance	Economic performance	Promote the effective allocation and application of resources focusing on "Steady Operation' as the core operating guideline, give equal consideration to operating efficiency and employee care, and create an operating environment for stable development. Establish a complete and sound financial system according to the government regulations and the competent authority's requirements, ensure the openness and transparency of financial information, and strengthen the efficiency of corporate governance to realize the sustainable management goals. Be committed to creating long-term stable value for shareholders.
	R&D and innovation	Promote a cross-border R&D system and establish a product development mechanism, emphasize users' experiences and market orientation, and make investments in green design and digital solutions. I.e., development patents and developed power solutions with energy-saving and intelligent management functions, thereby effectively assisting users in lowering energy consumption, introducing innovative technology, and creating sustainable value.

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			(see nested table below)	

Material Issues	Risk item	Description
	Product quality	Introduce a strict quality management system. We have established UL-certified compliance laboratory and EMC testing space, and execute safety and stability testing in the product development stage. Carry out full-process quality control according to the regulations of relevant countries and international stanadards, to ensure that the sales of the products in global markets comply with the regulations and customer requirements. As a result, our product quality has been maintained at high standards for a long run.
	Ethical corporate management	Follow the principles of ethical corporate management and corporate governance, establish corporate ethics code and anti-corruption internal control system, and comprehensive implement a policy of "Zero Tolerance for Corruption". Strengthen internal audit and standardized education for stakeholders, sign statements of quality and business ethics through the supply chain, and perform a supplier management system, to avoid the occurrence of misconducts and safeguard corporate reputation and trust foundation.
	Supply chain management	Introduce the concept of responsible supply chain, establish a supplier management policy, and set up an annual evaluation and irregular audit mechanism. Focus on compliance and promote suppliers to complete the investigations of conflict minerals, and rely on

<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 thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td><table>
<tr><th>Material Issues</th><th>Risk item</th><th>Description</th></tr>
<tr><td rowspan="2"></td><td></td><td>site couching to improve the sustainability awareness and management capabilities of the whole supply chain and realize a cooperation model featuring upstream and downstream co-prosperity.</td></tr>
<tr><td>Information security</td><td>Establish an information security management system that covers control of confidential information, protection of personal data, and response to information security incidents. Regularly execute information security drills and system recovery tests, to ensure data integrity and capabilities for preventing business interruption. Continually improve protection capabilities to protect customers’ privacy and ensure the safety of the corporate operation.</td></tr>
</table></td><td></td></tr>
<tr><td>3. Environmental issues
(1) Has the Company established an environmental management system suitable for the industry in which it operates?</td><td>V</td><td></td><td>(1) The Company obtained its first ISO14001 environmental management system certification in 2008, and major manufacturing sites are subject to a comprehensive review every three years, and the environmental performance is ever-increasingly enhanced under the continuous improvement of the System. The current ISO14001:2015 certificate for the tainan plant of the company is valid from November 11, 2025 until November 10, 2028. The validity periods for the subsidiaries’ plant sites are as follows:
Cyber Power (Shenzhen): December 2, 2023 to December 1, 2026
Dongguan Cyber Energy: October 10, 2024 to December 10, 2027
Cyber Power Systems Manufacturing, Inc.: June 25, 2025 to June 24, 2028

The Company implements internal and external control measures in accordance with the Regulations Governing Hazardous Substance Management.</td><td>No Discrepancy</td></tr>
</table>

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			Internally: The Company controls its internal product design, development and procurement. Externally: The Company implements supplier chemical substance management, formulates a letter of guarantee on the acknowledgement of restricted substances, and recognizes it as a required document for the suppliers to fill out. For material suppliers not willing to sign this document, Cyber Power Systems, Inc. requires them to provide a standardized statement to ensure strict control over chemical substances.	
(2) Does the Company endeavor to utilize all resources more efficiently and use renewable materials that have a low impact on the environment?	V		(2) The Company ensures that products are free from hazardous substances which are not allowed by regulations or restricted by customers through the operation of IECQ QC 080000 Hazardous Substance Process Management (HSPM), and actively invests in technology R&D and application to reduce impacts from products on the environment. Include the Company enhances the efficiency of various resources by saving electricity, water and energy in its daily operations, for example, it conducts classification recycling of resource materials and entrusts qualified factories to deal with waste recycling, and carries out reuse of various envelopes, recycled papers, recycled toner cartridges, etc. The Company has also actively taken concrete environment protection measures: 1. Application of renewable energy: The Company has independently researched, developed and manufactured PV inverters and applied the system to its headquarters in Taipei. In 2025, these devices generated 4,913.865kWh of electricity, equivalent to reduction of 2,083.4788kgCO_2e after conversion. Note: The carbon reduction was calculated based on the carbon emission coefficient of electricity in 2025, i.e., 0.424kgCO_2e/kWh. 2. Process management system: We began to promote the electronization of documents and forms since 2011. The System Development Department has established an online process management system to provide electronically approved data to each unit. In recent years, in addition to the continuous improvement of this system, each unit has also provided approval forms in paper form to the System Development for paperless conversion. In 2025, a total of 161,109 online approval processes were initiated. It was estimated that at least 295,000 pieces of paper were saved, equivalent to reduction	

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			of 1,843.75kgCO_2e after conversion. Note: The carbon reduction was calculated based on the carbon footprint factor of Carbon Trust, i.e., generation of approximately 6.25gCO_2e for production of each piece of A4 paper. Note 1: 1.83 sheets of paper are saved on average per approval process. Note 2: The carbon reduction is calculated based on the carbon footprint factor issued by Carbon Trust: The production of one sheet of A4 paper generates approximately 6.25 grams of CO_2e; CO_2e = number of paper sheets × 0.00625	
(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		(3) The Company has evaluated that the potential risks in climate change are mainly about the supply and costs of energy and water energy, and the main opportunities are about using energy-saving equipment. To respond to the environmental protection trends and cooperate in energy conservation and carbon reduction, the Company has installed LED lamps in all its office areas, follows environmental protection topics and joined the organization of Climate Savers Computing Initiative (CSCI), responds to polices of energy conservation and carbon reduction and develops green and energy-saving products to reduce impacts from company operation on the natural environment. The Company, besides active investment in energy-saving technology R&D, irregularly advocates the environmental awareness of energy conservation and carbon reduction to its employees, and advocate turning off lamps when leaving, saving water and electricity, reusing waste papers, and other easy environmental protection behaviors.	
(4) Has the Company calculated greenhouse gas emissions, water consumption, and the total weight of waste in the last two years, and established policies on energy conservation and carbon reduction, greenhouse gas reduction, water reduction, or waste management?	V		(4) To reduce carbon footprints and greenhouse gas emission, the Company has adopted the following policies: a. In paper consumption, the Company introduces the electronic system for file management to reduce the amount of paper consumed, and employees can print on both sides or use recycled papers when printing is necessary, trying to realize the paperless OA gradually. b. In electricity consumption, the Company acts energetically to turn off lamps and air conditioners when leaving, so that employees can make their own contributions to environmental protection form their daily life. At the same time, the Company manages the air-conditioning system by setting temperature and on/off schedules, and keeps the temperature in offices at 26°C to realize the power-saving effect. c. In water consumption, as not a huge amount of water is not consumed during	

<table>
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<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td>
production, or industrial waste water is generated, the water consumption of the Company is mainly employees’ daily water; to protect the increasingly-scarce water resource, the Company keeps promoting internal water-saving measures, for example, sensor faucets are used and the water flow is reduced to save water, endeavoring to realize the goal of reducing the water consumption by 3% annually.
d. Select commodities with environment protection, energy-saving and water-saving labels.
e. Review the lighting demand, enhance the lighting performance, reduce the number of surplus lamps, turn off lamps and unplug when leaving.
f. Use recycled papers and don’t over-pack commodities; recycle and reuse resources.
g. In electricity consumption and carbon emission,as the Company is a company with low emission of the single greenhouse gas CO2, and the CO2 emission from electricity consumption still remains to be the major source of greenhouse gas emission, therefore, relevant plans of energy conservation and carbon reduction shall be centered on electricity saving; the Company will continue the air-conditioning system schedule management to reduce the electricity consumption by 3% annually to reduce greenhouse gas emission.
In 2024 and 2025, the Company completed the greenhouse gas check under Scope 1, Scope 2 and part of Scope 3 of ISO 14064-1; the check information of 2024 has been verified by a third party, but the complete greenhouse gas check opinions of 2025 have not been available as of the date of publication of the annual report (Includes information on the parent company and its subsidiaries.)

<u>Greenhouse gas emissions in the last 2 years:</u>
Parent company Unit: Tons of CO_2e
<table>
<tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3</th><th>Assurance institution</th></tr>
<tr><td>2025</td><td>88.6088</td><td>528.2067</td><td>141.5010</td><td>NA</td></tr>
<tr><td>2024</td><td>143.1198</td><td>653.8960</td><td>176.8813</td><td>AFNOR</td></tr>
</table>
Subsidiaries Unit: Tons of CO_2e
<table>
<tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3</th><th>Assurance institution</th></tr>
<tr><td>2025</td><td>805.7157</td><td>5,939.1223</td><td>4,664.9777</td><td>NA</td></tr>
<tr><td>2024</td><td>329.4345</td><td>4,695.6190</td><td>2,620.3719</td><td>AFNOR</td></tr>
</table>
</td><td></td></tr>
</table>

<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 thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td>
<u>Water consumption in the last 2 years:</u>
Parent company Unit: Tons
<table>
<tr><th>Year</th><th>Total water consumption</th><th>Water intensity (Tons/million revenue)</th></tr>
<tr><td>2025</td><td>1,600.5591</td><td>0.2730</td></tr>
<tr><td>2024</td><td>7,881.8858</td><td>1.0422</td></tr>
</table>
Subsidiaries Unit: Tons
<table>
<tr><th>Year</th><th>Total water consumption</th><th>Water intensity (Tons/million revenue)</th></tr>
<tr><td>2025</td><td>91,459.2377</td><td></td></tr>
<tr><td>2024</td><td>88,695.7262</td><td></td></tr>
</table>
<u>Waste output information in the last 2 years:</u>
Parent company Unit: Tons
<table>
<tr><th>Year</th><th>Hazardous waste</th><th>non-Hazardous waste</th><th>Waste intensity (Tons/million revenue)</th></tr>
<tr><td>2025</td><td>0.0000</td><td>61.3980</td><td>0.0105</td></tr>
<tr><td>2024</td><td>0.0000</td><td>69.7480</td><td>0.0092</td></tr>
</table>
Subsidiaries Unit: Tons
<table>
<tr><th>Year</th><th>Hazardous waste</th><th>non-Hazardous waste</th><th>Waste intensity (Tons/million revenue)</th></tr>
<tr><td>2025</td><td>3.5066</td><td>468.9356</td><td></td></tr>
<tr><td>2024</td><td>94.8135</td><td>293.5550</td><td></td></tr>
</table>
Note 1: The methodology was adjusted this year, and the parent company redefined the attribution of emission sources.
Note 2: In 2024, subsidiaries include Dongguan Cyber Energy Co., Ltd., Cyber Energy (Shenzhen), Inc., Cyber Power Technology (ShenZhen), Inc., Cyber Power (Shenzhen) Ltd., Best Top (Shenzhen),Inc., Ning Yuan Xian CyberPower, Inc., Cyber Power Systems Manufacturing, Inc. and Phisonic Technology Corporation.
Note 3: The subsidiaries expanded their inventory boundary in 2025, different from that in 2024; therefore, no comparison with data from the previous year was conducted.
</td><td></td></tr>
</table>

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
4. Social issues (1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		(1) The Company values labor rights, follows labor regulations of competent authorities and the Gender Equality in Employment Act, has developed the Work Rules and relevant management procedures, develops the Human Rights Policies by complying with Universal Declaration of Human Rights, United Nations Global Compact, International Labour Organization, among others, hoping to fulfill relevant issues through its management specifications and relevant management procedures, including: a. No operation bases or suppliers which has risks of employing child labors or forced labor. b. No human rights complaints. c. No discrimination. d. No actual or latent significant negative impacts from the supply chain on human rights. No forced labor or gender discrimination occurred in 2025. To prevent the occurrence of sexual harassment, the Company has established and implemented the *Regulations Governing the Prevention of Workplace Sexual Harassment, Complaint Handling, and Disciplinary Measures*. In the event of any complaint, a Sexual Harassment Complaint Handling Committee will be convened in accordance with the prescribed procedures to receive and handle the case. In addition, to safeguard employees' physical and mental well-being, the Company has established the *Prevention Plan for Unlawful Infringement in the Performance of Duties*, and conducted training programs on "Prevention of Unlawful Infringement Hazards" on June 18, 2025 and August 19, 2025, as well as training on "Supervisory Care and Communication Sensitivity Practices" on June 10, 2025 and July 17, 2025. The Company will continue to enhance awareness of human rights protection and strengthen the quality of internal communication through ongoing training, in order to reduce the likelihood of related risks. In 2025, the Company received three complaint cases, of which two have been closed and one remains under investigation.	No Discrepancy .
(2) Has the Company established and offered proper employee benefits			(2) The Company has established and offered proper employee benefits (including compensation, leave, and other benefits), including: **Employee Welfare Measures**	

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
(including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation as appropriate?	V		The Company has established an Employee Welfare Committee. Employee welfare funds are allocated annually at 0.05% of the Company's total monthly operating revenue. These funds are used to plan and provide a wide range of employee benefits, including travel subsidies, cultural and recreational subsidies, birthday vouchers, marriage allowances, childbirth allowances, and funeral subsidies. In addition to the standard two-day weekend system, employees who have completed three months of service are entitled to a paid birthday leave during their birth month. Employees may also apply for "Child Development Leave" on the mornings of their children's primary school registration day and first day of school, as well as unpaid parental leave, in order to better balance personal and family care needs. The Company also provides coffee beans and freshly brewed coffee machines, dining and rest areas, as well as snack and beverage vending machines. In addition, an annual budget is allocated for each department to organize departmental gatherings. **Workplace Diversity and Equality** The Company ensures equal pay for equal work and equal promotion opportunities for both male and female employees. In 2025, the average proportion of female employees reached 34%, while the average proportion of female supervisors (out of total supervisors) was approximately 32%. **Employee Remuneration** The Company's Regulations Governing Remuneration Payment stipulate that employee compensation includes annual profit-sharing bonuses, subject to Board approval based on the Company's after-tax earnings. In addition, the Performance Evaluation and Reward & Disciplinary Measures specify that individual annual performance evaluations serve as the basis for promotion, salary adjustments, bonus distribution, and profit-sharing. Operating Performance Reflected in Employee Remuneration **Article 19-2 of the Articles of Incorporation:** If the Company records a profit in a given year, it shall appropriate no less than 2% of the profit as employee remuneration. Of the total employee remuneration, no less than 10% shall be allocated to frontline employees. The distribution shall be resolved by the Board of Directors and may be made in cash or shares. The recipients shall include employees of subsidiaries who meet certain eligibility criteria.	

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
			Overall Remuneration Policy The Company's Human Resources Department reviews market salary levels and price indices on an annual basis, and proposes salary adjustment plans for approval prior to implementation each year, in order to provide employees with reasonable compensation. Over the past three years, the average annual salary increase has exceeded 5%. **Employee Retirement System** The Company has established the Regulations Governing Employee Retirement. For employees subject to the old system under the Labor Standards Act, the Company contributes 2% of total monthly salaries to a pension fund, which is deposited in a dedicated account at the Bank of Taiwan under the name of the Supervisory Committee of Labor Retirement Reserve. Prior to the end of each fiscal year, if the balance of the account is insufficient to cover the estimated pension payments for employees eligible for retirement in the following year, the Company will make up the shortfall in a lump sum by the end of March of the following year. For employees subject to the new system under the Labor Pension Act, the Company contributes 6% of each employee's monthly salary to their individual pension accounts in accordance with the Monthly Contribution Wage Table approved by the Executive Yuan. The retirement criteria are as follows: (1) Aged 55 or above with at least 15 years of service (2) With at least 25 years of service (3) Aged 60 or above with at least 10 years of service	
(3) Does the Company provide a safe and healthy work environment, and does it organize health and safety training for its employees on a regular basis?	V		(3) The Company strictly complies with applicable laws and regulations, provides its employees with a fair, reasonable, and safe working environment, promotes occupational safety, cooperates in labor safety education initiatives, and regularly arranges health examinations for employees to prevent occupational accidents. We have subsequently planned to obtain ISO 45001 Occupational Safety and Health Management System certification before 2028. In 2025, all employees participated in a two-hour AED training program, and there were zero occupational accident cases. The company conducts regular inspections of fire protection equipment in August 2025, the building fire drills were implemented in April 22th and November 21th 2025, and no fire incidents in the year 2025.	

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
(4) Has the Company established effective career development and training plans for its employees?	V		(4) The Company establishes the career development structures through various post design, skill inventory and duty agent mechanism, and also hires external professional lecturers to give educational training on career and professional courses to achieve effective training. New employee training: To enable new colleagues to have a better understanding of each corporate operation, we provide a series of courses and after-class assessments for these colleagues. Through two-day intensive training, the new colleagues are led to learn about the Company's regulations, management system as well as corporate brand, products, etc. At the end of the courses, a Q&A session with the president is planned. In 2025, the total training hours for new employees reached 110 hours. Supervisor training: The Company actively arranges training courses for senior supervisors to cultivate leaders at all levels within Cyber Power Systems, Inc. Through a two-day downward management golf practical training program, colleagues in the management are guided to learn the managers' responsibilities and rules, and problems possibly encountered by superiors and subordinates and ways to address these problems are explained based on situational drills and a teaching manual. In 2025, the total training hours for supervisors reached 276 hours. Professional courses: To improve the professional capabilities of employees of the Company at each level and enable them to learn work-related knowledge, skills and behavioral patterns, we have planned a series of professional courses that center on employees' needs. In the hope that extensive, fundamental and inspiring courses could be introduced to improve employees' work performance and enhance their work motivation. In 2025, the total training hours for professional courses reached 1,844 hours.	
(5) Do the Company's products and services comply with related regulations and international rules for customers' health and safety, privacy, sales, labeling and set policies to protect consumers' rights and consumer appeal	V		(5) The Company abides by governmental regulations and relevant international norms in marketing and advertising its products or services, and also follows customers' requirements in customer privacy, marketing and marking. Besides, the Company has established relevant policies for protecting consumers' rights and interests, and also a dedicated Customer Service Department to develop customer issue processing procedures, provide a transparent and effective customer complaint mechanism and offer customers with satisfactory services. • Our production sits have passed multiple third-party certifications, including certifications of ISO 9001, ISO 14001, QC 080000, TL9000, etc.	

Evaluation item	Implementation status			Deviations from the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Description	
procedures?			• Our major products have obtained multiple safety certifications, including BSMI, UL, TÜV Rheinland, ETL, Energy Star, etc. • Our customers may use multiple complaint channels, including free dedicated customer service hotline (0800-288-966), online customer service, webpage consulting forms, and email (tw.sales@cyberpower.com). Our front-line colleagues will deal with customer complaint cases and properly safeguard customers' rights and interests.	
(6) Has the Company established supplier management policies that require suppliers to comply with relevant laws and regulations related to environmental protection, occupational health and safety or labor rights and supervised its implementation?	V		The Company regards its suppliers as important partners of sustainable development and ensures that its suppliers conform to the demands of sustainable management in ways of multi-win and mutual-help cooperation. In terms of supply chain management, the Company not only has requirements for product quality, prices and leadtime from its suppliers, but also pays attention to their supply capacities and ESH certification to avoid production interruption caused by major ESH accidents. The Company perfect the supply chain management by controlling and directing the following items and improving their standard performance gradually in 2025. **Performance management** ● RBA (Responsible Business Alliance): suppliers may provide scanning copies of certificates and relevant manuals if they have passed relevant certifications; they may sign commitments if they are applying for or will apply for such certifications. ● Evaluation from five aspects of supply quality compliance/leadtime/service/cost/management. **Supplier evaluation** The Company evaluates main suppliers annually and regards the evaluation results as a basis of supplier risk management. The evaluation results are rated Class A, Class B and Class C, and suppliers at Class C are unqualified suppliers. In 2025, the Company evaluates 104 suppliers totally, with 49 Class-A suppliers and 55 Class-B suppliers. **Supplier audit** The Company audits the top thirty suppliers by trading volume. In 2025, a total of 99	

<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 thereof</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td>suppliers were subject to on-site audits, and 104 suppliers underwent document-based audits. No suppliers were identified as having medium- or high-risk audit results.
Tracking and improvement
1. Guide Class-C suppliers and ask them to make improvements within a specified period, otherwise, the Company refuses to cooperate with such suppliers.
2. Suppliers which are rated at Class C for consecutive three years are disqualified.
3. If a supplier has obtained certifications related to environmental protection or hazardous substance management (such as ISO 14001, QC 080000, ISO 9001) or RBA certification, it is considered an advantage and is used as a model to guide and encourage other suppliers to do the same.</td><td></td></tr>
<tr><td>5. Has the Company, referring to the international standards or guidelines for the preparation of reports, prepared CSR reports to disclose non-financial information of the Company? Are the reports certified or assured by a third-party accreditation institution?</td><td>V</td><td></td><td>The Company prepared its 2024 ESG Report in accordance with the Universal Standards, Sector Standards, and Material Topic Standards issued by the Global Reporting Initiative (GRI). The report was certified by AFNOR Asia Ltd., an independent third-party agency, based on the moderate assurance level (AA1000 v3). In August 2025, we completed the report and disclosed it on our corporate website (https://esg.cyberpower.com/zh/esg-report/). The 2025 ESG Report is expected to be completed in August 2026.</td><td>No Discrepancy</td></tr>
<tr><td colspan="5">6. If the Company has established corporate social responsibility principles based on the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies, describe the implementation and any discrepancy:
The Company cooperates in relevant operations of corporate governance, established Corporate Social Responsibility Best Practice Principles (currently known as: Sustainable Development Best Practice Principles) after being approved by the Board of Directors on December 25, 2014 and the Board of Directors approved the amendments to the Principles respectively in May, 2019 and January, 2024 to enhance the implementation of the sustainable development of the Company. The Company regularly detects the implementation according to the Principles and makes improvements based on the detection results. No discrepancy has occurred since the implementation.</td></tr>
<tr><td colspan="5">7. Other important information to facilitate a better understanding of the Company's corporate social responsibility practices:
Details are explained in the following Annexed Table,
and refer to the “ Sustainability” of our company's official website to learn more about the actions and results of sustainable development.
Website：（https://esg.cyberpower.com/en/）</td></tr>
</table>

Annexed Table

Item		2025 Concrete contents and implementation achievements
(I)	Implementation of corporate sustainable governance	The Company won an award from 2025 Taiwan FINI 100 by the Taiwan Institute of Directors, outperforming other enterprises in terms of corporate sustainability, fundamentals and market.
(II)	Employee care	
	1. Promoting employees' body-mind balance	Subsidize annual health checkups for employees to improve their health awareness. Hold blood pressure management activities and lectures to promote employees to develop the awareness of daily blood pressure management. Organize employee tours and encourage employees to experience the tours with their family members, thereby helping employees achieve life-work balance. Hold diverse health promotion activities including daily brisk walking, fitness courses, Singing Bowl meditation, and eco-bottle DIY workshop for stress relief.
	2. Improving workplace health and safety	The Company won the *Badge of Accredited Healthy Workplace* from the Health Promotion Administration, Ministry of Health and Welfare, and was certified as a qualified healthy work environment in 2025. Actively arrange interviews between employees and their department supervisors, human resources staff or professional medical staff based on investigation, analysis and referral, thereby caring for the employees and providing them with adjustment suggestions.
	3. Supporting employees' family life	Provide employees with preferential discounts at childcare facilities, children growth leave, and preferential group insurance and health checkup plans for family members, to lower employees' family expenditure.
(III)	Environmental protection	
	1. Aligning with the global carbon reduction trend	In March, the Company participated in the Earth Hour lights-out campaign held by the World Wide Fund for Nature (WWF). The plant area of subsidiary Shuoda continuously complied with the platinum certification of Responsible Business Alliance (RBA) in 2025, ensuring compliance across five majors sustainability aspects.
	2. Improving the renewable energy management	In July, the CyberPower Building initiated the application for Taiwan Renewable Energy Certificate (T-REC) to effectively track renewable power consumption. Solar power generation was continuously implemented in Taiwan and Chinese mainland to gradually improve the renewable energy performance.
(IV)	Sustainable value chain	
	1. Participating in sustainability ratings	In April, the Company participated in the global supply chain sustainability appraisal of EcoVadis and disclosed four major sustainability topics; the Company won the medal of Fast Mover. In April, the Company participated in FTSE Russell ESG ratings and disclosed 14 ESG sustainability topics. In June, the Company participated in the evaluation conducted by Sustainalytics, an international rating agency to analyze its performance in sustainable risk management, and was later rated as "Low Risk". In September, the Company participated in CDP global carbon disclosure program to disclose climate strategies and evaluate environmental performance. In October, the Company participated in Taiwan international brand value appraisal and disclosed its sustainable governance and practices.
	2. Strengthening global partnerships	In May, the Company held a company tour event to strengthen partnerships with partners in Asia, Europe, New Zealand and Australia. The Company purchased ocean sustainable gifts from a B Corp, to support circular economy and improve corporate image.
(V)	Social participation	Due to the overflow of the barrier lake in Hualien, the Company purchased gift boxes from local stores in 2025 to support local economy and share care with employees. In February and August, the Company joined hands with the Neihu Technology Park Development Association to hold a blood donation campaign with a thousand participants. To encourage employees to care about the public welfare services, the Company provided every employee participating in blood donation with 2-hour public welfare leave. The Company provided a place for the charity booths operated by Jixian Sheltered Workshop, and encouraged its employees to support people with disabilities through concrete actions. As of 2025, the Company launched several education videos and feature articles to popularize energy knowledge.

E. 1 Climate-Related Information

1. Related Development of Climate Change Associated Risks to the Company

Item	Implementation
(1) Describe how the board of directors and management oversee and govern climate-related risks and opportunities.	1. Our company, through the Financial & Accounting Division, is responsible for consolidating the potential impacts of various issues on both internal and external stakeholders. The Sustainability Task Force, together with relevant responsible units, jointly identifies and assesses climate-related risks and evaluates climate impacts, while also discussing response strategies and formulating adaptation measures. Climate management outcomes are reported monthly to management by the head of the Sustainability Task Force. The Financial & Accounting Division reports overall progress to the Board of Directors on a quarterly basis, supporting the Board in overseeing and guiding the direction and strategies of the company's climate actions. At the execution level, relevant measures are discussed through ad hoc meetings, while a group-level governance framework is progressively established to enhance risk transparency and strengthen the basis for decision-making.
(2) Describe the impact of identified climate risks and opportunities on the business's short, medium, and long-term finances, strategy, and operations.	2. The Company will include latent impacts from climate change into the overall operation consideration, estimated risk occurrence probabilities and impact degrees, identify physical and transition risks and opportunities by business type and operation condition, actively promote green-energy environmental protection policies. To respond to environmental impacts from global climate change and greenhouse effect, besides developing energy conservation and carbon reduction measures, the Company has promoted energy-saving management and waste reduction in offices and in public places. Risks **Short-term:** Physical risks (typhoons, floods, and other extreme weather events) **Medium- to long-term:** Transition risks (policy and regulatory risks), transition risks (technology risks), transition risks (market risks), and transition risks (reputational risks) **Long-term:** Physical risks (increase in average annual temperature) Opportunities **Medium- to long-term:** Resource efficiency, products and services, resilience, and energy sources
(3) Describe the financial impact of extreme weather events and transformative actions.	3. To respond to relevant risks from extreme climate and low-carbon economic transition, the Company will include climate change risks into the long-term operation considerations, and pay attention to relevant crises from global climate change, respond to the energy conservation and carbon reduction trends, and take mitigation and adjustment actions.
(4) Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4. The Company has its Finance Department coordinate the overall risk management. Risks related to climate change are also included in the risk management framework for management. The Sustainability Task Force is responsible for assisting the identification and assessment of climate change related risks and opportunities according to the business scope of each department. The assessment contents cover the degree of impact of risks or opportunities, types,

Item	Implementation
	likelihood, time intervals, and other relevant aspects. The identification results are sorted according to the degree of impact and the probability of occurrence, and the degree of impact is classified into three levels, i.e., low, medium and high, thereby establish a matric of climate risks and opportunities. For items with degree of impact classified as medium or high, relevant business units will be charged to draft concrete responsive and managerial measures based on their responsibilities, and continually promote the development and application of highly efficient and energy-saving products, as well as coordinate the organization's carbon reduction actions, to improve the Company's resilience and adaptability in the face of climate change risks and opportunities. Finally, the Finance Department will include the identified and assessed major climate risks and opportunities to the overall risk management mechanism for unified control and continual tracking, to ensure the effective implementation of the managerial measures and improve the Company's sustainable management capabilities.
(5) If scenario analysis is used to assess resilience to climate change risks, describe the scenarios, parameters, assumptions, analysis factors and major financial impacts used. (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. (7) If internal carbon pricing is used as a planning tool, describe the basis for setting the price. (8) If climate-related targets have been set, the activities covered, it's important to specify the activities that are covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved every year. If you plan to use carbon credits or renewable energy certificates (RECs) to achieve your targets, you should also mention the source and quantity of the carbon credits or RECs that will be offset.	5.~8. Scenario analysis, internal carbon pricing, and transition plan target setting, etc., are currently being evaluated and planned.
(9) Greenhouse gas inventory and assurance status.	9. Please refer to page 59-60 1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years and 1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan.

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 CO_2e), intensity (metric tons CO_2e/NT$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

The Company has the following schedule according to Sustainable Development Roadmap:

1. The parent company shall complete greenhouse gas inventory information disclosure of 2025 in 2026.
2. Subsidiaries with consolidated financial statement shall complete greenhouse gas inventory information disclosure of 2026 in 2027.

   The parent company and subsidiaries have completed greenhouse gas inventory of 2025 in advance, with the emission volumes in the most recent two years as follows:

Parent company(Note1)

Year	Scope 1	Scope 2	Scope 3	intensity (Tons of CO_2e/million revenue)
2025	88.6088	528.2067	141.5010	0.1294
2024	143.1198	653.8960	176.8813	0.1288

Subsidiaries(Note2)

Year	Scope 1	Scope 2	Scope 3	intensity (Tons of CO_2e/million revenue)
2025	805.7157	5,939.1223	4,664.9777	
2024	329.4345	4,695.6190	2,620.3719	

Note1: The methodology was adjusted this year, and the parent company redefined the attribution of emission sources.

Note2: The subsidiaries in 2025 covered all subsidiaries included in the consolidated financial statements.

In 2024, subsidiaries include Dongguan Cyber Energy Co., Ltd., Cyber Energy (Shenzhen), Inc., Cyber Power Technology (ShenZhen), Inc., Cyber Power (Shenzhen) Ltd., Best Top (Shenzhen),Inc., Ning Yuan Xian CyberPower, Inc., Cyber Power Systems Manufacturing, Inc. and Phisonic Technology Corporation.

Note3: Scope 1: Direct GHG emissions from sources owned or controlled by the Company. Scope 2: Indirect emissions associated with the production of electricity, heat or steam imported for the organization's activities. Scope 3: Indirect emissions, emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies.

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 has the following schedule according to Sustainable Development Roadmap:

1. The parent company shall complete greenhouse gas assurance information disclosure of 2026 in 2027.
2. Subsidiaries with consolidated financial statement shall complete greenhouse gas assurance information disclosure of 2028 in 2029.

   The parent company and subsidiaries have completed greenhouse gas check of 2025 in advance, with the assurance information in the most recent two years as follows; the complete greenhouse gas check opinions of 2025 has not been available as of the date of the publication of the Annual Report, and relevant information will be disclosed in the Sustainability Report of 2025.

Year	Scope	Check regulation	Verified by	Verification explanation
2025	1~3	Disclose in the Sustainability Report of 2025		
2024	1~3	ISO 14064-1 ISO 14064-3	AFNOR ASIA LTD	The Company disclosed the total greenhouse gas emissions were 973.8971 M.T. CO_2e, the assurance opinion in Scope 1 and Scope 2 IS reasonable assurance, and that in Scope 3 is limited assurance.

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
Greenhouse gas emission reduction base year and reduction targets The current base year has been adjusted to 2025, covering the parent company and certain subsidiaries, that as the coverage range and Scope 1, Scope 2 and Scope 3 included. The reduction targets are made as year-by-year reduction by 2030 and the decline by 7-10% in carbon reduction intensity. **Greenhouse gas reduction strategies, specific action plans and reduction target fulfillment** CyberPower includes the energy conservation and carbon reduction targets into its overall company operation, constantly develops schemes on energy conservation, responds to laws and regulations of various countries, and implements corporate sustainability gradually. In the future, the Company will replace lighting equipment, phase the used ones out, and add the use of renewable energy (including purchasing renewable energy obligation certificates and expanding solar devices), and reduce the amount of outsourced electric supply and promote energy conservation and carbon reduction schemes to reduce greenhouse gas emissions. To address climate change, the Company formally initiated its greenhouse gas (GHG) inventory and verification process in 2022, adopting the ISO 14064:2018 standard. The Company completed both the GHG inventory and third-party verification for 2024. As of now, the internal GHG inventory for the parent company and its subsidiaries for 2025 has also been completed. Third-party verification for 2025 is expected to be completed by the end of May 2026. The base year has been adjusted to 2025 and includes Scope 1, Scope 2, and Scope 3 emissions. The Company has established a year-by-year reduction pathway through 2030, covering both the parent company and its subsidiaries, with the objective of achieving a 7–10% reduction in carbon intensity.

F. Ethical corporate management and Implementation

Evaluation Items	Implementation Status			Discrepancies between the goals set by TWSE/TPEx listed companies in ethical corporate management and the causes of discrepancies
Evaluation Item	Yes	No	Abstract	
1. Establishment of Ethical Corporate Management Policies and Programs				
(1) Does the company establish a board-approved ethical corporate management policy, and declare the procedures and commitment in its guidelines and external documents to actively implement the policies?	V		(1) With reference to the Ethical Corporate Management Best Practice Principles of Listed Companies, CyberPower has established Ethical Corporate Management Best Practice Principles, which are implemented after being approved by the board of directors and published on the company's website.	No discrepancy
(2) Has the company set up a system for fraud risk assessment, to analyze and evaluate any potential high risk of dishonest business activities, and established a fraud prevention strategy based on the assessment, which at least covers each of the precautions listed in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for Listed Companies?	V		(2) CyberPower has established the Ethical Corporate Management Principles to analyze and evaluate any potential high risk of dishonest business activities, and established a fraud prevention program based on the principle. To avoid trading with parties that are involved in any dishonest activities, CyberPower take account of the legitimacy of distributors, suppliers, customers, and trading partners, and considers whether the transaction involves in any dishonest activity before entering into a business or contractual relationship with others. In addition, CyberPower has formulated the Code of Ethics of the Board of Directors, Supervisors, and Managers, in which it is specified that the below circumstances are not permitted: To obtain unjust enrichment and detriment to the interest of the company by using company assets, company information, or their role in the Company, and may not gain any benefit inappropriately by manipulating, concealing, or abusing information obtained as part of their role in the Company; or by misrepresenting important facts or employing other unfair trading practices.	
(3) Has the company established procedures, instructions, and a punishment and appeal system within its fraud prevention program, and implement, review, and revise previously announced programs periodically?	V		(3) CyberPower's "work rules" clearly regulate that if employees "are involved in malpractice, conversion of funds, accept bribes or commission, and have specific evidence", and if the circumstances are serious, the employment relationship can be	

Evaluation Items	Implementation Status			Discrepancies between the goals set by TWSE/TPEx listed companies in ethical corporate management and the causes of discrepancies
Evaluation Item	Yes	No	Abstract	
			terminated without prior notice. The company has also established a "reporting system" to publicize the importance of honest behavior to all internal employees at all times.	
2. Fulfillment of Ethical Corporate Management (1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts signed with counterparties?	V		(1) Before CyberPower conducts any business activities, CyberPower examines the object company against the following items to ensure none of the business transaction involves any unethical behavior. a. The company's operating location and organizational structure. b. The risk of corruption in the company's operating country. c. The bribery risk in related industries. d. The company's long-term operating condition, goodwill, and reputation. e. The company's records of unethical behavior such as bribery or illegal political contribution.	No discrepancy
(2) Has the Company set up a dedicated unit under the board of directors to promote ethical corporate management and regularly (at least once every year) report to the board of directors the implementation of ethical corporate management policies and unethical conduct prevention programs?	V		(2) CyberPower designates the Financial Department (Financial & Accounting Division) as the responsible unit for ethical policy management and conduct, and it reports to the board once a year. **Education Training:** In 2025, the Company held internal and external educational training courses relating to intellectual property rights infringement, unlawful conduct, unlawful infringement of sexual harassment, etc., and recorded 84times people have attended, totaling 89hours. **legal compliance:** The Administrative Management Department promotes publicity and education during the Chinese New Year. In January, May and September 2025, the Administrative Management Department issued important standards related to the Code of Integrity and Business Ethics to educate colleagues	

Evaluation Items	Implementation Status			Discrepancies between the goals set by TWSE/TPEx listed companies in ethical corporate management and the causes of discrepancies
Evaluation Item	Yes	No	Abstract	
			on matters they should pay attention to when performing business. In April 2025, the Company issued a letter to insiders (a total of 10 individuals) to remind them to refrain from trading the Company's shares during the 15 days prior to the announcement of quarterly financial statements and the 30 days prior to the announcement of annual financial reports. The Company also re-communicated the *Guide on Insider Share Trading of Listed Companies*. **Regular inspection:** The colleagues carry out regular inspection evaluate legal compliance themselves every year, complete profit conflict application form investigations In April 2025, to realize effect control and practical implementation, and they audit agencies do independent audit to ensure the operation of the entire operation, manage and prevent dishonesty.	
(3) Has the Company established policies to prevent conflicts of interest, provided appropriate communication channels, and implemented them accordingly?	V		(3) Directors, supervisors, and managers shall avoid conflicts of interest and record relevant details in the company's annual reports. CyberPower's employees shall avoid contact with people who are involved in a case when performing duties. Violators will be reviewed according to CyberPower policies.	
(4) Has the Company established effective accounting and internal control systems to implement ethical corporate management and have its internal audit department, based on the results of the assessment of the risk of involvement in unethical conduct, formulate audit plans and audit compliance with prevention programs accordingly or entrusted a CPA to conduct the audit?	V		(4) CyberPower focuses on the correctness and completeness of the financial reporting process and has established an effective accounting and internal control system for operating activities with a high-risk of unethical behavior. The annual internal audit will be applied and conducted according to the risk evaluation results. The audit report will be provided to the board of directors.	
(5) Does the Company regularly hold internal and external training on ethical corporate management?	V		(5) The chair, general manager, or senior executives shall communicate the importance of corporate ethics to its directors, employees, and authorities on	

Evaluation Items	Implementation Status			Discrepancies between the goals set by TWSE/TPEx listed companies in ethical corporate management and the causes of discrepancies
Evaluation Item	Yes	No	Abstract	
			a regular basis. CyberPower shall regularly organize training and awareness programs for directors, supervisors, managers, employees, and substantial controllers. CyberPower shall also invite commercial transaction counterparties so they understand CyberPower's resolve to implement ethical corporate management, related policies, prevention programs, and the consequences of engaging in unethical conduct.	
3. Operation of the whistleblowing system (1) Has the Company established both a reward/whistleblowing system and convenient whistleblowing channels? Are appropriate personnel assigned to investigate accused parties?	V		(1) CyberPower has announced the Whistleblowing System, reporting lines with an hotline and independent mailbox(fairdeals@cyberpower.com) for internal on both the company website and the internal website, as well as an external whistleblower channel (investor@cyberpower.com). CyberPower designates the audit unit as the responsible unit for whistleblowing. If a director or a senior executive is involved in a whistleblowing complaint, information shall be reported to an independent director or supervisor, and the scope and conduct procedure of the case shall be outlined.	No discrepancy
(2) Has the Company established standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after investigation, and related confidentiality mechanisms?	V		(2) CyberPower has established regulations for the 'whistleblower system,' which include principles for handling whistleblower cases, operational procedures, protection for whistleblowers, and subsequent improvement measures. **Acceptance principle** Non-Acceptance of Whistleblowing Cases I. Anonymous or non-real-name reports without providing the whistleblower's contact number or mailing address. II. Failure to provide evidence of illegal or derelict acts, or after verification, the facts do not match, or are purely fictitious or forged. III. The same facts are being investigated or	

Evaluation Items	Implementation Status			Discrepancies between the goals set by TWSE/TPEx listed companies in ethical corporate management and the causes of discrepancies
Evaluation Item	Yes	No	Abstract	
			handled by other agencies or have been reported by others first. However, when the whistleblower who reported later can provide important evidence favorable to the investigation, this limitation does not apply. IV. The same facts have been decided not to be accepted or have been verified and closed. However, if the whistleblower can provide specific new evidence proving the need for a new investigation, this limitation does not apply. **Operating procedures(including protection for whistleblowers)** I. Information delivered to the whistleblowing mailbox will be opened and handled by the head of the dedicated unit to ensure the confidentiality of the whistleblower's information. II. Personnel handling whistleblowing cases must sign a confidentiality agreement. If any leaks of confidential information are discovered, the leaker will be pursued and dealt with according to the law. III. After the dedicated unit accepts a whistleblowing case, it will investigate relevant facts. If it is confirmed that the reported person has indeed violated relevant laws or company regulations, they should immediately request the reported person to stop the relevant actions and take appropriate measures. If necessary, compensation should be sought through legal procedures to safeguard the company's reputation and interests. If it is found that there is no concrete evidence, the case will be closed for future reference. IV. Records of the acceptance, investigation process, and results of the whistleblowing	

Evaluation Items	Implementation Status			Discrepancies between the goals set by TWSE/TPEx listed companies in ethical corporate management and the causes of discrepancies
Evaluation Item	Yes	No	Abstract	
			cases shall be kept in writing and preserved for five years, with electronic means allowed for preservation. Before the expiration of the retention period, if there are lawsuits related to the content of the whistleblowing, the relevant information shall continue to be preserved until the end of the lawsuit. **Improvement Measures** I. If the reported facts are verified, the relevant unit should review the relevant internal control system and operating procedures and propose improvement measures to prevent the recurrence of similar behaviors. II. The dedicated unit should report the details of the whistleblowing cases, the handling methods, and follow-up review and improvement measures to the board of directors.	
(3) Does the Company protect whistleblowers against improper treatment?	V		(3) CyberPower ensures that the whistleblower's position and salary is not discriminated against due to the fact of whistleblowing. For any loss of a whistleblower caused by retaliation, CyberPower provides compensation and takes disciplinary action against those who retaliated according to the Employee Reward and Punishment Regulations.	
4. Strengthening information disclosure Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	V		CyberPower discloses the measures taken to implement ethical corporate management, the status of implementation, quantitative data, the effectiveness of promotion on company websites, annual reports, and prospectuses. CyberPower also discloses the ethical corporate management principles on the Market Observation Post System.	No discrepancy
5. If the Company has established its own ethical corporate management policies based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe the implementation and any discrepancies: The Company will gradually implement the matters stipulated in the Ethical Corporate Management Principles to enhance the effectiveness of the Company's				

Evaluation Items	Implementation Status			Discrepancies between the goals set by TWSE/TPEx listed companies in ethical corporate management and the causes of discrepancies
Evaluation Item	Yes	No	Abstract	
integrity management.				
6. Other important information to facilitate a better understanding of the Company's ethical corporate management: (e.g., review and amend its policies) 1. The Company signs confidentiality agreements with employees, and all the employees should keep the Company's secrets known from affairs and business handling confidential but not leak them, and be obliged to keep the Company's business secretes confidential. 2. The Company has established Operating Procedures for Internal major information processing and Prevention and Management of insider trading, explicitly stipulating the directors, managing managers or employees should not leak internal major information to other persons, or ask or collect undisclosed internal major information unrelated to their individual posts from those who know internal major information, or leak undisclosed internal major information acquired from not executing business to others. 3. The Company always pays close attention to the development of domestic and foreign regulations on ethical corporate management, and encourages its directors, supervisors, managers, and employees to offer proposals, and review and improve ethical corporate management policies and promote measures based on their proposals to enhance the effectiveness of ethical corporate management.				

G. Other important information regarding corporate governance:

1. Refer to the " Investor Relations > Corporate Governance> Board of Directors" of our company's official website to disclosures the Corporate Governance Operation.
   (https://www.cyberpower.com/tw/zh/investor/corporate)
2. The directors' training status in 2025 has been disclosed on Page P.11-12.

H. Status of the Internal Control System

1. Statement of the Internal Control System

Cyber Power Systems, Inc.
Statement of the Internal Control System

Date: March 10, 2026

The Company hereby states the results of the self-evaluation of the internal control system for 2023 as follows:

1. The Company is fully aware that establishing, operating, and maintaining an internal control system is the responsibility of the Board of Directors and management. The Company has established such a system aimed at providing reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security), reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance with applicable laws, regulations, and bylaws.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three stated objectives above. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond the Company's control. Nevertheless, the internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
3. The Company evaluates the design and operating effectiveness of the internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies ("Regulations"). The criteria adopted by the Regulations identify five components of internal control based on management control process: 1. control environment; 2. risk assessment; 3. control activities; 4. information and communication; and 5. monitoring operations. Each key component includes several items. Please refer to the Regulations for more details about the aforementioned items.
4. The Company has evaluated the design and operating effectiveness of the internal control system according to the aforesaid criteria.
5. Based on the results of the evaluation in the preceding paragraph, the Company is of the opinion that, as of December 31, 2025, the internal control system (including the supervision and management of subsidiaries), including the design and implementation of the internal control system relating to the effectiveness and efficiency of the operations, reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations, is effective and can reasonably assure the achievement of the foregoing goals.
6. This statement forms an integral part of the Company's annual report and prospectus and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This statement was approved by the Board of Directors in the meeting on March 10, 2026. Out of the seven directors in attendance, none expressed a dissenting opinion and the remainder agreed with the contents of this Statement.

Cyber Power Systems, Inc.
Chairman: Kuo, Chin
President: Ho, Lien-Hsun

2. For those who commit CPAs to review the internal control system, the CPA review report should be disclosed: NA.

I. Major resolutions of Shareholders' Meetings and Board Meetings during the most recent fiscal year up to the date of publication of the annual report:

1. Important resolutions of Shareholders' Meetings and execution status

Date of meeting	Important resolution	Execution status
General Shareholders' Meeting on May 28, 2025	Adoption of the Proposal for Amendments to the "Article of company"	The resolution was adopted at the General Shareholders’ Meeting 2025, the registration with the ministry of economic affairs has been completed and the change has been announced on the Company's website.
	Adoption of the Proposal for issuance of restricted stock awards	The resolution was adopted at the General Shareholders’ Meeting 2025 , the filing became effective on July 8, 2025, and the capital increase was completed through issuance on March 20, 2026.
	Adoption of the 2024 Business Report and Financial Statements.	The resolution was adopted at the General Shareholders’ Meeting 2025.
	Adoption of the 2024 Earnings distribution.	2025/7/22 was determined as the ex-dividend base day, and all the dividends were distributed on August 12, 2025. (NT$ 15 was allocated as cash dividend per share)

2. Important resolutions of the Board of Directors

Date of meeting	Important resolution
2025/01/09	Adoption of the Proposal for the 2025 Operation Plan and Annual Budget of the Company. Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds. Adoption of the amendments to the Company's “Corporate Governance Practice Principles”. Adoption of the year-end performance bonuses for managers and the head of internal audit for 2024. Adoption of issuance of 2025 employee stock options.
2025/03/11	Adoption of the Proposal for Issuing the 2024 Statement of the Internal Control System of the Company. Adoption of the Proposal for the 2024 Director’s Remuneration submitted by the Remuneration Committee of the Company. Adoption of the 2024 Business Report and Financial Statements. Adoption of the 2024 Earnings distribution. Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds. Adoption of the scope of the"non-executive employees" within the Company. Adoption of the Amendments to the Articles of Incorporation of the Company. Adoption of the Proposal for the issue employee restricted stock awards. Adoption of the Proposal for Conveying the 2025 General Shareholders’ Meeting of the Company. Adoption of the audit fees of certified CPAs of the Company in 2025. Adoption of the Proposal for Renewing Liability Insurance for All Directors of the Company. Adoption of the Proposal for the “Sustainability Information Management Guidelines” under the Company’s Internal Control System.” Adoption of the Proposal for applying for addition/renewal of credit line from banks.
2025/04/11	Adoption of the Proposal for recipients of 2025 employee stock options Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds.
2025/05/08	Adoption of the Proposal for the consolidated financial statement of the company in the first quarter of 2025. Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not

Date of meeting	Important resolution
	classified as lending funds. Adoption of the Proposal for the establishment of a trading company in China. Adoption of the Proposal for applying for addition/renewal of credit line from banks.
2025/08/07	Adoption of the Proposal for the Consolidated Financial Statement of the Company in the second quarter of 2025. Adoption of the Proposal for not distributing earnings of the first half of 2025. Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds. Adoption of the Proposal for the Remuneration of Directors and President / any managerial officer submitted by the Remuneration Committee. Adoption of the Proposal for the investment to establish a subsidiary in the UK. Adoption of the Proposal for Applying for Addition/Renewal of Credit Line from Banks. Adoption of the ESG Report of of the Company in 2025. Adoption of the amendments to the Company's "terms and conditions for the issuance and conversion of the third domestic unsecured convertible bonds" Adoption of the Company's "2025 restricted stock awards issuance rules"
2025/11/06	Adoption of the Proposal for the Consolidated Financial Statement of the Company in the third quarter of 2025. Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds. Adoption of the Company's long-term equity investment. Adoption of the Proposal for applying for addition/renewal of credit line from banks.
2025/12/18	Adoption of the 2026 Annual Audit Plan. Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds. Adoption of the situations of regular evaluation of independence and competency of certified CPAs of the Company. Adoption of the Proposal for the remuneration of chairman , president / any managerial officer and audit officer submitted by the Remuneration Committee. Adoption of the Proposal for the amendments to Company's Internal Control System Adoption of the Proposal for applying for addition/renewal of credit line from banks.
2026/01/15	Adoption of the Proposal for the 2026 Operation Plan and Annual Budget of the Company. Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds. Adoption of the Proposal for the 2025 performance bonus distribution of President / any managerial officer and audit officer submitted by the Remuneration Committee. Adoption of the list of recipients for the 2025 restricted stock awards issuance. Adoption of the acquisition of additional plant and land in the Philippines.
2026/03/10	Adoption of the Proposal for Issuing the 2025 Statement of the Internal Control System of the Company. Adoption of the Proposal for the 2025 Director's Remuneration submitted by the Remuneration Committee of the Company. Adoption of the 2025 Business Report and Financial Statements. Adoption of the definition of the"non-executive employees" of the Company. Adoption of the 2025 Earnings distribution. Adoption that the receivables among the parent company and subsidiaries of the Company Group which are overdue for 3 months of the normal credit term but not yet recovered and in a huge amount are not classified as lending funds. Adoption of the Amendments to the "Procedures for Acquisition or Disposal of Assets". Adoption of the Proposal for the election of the directors of the company's 11th term. Adoption of the Proposal for lifting the non-compete restrictions on the directors of the company's 11th term and their representatives. Adoption of the Proposal for Conveying the 2026 General Shareholders' Meeting of the Company. Adoption of the Proposal for the replacement of the Company's certified public accountant due to internal firm adjustments. Adoption of the audit fees of certified CPAs of the Company in 2026. Adoption of the Proposal for Renewing Liability Insurance for All Directors of the Company. Adoption of the Proposal for the issuance of 2026 employee stock options.

J. Any dissenting opinion expressed by a director or supervisor with respect to a major resolution passed by the Board of Directors during the most recent fiscal year and up to the date of publication of the annual report, where said dissenting opinion has been recorded or prepared as a written declaration: None.

(IV) Information regarding fee of certified public accountants

Unit of amount: NT$ thousand

Name of accounting firm	Name of accountant	Audit period	Audit fee	Non-audit fee	Total	Remark
Deloitte & Touche	Chen, Wen-Hsiang	2025	8,780	12,990	21,770	Note 1
	Cheng, Te-Chen					

Note 1 The non-audit fee refers to the ESOP project fee of NT$881,000, NT$150,000 for tax certification, NT$400,000 for transfer pricing reports, NT$350,000 for master file reports, and project-based consulting services provided by the overseas affiliates of the CPA firm amounted to NT$11,209,000.

A. When the Company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.

B. When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10% or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) thereof shall be disclosed: None.

(V) Information regarding change of accountants: The company has not changed its accountants in the past two years and as of the publication date of the annual report.

A. Former accountants:

<table>
<tr><td>Date of replacement</td><td colspan="3">January 01, 2026</td></tr>
<tr><td>Reason for replacement and explanation</td><td colspan="3">Due to internal organizational restructuring at Deloitte Taiwan, the signing auditors will be changed starting from fiscal year 2026, from CPA Chen Wen-Hsiang and CPA Cheng Te-Chen to CPA Chang, Chih-Yi and CPA Cheng Te-Chen.</td></tr>
<tr><td rowspan="3">Describe whether the Company terminated or the CPAs terminated or did not accept the engagement</td><td>Parties / Circumstances</td><td>CPAs</td><td>The Company</td></tr>
<tr><td>Terminated the engagement</td><td colspan="2" rowspan="2">N/A</td></tr>
<tr><td>No longer accepted (discontinued) the engagement</td></tr>
<tr><td>If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons</td><td colspan="3">Not applicable.</td></tr>
</table>

<table>
<tr><td rowspan="4">Disagreement with the Company?</td><td rowspan="4">Yes</td><td></td><td>Accounting principles or practices</td></tr>
<tr><td></td><td>Disclosure of financial reports</td></tr>
<tr><td></td><td>Audit scope or steps</td></tr>
<tr><td></td><td>Other</td></tr>
</table>

	No	✓
	Specify details	
Other disclosures (Matters required to be disclosed under Items (4) to (7), Subparagraph 1, Paragraph 6, Article 10 of these Regulations)	None.	

B. Succeeding accountants:

Name of accounting firm	Deloitte Taiwan
Names of CPAs	CPA Chang, Chih-Yi and CPA Cheng, Te-Chen
Date of engagement	The change of CPAs was approved by the Board of Directors on March 10, 2026.
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	None.
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	None.

C. Reply letter from former accountants to the matters indicated in Item 1 and Item 2-3 of Subparagraph 6 of Article 10 of this standard: None

(VI) The Company's chairman, president, or any managerial officer in charge of finance or accounting matters in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name, title and period of working at a certified CPA firm or its affiliated enterprise shall be disclosed: None.

(VII) Any transfer of equity interests and pledge of, or change in, equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than 10%

A. Director, supervisor, managerial officer, or shareholder transfer of equity

Unit: Share(s)

Title	Name	2025		As of March 31, 2026	
		Shareholding increase (decrease)	Pledged share increase (decrease)	Shareholding increase (decrease)	Pledged share increase (decrease)
Chairman	Chih Yuan Investment Co., Ltd. Representative: Kuo, Chin	—	—	—	—
Director	Ning Yuan Investment Co., Ltd. Representative: Ho, Lien-Hsun	470,000	—	232,000	—
Director	Hsien Yueh Investment Co., Ltd. Representative: Lee, Chien-Chin	27,000	—	—	—
Director	Lu, Lee-Da	—	—	—	—
Independent Director	Wang Chin Yen	2,000	—	—	—
Independent Director	Ou Yang Mang	—	—	—	—
Independent Director	Ko, Po-Cheng	—	—	—	—
Assistant Vice President	Yeh, Hsiu-Ting	27,000	—	48,000	—
Audit Manager	Lin, Yun-Chien	—	—	4,000	—
Accounting Officer	Chen, Chih-Chang	—	—	8,000	—
Corporate Governance Officer	Chen, Chien-Chung	—	—	8,000	—

B. Information on equity transfers

No transfer of equity from a director, supervisor, managerial officer, or shareholder with a stake of more than 10% to a related party.

C. Information on equity pledges

No equity pledge of a director, supervisor, managerial officer, or shareholder with a stake of more than 10% to a related party.

(VIII) Information on the relationship between any of the top ten shareholders (related party, spouse, or kinship within the second degree):

Unit: Share(s); %; March 28, 2026

Name (Note 1)	Shares held		Shares held by spouse and underage children		Total shareholding by nominee		Shareholders with the top 10 shareholding ratios who are related, or their spouses and second-degree relatives' names and their respective relationships (Note 3)		Notes
	Shares	Equity ratio %	Shares	Equity ratio %	Shares	Equity ratio %	Company (or name)	Relationship	
Ning Yuan Investment Co., Ltd. Representative: Ho, Lien-Hsun	5,700,000	6.01	–	–	–	–	Dan Zhi Investment Co., Ltd. &Jing De International Co., Ltd.	The Chairman is the same person	–
	1,932,000	2.04	–	–	12,000,000	12.66	–	–	–
Hsien Yueh Investment Co., Ltd. Representative： Lee, Chien-Chin	5,688,993	6.00	–	–	–	–	–	–	–
	491,457	0.52	97,750	0.10	–	–	Hsieh, Chun-Chu Kuo, Chin	Mother & son Affinity	–
Chih Yuan Investment Co., Ltd. Representative： Kuo, Chin	5,609,974	5.92	–	–	–	–	–	–	–
	952,747	1.01	–	–	–	–	Lee, Chien-Chin Hsieh, Chun-Chu	Affinity	–
Li Heng Investment Co., Ltd. Representative: Hsiao, Feng-Sen	4,533,352	4.78	–	–	–	–	–	–	–
	1,270,645	1.34	–	–	–	–	–	–	–
Mao Fei Investment Co., Ltd. Representative: Hsieh, Chun-Chu	4,516,025	4.77	–	–	–	–	–	–	–
	732,258	0.77	–	–	–	–	Lee, Chien-Chin Kuo, Chin	Mother & son Affinity	–
Jie Cheng Investment Co., Ltd. Representative: Luo, Yueh-Ching	4,461,028	4.71	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–
Dan Zhi Investment Co., Ltd. Representative: Ho, Lien-Hsun	3,800,000	4.01	–	–	–	–	Ning Yuan Investment & Jing De International Co., Ltd.	The Chairman is the same person	–
	1,932,000	2.04	–	–	12,000,000	12.66	–	–	–
Hung Choug Investment Ltd. Representative: Yueh Fu Investment Ltd.	3,535,450	3.73	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–
Da Qun Investment Ltd. Representative: Ching Cheng Investment Ltd.	2,879,046	3.04	–	–	–	–	–	–	–
	–	–	–	–	–	–	–	–	–
Jing De International Co., Ltd. Representative: Ho, Lien-Hsun	2,500,000	2.64	–	–	–	–	Ning Yuan Investment & Dan Zhi Investment	The Chairman is the same person	–
	1,932,000	2.04	–	–	12,000,000	12.66	–	–	–

Note 1 All the top ten shareholders shall be listed, and the name of corporate shareholders and their representatives shall be separately listed.

Note 2 Shareholding calculation refers to ratio of shares held by shareholders themselves, their spouses, their underage children, or their nominees.

Note 3 The relations between the shareholders listed above, including legal persons and natural persons, shall be disclosed in accordance with Financial Reporting Standards of Issuers.

(IX) Consolidated number of shares owned by the Company, directors, supervisors, managerial officers, and business controlled directly or indirectly by the Company

December 31, 2025/ Unit: Share; %

Invested Company	Investment by the Company		Investment by directors/supervisors/managers and by companies directly or indirectly controlled by the Company		Total investment	
	Shares	Equity ratio %	Shares	Equity ratio %	Shares	Equity ratio %
Broad Win International Investment Co., Ltd.	23,495,329	100.00	–	–	23,495,329	100.00
Planet Technology Limited	–	–	1,000,000	100.00	1,000,000	100.00
Cyber Power (Shenzhen) Inc.	–	–	–	100.00	–	100.00
Ning Yuan Xianoning CyberPower, Inc.	–	–	–	100.00	–	100.00
Join Master Co., Ltd.	–	–	3,944	100.00	3,944	100.00
Cyber Power Systems K.K.	–	–	3,800	100.00	3,800	100.00
Cyber Power Systems (H.K.) Limited	–	–	7,900,000	100.00	7,900,000	100.00
Portal Star Co., Ltd.	–	–	7,338,000	100.00	7,338,000	100.00
Cyber Energy (Shenzhen) Co., Ltd.	–	–	–	100.00	–	100.00
Cyber Power Technology (Shenzhen) Co., Ltd.	–	–	–	100.00	–	100.00
Shining Pearl Co., Ltd.	–	–	14,000,000	100.00	14,000,000	100.00
Cyber Power Systems(INDIA)PVT, Ltd.	–	–	91,665,685	100.00	91,665,685	100.00
Cyber Power Systems(USA),Inc.	13,000,000	100.00	–	–	13,000,000	100.00
Fast Wind International Limited	4,438,245	100.00	–	–	4,438,245	100.00
Global Way Co., Ltd	–	–	430,000	100.00	430,000	100.00
Cyber Power Systems B.V.	–	–	7,000	100.00	7,000	100.00
Full Star Co., Ltd.	–	–	1,870,400	100.00	1,870,400	100.00
Nitram SASU	–	–	1,819	100.00	1,819	100.00
Grown Tech Co., Ltd.	–	–	25,000	100.00	25,000	100.00
CyberPower Systems GmbH	–	–	1	100.00	1	100.00
Global Win Co., Ltd.	–	–	1,700,831	100.00	1,700,831	100.00
Cyber Power Systems S.A. DE C.V.	–	–	28,293,802	100.00	28,293,802	100.00
CliqueFie Co., Ltd.	1,850,000	100.00	–	–	1,850,000	100.00
Dongguan Cyber Energy Co., Ltd.	–	–	–	100.00	–	100.00
Cyber Power Systems Manufacturing, Inc.	15,600	100.00	–	–	15,600	100.00
Phisonic Technology Corporation	–	–	10,000	100.00	10,000	100.00
AT Holding Philippines Corporation	113,100	100.00	–	–	113,100	100.00
Ascend Target Development Corporation	–	–	113,100	100.00	113,100	100.00
Cyber Power Systems UK Limited	200,000	100.00	–	–	200,000	100.00
Shuo Mao Electronics (Shenzhen) Co., Ltd	–	–	–	100.00	–	100.00

III. Capital Overview

(I) Capital and Shares

A. Sources of Capital

1. Source of Capital

Unit: Share(s); NT$

Year/ Month	Issue Price (NT$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital (NT$)	Capital Increase by Assets Other than Cash	Other
1997.06	10	2,000,000	20,000,000	2,000,000	20,000,000	Established share capital of NT$20,000,000	–	Note 1
1997.10	10	3,000,000	30,000,000	5,000,000	50,000,000	Capital increase by cash of NT$30,000,000	–	Note 2
1998.03	10	8,000,000	80,000,000	8,000,000	80,000,000	Capital increase by cash of NT$30,000,000	–	Note 3
192010.10	10	26,000,000	260,000,000	12,500,000	125,000,000	Capital increase by cash of NT$40,000,000 Capital increase by surplus of NT$5,000,000	–	Note 4
2001.10	10	26,000,000	260,000,000	16,000,000	160,000,000	Capital increase by surplus of NT$35,000,000	–	Note 5
2002.12	10	26,000,000	260,000,000	20,000,000	200,000,000	Capital increase by surplus of NT$40,000,000	–	Note 6
2003.05	10	26,000,000	260,000,000	26,000,000	260,000,000	Capital increase by surplus of NT$60,000,000	–	Note 7
2005.01	10	45,000,000	450,000,000	30,120,000	301,200,000	Capital increase by surplus of NT$41,200,000	–	Note 8
2006.01	10	45,000,000	450,000,000	33,470,000	334,700,000	Capital increase by surplus of NT$33,500,000	–	Note 9
2006.07	38	45,000,000	450,000,000	36,630,000	366,300,000	Capital increase by cash of NT$31,600,000	–	Note 10
2006.10	42.5	63,000,000	630,000,000	38,730,000	387,300,000	Capital increase by cash of NT$21,000,000	–	Note 11
2006.12	10	63,000,000	630,000,000	40,700,000	407,000,000	Capital increase by surplus of NT$19,700,000	–	Note 12
2007.09	10	63,000,000	630,000,000	42,800,000	428,000,000	Capital increase by surplus of NT$21,000,000	–	Note 13
2007.11	80	65,000,000	650,000,000	46,550,000	465,500,000	Capital increase by cash of NT$37,500,000	–	Note 14
2008.09	10	360,000,000	3,600,000,000	66,700,000	667,000,000	Capital increase by surplus of NT$201,500,000	–	Note 15
2008.09	80	360,000,000	3,600,000,000	71,650,000	716,500,000	Capital increase by cash of NT$49,500,000	–	Note 16
2010.01	84	360,000,000	3,600,000,000	78,935,000	789,350,000	Capital increase by cash of NT$72,850,000	–	Note 17
2010.02	10	360,000,000	3,600,000,000	79,505,000	795,050,000	Issuance of new share by stock warrant of NT$ 5,700,000	–	Note 18
2011.02	10	360,000,000	3,600,000,000	79,954,000	799,540,000	Issuance of new share by stock warrant of NT$ 4,490,000	–	Note 19
2011.05	10	360,000,000	3,600,000,000	78,486,000	784,860,000	Issuance of new share by stock warrant of NT$ 910,000 and Note capital decrease by canceled treasury stock of NT$ 15,590,000	–	Note 20
2011.07	10	360,000,000	3,600,000,000	78,503,000	785,030,000	Issuance of new share by stock warrant of NT$ 170,000	–	Note 21
2011.11	10	360,000,000	3,600,000,000	78,508,000	785,080,000	Issuance of new share by stock warrant of NT$ 50,000	–	Note 22
2012.02	10	360,000,000	3,600,000,000	78,916,000	789,160,000	New stock issuance by stock warrant of NT$ 4,080,000	–	Note 23
2012.05	10	360,000,000	3,600,000,000	79,118,000	791,180,000	Issuance of new share by stock warrant of NT$ 2,020,000	–	Note 24
2012.09	10	360,000,000	3,600,000,000	79,242,000	792,420,000	Issuance of new share by stock warrant of NT$ 1,240,000	–	Note 25
2013.02	10	360,000,000	3,600,000,000	79,245,000	792,450,000	Issuance of new share by stock warrant of NT$ 30,000	–	Note 26
2013.5	10	360,000,000	3,600,000,000	79,248,000	792,480,000	New stock issuance by stock warrant of NT$ 30,000	–	Note 27
2013.11	10	360,000,000	3,600,000,000	79,250,000	792,500,000	New stock issuance by stock warrant of NT$ 20,000	–	Note 28
2014.03	10	360,000,000	3,600,000,000	79,253,000	792,530,000	Issuance of new share by stock warrant of NT$ 30,000	–	Note 29
2014.05	10	360,000,000	3,600,000,000	79,950,000	799,500,000	Issuance of new share by stock warrant of NT$ 6,970,00	–	Note 30
2014.08	10	360,000,000	3,600,000,000	80,041,000	800,410,000	New stock issuance by stock warrant of NT$ 910,000	–	Note 31
2014.11	10	360,000,000	3,600,000,000	80,065,000	800,650,000	Issuance of new share by stock warrant of NT$ 240,000	–	Note 32
2015.03	10	360,000,000	3,600,000,000	80,075,500	800,755,000	New stock issuance by stock warrant of NT$ 105,000	–	Note 33

Year/ Month	Issue Price (NT$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital (NT$)	Capital Increase by Assets Other than Cash	Other
2015.05	10	360,000,000	3,600,000,000	80,580,000	805,800,000	Issuance of new share by stock warrant of NT$ 5,045,000	–	Note 34
2015.09	10	360,000,000	3,600,000,000	80,773,500	807,735,000	New stock issuance by stock warrant of NT$ 1,935,000	–	Note 35
2015.12	10	360,000,000	3,600,000,000	80,805,500	808,055,000	Issuance of new share by stock warrant of NT$ 320,000	–	Note 36
2016.03	10	360,000,000	3,600,000,000	80,862,500	808,625,000	Issuance of new share by stock warrant of NT$ 570,000	–	Note 37
2016.04	10	360,000,000	3,600,000,000	80,892,500	808,925,000	Issuance of new share by stock warrant of NT$ 300,000	–	Note 38
2016.07	10	360,000,000	3,600,000,000	80,897,500	808,975,000	Issuance of new share by stock warrant of NT$ 50,000	–	Note 39
2016.11	10	360,000,000	3,600,000,000	80,902,500	809,025,000	Issuance of new share by stock warrant of NT$ 50,000	–	Note 40
2017.04	10	360,000,000	3,600,000,000	80,928,000	809,280,000	Issuance of new share by stock warrant of NT$ 255,000	–	Note 41
2017.06	10	360,000,000	3,600,000,000	80,951,000	809,510,000	Issuance of new share by stock warrant of NT$ 230,000	–	Note 42
2023.02	10	360,000,000	3,600,000,000	83,305,192	833,051,920	Issuance of new share by convertible bond NT$ 23,541,920	–	Note 43
2023.04	10	360,000,000	3,600,000,000	83,500,821	835,008,210	Issuance of new share by convertible bond NT$ 1,956,290	–	Note 44
2023.08	10	360,000,000	3,600,000,000	87,675,862	876,758,620	Capital increase by cash of NT$41,750,410	–	Note 45
2023.12	10	360,000,000	3,600,000,000	90,432,911	904,329,110	Issuance of new share by convertible bond NT$ 27,570,490	–	Note 46
2024.01	10	360,000,000	3,600,000,000	91,008,759	910,087,590	Issuance of new share by convertible bond NT$ 5,758,480	–	Note 47
2024.05	10	360,000,000	3,600,000,000	91,035,568	910,355,680	Issuance of new share by convertible bond NT$ 268,090	–	Note 48
2024.09	10	360,000,000	3,600,000,000	91,733,665	917,336,650	Issuance of new share by convertible bond NT$ 6,980,970		Note 49
2024.11	10	360,000,000	3,600,000,000	94,166,049	941,660,490	Issuance of new share by convertible bond NT$ 24,323,840		Note 50
2026.03	10	360,000,000	3,600,000,000	94,766,049	947,660,490	Issuance of restricted stock awards NT$ 6,000,000		Note 51

Note 1 Approved date: 1997.06.27. File number:Jian-San-Zi No.:86307599.
Note 2 Approved date :1997.10.24. File number:Jian-San-Zi No. 86345027.
Note 3 Approved date :1998.03.19 File number: Jian-San-Zi No. 87268451.
Note 4 Approved date :1920.10.02 File number: Jing(088)-Shang-Zi No.088136025.
Note 5 Approved date :2001.10.05 File number: Jing(090)-Shang-Zi No. 09001391940.
Note 6 Approved date :2002.12.31 File number: Jing-Shou-Shang-Zi No.:09101518310.
Note 7 Approved date :2003.05.23 File number: Jing-Shou-Shang-Zi No.:09201161350.
Note 8 Approved date :2005.01.31 File number: Fu-Jian-Shang-Zi No.09400279320.
Note 9 Approved date :2006.01.04 File number: Fu-Jian-Shang-Zi No.09428660700.
Note 10 Approved date :2006.07.25 File number: Fu-Jian-Shang-Zi No.09581256700.
Note 11 Approved date :2006.10.20 File number: Fu-Jian-Shang-Zi No.09584310310.
Note 12 Approved date :2006.12.15 File number: Fu-Jian-Shang-Zi No.09586625000.
Note 13 Approved date :2007.09.05 File number: Fu-Jian-Shang-Zi No.09689044500.
Note 14 Approved date :2007.11.21 File number: Fu-Chan-Ye-Shang-Zi No.:09691890210.
Note 15 Approved date :2008.09.04 File number: Jing-Shou-Shang-Zi No.:09701224040.
Note 16 Approved date :2008.09.09 File number: Jing-Shou-Shang-Zi No.:09701223370.
Note 17 Approved date :2010.01.06 File number: Jing-Shou-Shang-Zi No.:09801301370.
Note 18 Approved date :2010.02.22 File number: Jing-Shou-Shang-Zi No.:09901030560.
Note 19 Approved date :2011.02.11 File number: Jing-Shou-Shang-Zi No.:10001025420.
Note 20 Approved date :2011.05.26 File number: Jing-Shou-Shang-Zi No.:10001108280.
Note 21 Approved date :2011.07.25 File number: Jing-Shou-Shang-Zi No.:10001167000.
Note 22 Approved date:2011.11.08 File number: Jing-Shou-Shang-Zi No.:10001256440.
Note 23 Approved date:2012.02.01 File number: Jing-Shou-Shang-Zi No.:10101017460.

Note 24 Approved date:2012.05.11 File number: Jing-Shou-Shang-Zi No.:10101085360.
Note 25 Approved date :2012.09.05 File number:Jing-Shou-Shang-Zi No.:10101185870.
Note 26 Approved date :2013.02.05 File number:Jing-Shou-Shang-Zi No.:10201025270.
Note 27 Approved date :2013.05.13 File number:Jing-Shou-Shang-Zi No.:10201088740.
Note 28 Approved date:2013.11.22 File number: Jing-Shou-Shang-Zi No.:10201239200.
Note 29 Approved date:2014.03.25 File number: Jing-Shou-Shang-Zi No.:10301052680.
Note 30 Approved date:2014.05.12 File number: Jing-Shou-Shang-Zi No.:10301081790.
Note 31 Approved date:2014.08.13 File number: Jing-Shou-Shang-Zi No.:10301154240.
Note 32 Approved date:2014.11.21 File number: Jing-Shou-Shang-Zi No.:10301245170.
Note 33 Approved date:2015.03.30 File number: Jing-Shou-Shang-Zi No.:10401056970.
Note 34 Approved date:2015.05.13 File number: Jing-Shou-Shang-Zi No.:10401080280.
Note 35 Approved date:2015.09.02File number: Jing-Shou-Shang-Zi No.:10401184630.
Note 36 Approved date:2015.12.01 File number: Jing-Shou-Shang-Zi No.:10401251570.
Note 37 Approved date:2016.03.29 File number: Jing-Shou-Shang-Zi No.:10501059550.
Note 38 Approved date:2016.04.27 File number: Jing-Shou-Shang-Zi No.:10501083820.
Note 39 Approved date:2016.08.30 File number: Jing-Shou-Shang-Zi No.:10501210640.
Note 40 Approved date:2016.11.07 File number: Jing-Shou-Shang-Zi No.:10501256240.
Note 41 Approved date:2017.04.24 File number: Jing-Shou-Shang-Zi No.:10601048730.
Note 42 Approved date:2017.06.03 File number: Jing-Shou-Shang-Zi No.:10601072670.
Note 43 Approved date:2023.02.21 File number: Jing-Shou-Shang-Zi No.:11230024110.
Note 44 Approved date:2023.04.06 File number: Jing-Shou-Shang-Zi No.:11230055270.
Note 45 Approved date:2023.08.30 File number: Jing-Shou-Shang-Zi No.:11230167210.
Note 46 Approved date:2023.12.06 File number: Jing-Shou-Shang-Zi No.:11230217840.
Note 47 Approved date:2024.01.31 File number: Jing-Shou-Shang-Zi No.:11330013880.
Note 48 Approved date:2024.05.27 File number: Jing-Shou-Shang-Zi No.:11330081230
Note 49 Approved date:2024.09.20 File number: Jing-Shou-Shang-Zi No.:11330155510.
Note 50 Approved date:2024.11.25 File number: Jing-Shou-Shang-Zi No.:11330204070.
Note 51 The base date for capital increase to issue restricted stock awards was March 20, 2026. As of the publication date of the annual report, the Company already handled share capital change registration with the Ministry of Economic Affairs.

2. Type of Stock Issued

March 28, 2026; Unit: Share(s)

Type of stock	Authorized Capital					Remarks
	Issued Shares			Unissued Shares	Total	
	Listed in TWSE (TPEx)	Not listed in TWSE (TPEx)	Total			
Inscribed common stock	94,766,049	—	94,766,049	265,233,951	360,000,000	—

B. List of major shareholders

Name of major shareholders with over 5% equity share or the top ten shareholders in equity ratio, the number of shares held and percentages are as follows:

Unit: Share(s); March 28, 2026

Shares / Name of Major Shareholders	Number of shares	Percentage
Ning Yuan Investment Co., Ltd.	5,700,000	6.01%
Hsien Yueh Investment Co., Ltd.	5,688,993	6.00%
Chih Yuan Investment Co., Ltd.	5,609,974	5.92%
Li Heng Investment Co., Ltd.	4,533,352	4.78%
Mao Fei Investment Co., Ltd.	4,516,025	4.77%
Jie Cheng Investment Co., Ltd.	4,461,028	4.71%
Dan Zhi Investment Co., Ltd.	3,800,000	4.01%
Hung Choug Investment Ltd.	3,535,450	3.73%
Da Qun Investment Ltd.	2,879,046	3.04%
Jing De International Co., Ltd.	2,500,000	2.64%

C. Dividend policy and implementation

1. Dividend policy

In accordance with Article 19 of the Articles of Incorporation, if there is a surplus in the annual accounts, the Company shall first pay taxes and offset past deficits, and then allocate 10% to the legal reserve. If the legal reserve has reached the total capital, the Company may not allocate more, but instead allocate or reverse the special reserve as required by the regulations or as needed for the business. If there is a surplus, the Board of Directors shall prepare an earnings distribution proposal, which shall be submitted to the Shareholders' Meeting for resolution on allocating dividends to shareholders. The foregoing dividends, legal reserve and capital reserve distributed in cash shall be resolved by over two-thirds of the directors present and a majority of the directors present at the Board meeting, and shall be reported to the Shareholders' Meeting. Aligning with future long-term financial plans, and taking the investment environment and industrial competition into consideration, no less than 30% of annual net profit after tax shall be allocated as shareholders' dividends, and the total distribution amount of cash dividends shall not be less than 10% of the total proposed amount of the annual shareholders' dividends.

2. Distribution of dividends proposed at the Shareholders' Meeting

Currency Unit: NT$

Undistributed earnings for the previous year Retained earnings on investment in the equity method Remeasurements of defined benefit plans	2,913,166,094 21,261 (741,322)
Undistributed earnings after adjustment Add: Net profit for 2025 Less: Provision of legal reserve	2,912,446,033 1,362,738,019 (136,201,796)
Distributable earnings	4,138,982,256
Distribution items: Shareholders'dividends – cash	 941,660,490
Undistributed earnings at the end of the period	3,197,321,766

3. Matters to be explained when there will be major changes in the expected dividend policies: NA

D. Impact on the business performance and earnings per share of the Company resulting from stock dividend distribution proposed at the Shareholders' Meeting.
The board of directors resolved to allocate only cash dividend of NT$ 10per share of earnings for 2025, not from stock dividend distribution.

E. Employee reward and director reward

1. The percentages or ranges with respect to employees', directors', and supervisors' compensation, as set forth in the Company's Articles of Incorporation.
In accordance with Article 19-2 of the Articles of Incorporation, if there is a profit for the year, the Board of Directors shall allocate no less than 2% as employee compensation (At least 10% of the total employee remuneration shall be allocated to non-executive employees), and determine to distribute it by way of stock or cash to the objects, including eligible employees of affiliated companies; the Board of Directors shall allocate no less than 2% as director compensation. Employees' compensation and directors' compensation shall be reported to the Shareholders' Meeting. When there are accumulated losses, the Company shall retain the amount to offset the loss in advance and then allocate employee compensation and director compensation based on the aforementioned proportion.
2. The basis for estimating the amounts of employee and director compensation for the current period, the basis for calculating the number of shares distributed as employee compensation, and the accounting treatment for any discrepancies between the estimated and actual amounts distributed to employees and directors.
In accordance with the Articles of Incorporation, the Company shall allocate no less than 2% of the annual pre-tax profit as employee compensation and no more than 2% of the annual pre-tax profit as director compensation before deducting the compensation distributed to employees and directors. The estimated employee compensation is NT$108,000,000 and the estimated director compensation is NT$6,300,000 in 2028, and they are estimated at the aforementioned proportions.
The differences between the actual and the estimated distributed amount of employee and director compensation are regarded as changes in accounting estimates and listed as profit and loss for the following year.
3. Information about the distribution of employee and director compensation approved by the Board of Directors:
(1) The distribution of earnings for 2025 has been approved by the Board of Directors on March 10, 2026, information of earnings distribution approved by the Board of Directors is as follows:

Items	is passed by the Board of Directors meeting (A)	estimated figure for the fiscal year these expenses are recognized (B)	discrepancy amount (A-B)	reason of the discrepancy and status of the treatment
Employees' Compensation-in Cash	108,000,000	108,000,000	0	Due to changes in accounting estimates, and the difference will be listed as a deduction for expenses in 2026.
Remuneration of Directors - in cash	5,950,000	6,300,000	(350,000)	
Total amount	113,950,000	114,300,000	(350,000)	

(2) The amount of employee compensation to be distributed in shares and its proportion to the total net income after tax and the total employee compensation for the current period, based on the individual or individual financial reports: NA

4. The actual distribution of employees', directors', and supervisors' compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price of the shares distributed), and, if there is any discrepancy between the actual distribution and recognized employees', directors', or supervisors' compensation, additionally the discrepancy, reason, and how it is being handled shall be disclosed.
   The 2024 actual distribution of employees and directors as follows:

Items	is passed by the Board of Directors meeting (A)	estimated figure for the fiscal year these expenses are recognized (B)	discrepancy amount (A-B)	reason of the discrepancy and status of the treatment
Employees' Compensation-in Cash	108,000,000	108,000,000	—	Due to changes in accounting estimates, and the difference will be listed as a addition for expenses in 2025.
Remuneration of Directors - in cash	5,950,000	5,600,000	350,000	
Total amount	113,950,000	113,600,000	350,000	

F. Share repurchases: NA

(II) Corporate Bonds

A. Corporate Bonds

Type of Corporate Bond (Note 2)	Third Secured Convertible Corporate Bond in Taiwan (Note 5)
Date of issuance	2025.06.16
Face value	NT$100,000
Place of issuance and trading(Note 3)	Not Applicable.
Issue price	At 100.00% of face value
Total amount	Total face value NT$1,500,000,000
Interest rate	0%
Term	3-year; mature till: 06. 16. 2028.
Guarantor	NA
Trustee	Taishin International Bank Co. Ltd.
Underwriter	Fubon Securities Co., Ltd.
Certified lawyer	CHIU, YA-WEN
CPA	Chen, Wen-Hsiang and Cheng, Te-Chen
Repayment method	Except for conversion (Article 10) or redemption (Article 18) in the conversion method, and the Company has repurchased and cancelled them through a securities firm, the Company shall, within ten (10) business days after the maturity date of these convertible bonds (inclusive of the tenth business day), repayment shall be made in cash at the face value at maturity once and for all . If the aforementioned date falls on a non-business day of the Taipei Exchange, the payment shall be postponed to the next business day.
Unpaid principal	NT$1,500,000,000
Clause of redemption or premature repayment	1. From the following day (September 17, 2025) after the convertible corporate bond was issued for three months to the date (May 7, 2028) before the issuance period lasted for forty days, when the closing price of common stock of the Company was above 30% (included) of the conversion price for consecutive thirty days, the Company must send a thirty-day Bond Redemption Notice (the period starts from the date of mail sending by the Company, and the maturity date is regarded as the bond redemption base day, and the period should not be the period for bond conversion suspension in Article IX) to bondholders (subject to the bondholder register of the fifth working day before the date of sending Bond Redemption Notice, and the other holders of the convertible corporate bonds obtained via transactions or for other reasons shall be notified via announcement) via registered mail within thirty working days, and the redemption price was the face value of the bond, and all their bonds are redeemed in cash, and Taipei Exchange will be asked to issue an announcement. When it executes the redemption request, the Company shall redeem all the convertible corporate bonds outstanding at the face value in cash within five working days from the bond redemption base day. 2. From the following day (September 17, 2025) after the convertible corporate bond was issued for three months to the date (May 7, 2028) before the issuance period lasted for forty days, when the balance of convertible corporate bond outstanding was less than 10% of the total shares issued, the Company must send a thirty-day Bond Redemption Notice (the period starts from the date of mail sending by the Company, and the maturity date is regarded as the bond redemption base day, and the period should not be the period for bond conversion suspension in Article IX) to bondholders (subject to the bondholder register of the fifth working day before the date of sending Bond Redemption Notice, and the other holders of the convertible corporate bonds obtained via transactions or for other reasons shall be notified via announcement) via registered mail any time afterwards, and the redemption price was the face

<table>
<tr><td colspan="2"></td><td>value of the bond, and all their bonds are redeemed in cash, and Taipei Exchange will be asked to issue an announcement. When it executes the redemption request, the Company shall redeem all the convertible corporate bonds outstanding at the face value in cash within five working days from the bond redemption base day.
3. If a creditor fails to reply to the shareholders agent (Effective upon delivery, subject to the postmark date if the Notice is delivered via registered mail) of the Company in writing by the bond redemption base day as indicated on the Bond Redemption Notice, the Company will redeem the convertible corporate bond at the face value in cash within five working days after the bond redemption base day.
4. If the Company executes the redemption of convertible corporate bonds in advance, the bond holders request to make the conversion deadline at the second business working day after the OTC closing date of convertible corporate bond transaction.</td></tr>
<tr><td colspan="2">Qualifying clause (Note 4)</td><td>NA</td></tr>
<tr><td colspan="2">Name of credit rating agency, date of rating, and Corporate Bond rating result</td><td>Not Applicable.</td></tr>
<tr><td rowspan="2">Attached other rights</td><td>Amount of converted (swap or share subscription) common stocks, global depository receipts or other negotiable securities as of the publication date of the annual report</td><td>As of march 31, 2026 (publication date), no conversion into ordinary shares has been made.</td></tr>
<tr><td>Measures for issuance and conversion (swap or share subscription)</td><td>See details in the Measures for Issuance and Conversion of Third Secured Convertible Corporate Bond in Taiwan</td></tr>
<tr><td colspan="2">Issuance and conversion, measures for swap or share subscription, possible dilution of equity due to issuance conditions, and influence of issuance conditions on the existing shareholders' equity</td><td>Possible dilution of equity
The issued face value of unsecured convertible corporate bonds is NT$ 1,500,000,000, based on Conversion price $287.3, the corporate bonds be converted into about 5,221,000 common stocks, and the dilution ratio is calculated at 5.5% based on the outstanding common stocks of 94,166,000 shares when issued, and the dilution effect should be acceptable.
Influence on the existing shareholders' equity
For shareholders' equity, issuance and conversion of corporate bonds slightly increases corporate debts before conversion, but after corporate bonds are converted into common stocks, the conversion can not only lower debts, but also rapidly increases shareholders' equity to further increase the net value per share.</td></tr>
<tr><td colspan="2">Name of agency entrusted for custody of swap object</td><td>Not Applicable.</td></tr>
</table>

Note 1 Corporate Bonds include publicly offered and privately offered corporate bonds in processing. Publicly offered corporate bonds refer to those which have been validated (verified) by the Board of Directors; the privately offered corporate bonds refer to those which have been approved by the Board of Directors through resolution.

Note 2 The number of rows and columns can be adjusted subject to the actual processing times.

Note 3 Global corporate bond shall be listed.

Note 4 Such as, restricted distribution of cash dividends, external investment, or requirement to keep a certain proportion of assets, etc.

Note 5 Private placement shall be indicated in a significant way.

Note 6 Please fill out Convertible Corporate Bond, Exchangeable Corporate Bond, Corporate Bond issued under shelf registration, or Corporate Bond with attached warrant by nature and then their Information of Convertible Corporate Bond, Exchangeable Corporate Bond, Corporate Bond issued under shelf registration and Corporate Bond with attached warrant.

Type of Corporate Bond (Note 1)		Third Convertible Corporate Bond in Taiwan	
Item / Year		2025	As of March 31, 2026 (Note 4)
Market value of convertible Corporate Bond (Note 2)	Highest	115.5	108.5
	Lowest	99.85	100.5
	Average	103.81	103.2
Conversion price		From June 16 to July 21, 2025: NT$305 From July 22 to December 31, 2025: NT$287.3	NT$287.3
Date of issuance (handling) and conversion price upon issuance		Date of issuance: June 16, 2025 Conversion price upon issuance: 305.0	
Way to perform conversion obligation (Note 3)		Issuance of new share	Issuance of new share

Note 1 The number of rows and columns can be adjusted subject to the actual processing times.
Note 2 Global Corporate Bonds shall be listed by trading place in case there are multiple trading places.
Note 3 Delivery of issued share or Issuance of new share.
Note 4 The date of publication of the annual report for the current year.

(III) Preferred Shares: NA

(IV) Global Depository Receipts: NA

(V) Employee Stock Options:

(A). Employee Share Subscription Warrants

March 31, 2026

Type of employee share subscription warrants (Note 2)	2025 First Issuance of Employee Stock Subscription Warrants
Effective registration date and total number of units	Effective upon filing on April 10, 2025; 2,000,000 shares
Issue (handling) date (Note 4)	2025/4/11
Number of units issued	2,000 Units; 1,000 shares per unit
Number of units still available for issuance	0 Unit
Ratio of the number of issued subscribable shares to the total number of issued shares	2.12391%
Duration	5 Years
Exercise method (Note 3)	Issuance of new shares
Vesting period and percentage (%)	Vesting period and cumulative exercisable percentage of stock option certificates (cumulative) Upon completion of 2 years of service: 50% Upon completion of 3 years of service: 100%
Number of shares subscribed through	0 Share

exercise of the warrants	
Amount of the shares subscribed through exercise of the warrants (NT$)	NT$ 0
Number of unexercised shares	1,968 Units; 1,000 shares per unit
Subscription price per share of the unexercised shares	Latest subscription price: NT$238.1/ share.
Ratio of the number of unexercised shares to the total number of issued shares (%)	2.08993%
The effect on shareholders' equity	These warrants became exercisable starting two years after the issue date. The cumulative maximum exercisable percentages are 50% after two years and 100% after three years, respectively. Since the original shareholders' equity was diluted year by year, the impact remained limited.

Note 1: Employee share subscription warrants include publicly offered and privately placed employee share subscription warrants. Publicly offered employee share subscription warrants are those that have been effectively registered with the FSC; privately placed employee share subscription warrants are those that have been approved by a resolution of the shareholders meeting.

Note 2: Adjust the number of columns according to the actual number of issues.

Note 3: Note whether the method is by delivery of issued shares or issuance of new shares.

Note 4: Fill in all the required information separately for warrants of different issue (handling) dates.

Note 5: If it is a private placement, the fact that it is a private placement should be prominently

(B). Names and Acquisition and Subscription Status of Managerial Officers Who Have Acquired Employee Share Subscription Warrants and the Top Ten Employees (Ranked by the Number of Subscribable Shares) Who Have Acquired Share Subscription Warrants

March 31, 2026

Item	Job title (Note 1)	Name	Number of shares subscribable upon exercise of warrants granted (shares)	Ratio of the number of shares subscribable from the exercise of warrants granted to the total number of issued shares (Note 4)	Exercised (Note 2)				Unexercised (Note 2)			
					Number of shares	Exercise price (Note 5)	Total exercise price	Ratio of the number of exercised shares to the total number of issued shares (Note 4)	Number of shares	Exercise price (Note 6)	Total exercise price	Ratio of the number of unexercised shares to the total number of issued shares (Note 4)
Managerial officers	President	Ho, Lien-Hsun	381,000	0.4046%	-	-	-	-	381,000	238.1	90,716,100	0.4046%
	Assistant Vice President, R&D Department	Yeh, Hsiu-Ting										
	AVP, Accounting Department	Chen, Chih-Chang										
	Assistant Vice President/Finance Dept.	Chen, Chien-Chung										
Employees (Note 3)	Employee	Brent Allan Lovett	675,000	0.7168%	-	-	-	-	675,000	238.1	160,717,500	0.7168%
	Employee	Neil Amundsen										
	Employee	Tim Madsen										
	Employee	Alejandro Sanchez										
	Employee	Loic Lamirault dit Martin										
	Employee	Christian Pirch										

Item	Job title (Note 1)	Name	Number of shares subscribable upon exercise of warrants granted (shares)	Ratio of the number of shares subscribable from the exercise of warrants granted to the total number of issued shares (Note 4)	Exercised (Note 2)				Unexercised (Note 2)			
					Number of shares	Exercise price (Note 5)	Total exercise price	Ratio of the number of exercised shares to the total number of issued shares (Note 4)	Number of shares	Exercise price (Note 6)	Total exercise price	Ratio of the number of unexercised shares to the total number of issued shares (Note 4)
	Employee	Alexander Pereverzev										
	Employee	Yeh, Yi-Te										
	Employee	Wang, Chien										
	Employee	Hsu, Chao-Yang										

Note 1: The names and job titles of the managerial officers and employees should be presented individually (and an annotation should be made in the event an officer or employee has departed the company or died), but the quantities acquired and subscribed may be presented in aggregate sums.
Note 2: Adjust the number of columns according to the actual number of issues.
Note 3: The top ten employees who have acquired share subscription warrants means employees other than managerial officers.
Note 4: The total number of issued shares means the number of shares in the amendment registration information on record with the Ministry of Economic Affairs.
Note 5: For exercised employee share subscription warrants, disclose the exercise price at the time of exercise.
Note 6: For unexercised employee share subscription warrants, disclose the adjusted exercise price as calculated based on the issuance rules.

(VI) New Restricted Employee Shares:

(A). New Restricted Employee Shares

March 31, 2026

Type of new restricted employee shares (Note 1)	2025 First Issuance of Restricted Employee Shares
Effective registration date and total number of shares	Effective upon filing on 2025/7/8; 600,000 Ordinary Shares
Issue date (Note 2)	2026/3/20
Number of new restricted employee shares issued	600,000 Ordinary Shares
Number of remaining restricted employee shares available for issuance	0 Ordinary Share
Issue price	Issued for no consideration
Ratio of the number of new restricted employee shares issued to the total number of issued shares	0.63717%
Vesting conditions of the new restricted employee shares	After employees are granted new restricted employee shares, the restrictions on their rights to receive such new shares shall be lifted according to the schedule below and based on the percentage of number of shares allocated this time: 1 year of employment after grant: 25% 2 years of employment after grant: 25% 3 years of employment after grant: 50%
Restrictions on rights in the new restricted employee shares	(1) For the new restricted employee shares allocated to the employees according to the Regulations, employees shall not sell, mortgage, transfer, gift, pledge, or dispose of shares not yet fulfilling the vesting conditions by other means. (2) Before the new restricted employee shares allocated to the employees according to the Regulations fulfill the vesting conditions, other rights including but not limited to right to receive dividends, bonuses and capital surplus as well as subscription rights for capital increase by cash shall be same as those of ordinary shares already issued by the Company. Relevant operating method shall be implemented in accordance with the trust/custody contract. (3) Before the vesting conditions are fulfilled, the employees' rights to attend shareholders' meetings of the Company, submit proposals and volte and other relevant shareholders' rights and interests shall be entrusted to a trust/custody institution for exercise on their behalf. (4) For employees who fulfill the vesting conditions during a period from the book closure date of the Company's free share allotment, the book closure date of cash dividend distribution, the book closure date of share subscription for capital increase by

	cash, the book closure period of the shareholders' meeting specified in Paragraph 3, Article 165 of the Company Act, or any other statutory book closure date based on facts to the base date of distribution of rights, the time and procedures for lifting the restrictions on the vested stocks shall be implemented according to the provisions of the trust/custody contract or relevant regulations.
Custody of the new restricted employee share	After the issuance of new restricted employee shares, stock trust and custody shall be handled. Besides, before the vesting conditions are fulfilled, employees shall not request the trustee to return new restricted employee shares for any reason or by any means.
Treatment of the new restricted shares for which the grantee fails to meet the vesting conditions after receiving or subscribing to the shares	1. If an employee violates the Company's labor contract, work rules, any contract signed with the Company, or provisions of the Company after being granted new restricted employee shares, the new restricted employee shares granted to this employee but not yet fulfilling the vesting conditions shall be regarded as failing to fulfill the vesting conditions upon the date of such fact, and the Company will recover and cancel this employee's shares free of charge according to law. 2. If an employee handles separation, retirement or severance for certain reason, or dies not due to occupational disasters, this employee will become unqualified to receive the RSA that haven't fulfilled the vesting conditions from the effective date of such fact, and the Company will recover and cancel this employee's shares free of charge according to law.
Number of new restricted employee shares that have been retired or bought back	0 Share
Number of new restricted shares that have vested	0 Share
Number of unvested new restricted shares	600,000 Shares
The ratio of the number of unvested new restricted shares to the total number of issued shares (%)	0.63717%
The effect on shareholders' equity	If calculated based on the number of shares already issued by the Company, the dilution of the Company's earnings per share was limited, and therefore no material impact was imposed on the shareholders' rights and interests.

Note 1: Adjust the number of columns according to the actual number of issues

Note 2: Fill in all the required information separately for new restricted employee shares of different issue dates.

(B). Names and Acquisition Status of Managerial Officers Who Have Acquired New Restricted Employee Shares and the Top Ten Employees (Ranked by the Number of Restricted Shares Acquired) Who Have Acquired New Restricted Employee Shares

March 31, 2026

Item	Job title (Note 1)	Name	Number of new restricted employee shares granted	Ratio of the number of new restricted employee shares granted to the total number of issued shares (Note 4)	Vested Restricted Shares (Note 2)				Unvested Restricted Shares (Note 2)			
					Number of vested shares	Issue price	Total purchase price	Ratio of the number of vested restricted shares to the total number of issued shares (Note 4)	Number of unvested shares	Issue price	Total purchase price	Ratio of the number of unvested restricted shares to the total number of issued shares (Note 4)
Managerial officers	President	Ho, Lien-Hsun	296,000	0.3143%	-	-	-	-	296,000	-	-	0.3143%
	Assistant Vice President, R&D Department	Yeh, Hsiu-Ting										
	AVP, Accounting Department	Chen, Chih-Chang										
	Assistant Vice President/Finance Dept.	Chen, Chien-Chung										
Employees (Note 3)	Employee	Wang, Chien	124,000	0.1317%	-	-	-	-	124,000	-	-	0.1317%
	Employee	Wu, Mei-Ying										
	Employee	Lin, Yung-Hsiang										
	Employee	Hsu, Chao-Yang										
	Employee	Kuo, Kuo-Wen										
	Employee	Huang, Hsin-Yi										
	Employee	Huang, Chi-Ting										
	Employee	Chien, Hung-Chün										
	Employee	Lan, Hsiao-Chien										
	Employee	Su, Ch'eng-Yang										

Note 1: The names and job titles of the managerial officers and employees should be presented individually (and an annotation should be made in the event an officer or employee has departed the company or died), but the quantities acquired and subscribed may be presented in aggregate sums.

Note 2: Adjust the number of columns according to the actual number of issues.

Note 3: The top ten employees who have acquired new restricted employee shares means employees other than managerial officers.

Note 4: The total number of issued shares means the number of shares in the amendment registration information on record with the Ministry of Economic Affairs.

(VII) Issuance of New Shares in Connection with Mergers and Acquisitions: NA

(VIII) Finance Plans and Implementation:

Please refer to the Market Observation Post System (MOPS) > Single Company > Shareholding Changes / Securities Issuance > Fundraising > Execution of Fundraising Plans at https://mopsov.twse.com.tw/mops/web/bfhtm_q2 Enter the Company Code "3617" to access the relevant information.

IV. Operational Highlights

(I) Description of the business

A. Scope of business

1. The Company operates the following businesses:
   (1) Uninterruptible power supply systems design, manufacture and sales
   (2) Power protection and power management systems design, manufacture and sales
   (3) Power electronic equipment related design, manufacture and sales
   (4) Computer peripheral and communication network design, manufacture and sales
   (5) Software design and sales
   (6) All business items that are not prohibited or restricted by law, except those that are subject to special approval.
2. Business ratios at present
   Based on the annual turnover of 2025, the business ratio of UPS system is about 55.98%, that of data center power management about33.52%, that of power protection and management equipment about 8.35%, and that of power adapter and computer peripheral equipment and accessories about 2.15%.
3. Current products (services)
   (1) Various uninterruptible power supply (UPS) systems and update
   (2) Portable power adaption equipment and power charge-discharge technologies
   (3) Smart power-saving ON-LINE UPS
   (4) PV Inverters
   (5) Solar chargers and Energy Storage equipment
   (6) Electronic alternators
   (7) Power protectors
   (8) Emergency Power Systems
   (9) Networked remote power management software
   (10) Remote power management equipment and modules
   (11) Computer peripherals and relevant accessories
4. Planned new products (services)
   (1) Integrated power management software technologies
   (2) Smart energy-saving management systems
   (3) Audio and video equipment power protection and management

B. Industry overview

1. Current status and development of the industry
   (1) Uninterruptible Power Systems, abbreviated as UPS
   UPS plays a role of supplying electric power when the power supply is abnormally interrupted or the current transmission is unstable. The working principle of UPS is as follows: Under normal power supply conditions, the UPS charges the battery by converting alternating current to direct current. Once the UPS detects abnormal voltage or power interruption, it will convert the electricity stored from direct current to alternating current for the continuous use by loads, to achieve the effect of uninterrupted power supply.
   With the rapid development of technological informatization and automation, the development of AI and 5G communication technologies has been accelerated in recent years. The application of AI technology can improve productivity and optimize corporate operations, while 5G communication technology enables more efficient data transmission through the improvement of communication speed and reduction of latency. However, to ensure more accurate training and analysis of AI and support the construction of 5G base stations, enterprises need to rely on

thousands or even tens of thousands of GPUs (Graphics Processing Units). It means that the development of AI technology will substantially increase the demand for electricity. Against this backdrop, UPSs have become an important part for the assurance of the stable operation of these technologies, thereby driving the demand for energy storage and UPSs.

Due to the popularization of the Internet, increasing demand has been raised for electronic devices such as cable TV, broadband network, wireless communication base station, monitoring system, and security system, and new development trends have emerged in the industries like cloud computing and smart grid. As a result, the demand of these markets where UPSs were originally not needed for UPSs gradually increase. According to the forecasts of Research and Markets, an Irish market research institution, the global UPS market scale will reach USD 21.33 billion in 2034. The compound annual growth rate (CAGR) will reach 7.0% from 2025 to 2034.

(2) Data Center and power management

With the high development of science and technology and the universal application of the Internet, commercial and economic activities have been highly informatized, with the advent of cloud service, marginal operation and 5G, the construction and deployment of data center remain highly growing. As pointed out in the research literature of Global Market Insights, the market scale of Data Center Infrastructure has been $68.2 billion in 2024, and will grow to $234.8 billion by 2034 with the estimated CAGR of up to 13.4% from 2025 to 2034. It can be concluded that unwarned lockout of data centers will paralyze commercial activities and result in tremendous commercial loss, thus, it has been an extremely critical topic to provide the Data Center with highly reliable power management to further ensure its service operation without interruption.

Due to the diversity of equipment and power distribution systems of the Data Center, different types of rack-mounted power distribution units are required to meet its various application scenarios. Besides, the Data Center has a high requirement on safety from the power system, all the rack-mounted power distribution units have been strictly certified by UL/TUV to ensure safety, and a considerable certification fee of UL has been a high threshold. Besides, the Data Center occupies a vast area and requires a huge amount of equipment, so equipment operation management becomes very difficult without remote monitoring. Remote monitoring management is realized through the Internet, so the security of Internet modules is critical. Once they are hacked, the operate security of the Data Center will be severely compromised. As the Data Center and power management require total solutions of high security and integrity, the market in the field has been controlled by big foreign factories.

Large foreign manufacturers were engaged in the field of data center and power management and have monopolized and manipulated relevant markets, and it is difficult for domestic enterprises to find an ideal point of entering the markets. Fortunately, led by the strong demands for remote monitoring, high reliability and energy conservation and carbon reduction, data center and power management have demonstrated new opportunities, and newer smart rack-mounted power distribution units (Intelligent Power Distribution Unit) have been adopted in the market. The Company has been engaged in researches on data center and power management for a long time, adopted advanced and highly-reliable technologies for energy conservation and carbon reduction, and designed and developed rack-mounted power distribution units. After long-term and continuous R&D and extension, the Company has accomplished about one hundred types of rack-mounted power distribution units with different specifications, sufficiently has the capacity of integrating all-round power management solutions, and can satisfy the trend demands earnestly expected by data center. The Company has kept highly growing in the market, and with the high-speed construction deployment of data center, the Company will have good opportunities to substantially increase its market shares in data center and power management.

(3) Portable power adapter for power protection and management equipment

The preventive measures against poor power quality of power systems can be to select UPS with the function of integrated power protection, or cheaper surge protectors which can prevent rear-end electronic equipment from being damaged by high voltage of power system. There are two causes for high voltage of power system, one: high voltage is the result of other electronic equipment operation on the power system represented by motor-driven electronic equipment (e.g.: air conditioners, washing machines, refrigerators, blowers, elevators, etc.), voltage sag or swell occurs to the connected power system at the very moment when a motor starts up or shuts down. The second major reason for high voltage of power system is external reasons represented by lightning; when lightning occurs, it is probable that external power distribution systems are hit, at the very instant, excessively high voltage is transmitted to power outlets in every house via power distribution lines, and the electronic equipment plugged in power outlets are impacted by high voltage.

The main function of surge protectors is to inhibit excessively high voltage through voltage clamping elements and to prevent possible harm to electronic equipment from excessively high voltage; when there are suitable power filter elements, too much noise from power system scan be filtered at the same time, the application can perfectly meet the demands for digital home theater. With the popularity of household digital audio and video equipment and consumers' demand for protecting their information equipment from being damaged by high voltage, the market scale of surge protectors grows trend year by year.

Besides, due to the increase of battery capacity of mobile devices, consumers also constantly raise their requirements for charging time; the charging power has evolved from originally common 5W, 10W to over 100W, and the sought-after pursuit for the development of fast-charge specifications keeps reducing the proportion of common chargers available in the market. Since 2020, large mobile phone manufacturers have put forth their decision not to offer chargers with mobile phones successively, which also drives consumers to eliminate old chargers and purchase new-type fast chargers. It is expected that the fast-charge product market will grow rapidly.

With the ever-increasing popularity of wireless network, IOT is applied in a widely extended scope. The construction of smart family has come to be valued gradually. A design of importing power protector into IOT creates a smart socket and also the most fundamental power management and control device for smart family, it can provide power consumption information in a timely manner, execute remote control and sequential control, and also voice control by connecting Smart Speaker. It can realize the energy-saving and cost-saving objectives. Moreover, it can set various scenarios by cooperating the control of IFTTT (If This Than That), making household electricity consumption more convenient, automatic and smarter.

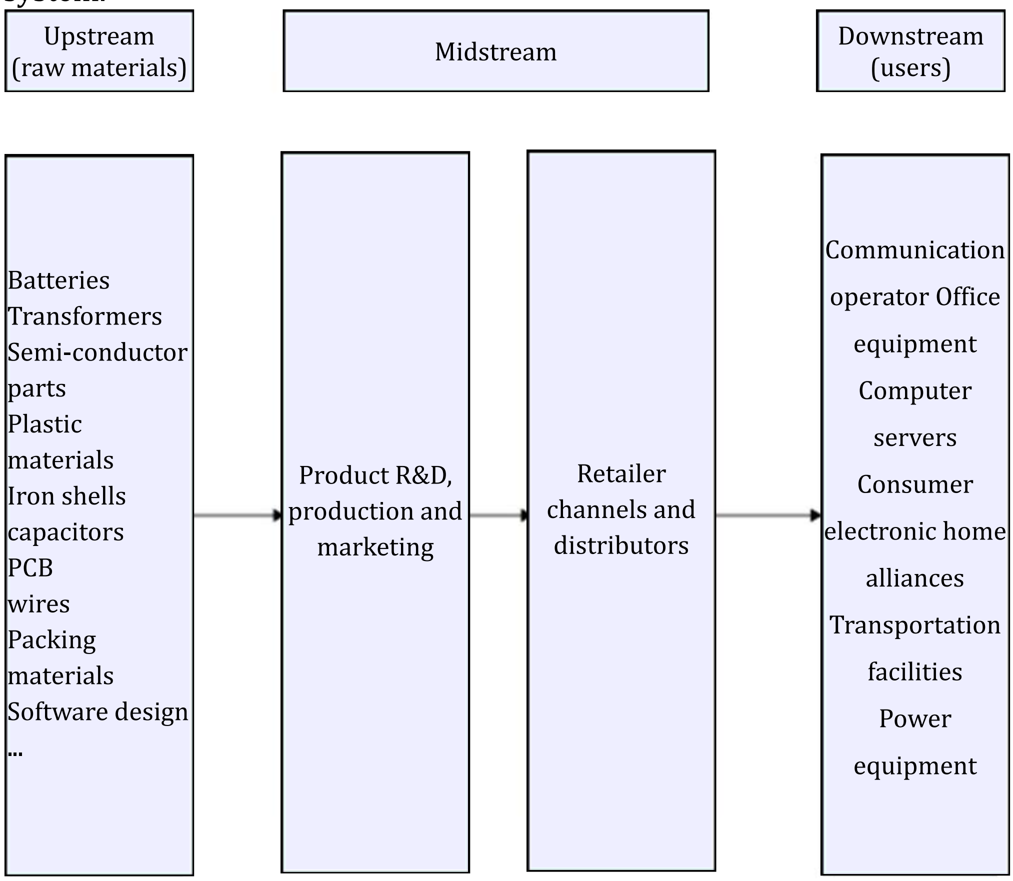
According to estimates from Global Market Insights, the global commercial surge protection devices market was valued at approximately USD 1.38 billion in 2022, and is expected to reach USD 1.45 billion in 2023. The market is projected to grow at a compound annual growth rate (CAGR) of 6.2% during the period from 2024 to 2032, reaching an estimated market size of USD 2.48 billion in 2032.

(4) PV Inverter

Climate change results in global warming, and the traditional coal-fired and gas-fired power generation is being restricted gradually to achieve the goal of reducing carbon emission; renewable energy resources have been currently under active development by many countries and enterprises, and solar power is one of the most renewable energy sources. Though affected by financial crises, trade storms, power plant construction specifications and allowance policies from national governments, the system installed capacity continuously increases: according to the investigation of International Renewable Energy Agency (IRENA), as of the end of 2024, the global generation installed capacity of grid-tied solar power has been over 4,448GW, and the industry is a steadily growing market under the wave of net zero.

2. Upstream, midstream and downstream relationships of industry

The Company specializes in professional design, production and sales of uninterruptible power supply systems and relevant power electronics, and its main upstream parts and components are batteries, transformers, semi-conductor electronic parts (e.g.: Micro-controller, MOSFET, Transistor, Diode, etc.), plastic materials, iron shells, capacitors, PCB, wires, etc., and the products developed and produced by the Company are sold to end users of various downstream industries through its retail channels or distribution system.



3. Development trends of products

(1) UPS development trend and competition status

(A) UPS development trend

With the advent of the Internet era, information and communication devices have raised increasingly strict requirements for power quality, but it is not always easy to balance the power supply and demand, consequently, issues about power quality abnormality occur constantly. To make the future UPS meet the market demands, several important UPS development trends are as follows:

a. Digital UPS with the functions of software interface, remote control, network control and cloud management added:
   Network connection has been a trend, consumers expect that UPS is not only about simple power protection but further regard it as a role of power monitoring and management. UPS, to respond to the market demands, start serving as power manager; to enable users to master the states of all power sources in a real-time manner via UPS, different communication interfaces are added to UPS based on different use environments, such as adding Contact-closure, RS232, USB and even Ethernet inside UPS, aiming to integrate power management as part of the entire network management system. The increasingly advanced semi-conductor technologies strengthen the functions of digital electronic parts and lower their prices increasingly; though the main components of UPS are electric and electronic equipower switch elements, increasingly highly-digitized UPS will be the future trend to respond to the network management demands. The Company is among only few UPS companies which is capable of independently developing Contact-Closure, RS232, USB and Ethernet (SNMP/HTTP) microprocessor interfaces; moreover, the Company is actively committed to the R&D of individual and enterprise power management software conforming to various operating systems of Windows, Mac and Linux, and has been engaged in the digital UPS section for a long time.
b. Miniature, smart and distributed UPS:
   When a lot of equipment need power protection from UPS, it is a common practice to select a large-sized UPS and distribute the UPS power to power up equipment in need; the installation method is called a centralized UPS system; the advantage of a centralized UPS system is that only one UPS needs to be maintained, and its disadvantage is that all power risks are centralized as well and all the equipment will be exposed to the same power risks at the same time once any operation error occurs; meanwhile, as only one UPS is required, so no differentiated adjustment is made for power services required by individual equipment. Another option is to use many small-sized UPS which are installed around the protected equipment, and this installation method is a distributed UPS system. Its advantage is that it is highly mobile and can be separately set for individual load; besides, together with the current network management function and the use of the same model, it is in great demand and can satisfy the objective of mass production. As a result, the prices are increasing competitive, and distributed architecture has become an important option of UPS. The Company starts from small-sized UPS with complete intelligent power management software, sets a firm footing in the small-sized UPS and expands to medium-sized and large-sized UPS.
c. UPS with different functions:
   As they are gradually aware of the importance of power protection, all walks of life are starting to have larger demands for UPS, meanwhile, it is difficult to satisfy so many different demands with standard UPS. It is necessary and also a key challenge to properly modify UPS design to

match the trend of customer demands. The key to the trend is about how to master the latest market information; only when it masters the market information about demand changes immediately, can a company deliver right design to its customers at the fastest speed. The Company sells UPS with its own private brand, so it can receive consumers' demands without delay, and different from OEM/ODM suppliers, we can always obtain information at the fastest speed and react to the market demands rapidly.

d. Highly-efficient and energy-saving UPS:

As it is not easy to obtain power energy, and hydro-power, coal-fired power and nuclear power generation all puts people in dilemma between environmental protection and power acquisition; advanced countries also gradually raise the efficiency standard in their UPS regulations due to the issue of power energy, such as Energy Star, DOE, etc. To respond to the trend, it is a direction to develop more efficient power conversion technologies and design more energy-saving UPS. The core technology of solar power converter used in the attention-getting topic of solar power generation in recent years are the same as the power conversion technology of UPS and the key technology of the safety protection interface, and it is an important UPS development trend in the future to combine UPS and green power generation technologies to provide power generation, power protection and power standby more efficiently.

e. Local service capacity and brand value:

UPS is a power protection system by combining power electronics, microcomputer control and software technologies; as it involves power conversion of power electronics and requires various communication interfaces and management software for power management, there is no better saying that UPS is a system. As it is complex to use UPS in a certain degree, different regions have different regulations and sometimes different power systems, it is necessary to have sufficient service capacity in the sales regions. On the other side, as the market competition becomes fierce, the simple OEM mode cannot add values to products and the profit room is easily compressed; only when they build brands and directly listen to consumers in the market, can manufacturers have the opportunity to know clearly the market in fierce competition. The Company has been marketing its UPS products with the brand of CyberPower at the sales ratio of over 90% (including the OEM service for international distributors and operators), and is completing executing the brand business and localization thinking.

(B) UPS competition status

a. Brand market

In the past, the brand market witnessed fierce competitions but was almost controlled by large time-honored European and American manufacturers, and it is really not easy to enter the deeply-rooted brand market, as the UPS is to provide clean and uninterruptible power, and UPS consumers are deeply aware of the importance of the reliability of power products and highly trust the products and services provided by brand manufacturers in the past, so it is surprising that the life cycle pf UPS products sometimes lasts for over ten years.

The competitions in the brand market are fierce, and the top-ranked manufacturers enhanced their market ranking or product complementarity through M&A in the past years. The Company is on the ranking list in its innovative business model surrounded by strong competitors; keeps expanding its market share, the Company is among few UPS manufacturers in Asia which can be ranked top five in the UPS market with the global capacities of below 1kVA and between 1 to 5kVA; besides, the Company expects to keep being recognized by the market with innovation by launching products for the enterprise use market.

b. OEM market

A high percentage of small-sized UPS systems around the world are manufactured in Asia, and some brand manufacturers transfer to find and cooperate with OEM manufacturers as they lose competitiveness in small-sized UPS manufacturing. It is necessary to strengthen the cost control capacity to keep the OEM competitiveness, and the majority of UPS manufacturers have transferred their production lines to other Asian regions with relatively lower labor costs to save costs. The OEM business might see solid growth if the low costs, fast delivery and excellent quality can remain.

(2) Development trend and competition status of data center and power management

(A) Development trend of data center and power management

With the high development and application of cloud service and margin operation, and with the approach of AI wave and 5G, the high reliability is increasingly demanding for data center and power management. However, as a data center often requires hundreds of thousands of internal information equipment and diversified infrastructure, as s result, the power management of data center is highly complex and difficult, and the important development trends of data center and power management are as below：

a. Remote monitoring:

The remote monitoring system for the smart rack-mounted power distribution units of the Company have simple, flexible and safe features, can collect detailed information of cabinet power and equipment load power supply and keep accurate records of power data, and the data center administer can make trend analysis and precise planning of power allocation for the data center. The remote monitoring system can provide real-time, rich and user-friendly user interfaces and have a highly-safe authorized management mechanism, takes practicality and safety into equal consideration, and easy-to-use for administers. Once equipment is beyond set critical value or any problems occurs, the remote monitoring system sends a warning notification in a real-time and automatic manner through SNMP, E-mail and other network protocols to avoid unwarned downtime of data center and substantially enhance the high reliability and availability of data center.

The remote monitoring system has diversified network interfaces can realize management through Web, SNMP interfaces, etc., and possesses a rigor and complete encryption system and robust password management. A data center administer can remotely log in, configure and manage equipment, saving valuable time and reducing costly equipment downtime. The administer can also remotely set the orders to turn on or off every socket power source to minimize the possibility of surge current overload and avoid start-up disorder which might result in power interruption. When the service equipment of the data center fails to respond, the administer can remotely restart the power to resume service as well which dramatically reduce the management cost and time, and pre-plan to set and keep socket off to avoid unauthorized use or man-made operation mistakes at the site which cause rack equipment to be shut down wrongly, service interruption and even severe loss.

The smart rack-mounted power distribution units have the Metered-by-Outlet power management function, inspect the equipment energy utilization ratios in a real-time manner, and provide relevant information about cabinet temperature and humidity and so on by combining the plug-and-play environmental monitoring module, and the administer can rapidly search abnormal and idle equipment of the data center based on the power, energy consumption and environmental data, and use the results as an important reference for optimizing the energy efficiency of data center. The administer, based on the recorded rack power and environmental information, can accurately forecast the expansion demands, optimize the available capacities of cabinets, and configure the rack-mounted power distribution units and cabinet equipment easily and rapidly. Besides, the remote monitoring system can update the firmware in a timely manner via network, do mass and rapid deployment, and keep the latest functions and highest safety levels to maintain the optimal state all the time.

b. High-reliability design:

The smart rack-mounted power distribution units of the Company boasts the high reliability design with the redundant internal circuit system, adopts the dual-power architecture or latch relay, this means that there is still power output even though the rack-mounted power distribution unit fail, not affecting the power supply for key equipment. Besides, safety-certified highly-safe breakers are adopted rather than ordinary fuses, they are easily maintained and or professional electricians are required to replace fuses, and this can eliminate installation errors to compromise use safety. The remote monitoring system is designed to have the function to monitor breaker tripping and reminds the data center administer of any abnormal breaker tripping by a real-time warning to rapidly respond to and deal with the issue. It can record abnormalities synchronously for subsequent deep abnormality analysis to further eliminate latent risks of power distribution circuits.

Besides the high-reliability design of its electronic circuit, the mechanism of the rack-mounted power distribution units is in highly robust design, adopts UL/TUV-certified high-quality input cables, output sockets and terminal fixed bases, and is more safe and durable than that made from ordinary-quality and low-cost materials and parts. Solid cases are mainly in the non-vented design to protect internal electronic components from being affected by external particle matters. The frame is compact in size and very easy to install, reduces airflow obstruction, and is greatly conducive to the cabinet cooling capacity. The smart rack-mounted power distribution units can withstand extremely high operating ambient temperature (60°C/140°F) and maintain full-load operation inside a high-density cabinet. The remote monitoring module is designed to be easy-to-maintain and hot-plug-play and can be repaired or replaced without shutdown, as the rack-mounted power distribution units can keep supplying power to post-level equipment. The three-phase model adopts the phase-staggered outlet wiring which can simplify the wiring of equipment and also help keep the balance of three-phase load current.

The IEC outlet is also equipped with the safe lock mechanism which is the original patent design of the Company to prevent the input-end or equipment power cables from being loose due to vibration or human errors.

c. Energy conservation and carbon reduction design:
With the considerable increase in performance and quantity of data center servers, the power consumption keeps rising, and data center has been a high energy-consuming unit. Under the context of global climate change, it has been a world concern on how to improve and import the green and energy-saving philosophy. The rack-mounted power distribution units of the Company is designed to be energy-saving and can effectively save 75% of idle power consumption compared with those with general and traditional specifications. It is believed that rack-mounted power distribution units designed to save energy and reduce carbon will be universally adopted for data centers, this can save a huge amount of energy, reduce carbon footprints, and also lower high electric charges, which more conforms to the trend of international green and environmental protection and corporate social responsibilities.
The intelligent rack-mounted power distribution units, besides the energy-saving design, is designed to have high-precision charged meter (with ±1% Accuracy) which can measure different types of load equipment. According to the displayed measured results, the optimum visible current can be precise to 0.1A, and the charged measurement standards remain applicable even for ultra-low-power-consumption equipment. Moreover, they can constantly and intensively collect power data and provide information of equipment high-precision power consumption to calculate the reference indicators of PUE (power usage effectiveness) of data center as important basis of energy conservation optimization. PUE has been widely used to measure the energy-saving effectiveness indicators of data center; based on the quantitative indicators, an administer can improve the energy conservation of data center.

d. Integrated complete solutions
Required by AI, cloud service and highly-intensive operation of big data, it has been a trend that the single cabinet power density of data center goes up every year. According to the research report of Uptime Institute, in 2020, 16% of data center reached 20 (kW/rack) and 71% reached 10 (kW/rack), and the average power density per cabinet was 8.4 (kW/rack); but in 2011, the average power density per cabinet was was only 2.1(kW/rack). The Company's rack-mounted power distribution units are high-power, provide high power and can be used in strict high-density cabinets. 400V high-voltage models are also available, are good for optimizing power transmission efficiency, can be under operation in a low-current environment, and use small cables, which can lower costs and realize energy conservation and carbon reduction.
The rack-mounted power distribution units of the Company can satisfy high-capacity and high-density use requirements, and the high-reliability dual-input models provide input-end redundancy, can seamlessly and automatically switch to another redundancy for power input to maintain highly-reliable power supply when power input abnormalities occur. In addition, the intelligent rack-mounted power distribution units have the patented color management design and are extremely suitable for data centers which occupy a vast area and require a huge quantity of equipment;

color management can reduce man-made operation errors, and make it easy to rapidly solve problems in field, and save a lot of time for confirmation. The rack-mounted power distribution units are designed to appear in different dimensions of 0U, 1U and 2U and are suitable for different cabinet space requirements, and are optionally configured with various of power cables and output outlets complying with multiple national systems and standard are, so they can fully satisfy the demands of diversified application scenarios and enhance the speed and elasticity of data center deployment.

Different cabinets of data center have different power consumption requirements, and power distribution systems are considerably different. Without an integrated solution, it is difficult to satisfy the diversified application demands of data center. The data center and power management system of the Company is configured with integrated solutions and hundreds of rack-mounted power distribution units of various types, which can fully satisfy various application demands of data center.

(B) Competition status of data center and power management

Due to the diversified cabinet power demands and power distribution systems of the Data Center, different types of rack-mounted power distribution units are required to meet its various application scenarios. The integrated power management solutions of the Company are subject to long-term collection of data center demands, under constant R&D and expansion and have been configured with hundreds of rack-mounted power distribution units of different types after years of efforts. The Data Center has a high requirement for safety from the power system, all the rack-mounted power distribution units of the Company have been strictly certified by UL/TUV; a considerable security certification fee has been a high threshold. Remote monitoring is an indispensable function of data center and power management, but results in the concern of network security; once any hacker intrudes into the system, the data center will be exposed to huge risks. The Company has invested significant R&D resources into the security of remote monitoring network modules and kept improving and developing in the field for over twenty years; the remote monitoring network modules have been accepted and recognized by the American Government and large companies, and applied in data center in a large scale, eliminating the concern about security after years of use. The data center and power management systems of the Company have complete and strong functions, possess all-round integrated solutions, and are supported by tenacious network security, and have been the best option of data center and power management.

(3) Development trend and competition status of power protection and management equipment of portable power adaptor

(A) Development trend and competition status of power protection and management equipment

Power protection was generally applied in computers and other information products; as the power environment gets deteriorated and consumers have a growing sense of power protection, on top of continuous application in computer information products, there are the following development trends of power protection:

a. Power protection and management of audio and video equipment:

With the popularity of home theater, consumers are increasingly willing to invest in costly video and audio equipment at home; the costly video and audio equipment requires clean power environment for premium-quality image and voice quality, and a growing number of consumers are willing to purchase audio and video power protection and management equipment to avoid harm from power surges to costly video and audio equipment.

b. Power protection and management with the energy-saving function:
As the energy-saving topic draws people's more attention gradually, it is also a future development trend to add the function of energy-saving management in power protection equipment.

c. Power protection and management with the remote control function:
With the popularity of webucation, consumers expect to link all their electronics to their networks to facilitate the remote management of the electronics via the network convenience. It is also a future development trend to install a Communication interface in power protection devices and turn on or off power switches via remote control.

d. Power protector with the charging function:
With a growing number of mobile devices, consumers also have dramatically higher charging demands. Excessive chargers result in the severe insufficiency of power protector outlets, so consumers expect that power protectors could be equipped with charging function to reduce the use of chargers, as a result, the demands for power protectors with charging function go up rapidly year by year. Power protectors even could be combined with wireless charging devices.
The power protector principles are not difficult, but it is not easy to design power protectors complying with safety regulations. To control the safety in the use of power protectors and avoid risks from bad-quality power protectors rampant in the market, the regions head by the USA and Canada have established safety regulations exclusively for power protectors to ensure the product safety. As the safety certification application is demanding and costly, it naturally evolves into an access threshold of power protectors. Therefore, though the products are fiercely competitive in the market, it is not easy for new manufacturers to enter the market. The Company possesses the environment and facilitates complying with various safety testing of UL, CSA, cUL, ETL and TUV, and can do testing according to relevant safety regulations in the laboratory to accelerate product development
Besides, consumers expect more from using power protectors. It is difficult for traditional power protector manufacturers to integrate more and more functions in power protectors, but we have mature technologies, so we have great competitive advantages in the composite products by integrating charging function, wireless charging, IOT, etc., which is also manifested by the power protector performance growth.

(B) Development trend and competition status of portable power adaptor
Portable power supplies have emerged with the popularity of portable electronics (portable electronics are: laptop, mobile phone, digital camera, portable video and audio equipment, etc.), different portable electronics have different power demands, so no specific regulations are available to follow for various portable power adapters, instead, adapter demands follow market demands, therefore, manufacturers of such power products must have a certain understanding of the market, as it is the key of success to master market demand trends at any time and launch right products in time. Thanks to the constant upgrading of battery technologies, battery capacities are increasingly larger. To shorten the battery charging time, mobile device manufacturers constantly introduce new fast-charge specifications, resulting

in disordered market specifications; but the charging protocols for USB PD are getting complete gradually, the market starts to integrate and unify the charging protocols which are compatible with USB PD to obtain larger charging power, and the USB PD is gradually getting the mainstream market specification. The Company also has made advanced layout in the field and designed smarter and more intelligent power adapters which can automatically distribute power more effectively, remarkably shorten the charging time of multiple equipment at the same time, and provide users better charging experience.

Except for the improved fast-charging power, portable power adapters are featured to be brought and used by consumers anywhere, so the light, thin, short and small design is an inevitable market trend. In recent years, the GaN material technology has been much accounted of and greatly improved the design of switching power supplies in frequency and heat dissipation; the Company has also designed multiple small, high-power-density power adapters to meet the market expectations.

The Company has been engaged in the portable power market since 2002, and can be hailed as one of pioneers of the product segmentation, possessed patents in multiple products, and keeps innovating in relevant fields it is believed that the Company can witness sustainable and steady performance growth.

(4) Development trend and competition status of of PV inverter

In the future, with the high-power development direction, PV inverters can pursue the development in the field of other alternative energy, such as wind power generation, hydro-power generation, biogas power generation, energy storage systems, etc. As the proportion of renewable energy is getting higher and higher in the power grid system, it is imperative to consider how to fully exploit the renewable energy; in the future, intelligent inverters can autonomously regulate power based on the grid status, and battery-equipped energy storage system can make energy application more elastic, further facilitating the future planning of integrated grid.

C. Technology and R&D overview

1. Technology level and R&D of businesses operated

Since its inception, the Company has set R&D units and get down to research and development of small-sized uninterruptible power supplies, and expanded its R&D units with the annual growth of business volume; at present, it has divided its R&D department into seven independent units by product category and established institution, Software Division and Research & Engineering Center to offer cooperation in projects. Thanks to the efforts of the R&D units in the past, the Company has obtained a total of 233 patents from all over the world and submitted another 30 patent applications being processed currently.

2. R&D expenses in the most recent year and as of the publication date of the annual report

Unit: NT$ Thousand

Year / Item	2025	As of March 31, 2026
R&D expenses (A)	471,562	116,594
Operating revenue (B)	11,869,881	2,931,932
Proportion (A)/(B)(%)	3.97%	3.98%

3. Technologies or products successfully developed
   The products successfully developed by the Company are classified by category and described as below:
   (1) UPS systems
      - Off-line UPS
      - Online interactive UPS
      - Online UPS
      - Modular UPS
      - 3-Phase UPS
      - Telecom UPS
   (2) Products of data center and power management
      - Basic power distribution units
      - Metered power distribution units
      - Monitored power distribution units
      - Switched metered-by-outlet power distribution units
      - Metered-by-outlet power distribution units
      - Metered-by-outlet Switched power distribution units
      - Automatic power switch devices with monitoring function
      - Automatic power switch devices which can control individual sockets
      - Per-socket metering-type switching-mode automatic power switch devices
      - Environmental sensor
   (3) Power protection and management equipment of portal power adaptor
      - Mobile power adapter
      - Universal power adapter
      - Home theater power surge protector
      - Omnidirectional surge protector
      - Family/enterprise surge protector
      - Mobile device power surge protector
      - Equipment power surge protector
   (4) PV converters
      - Grid-tied PV Inverter
      - MPPT Charger
      - Hybrid PV Inverter
   (5) Computer peripherals and relevant accessories
      - USB hubs
      - USB cables
      - USB mobile power

D. Long-term and short-term business development plans
   1. Short-term plan
      (1) Product strategy
      Keep improving existing products, strictly strengthen quality control, and continue development products meeting market demands by virtue of the current technological capacity to ensure that the Company can constantly enhance its market share.
      (2) Production strategy
      Strengthen cost control, actively seek suppliers with whom can have long-term and strategic cooperation, enhance production efficiency, strengthen educational training for production personnel and implement quality policies.
      (3) Marketing strategy
      Keep good interaction with customers and act more active to deeply understand their demands to achieve customer satisfaction. Meanwhile, based on the existing

brand business, actively develop new customers and enhance the market share by taking advantage of existing production lines.

(4) Financial coordination

Based on the principle of prudent operation, the own funds and earnings from operating earnings of the Company are its major operational capital Company, supplemented by bank financing.

2. Long-term plan

(1) Product strategy

To ensure that the expected future performance growth is supported by a strong R&D team, the Company plans to recruit more researchers and developers, also encourage the current ones to actively attend internal and external educational training, and energetically foster their technological and innovation capacities. Possessing sufficient R&D talents allows the Company to strengthen its production lines in depth and properly extend them in breadth, so as to demonstrate its products more professionally and serve consumer groups on more levels.

(2) Production strategy

Expand the plants to enlarge the production volume, vertically integrate suitable critical raw materials, increase the ratio of automatic production and shorten suppliers' material lead-time, hoping to comprehensively enhance the cost and quality control.

(3) Marketing strategy

The Company will continue promoting the business of its own brand CyberPower, explore new brand sales regions one by one, be sincerely engaged in developing the brand business and serving a market in every region. The Company is in no hurry to sell its products to every region, but expects fruitful achievements after endeavors for a while once it determines to enter a new region.

(4) Financial coordination

Construct the most suitable capital portfolios by using the post-listing Diversify the domestic and overseas fundraising channels to respond to the larger operation scale and growing business volume of the Company.

(II) Market and sales overview

A. Market analysis

1. Major product (service) sales (delivery) regions

Unit: NT$ thousand; %

Sales regions \ Year		2023		2024		2025	
		Amount	%	Amount	%	Amount	%
Domestic sales		126,950	1.08	152,439	1.22	162,958	1.37
Export sales	America	8,591,508	73.24	9,461,612	75.74	8,547,769	72.01
	Europe and Africa	2,034,398	17.34	1,491,172	11.94	1,236,643	10.42
	Asia and Oceania	932,935	7.95	1,217,002	9.74	1,606,655	13.54
	Others	45,377	0.39	169,775	1.36	315,856	2.66
Total		11,731,168	100.00	12,492,000	100.00	11,869,881	100.00

2. Market share

The Company is primarily engaged in export of its own brand CyberPower at the percentage of over 90% (including OEM services for retailers and Telecom operators) to mainly America and Europe.

The top-ranked retailers in North America, such as Best Buy, Office Depot, Wal-mart, etc., and distributors, such as Ingram Micro, Tech Data, D&H, etc., all sell CyberPower products. It is worth mentioning that CyberPower, as a leading manufacturer of global power management solutions, is committed to providing all-round power management and protection solutions for families, enterprises, and data center equipment rooms.

The Company was selected as one of Data Center 50 (One of Top 20 Infrastructure Vendors) for consecutive three years from 2013 to 2015 by the magazine of CRN, Subcategory Winner of CRN's 2019 Products of the Year and 5-star Vendor in 2021 Partner Program Guide from 2019 to 2025; as shown in Circana (2024Q1), CyberPower was ranked No. 1 of UPS system brands in North America; according to the statistics of Frost&Sullivan (2023), CyberPower was Strongly competitive in the 1-5KVA category. Thus, it can be concluded that the CyberPower is among few excellent manufacturers in Taiwan which can enter the mainstream channels in North America.

3. Future market supply, demand and growth

As predicated by the Irish market research agency Research and Markets, the global UPS market will see a scale of $21.33 billion by 2034, from 2025 to 2034 with the CAGR (composite annual growth rate) at 7.0%. It can be concluded that the whole UPS market is large in scale and shows a stable growth trend, and it is not difficult to discover that there is a huge growth room after comparing the predicated global UPS market scale and the current operating revenue of the Company. Mobile devices, such as laptop, mobile phones, etc., are being used at a rapid development pace and have constantly growing demands for portable power adapters, cloud service, margin operation and 5G are approaching, and the construction and deployment of data center maintain rapid growth, all of which provide the Company with the development space in the data center and power management market.

4. Competitive niches

The Company performs its business operations itself from product R&D to marketing, and various competitive niches are analyzed as follows:

(1) Brand marketing

Since its establishment in 1997, Cyber Power Systems Inc. has been attaching great importance to the operation of its own brand CyberPower. It has been over twenty years, and the operation mode is unique among the UPS manufacturers in Taiwan; after years of efforts, the brand value of CyberPower has been deeply rooted in consumers. Relying on the brand, we can have more opportunities to listen to consumers, and Asian companies have opportunities of rapid response, flexible manufacture, excellent cost structures, etc., it seems not difficult for us to win some market share in the UPS industry.

(2) Product specifications

As its brand products have been selling on various levels in the market, the Company has many opportunities to hear consumers' complaints and expectations for product improvement, and complaints are also our intangible assets. By interacting with consumers, we have the opportunity to foresee product development trends early one pace, and Asian companies can always seize the opportunities for specific products as they have faster development paces than companies in European and American companies.

By virtue of its previous word of mouth, a growing number of large users recognize our professionalism and have invited us to formulate the power specifications for their future products, and this allows us to have more opportunities to understand product development trends before specifications haven't been specified. Being able to assist customers in setting their specifications represents that we have been recognized in the market by our professionalism and also we can seize opportunities in the changing market in the future.

(3) Product R&D

The Company believes that the sustainable brand growth reply on solid R&D fundamentals and constantly innovative products. Since its early days, the Company has established the R&D department specializing in technological research and product development, and currently has seven R&D departments for R&D of different product lines; to improve engineers' mastery of technologies and expedite development, the Company has complete UL, cUL, CSA, ETL and TUV laboratories and 7m*4m*3m professional anechoic chamber so that the R&D staff could keep track of product development progress. Besides product R&D units, the Company independently develops power management software and SNMP/HTTP network connection modules to effectively enhance added values of products. The Company has possessed over 300 patents including those being processed, and is one of the world-leading teams among UPS manufacturers which can address power issues comprehensively.

(4) Manufacture

The Company is among few brand manufacturers which insists on independent manufacture. In terms of power supply product quality, it is indeed difficult for inexperienced manufacturers to detect imperceptible quality changes; if such imperceptible changes cannot be detected, it is not easy to know clearly changes in product quality in advance, after all, power supply products are analogy circuits rather than digital products, many answers are possible between 0 and 1. The Company has its own plants and can effectively control product costs, quality and lead-time, which remarkably contributes to the enhancement of its overall competitiveness.

(5) Integrated power solution provider

Through analyzing the competitive niches of the Company, it can be concluded that the Company has the capacities of product R&D, software design, manufacture, operation management and marketing, and has accumulated substantial brand value, and it is the most competitive integrated power supply provider currently available in the market.

5. Advantages, disadvantages and responsive strategies in future development

(1) Advantages

(A) The industrial market scale is large, the demands maintain stable growth, and the Company has a large growth space.

(B) The Company has the CyberPower brand and has marketed its products to mainstream channels.

(C) The Company possesses a world-leading integrated R&D team which can realize rapid product development.

(D) The Company has strong manufacture capacities as its backup to effectively control costs and quality.

(2) Disadvantages

(A) Rapidly changing international economic conditions.

(B) Risks from changes in exchange rates

(C) Increase in manufacture costs

(3) Responsive strategies

(A) Actively expand the markets in emerging regions and countries and constantly develop advanced products, and make Cyberpower consumers' first UPS choice through effective brand operation activities and product promotion. Constantly extend the integrated services for its existing customers from product design, mass production, logistics support, distribution to after-sales service to strengthen its strategic alliance with the world's large manufacturers and to master industrial trends and development.

(B) Constantly strengthen its financial staff's awareness of foreign currency assets hedging, follow information from the online real-time system and strengthen contact with financial institutions to study and assess exchange rate fluctuations as a reference for forward futures transaction and foreign exchange settlement. Meanwhile, try to use one and the same currency for sales revenues as purchasing expenses to achieve the effect of automatic hedging.

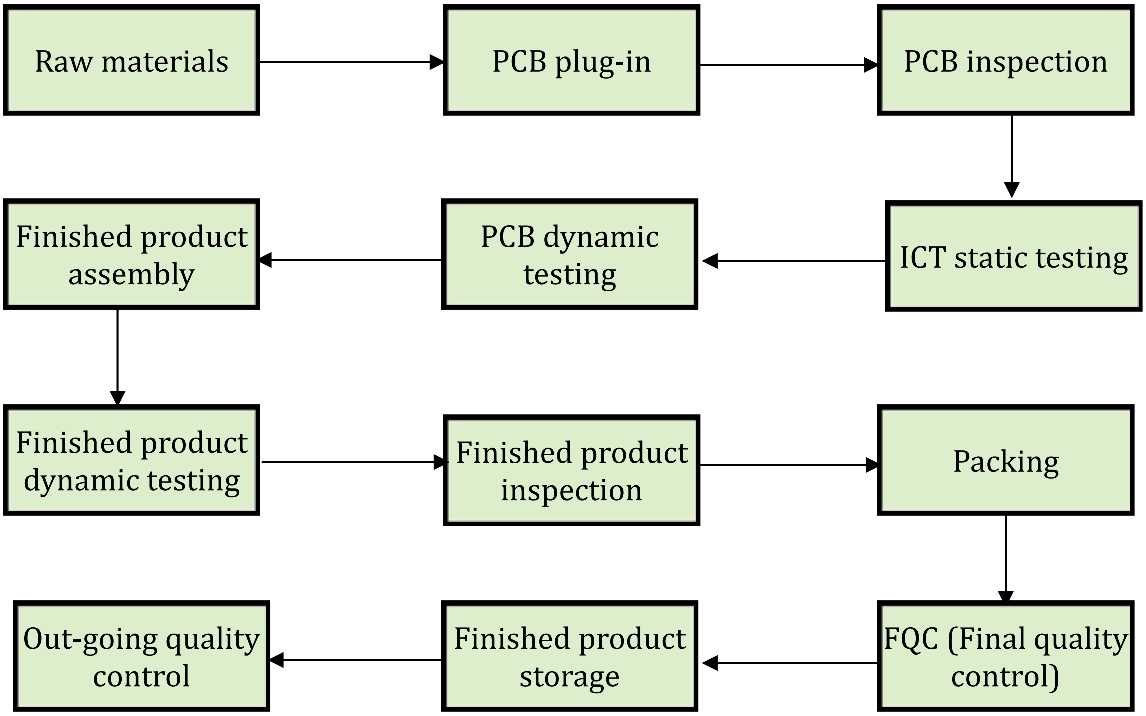
(C) The Company maintains good interactions with its suppliers to keep the stability of raw material supply, and also communicates with its customers to properly reflect the increased costs caused by the mark-up on raw materials. In addition, the Company strengthens its production-marketing coordination capacity, accurately master product lead-time, and keeps track of changes in market demands and inventory via the information system, and the Manufacture Division flexibly revises the production plan to accurately follow lead-time and satisfy customer demands.

B. Important purposes and production process of primary products

1. Important purposes of primary products

Product item	Product purposes
UPS system	Clean power supply equipment, automatically switch to battery power supply when power off to prevent computers, communication devices, consumer electronics, important medical and transportation equipment from not functioning properly due to power outage.
Data center and power management system	Provide highly-reliable and highly-safe power distribution and electricity management functions for data center and give pre-warnings to avoid unwarned shutdown, significantly enhance the high reliability and high accessibility of data center power supply. The intelligent models are equipped with charging high-precision meters, can be regarded as important indicators of energy-saving optimization of data center, and satisfy the all-round and diversified power distribution demands of data center.
Power protection and management equipment of portable power adapter	Light, think, short and small power adapters are carry-on and convert ambient easily accessible power sources into available power for mobile electronics, such as laptop, mobile phone, PDA, digital camera, etc. Filter high-frequency noise from the power system at normal time , and absorb high voltage energy through the voltage clamping elements when voltage surges occur to the power system to prevent the rear-end electronic equipment from being damaged by voltage surges.
Solar inverter and Energy Storage equipment	The DC power generated by the solar panels is converted into AC power through the converter and provided to the grid. If there is energy storage equipment, the power can also be stored in the energy storage equipment and provided to the load when needed.
Others	Customized electronics, such as USB hubs, cables, etc.

2. Production process of primary products



C. Supply of major materials

The major raw materials for the Company's products are batteries, transformers, semi-conductor electronic parts, plastic materials, iron PCB, cables, etc., from numerous suppliers, the low proportions of purchasing amounts from specific suppliers are not high, so centralized purchasing occurs. To maintain the raw material price elasticity, the Company can maintain long-term and good partnerships with suppliers to guarantee the stability of supply sources, and also keeps contact with other suppliers doesn't sign long-term supply contracts with suppliers which has good supply performance and never provide short quantity or interrupts supplies.

D. Name of customers that account for 10% or more total purchases (sales) in any one of the past two years and the amount and proportion of purchases (sales), as well as the reason for change

1. Information about suppliers that account for 10% or more total purchases in any one of the past two years and the amount and proportion of purchases, as well as the reason for change

   During the past two years, the Company has not purchased goods accounting for 10% or more total purchases from a single supplier, and the purchase sources are discrete, so the supply is stable, the financial data of the First Quarter of the year 2026 that has not yet been reviewed by accountants.

2. Information about customers that account for 10% or more total sales in any one of the past two years and the amount and proportion of sales, as well as the reason for change

Unit: NT$ Thousand; %

Year	2024				2025			
Item	Name of customer	Amount	Proportion of net sales for the year (%)	Relationship with the Issuer	Name of customer	Amount	Proportion of net sales for the year (%)	Relationship with the Issuer
1	Company A	2,885,985	23.10	NA	Company A	2,587,275	21.80	NA
2	Others	9,606,015	76.90	–	Others	9,282,606	78.20	–
	Total	12,492,000	100.00	–	Total	11,869,881	100.00	–

Note: as of the date of publication of the annual report, the financial data of the First Quarter of the year 2026 that has not yet been reviewed by accountants.

Variance analysis:

The Company is export-oriented, regards the North America market as its main sales region, and gradually expands the markets outside North America; as a whole, no significant abnormalities occurred to changes in sales customers in the past two years.

(III) Employees information

Employees information in the two most recent years and as of the date of publication of the annual report is listed as below:

Item		2024	2025	As of March 31, 2026
Number of employees	General staff	381	366	366
	Total	381	366	366
Average age		40.6	41.2	41.4
Average experience		7.6	8.4	8.6
Education	Above graduate school	28.1%	28.1%	28.3%
	Senior college	68.5%	68.5%	68.5%
	Senior high school	3.4%	3.4%	3.2%
	Total	100%	100%	100%

(IV) Environmental protection expenditure

A. As of the date of publication of the annual report, the total loss (including compensation) and penalties suffered by the Company from environmental pollution in the past year, future responsive strategies (including improvement measures) and possible expenditure (including potential loss, estimated penalty and compensation amount. If the amount cannot reasonably be estimated, explain the reason): NA.

B. Relevant information of the Company to respond to EU's RoHS as follows:

The Company, to respond to the green environmental protection trend, has been adopting the lead-free manufacture technologies for products sold to Europe since June. 2006, and introduced lead-free manufacture across all the plants since 2007, and no relevant hazardous substances disclosed in RoHS are not used in product manufacture, so no pollution occurs. In addition, to ensure that raw material sources conform to the regulations of RoHS, the Company requests its raw material suppliers to provide certifications complying with relevant regulations. To sum up, the Company's business operations don't pollute the environment.

(V) Labor relations

A. Employee welfare measures, education, training, retirement mechanism and implementation, as well as agreements and measures to protect the rights of employees

1. Employee welfare measures

(1) Provide national health insurance, labor insurance (including occupational accident insurance) and regular health examinations according to law

(2) Join Employee Welfare Committee in compliance with the Employee Welfare Act, the Committee is responsible for handling various employee welfare, and allocates welfare funds by setting a capital sum or from monthly revenue, employ salary, leftover sales, etc.
(3) The employees of the Company enjoy group insurance including medical or accident insurance, and the insured objects include employees, their spouses, children and parents.
(4) The Company regularly organizes employee welfare activities and has detailed welfare plans and budgets every year, including gifts for three festivals for festivals, domestic and overseas travel allowances, subsidies for weddings and funerals, hospital allowances for employees, lucky draw prizes, employee dinner subsidies, birthday gifts, etc.

2. Education and training measures
(1) To enhance its employees' professional skills and capacities, strengthen their work efficiency and emphasis on product quality and improve the product quality, the Company proposes annual educational training schedules based on the work needs and executes the schedules, irregularly gives internal management and professional training courses, and dispatches employees to attend external courses and training as needed to strengthen functional employees' professional capacities.
(2) The Company organized, sponsored, and gave relevant training courses with competent authorities, accountant firms and the industry in 2025, and its actual annual training expenditure was about NT$193,000.

3. Retirement mechanism and implementation status
The Company has established the employee retirement methods in accordance with the Labor Standards Act and allocated the pension reserves at a fixed percentage of an employee's monthly salary based on Labor Pension Reserve Contribution and Management Methods to Bank of Taiwan (Central Trust of China was incorporated into Bank of Taiwan), and the difference between the actual retirement pay and the pension reserves shall be listed as an expense for the period.
Since July 1, 2005, the Company has adopted Labor Pension Act (hereinafter referred to as the new pension system) our establishment, the Company has adopted a new pension system, the defined contribution benefit system is adopted for determining service years of employees for whom both the former and new pension systems are suitable and service years of employees who join the Company after the new pension system was adopted; the pension benefit is paid by the Company against monthly salaries, and no less than 6% of an employee's monthly salary is contributed to the designated personal pension account. When the portion is via defined contribution, the Company, in accordance with Labor Pension Act, contributes 6% of an employee's salary to Bureau of Labor Insurance as the expense for the period.

4. Employee behaviors or code of ethics
The Company has developed many methods and regulations of employee behaviors and code of ethics, such as work rules, employee reward and punishment method and performance evaluation management methods as behavior criteria. The Company has informed employees of various reward and punishment rules through announcement to make them understand behavior standards, and employees shall rewarded or punished in accordance with the aforementioned rules when it comes to any behaviors which can be fully encouraged or need to be cautioned.

5. Procedures for Handling Material Inside Information and Preventing Insider Trading
The Company has established the Procedures for Handling Material Inside Information and Preventing Insider Trading and informed all the employees, managing managers, directors and supervisors, primarily aiming to establish a sound material inside information handling and disclosure mechanism, avoid improper information disclosure and ensure the consistency and accuracy of information published to the outside world; additionally, the Company requests the major information handling operators to sign confidentiality agreements.
6. Working environment and measures to protect employees' personal safety
To practically ensure the life safety of all the employees and calmly cope with emergencies, the Company irregularly carries out workplace safety risk evaluation, such as regular fire maintenance and building safety inspection, emergency drills, personnel educational training and advocating, etc. to enhance employees' contingency capacities.
(1) Door access safety: building security guards are on duty for 24 hours, monitoring cameras are available in every entrance, exit and corner, and security management is enhanced at night and during holidays; door access control is adopted in offices, and employees can enter in and exit from offices with their employee cards to safeguard their personal safety.
(2) Fire safety: The Company regularly asks manufacturers to maintain and repair firefighting equipment (e.g.: fire alarms, fire extinguishers, etc.) and organizes fire drills and emergency drills to enhance all the employees' awareness of disaster prevention.
(3) Environmental safety: to maintain the sanitary quality and health of employees' drinking water, the Company regularly perform water quality testing, and asks manufacturers to replace water dispenser filter elements, also cleans and disinfects the offices to ensure safe and comfortable working environment.
(4) Employee health examination: In 2025, the Company provided health check-up subsidies at varying amounts based on employees' job positions, the Company provides employees employee health examinations every year in a designated hospital, and the entrusted hospital provides health analysis and subsequent follow-up.
7. Labor agreements and measures to protect employees' interests
The Company has harmonious and good labor relations and regularly communicates with the employees about their opinions via Email to maintain good interaction, and no major agreement matters occur.

B. Losses arising from labor disputes in the most recent year and as of the publication date of the annual report, and disclosure of the potential estimated amount and countermeasures to date and in the future; if the amount cannot reasonably be estimated, explain the reason): NA.

(VI) Cybersecurity management

A. Describe the cybersecurity risk management framework, cybersecurity policies, concrete management programs, and investments in resources for cybersecurity management, etc.
1. Information security risk management framework
Information Management Division is the responsible unit for information security, is responsible for planning, executing, checking and improving information security management projects, establishing relevant management methods for following and use, constructing layered control and protection mechanisms for

application programs, operating systems and network systems, preventing abnormal disasters, data destruction, secret theft, etc. to effectively control enterprise information system risks and maintain ongoing business operation.

2. Information security policies
   Prevent information systems and information from being stored, used, controlled, leaked, altered, damaged, or destroyed without authorization, etc., to ensure the confidentiality and integrity and reduce damage which might impact or jeopardize the business operations of the Company.
3. Concrete information security management programs
   (1) File security control
      (A) Computer room hosts, firewalls, virus update, etc., shall be examined regularly by information security professionals and reviewed by the information officer to ensure that all the examined items have been executed correctly.
      (B) Except for the employees with the computer room access authority, those who need to enter the computer room are required to fill out Computer Room Access Control Form for review by an information security professional and enter the computer room for repair and use accompanied by the information security professional to avoid information leakage.
      (C) Any one information system of the Company can be only used after account application and verification, and any one system user must set a password and not tell anyone, and whoever violates the rule shall be punished or prosecuted.
      (D) Do backup of all programs and data regularly regardless of types of storage media, store monthly backup data in a specialized venue outside workplace and make annotations and explanations to prevent the storage media from being unrecognized.
      (E) Set the Server-Client anti-virus architecture to make the Server update and regularly Scan viruses, prevent data from being destroyed or altered by viruses and also generating system bugs which allow hackers to intrude into the system.
   (2) Equipment security control
      (A) No smoking, eating, or no related articles are allowed in computer room.
      (B) Firefighting equipment shall be available in the computer room to out on a fire immediately once there is a fire.
      (C) A door access systems shall be set for the computer room for access control.
      (D) Manufacturers, repairmen or visiting guests can enter the computer room accompanied by information security professionals.
      (E) Air conditioners and dehumidifiers shall be installed for the computer room to control temperature and humidity.
      (F) Anyone who enters the computer room is required to fill out the Computer Room Access Room to record time, purpose, name, etc.
4. Investments in resources for information security management
   The Company values information security risk control and protection. On top of implementing strict control measures, the Company invited external information security consultants to offer online and offline information security educational training to all the employees once a year since 2021. Starting from 2021, carries out irregular social E-mail rehearsal testing to all the employees twice a year to

strengthen the integrated information security risk awareness. The company has 2 people invested in information security management and also entrusts external information security consultants to assist in importing information security programs, including:

(1) Penetration testing: comprehensive testing, including DAST (dynamic application security testing), grey box attacks, OWASP (Open Web Application Security Project), etc.

(2) Risk evaluation planning: planning of network-layer/host-layer IDS (intrusion detection system) monitoring and unscrambling and backup, and disaster recovery plans, etc.

(3) Email drill: situated phishing Email drills, in-depth analysis of cybersecurity awareness, etc.

B. List any losses suffered by the Company in the most recent year and up to the publication date of the annual report due to significant cybersecurity incidents, the possible impact therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of why shall be provided: NA

(VII) Material Contracts:

Type of contract	Party	Contract duration	Major content	Restriction
Medium-term and long-term loan agreement	Taipei Fubon Commercial Bank	2025.07.29~2027.07.15	Medium-term and long-term guaranteed loan agreement	NA
Medium-term and long-term loan agreement	Taishin International Bank	2025.04.30~2028.04.30	Medium-term and long-term guaranteed loan agreement	NA

V. Review and Analysis of the Company's Financial Position, Performance, and Risk Management

(I) Financial Position

Unit: NT$ Thousand; %

Year / Item	December 31, 2025	December 31, 2024	Difference	
			Amount	%
Current assets	9,994,262	11,551,872	(1,557,610)	(13.48)
Property, plant and equipment	2,870,335	2,916,777	(46,442)	(1.59)
Intangible assets	133,616	132,507	1,109	0.84
Other Assets	1,220,892	1,165,752	55,140	4.73
Total assets	14,219,105	15,766,908	(1,547,803)	(9.82)
Current liabilities	2,769,958	5,726,405	(2,956,447)	(51.63)
Non-current liabilities	1,774,962	476,810	1,298,152	272.26
Total liabilities	4,544,920	6,203,215	(1,658,295)	(26.73)
Share capital of common stock	941,660	941,660	-	-
Capital surplus	3,110,236	2,964,377	145,859	4.92
Retained earnings	5,476,602	5,527,075	(50,473)	(0.91)
Other equity interest	66,249	63,534	2,715	4.27
Equity interest attributable to the parent company	9,594,747	9,496,646	98,101	1.03
Non-controlling interest	79,438	67,047	12,391	18.48
Total equity	9,674,185	9,563,693	110,492	1.16

If the difference compared to the previous period exceeds 20% and the difference in amount exceeds NT$10 million, the main reason and impact are analyzed below:
The decrease in current liabilities and increase in Non-current liabilities： due to the issuance of corporate bonds and repayment of short-term loans in 2025.

(II) Financial Performance

Unit: NT$ Thousand；%

Year Item		2025	2024	Amount	%
Operating revenue		11,869,881	12,492,000	(622,119)	(4.98)
Operating costs		5,503,393	6,127,250	(623,857)	(10.18)
Operating margin		6,366,488	6,364,750	1,738	0.03
Operating expenses		4,449,159	3,937,466	511,693	13.00
Operating (loss) profit		1,917,329	2,427,284	(509,955)	(21.01)
Non-operating income and expenses		(103,170)	521,495	(624,665)	(119.78)
Pre-tax profit		1,814,159	2,948,779	(1,134,620)	(38.48)
Net profit for the period		1,375,621	2,308,378	(932,757)	(40.41)
Other comprehensive (loss) profit for the period (net amount after tax) for the period		1,503	136,387	(134,884)	(98.90)
Total comprehensive (loss) profit for the period		1,377,124	2,444,765	(1,067,641)	(43.67)
Net profit (loss) attributable to the equity interest of the parent company		1,362,738	2,283,855	(921,117)	(40.33)
Net profit (loss) attributable to the non-controlling equity interest		12,883	24,523	(11,640)	(47.47)
Total comprehensive loss and profit attributable to the parent company		1,364,733	2,418,949	(1,054,216)	(43.58)
Total comprehensive loss and profit attributable to the non-controlling equity interest		12,391	25,816	(13,425)	(52.00)
Earnings per share (NT$)	Basic earnings per share - current period	14.47	24.75	(10.28)	(41.54)
	Diluted earnings per share - current period	14.38	24.17	(9.79)	(40.50)
	Earnings per share after retrospective adjustment	14.47	24.75	(10.28)	(41.54)

If the difference compared to the previous period exceeds 20% and the difference in amount exceeds NT$10 million, the main reason and impact are analyzed below:
The decrease in operating (loss) profit, pre-tax profit (loss), net profit (loss) for the period, and net profit (loss) attributable to the equity interest of the parent company, net profit (loss) attributable to the non-controlling equity interest, earnings per share : was mainly due to the decrease in profit from the decrease in operating revenue and increase in operating expenses.
The decrease in non-operating income and expenses, and other comprehensive (loss) profit for the period (net amount after tax) for the period: was mainly due to the in foreign exchange loss.
The decrease in total comprehensive (loss) profit for the period, total comprehensive loss and profit attributable to the parent company and total comprehensive loss and profit attributable to the non-controlling equity interest: was mainly due to the decrease in profit from the decrease in operating revenue and increase in operating expenses, and foreign exchange loss.

(III) Cash Flow

A. Comparative analysis of operating results

Year / Item	2025	2024	Difference (%)
Cash flow ratio (%)	67.85	45.36	49.58
Cash flow adequacy ratio (%)	124.90	141.87	(11.96)
Cash reinvestment ratio (%)	4.56	21.73	(79.02)
Analysis of change ratios: (Please analyze and explain when the change ratio is above 20%) The increase in cash flow adequacy ratio due to the decrease in current liabilities. The decrease in cash reinvestment ratio due to the increase in working capital.			

B. Remedial measures for cash flow inadequacy: none

C. Cash Flow analysis for the coming year

Unit: NT$ Thousand

Opening cash balance (1)	Estimated net Cash Flow from operating activities for the year (2)	Estimated net Cash Flow from other activities for the year (3)	Cash surplus (shortfall) (1)+(2)+(3)	Remedial measures for cash inadequacy	
				Investment plan	Financing plan
4,344,734	1,510,383	(718,375)	5,136,742	-	-

1. Analysis of changes in estimated cash flow for 2026
   (1) Operating activities: the estimated net cash inflow from operating activities for the coming year is mainly due to the net cash inflow caused by the increase of operating income.
   (2) Investing activities: the estimated net cash outflow from investing activities for the coming year is mainly due to the increase in investment cash flow caused by estimated payment for acquisition of plant in the philippines.
   (3) Financing activities: the estimated net cash outflow from financing activities for the coming year is mainly due to distribution of cash dividends to shareholders.
2. Remedial measures for estimated cash inadequacy and cash flow analysis: not applicable

(IV) The Effect of Major Capital Expenditures on Financials and the Business During the Most Recent Fiscal Year: None.

(V) Investment Policy, the Main Reasons for Profit or Loss as well as the Improvement Plan Over the Past Year, and an Investment Plan for Next Year

December 31, 2025; Unit: NT$ Thousand

Invested company	Investment amount	Policy	Recognized profit (loss) of the invested company over the past year	Main reasons for profit or loss	Improvement plan	Investment plan for next year
Broad Win International Investment Co., Ltd.	718,902	As an invest-holding company of manufacture and sales base in East Asia	322,136	Recognized as investment gains.	–	Duly evaluated according to the market demands and industrial development status
Cyber power Systems(USA), Inc.	412,870	As an important product sales base in North America	435,390	An important sales base for the Group in North America, and the sales revenues are the main source of its profits.	–	–
Fast Wind International Limited	165,900	As an invest-holding company of product sales base in Europe and Mexico	138,776	Recognized as investment gains.	–	–
CliqueFie Co., Ltd.	17,950	Sales of 3C and relevant peripheral products	(11,430)	Recognized as investment loss.	–	–
CyberPower Systems Manufacturing, Inc.	9,181	Uninterruptible power equipment assembling and processing	12,706	The Company is responsible for paid product assembling and processing as an income source.	–	–
AT Holding Philippines Corporation	650	To act as an investment holding entity for real estate leasing operations in the Philippines.	(11,041)	Loss from exchange rate.	–	–
Cyber Power Systems UK Limited	8,230	As an important product sales base in Western Europe.	(168)	Primarily attributable to registration expenses incurred during the initial establishment of the company.		

(VI) Risk Analysis and Assessment for the Most Recent Fiscal Year and as of the Publication Date of the Annual Report

Risk analysis and assessment for the most recent fiscal year and as of the publication date of the annual report, with explanation as below:

A. Impact of interest rate and exchange rate fluctuation and inflation on the Company's profitability for the most recent fiscal year and as of the publication date of the annual report, and future countermeasures:

Item	2025 (NT$ Thousand; %)
Net interest income (expense)	84,864
Net exchange gain (loss)	(244,567)
Net interest income (expense)/Net operating revenue	0.71%
Net interest income (expense)/Pre-tax net income	4.68%
Net exchange gain (loss)/Net operating revenue	(2.06%)
Net exchange gain (loss)/Pre-tax net income	(13.48%)

1. Changes in interest rates
   The Net interest income (expense) to net consolidated operating operating revenue and pre-tax net income ratios of the Company in 2025 were not high, and it is estimated that the future changes in interest rates have little impact on the overall operation of Company, and the Company will also duly adjust its capital use situations based on the future changes in interest rates.
2. Changes in exchange rates
   The Company is export-oriented and USD is mainly adopted as the Company's trading currency, so the fluctuation of exchange rates of NTD against USD results in exchange gain or loss of the Company and also impacts its profits to a certain degree; the Company adopts USD and RMB as its main trading currencies for purchasing materials, so purchasing and sales can offset some exchange risks. Additionally, the personnel of Financial and Accounting Department maintain close contact with foreign exchange departments of banks, and fully master market information to estimate the long-term and short-term exchange rate trends, and take specific countermeasures to reduce the impacts and risks from exchange rate fluctuations on the Company's profits.
3. Countermeasures against risks from changes in exchange rates:
   (1) The Company keeps strengthening its financial staff’s awareness of foreign currency assets hedging, follows information from the online real-time exchange rate system and strengthens contact with financial institutions to study and assess exchange rate fluctuations as a reference for forward futures transaction and foreign exchange settlement.
   (2) Before quoting to customers, the Company comprehensively considers and evaluates future exchange rate trends and determinants of exchange rate to determine suitable and reasonable quotes, minimizing the impacts of changes in exchange rates.
   (3) The Company realizes certain automatic hedging effect from exchange rate fluctuations through the control of charge-against recurrent foreign currency receivables.
   (4) The Company is engaged in derivative transactions mainly for foreign currency assets hedging rather than for the purpose of interest arbitrage. For example, when it signs a forward exchange transaction contract with a bank, the Company asks the bank to guarantee the future transaction rate in a forward exchange

transaction, in this way, the Company transfers the exchange rate risk to the bank to avoid the risk. The Company executes derivative transactions in accordance with the Management Methods for the Acquisition and Disposal of Assets, and regularly evaluates the exchange gain or loss from derivative transactions and execution effects of hedging transactions.

4. Inflation
   The Company was not significantly affected by inflation. Moreover, the Company monitors raw material market price fluctuations, maintains good interactions with its suppliers and customers, and is committed to developing high-value-added products to reduce the impact of inflation.

B. Policies, main causes of gains or losses and future measures with respect to high-risk, high-leveraged investments, lending or endorsement guarantees, and derivatives transactions
   1. The Company has always been committed to its own business operation since its establishment, and has not been engaged in high-risk or highly leveraged investment transactions.
   2. The Company has handled loading of funds in compliance with the Management Methods for Loaning of Funds and Endorsements/Guarantees. In the most past year and as of the publication date of the annual report as following:

Unit: NT$ Thousand

Lender	Borrower	Ending Balance of December 31, 2025.	Ending Balance of publication date March 31, 2026.
CYBER POWER SYSTEMS (HK) LIMITED	Ascend Target Development Corporation	880,040	895,860

   3. The endorsement guarantee was handled according to the Company's "Regulations Governing Endorsement Guarantees" and relevant provisions. As of the end of 2025 and the publication date of the annual report, the Company didn't have any endorsement guarantee.
   4. Our derivative transactions are mainly for foreign currency assets hedging and the debt risks from changes in exchange rates, we are currently mainly engaged in pre-order (pre-sale) of forward exchanges in accordance with the Management Methods for the Acquisition and Disposal of Assets, so the risks involved are limited.

C. Future research and development plans, and estimated expenditures
   R&D is the fundamentals of the electronic technology industry. To enhance its competitiveness, the Company prepares the R&D plans every year and allocates relevant R&D expenses based on the plans to safeguard its niche. The Company always values research and development and will uphold the same philosophy to make R&D departments for different product categories wholeheartedly research technologies and finished products under their respective categories. The Company's future R&D plans are as follows:
   1. Rack-mounted power distribution unit with IEC socket
   2. Compact power distribution unit capable of measuring low loads
   3. Power station integrated products
   4. Grid-tied single phase PV inverter 8kW

5. Energy storage inverter with UL certification
6. Three-phase small energy storage system
7. Products with surge protector

   In 2025, the Company has invested NT$471,562,000 in R&D, amounting to 3.97% of the net operating income of the year, and will gradually increase the annual R&D expenses with the growth of the operation scale and for developing new markets and expect to invest NT$509,795,000 as R&D expenses in 2026 to constantly strengthen its market competitiveness.

D. Effect of important policies adopted on the Company's financial operations and changes in the legal environment at home and abroad, and measures to be taken in response

The Company's business execution is conducted in accordance with regulations of competent authorities, and its business and financials are not affected by important policies and legal changes at home and aboard in the most recent year and the year of reporting, so important policies and legal changes have no significant impact on the Company. Besides, the managerial level of the Company will monitor important domestic and foreign policy and legal changes and duly and actively take corresponding measures.

E. Effect of technological changes (including information security risks) and industrial changes on the Company's financial performance and solutions

The Company always follow relevant technological changes in the industry and technological development trends, rapidly master industrial trends and peer competition information, constantly enhance its R&D capacities to maintain its competitiveness and adding information security software and hardware to strengthen its computer network security protection. Besides, the Company entrusts external information security consultants to assist in importing information security programs and organize educational training for strengthening the employees' awareness of information security.

F. Effect on the Company's crisis management of changes to the Company's corporate image, and measures to be taken in response

Since the Company was founded, we have always continued to actively strengthen internal management and enhance quality management capabilities to build the brand image and further strengthen customers' trust in the corporate brand. In the most recent fiscal year and as of the publication date of the annual report, the Company has not experienced any significant change in corporate image, or relevant reports harmful to the corporate image available in the market.

G. Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken

It is not applicable, as the Company has had no plans for mergers and acquisitions in the most recent fiscal year and as of the publication date of the annual report.

H. Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken

As of the date of this Annual Report, on January 15, 2026, the Board of Directors resolved to increase the acquisition of factory buildings and land to be used as a production base in the Philippines, in order to proactively address future capacity requirements. The originally planned factory construction project on the acquired vacant land, which was approved on November 7, 2024, will be postponed depending on actual future operational needs. The Company has prudently assessed the potential risks associated with the expansion plan and considered the overall benefits to ensure the protection of shareholders' interests.

I. Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken
   1. Risks associated with the consolidation of purchasing operations:
      The major raw materials for UPS produced by the Company are batteries, PCB, cases, transformers, IC, etc., from numerous suppliers, the low proportions of purchasing amounts from specific suppliers are not high, so there is no risk of centralized purchasing. To maintain the raw material price elasticity, the Company doesn't sign long-term supply contracts with suppliers but purchases major raw materials from multiple suppliers, and keeps long-term and good partnerships with suppliers to guarantee the stability of supply sources.
   2. Risks associated with the consolidation of sales operations:
      The Company mainly sells its products to Cyber Power Systems (USA), Inc. (a reinvested company 100% held by the Company), and other retailers, distributors and importers across the world. All of the products are exported and mainly to North America, and enters the local market in North America via Cyber Power Systems (USA), Inc. In the most recent year and as of the publication date of the annual report, except for the sales to Cyber Power Systems (USA),Inc., no other customers have had the sales volume of over 30%. The Company actively keeps developing new customers to lower the risk of centralized sales.

J. Effect upon and risk to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10% stake in the Company is transferred or otherwise changes hands, and mitigation measures being or to be taken: None

K. Effect upon and risk to the Company associated with any change in governance personnel or top management, and mitigation measures being or to be taken
   It is not applicable, as the Company has had no change in governance personnel or top management in the most recent fiscal year and as of the publication date of the annual report.

L. Disclosure of issues in dispute, monetary amount of claims, filing date, parties involved, and status of any litigation or other legal proceedings within the latest fiscal year and as of the publication date of the annual report where the Company and/or any of its directors, supervisors, President, person in charge, shareholders with 10% or more share ownership, or affiliates involved in pending litigation, legal proceedings or administrative proceedings, or a final judgment or ruling which may have a material adverse effect on the Company's shareholder equity or price of securities: None.

M. Other important risks, and mitigation measures being or to be taken: None.

(VII) Other Major Events: None.

VI. Special Disclosure

(I) Information on Affiliated Companies

A. Consolidated business report

Please refer to the Market Observation Post System (MOPS) > Single Company > Electronic Document Download > Disclosure of the Three Statements of Affiliates at https://mopsov.twse.com.tw/mops/web/t57sb01_q10 Enter the Company Code "3617" to access the relevant information.

B. Affiliate Financial and Business Overview

Please refer to the Market Observation Post System (MOPS) at > Single Company > Electronic Document Download > Disclosure of the Three Statements of Affiliates https://mopsov.twse.com.tw/mops/web/t57sb01_q10 Enter the Company Code "3617" to access the relevant information.

C. Consolidated financial statements of affiliates: The Company has combined financial statements as of the year ended December 31, 2025, under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Accounting Standard 10, "Consolidated and Separate Financial Statements". In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Cyber Power Systems, Inc. and Subsidiaries do not prepare a separate set of combined financial statements. The consolidated financial statements please refer to the Market Observation Post System (MOPS) > Single Company > Electronic Document Download > Financial Report at https://mopsov.twse.com.tw/mops/web/t57sb01_q1 Enter the Company Code "3617" to access the relevant information.

D. Business report of affiliates: N/A.

(II) Private placement of securities in the most recent fiscal year and as of the publication date of the annual report: None.

(III) Other necessary statements: None.

(IV) Situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act which might materially affect shareholders' equity or the price of the Company's securities occurring in the most recent fiscal year as of the publication date of the annual report: None

碩天科技股份有限公司

Cyber Power Systems, Inc.

Chairman: Kuo, Chin