Stock Code: 5469

PSA 瀚宇博德股份有限公司
HANNSTAR BOARD CORPORATION

2025 ANNUAL REPORT

Notice to readers
This English translation is prepared in accordance with the Chinese version and is for reference only. If there is any inconsistency between the Chinese version and this translation, the Chinese version shall prevail.

Company Website: https://tw.hannstarboard.com
Taiwan Stock Exchange Market Observation Post System: https://mops.twse.com.tw
Printed on April 30, 2026

Spokesperson
Name: Chien, Pei-Chi
Title: Finance & Accounting officer
Tel: 886-3-4838500
E-mail: Fnc@hannstarboard.com

Acting Spokesperson
Name: Huang, Jain-Wha
Title: Director
Tel: 886-3-4838500
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Headquarters, Branches and Plant
Headquarters: No.9, Gongye 4th Rd., Guanyin Dist., Taoyuan City, Taiwan (R.O.C.) Tel: 886-3-4838500
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Taipei Branch: 24F., No.1, SongZhi Rd., Taipei City, Taiwan (R.O.C.) Taiwan Tel: 886-2-27232755

Stock Transfer Agent
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Address: 8F., No.398, Xingshan Rd., Neihu Dist., Taipei City, Taiwan (R.O.C.)
Website: stock.walsin.com
Tel: 886-2-2790-5885

Independent Auditors
Company: Deloitte Touche Tohmatsu Limited
Auditors: Wu, Ker-Chang and Chang, Chih-Yi
Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei City, Taiwan (R.O.C.)
Website: http://www.deloitte.com.tw
Tel.: 886-2-2725-9988

Overseas Securities Exchange: None

Corporate Website: https://tw.hannstarboard.com

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I Letter to Shareholders

Dear Shareholders,

In 2025, the global economy continued to be impacted by reciprocal tariffs imposed by the United States, trade wars, geopolitical tensions, and regional conflicts. These factors exacerbated volatility in capital markets and kept inflation levels elevated, preventing a significant recovery in real purchasing power. Meanwhile, fluctuations in energy prices and persistently high raw material costs exerted pressure on industrial cost structures and the overall operating environment. Fortunately, the rapid advancement of AI technology has driven strong demand for high-performance computing and related infrastructure, creating new growth momentum for the global manufacturing industry. Currently, major industries worldwide continue to invest aggressively in AI applications, which presents growth opportunities for the PCB industry while simultaneously raising technical barriers and product requirements.

2025 marks a critical phase of structural transformation for HannStar Board Corp. To expand its footprint in the AI market, the company has significantly increased capital expenditures to replace and upgrade equipment, investing in advanced manufacturing processes. This strategy aims to optimize Server and HDI offerings while expanding existing product portfolios—including PC, Gaming, Networking, and TFT LCD—to enhance added value. By continuing to allocate more resources to cultivate and increase the proportion of AI products, the company is positioned to seize the opportunity presented by the rapid growth in demand for high-end AI products.

2025 was a year of both challenges and opportunities, as well as pressure and transformation, for HannStar Board Corp. Despite the operational hardships, through a steady management strategy, forward-looking product positioning, optimization of technology and efficiency, and an increase in market share, combined with the continuous efforts of all employees, the annual after-tax profit was approximately NT$2.923 billion, with earnings per share of approximately NT$6.05, reflecting a stable overall operational performance.

I. 2025 Business Report

(I) Implementation results of business plan:

The condensed income statements for the most recent two years as follow:

Unit: NT$ thousands (Except EPS: NT$)

Item	2025	2024	Growth Rate (%)
Operation revenue	57,266,203	41,632,032	37.46%
Gross profit	11,284,350	10,178,158	10.87%
Profit from operations	6,090,683	6,125,690	-0.57%
Profit before income tax	6,944,700	7,408,997	-6.27%
Net profit for the year	4,725,386	4,565,850	3.49%
Net profit attributable to shareholders of parent	2,923,435	3,012,223	-2.95%
Earnings per share	6.05	5.91	

(II) Budget implementation:

The Company did not disclose 2025 financial forecast, this information is not available.

(III) Financial Income and Profitability Analysis:

1. Consolidated financial Income and Expense:

(1)The 2025 interest income was NT$ 1,473,318 thousand.

(2)The 2025 financial cost was NT$ 734,423 thousand.

2. Analysis of profitability:

Item	2025	2024
Return on total assets (%)	5.26%	5.90%
Return on equity (%)	9.35%	9.93%
Income to paid-in capital (%)	125.27%	126.00%
Pre-tax income to paid-in capital (%)	142.84%	152.39%
Profit ratio (%)	8.25%	10.96%
Earnings per share (NT$)	6.05	5.91

(IV) Research and development status:

In response to AI development trends and market demands, the Company is dedicated to the research and development of High Layer Count and High-Speed products. For 1.6T SWITCH applications, we are studying low-loss

Quartz cloth materials, hybrid bonding and sequential technologies. Furthermore, we are implementing advanced technologies such as 40-layer+ HDI, embedded-chip multilayer boards, and automated high-speed signal measurement to enhance our product capabilities. Hannstar Board continues to invest in the R&D of advanced high-frequency materials, High aspect ratios products, and fine-line circuitry to meet the requirements of AI server applications.

II. Summary of 2026 Business Report:

(I) Business policy and philosophy:

Integrity first

Treat Customers as Partners

Focus and Quality as top priority

Globalization

Stabilization and Talent development

Stakeholder, Employee and Social responsibility

Collaboration

(II) Expected sales and future development strategies

Reflect on 2026, we will continue to deepen our expertise in existing product lines, including PC, Gaming, Networking, TFT LCD, Automotive, and HDI. By enhancing our technical capabilities and process proficiency, we aim to optimize our product portfolio and structure. Leveraging our strengths in scale, cost, manufacturing, and quality, we will actively maintain stable utilization rates and ensure the smooth operation of our equipment and manufacturing momentum to build economies of scale.

In addition, with the rapid development of AI-related fields, our share of AI products and market penetration continues to rise. Beyond AI servers and HDI, we are consistently increasing our investment and actively expanding into areas such as computing cards, switches, robotics, and new energy vehicles. By ensuring comprehensive technical development and a diverse product portfolio, we are positioning ourselves for stronger growth momentum in revenue and profitability in the future.

III. Impacts of the external competitive environment, regulatory environment, and overall business environment:

Looking ahead to 2026, as previously mentioned, the global PCB operating environment faces multiple challenges, inc

luding political volatility risks, rising energy and raw material costs, trade wars, and supply chain shifts. In this volatile and unpredictable market environment, the Company aims to continuously improve its operational capabilities. We will enhance our competitiveness to respond to market uncertainty and volatility through capital investment, decision-making optimization, and technical upgrades.

Regarding environmental regulations, we strictly adhere to all relevant mandates and implement rigorous controls over high-energy, high-pollution, and high-emission processes. By researching and applying new materials, innovative technologies, and low-carbon materials, as well as introducing energy-saving equipment, we aim to reduce carbon emissions and resource consumption. Simultaneously, a dedicated unit has been established to monitor environmental protection and occupational safety, reflecting our commitment to the company's sustainable development and the fulfillment of our corporate social responsibility.

Regarding labor regulations and the RBA Code of Conduct, we strictly comply with the labor laws of the regions where we operate and adopt the Responsible Business Alliance (RBA) Code of Conduct as the guiding principle for implementing our Corporate Social Responsibility (CSR) policies to adapt to evolving regulatory environments and standards.Regarding financial regulations, International Financial Reporting Standards (IFRS), and tax regulations have been established to ensure full implementation within internal operations and their execution in daily management activities.In response to changes in the external environment, we will continuously enhance our operational capabilities, maintain flexibility in decision-making, and accelerate execution. By applying the PDCA cycle to optimize decision content and ensuring accountability among management and staff, we will proactively address challenges and strengthen the company's competitiveness.

We would like to express our sincere gratitude to all shareholders for their long-standing support and encouragement of HannStarBoard Corp. The Company's management team will continue to work hard to strengthen the operational capabilities, maintain prudent financial discipline, create healthy cash flow, and drive stable growth for the compay...

Chairman: Chiao, Yu-Heng

II Corporate Governance Report

2.1 Directors and Management Team

2.1.1 Directors

1. Information of Directors

Title	Nationality	Name	Gender Age	Term Began	Term	Date First Elected	Shares Held When Elected		Shares Currently Held		Shares Currently Held Spouse and Underag Children	
							Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percenta
Chairman	R.O.C	Chiao, Yu-Heng	Male 61~ 70	2023/06/15	3 years	2002/04/08	11,571,092	2.19	11,873,404	2.44	16,969	0
Director	R.O.C	Walsin technology corp.	-	2023/06/15	3 years	2007/06/15	107,381,026	20.32	102,950,543	21.18	0	0
		Representative: Lai, Wei-Chen	Male 61~ 70				447,954	0.08	412,117	0.08	0	0
Director	R.O.C	Walsin technology corp.	-	2023/06/15	3 years	2007/06/15	107,381,026	20.32	102,950,543	21.18	0	0
		Representative: Wu, Yung-Hui	Male 61~ 70				0	0.00	0	0.00	0	0
Director	R.O.C	Chin-Xin Investment Co. Ltd.	-	2023/06/15	3 years	2014/06/19	18,749,412	3.55	17,249,459	3.55	0	0
		Representative: Zhou, Zhi-Zhong	Male 51~ 60				0	0.00	0	0.00	0	0
Director	R.O.C	Xing Xing Investment Co. Ltd.	-	2023/06/15	3 years	2023/06/15	4,870,000	0.89	10,463,520	2.15	0	0
		Representative: Chiao, Tzu-Yu	Female 21~ 30				10,602	0	40,113	0.01	0	0
Independent Director	R.O.C	Lu, Chi-Chant	Male 71~ 80	2023/06/15	3 years	2017/06/21	0	0.00	0	0.00	0	0
Independent Director	R.O.C	Wang, Kuo-Cheng	Male 61~ 70	2023/06/15	3 years	2017/06/21	0	0.00	0	0.00	0	0
Independent Director	R.O.C	Yuan, Jun-Tang	Male 61~ 70	2023/06/15	3 years	2017/06/21	0	0.00	0	0.00	0	0
Independent Director	R.O.C	Lee, Yi-Hsin	Female 51~ 60	2023/06/15	3 years	2023/06/15	0	0.00	0	0.00	0	0

Note1: For details of other concurrent positions that serve as a subsidiary of the company, please refer to "VI. Special Disclosure".
Note2: The purpose of having the same person serve concurrently as both chairman and CEO of the company is to formulate the company's operating strategy and improve
independent directors will be planned in accordance with the company's development and related laws to strengthen the functions of the board of directors.

A. Major shareholders of the institutional shareholders

2026/4/20

Name of Institutional Shareholders	Major Shareholders	Ratio (%)
Walsin technology Corp. (2026/4/14)	Walsin Lihwa Corporation	18.30
	HannStar Board Corporation	9.03
	Global Brands Manufacture Ltd.	4.36
	Walton Advanced Engineering, Inc.	2.75
	Yu-Heng Chiao	2.65
	Citibank (Taiwan) Custody of Investment Account at Kim Eng Securities Pte Ltd, a Malaysian bank.	2.33
	Giga Investment Co.	1.37
	Chin-Xin Investment Co., Ltd	1.28
	TSAI YI CORPORATION	1.11
	Winbond Electronics Corporation	1.09
Chin-Xin Investment Co., Ltd. (2025/12/31)	Winbond Electronics Corp.	37.69
	Walsin Lihwa Corporation	37.00
	HannStar Display Corporation	4.43
	Yu-Cheng Chiao	3.14
	Yu-Lon Chiao	3.14
	Yu-Heng Chiao	3.14
	Yu-Chi Chiao	3.14
	Walsin Technology Corporation.	1.86
	HannStar Board Corporation	1.34
	Prosperity Dielectrics Co., Ltd.	0.72
Xing Xing Investment C. Ltd. (2025/12/31)	Chiao, Tzu-Yun	24.00
	Chiao, Tzu-Yueh	24.00
	Chiao, Yu-Heng	4.00
	Chiao, Tzu-Yu	24.00
	Chiao, Tzu- Jui	24.00

Note: If the director is a representative of institutional shareholder, the name of the institutional shareholder should be filled in form B.

B. Major shareholders of the Company’s major institutional shareholders

2026/4/20

Name of Institutional Shareholders	Major Shareholders	Ratio (%)
Walsin Lihwa Corp. (2026/3/24)	Winbond Electronics Corporation	6.09
	Chin-Xin Investment Co., Ltd.	6.04
	Rong Jiang Co., Ltd.	5.00
	TECO Electric and Machinery Co., Ltd.	4.75
	Investment account of LGT Bank (Singapore) under the custody of Business Department of Standard Chartered Bank	4.13
	HannStar Display Corporation	3.09
	Patricia Chiao	2.73
	Yu Siang Investment Co., Ltd.	1.79
	Ching An Investment Co., Ltd.	1.79
	Yun Xing International Ltd.	1.78
Walsin technology Corp. (2026/4/14)	Walsin Lihwa Corporation	18.30
	HannStar Board Corporation	9.03
	Global Brands Manufacture Ltd.	4.36
	Walton Advanced Engineering, Inc.	2.75
	Yu-Heng Chiao	2.65
	Citibank (Taiwan) Custody of Investment Account at Kim Eng Securities Pte Ltd, a Malaysian bank.	2.33
	Giga Investment Co.	1.37

Name of Institutional Shareholders	Major Shareholders	Ratio (%)
	Chin-Xin Investment Co., Ltd	1.28
	TSAI YI CORPORATION	1.11
	Winbond Electronics Corporation	1.09
HannStar Board Corp. (2026/4/20)	Walsin technology Corp.	21.18
	Walsin Lihwa Corp.	12.06
	Career Technology (Mfg.) Co., Ltd.	4.79
	Chin-Xin Investment Co., Ltd.	3.55
	Chiao, Yu-Heng	2.44
	Xing Xing Investment C. Ltd.	2.15
	Hong, Pai-Yung	1.91
	Hua Nan Bank manages the Yuanta Taiwan Value High Yield ETF Securities Investment Trust Fund account.	1.58
	Qiu, Yue-hong	1.19
	Prosperity Dielectrics Co., Ltd.	1.07
Winbond Electronics Corp. (2026/3/15)	Walsin Lihwa Corporation	21.93
	Chin Xin Investment Corp.	6.31
	Hua Nan Commercial Bank's Trust Department is entrusted with the safekeeping of Allianz Taiwan Technology Securities Investment Trust Fund's special account.	1.72
	The new Labor Retirement Fund, for the first time in its 100th year, has been fully entrusted to Fuhua Investment Account.	1.65
	HSBC (Taiwan) Commercial Bank Co., Ltd. is entrusted with the safekeeping of Morgan Stanley International Limited's investment account.	1.59
	Chiao ,Yu-Cheng	1.52
	Standard Chartered International Commercial Bank's business department is entrusted with the safekeeping of Mizuho Securities Co., Ltd.'s investment account.	1.24
	Citibank (Taiwan) is entrusted with the safekeeping of UBS Europe SE investment accounts.	1.20
	Standard Chartered International Commercial Bank's business department is entrusted with the custody of Advanced Starlight Fund Management Co., Ltd.'s series of funds, Advanced Total International Equity Index Fund investment account.	1.00
	Hong ,Pai-Yung	0.96
Global Brands Manufacture Ltd. (2026/4/20)	HannStar Board Corp.	40.3
	Chiao, Yu-Heng	1.18
	The newly established Labor Retirement Fund has, for the first time in 2012, fully entrusted Yuanta Securities Investment Account with its discretionary power of attorney.	0.84
	Chang Hwa Commercial Bank Co., Ltd. is the entrusted custodian of the Uni-President Taiwan Stock Growth Active ETF Securities Investment Trust Account.	0.72
	The Civil Servants Retirement and Pension Fund Management Committee entrusted the investment account of the Unified Investment Trust Company to the domestic entity for the first time in 2012.	0.68
	JPMorgan Chase Bank Taipei Branch is the trustee of the investment account of JP Morgan Securities Co., Ltd.	0.57
	Standard Chartered International Bank's branch office is entrusted with the custody of the ISHARES Core MSCI Emerging Markets ETF investment account.	0.5
	JPMorgan Chase Bank Taipei Branch is the entrusted custodian of the Advanced Starlight Fund Management Co., Ltd.'s series of funds, the Advanced Total International Stock Index Fund investment account.	0.49
	JPMorgan Chase Bank Taipei Branch is the entrusted custodian of the Vangard Emerging Markets Equity Index Fund investment account managed by the Vangard Group.	0.48
	HSBC (Taiwan) Commercial Bank Co., Ltd. is the trustee of the investment account of POINT72 Joint Venture Co., Ltd.	0.43

Name of Institutional Shareholders	Major Shareholders	Ratio (%)
Walton Advanced Engineering, Inc. (2026/4/19)	Walsin Lihwa Corp.	19.66
	Winbond Electronics Corp.	8.7
	Prosperity Dielectrics Co., Ltd.	6.16
	Walsin Technology Corp.	6.16
	HannStar Board Co., Ltd.	2.85
	Chiao, Yu-Heng	2.07
	HSBC Bank (Taiwan) Limited custody of Goldman Sachs International Investment Account	0.48
	The Business Department of Standard Chartered International Commercial Bank Custody of Securities Investment Account of Standard Chartered Bank (Hong Kong) Limited	0.4
	UBS Europe SE Investment Account in the Custodianship of Citibank (Taiwan)	0.31
	Yun Xing International Ltd.	1.78
Prosperity Dielectrics Co., Ltd. (2026/4/13)	Walsin technology Corp.	43.13
	Barclays Capital SBL/PB investment account under the custody of Citi Bank	1.22
	Chiao, Yu-Heng	0.62
	TA-HO Maritime Corporation	0.55
	Hong, Qing-zhong	0.52
	ABC Taiwan Electronics Corp.	0.47
	Liao, Cheng-Qi	0.44
	Standard Chartered International Commercial Bank's business department is entrusted with the safekeeping of Mizuho Securities Co., Ltd.'s investment account.	0.35
	JPMorgan Chase Bank Taipei Branch is the trustee of the investment account of JP Morgan Securities Co., Ltd.	0.27
	Huang, Tsung-Yuan	0.25
Giga Investment Co. (2025/12/31)	Giga-Byte Technology Co., Ltd.	100.00
TSAI YI Corp. (2025/12/31)	Walsin Lihwa Corp.	33.97
	Walsin technology Corp.	26.62
	Chin-Xin Investment Co., Ltd.	8.23
	Global Brands Manufacture Ltd.	6.83
	Ching An Investment Corporation	3.95
	Jung Yang Investment Corporation	3.85
	PROSPERITY DIELECTRICS CO., LTD.	3.36
	WALTON ADVANCED ENGINEERING, INC.	3.35
	HANNSTAR BOARD CORPORATION	2.91
	HannStar Display Corporation	2.00
Chin-Xin Investment Co., Ltd. (2025/12/31)	Winbond Electronics Corp.	37.69
	Walsin Lihwa Corporation	37.00
	HannStar Display Corporation	4.43
	Yu-Cheng Chiao	3.14
	Yu-Lon Chiao	3.14
	Yu-Heng Chiao	3.14
	Yu-Chi Chiao	3.14
	Walsin Technology Corporation.	1.86
	HannStar Board Corporation	1.34
	Prosperity Dielectrics Co., Ltd.	0.72
HannStar Display Corporation (2026/3/04)	Winbond Electronics Corp.	37.69
	Walsin Lihwa Corporation	37.00
	HannStar Display Corporation	4.43
	Yu-Cheng Chiao	3.14
	Yu-Lon Chiao	3.14

Name of Institutional Shareholders	Major Shareholders	Ratio (%)
	Yu-Heng Chiao	3.14
	Yu-Chi Chiao	3.14
	Walsin Technology Corporation.	1.86
	HannStar Board Corporation	1.34
	Prosperity Dielectrics Co., Ltd.	0.72

2. Disclosure of information as professional qualifications and independent status of directors and independent directors

Qualification / Name	Professional qualifications and experience	Independent status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chiao, Yu-Heng	For Directors' professional qualification and experience, please refer "Information of directors" of this Annual Report. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.)	Not Applicable	0
Representative of Walsin Technology Corporation: Lai, Wei-Chen			0
Representative of Walsin Technology Corporation: Wu, Yung-Hui			0
Representative of Chin-Xin Investment Co. Ltd.: Chou, Chih-Chung			0
Representative of Xing Xing Investment Co. Ltd. Chiao, Tzu-Yu			0
Independent Director Lu, Chi-Chant		All of the following situations apply to each and every of the Independent Directors: 1. Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" issued by Taiwan's Securities and Futures Bureau. 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any HSB common shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"	1
Independent Director Wang, Kuo-Cheng			3
Independent Director Yuan, Jun-Tang			0
Independent Director Lee, Yi-Hsin			0

3.Diversity and independence of the Board of Directors：

(1). Diversity of the Board of Directors: Please refer to "Evaluation of achievement of enhancing the Board's performance".

(2). Independence of the Board of Directors:
The Board of Directors of the Company consists of 9 directors, of which 4 are independent directors (44.44% of all directors). As of printed date, In addition, all of independent directors comply with the regulations of the Securities and Futures Bureau and none of the circumstances prescribed in paragraph 3 and paragraph 4, Article 26-3 of the Securities Exchange Act exist among the directors and independent directors. The Board of Directors of the Company is independent (Please refer to the Annual Report - Disclosure of information on professional qualifications of directors and independence of independent directors). The Experience (Education), Gender and Work Experience (Please refer to the Annual Report - Information of directors).

2.1.2 Management Team

Title	Nationality	Name	Gender	Date of appointed	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		
					Number of shares	Percentage	Number of shares	Percentage	Number of shares	Percentage	
CEO	R.O.C	Chiao, Yu-Heng	Male	2010/10/8	11,873,404	2.44	16,969	0.00	0	0.00	Golden Gate Vice Preside
General Manager	R.O.C	Tao, Cheng-Kuo	Male	2023/5/3	239,014	0.05	0	0.00	0	0.00	Cultural Uni Deputy Pres Assistant Ma and Quality
President of Business Dept. (Taiwan)	R.O.C	Tsai, Chi-Feng	Male	2023/5/3	167,040	0.03	0	0.00	0	0.00	Institute of I COO of Flexi
President (Proxy) of Business Dept. (Jiangyin)	R.O.C	Tseng, Chia-Hsing	Male	2025/10/1	168,853	0.03	32,014	0.01	0	0.00	Bloomsburg Director of N (Jiangyin) Co
Vice President	R.O.C	Wu, Chang-Long (Note 3)	Male	2025/12/9	0	0.00	0	0.00	0	0.00	EMBA of NC Director of K
Assistant Manager	R.O.C	Huang, Chin-Wen	Male	2015/1/6	151,400	0.03	0	0.00	0	0.00	Department University o Associate M Electronics C
Finance & Accounting officer / Corporate Governance Officer	R.O.C	Chien, Pei-Chi	Female	2022/8/3	113,080	0.02	0	0.00	0	0.00	Graduated i Accounting

Note1: The purpose of having the same person serve concurrently as both chairman and CEO of the company is to formulate the compan
board of directors and corporate governance operations, directors and independent directors will be planned in accordance with t
Note2: For details of other concurrent positions that serve as a subsidiary of the company, please refer to “VI. Special Disclosure”.
Note3: The newly-appointed managers at the board of directors on the 20th in the 12th term.

2.2 Remunerations paid to Directors, President and Vice Presidents in the most recent year

2.2.1 Remuneration of Directors and Independent Directors

2025/12/31 Unit: NT$ thousands

Title	Name	directors remuneration								ratio of total a, b, c and d to net income (%)		Remuneration Received as Employee								ratio of total a, b, c, d, e, f and g to net income (%)		remuneration from invested companies other than subsidiaries or parent company
		remuneration (a)		pension (b)		remuneration to directors (c)		allowances (d)				salary, bonus and special allowance (e)		pension (f) (note2)		employee bonus (g)						
		the company	all companies in the consolidated financial statements	the company	all companies in the consolidated financial statements	the company	all companies in the consolidated financial statements	the company	all companies in the consolidated financial statements	the company	all companies in the consolidated financial statements	the company	all companies in the consolidated financial statements	the company	all companies in the consolidated financial statements	the company		all companies in the consolidated financial statements		the company	all companies in the consolidated financial statements	
																cash	stock	cash	stock			
Chairman	Chiao, Yu-Heng	0	0	0	0	31,480	40,169	180	360	31,660 1.08%	40,529 1.39%	21,372	64,427	0	50	3,471	0	8,914	0	56,503 1.93%	113,920 3.90%	62,850
Director	Walsin technology Corp.																					
Director	Representative of Walsin Technology Corp.: Lai, Wei-Chen																					
Director	Representative of Walsin Technology Corp.: Wu, Yung-Hui																					
Director	Chin-Xin Investment Co. Ltd.																					
Director	Representative of Chin-Xin Investment Co. Ltd.: Chou, Chih-Chung																					
Director	Xing Xing Investment Co. Ltd.																					
Director	Representative of Xing Xing Investment Co. Ltd. : Chiao, Tzu-Yu																					
Independent Director	Lu, Chi-Chant	0	0	0	0	15,005	15,005	144	144	15,150 0.52%	15,150 0.52%	0	0	0	0	0	0	0	0	15,150 0.52%	15,150 0.52%	0
Independent Director	Wang, Kuo-Cheng																					
Independent Director	Yuan, Jun-Tang																					
Independent Director	Lee, Yi-Hsin																					

Note 1: The remuneration is determined by not only referring to board performance evaluation results, but also by following Article 6 of the Company's Articles of Incorporation, which states that the Compensation Committee shall review each director's level of participation in and value of contribution to the Company's operations, take into account the general standards adopted by the industry, and propose suggestions to the Board of Directors for resolution.

Note 2: Except as disclosed in the above table, remuneration to directors received due to the service provided all companies listed in the consolidated financial statement (such as being independent consultants, etc.) in the most recent year: NT$0 dollars.

Range of Remuneration

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements (Note1)
Less than1,000,000元	Representative of Walsin Technology Corp.: Lai, Wei-Chen Representative of Walsin Technology Corp.: Wu, Yung-Hui Representative of Chin-Xin Investment Co. Ltd.: Chou, Chih-Chung Representative of Xing Xing Investment Co. Ltd. : Chiao, Tzu-Yu	Representative of Walsin Technology Corp.: Lai, Wei-Chen Representative of Walsin Technology Corp.: Wu, Yung-Hui Representative of Chin-Xin Investment Co. Ltd.: Chou, Chih-Chung Representative of Xing Xing Investment Co. Ltd. : Chiao, Tzu-Yu	Representative of Walsin Technology Corp.: Lai, Wei-Chen Representative of Walsin Technology Corp.: Wu, Yung-Hui Representative of Chin-Xin Investment Co. Ltd.: Chou, Chih-Chung Representative of Xing Xing Investment Co. Ltd. : Chiao, Tzu-Yu	Representative of Walsin Technology Corp.: Lai, Wei-Chen Representative of Walsin Technology Corp.: Wu, Yung-Hui Representative of Chin-Xin Investment Co. Ltd.: Chou, Chih-Chung Representative of Xing Xing Investment Co. Ltd. : Chiao, Tzu-Yu
NT$ 1,000,000((inclusive) ～ 2,000,000 (exclusive)				
NT$2,000,000(inclusive) ～ 3,500,000 (exclusive)	Chin-Xin Investment Co. Ltd. Xing Xing Investment Co. Ltd.	Chin-Xin Investment Co. Ltd. Xing Xing Investment Co. Ltd.	Chin-Xin Investment Co. Ltd. Xing Xing Investment Co. Ltd.	Chin-Xin Investment Co. Ltd. Xing Xing Investment Co. Ltd.
NT$3,500,000(inclusive) ～5,000,000 (exclusive)	Lu, Chi-Chant、Wang, Kuo-Cheng、 Yuan, Jun-Tang、Lee, Yi-Hsin	Lu, Chi-Chant、Wang, Kuo-Cheng、 Yuan, Jun-Tang、Lee, Yi-Hsin	Lu, Chi-Chant、Wang, Kuo-Cheng、 Yuan, Jun-Tang、Lee, Yi-Hsin	Lu, Chi-Chant、Wang, Kuo-Cheng、 Yuan, Jun-Tang、Lee, Yi-Hsin
NT$5,000,000(inclusive) ～10,000,000 (exclusive)	Walsin technology Corp.	Walsin technology Corp.	Walsin technology Corp.	Walsin technology Corp.
NT$10,000,000(inclusive) ～15,000,000 (exclusive)				
NT$15,000,000(inclusive) ～30,000,000 (exclusive)	Chiao, Yu-Heng	Chiao, Yu-Heng		
NT$30,000,000(inclusive) ～50,000,000 (exclusive)			Chiao, Yu-Heng	
NT$50,000,000(inclusive) ～100,000,000(exclusive)				
Greater than or equal to NT$100,000,000				Chiao, Yu-Heng
Total	12	12	12	12

Note1. For the remuneration paid to Directors of the Company by all companies in the consolidated statements (including the Company), names of every Director shall be disclosed in their corresponding range within the remuneration schedule.

2.2.2 Remuneration of President and Vice Presidents

2025/12/31 Unit: NT$ thousands

Title (Note 1)	Name	Remuneration (A)		Pension (B) (Note 2)		Bonuses and Allowances (C)		Employee Compensation (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Remuneration from Re-investments or Parent Company other than Subsidiaries (Note)
		The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company		Companies in the consolidated financial statements		The company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
CEO	Chiao, Yu-Heng	35,013	44,171	317	417	6,618	51,957	8,115	0	15,718	0	50,063 1.71%	112,263 3.84%	60,178
General Manager	Tao, Cheng-Kuo													
General Manager of Business Dept. (Taiwan)	Tsai, Chi-Feng													
General Manager (Proxy) of Business Dept. (Jiangyin)	Tseng, Chia-Hsing													
Vice President	Wu, Chang-Long													

Note 1: This Table discloses a summary of the payments managers' ranked vice president (and equivalents) or above received in 2025.
Note 2: Refers to pension set aside pursuant to the law.

Range of Remuneration

Range of Remuneration	Name of Supervisors	
	The company	Companies in the consolidated financial statements
Less than1,000,000 元	Wu, Chang-Long	Wu, Chang-Long
NT$1,000,000(inclusive) ~ 2,000,000 (exclusive)		
NT$2,000,000(inclusive) ~ 3,500,000 (exclusive)		
NT$3,500,000(inclusive) ~ 5,000,000 (exclusive)		
NT$5,000,000(inclusive) ~ 10,000,000 (exclusive)	Tao, Cheng-Kuo、Tsai, Chi-Feng、Tseng, Chia-Hsing	Tsai, Chi-Feng
NT$10,000,000(inclusive) ~ 15,000,000 (exclusive)		Tseng, Chia-Hsing
NT$15,000,000(inclusive) ~ 30,000,000 (exclusive)	Chiao, Yu-Heng	Tao, Cheng-Kuo
NT$30,000,000(inclusive) ~ 50,000,000 (exclusive)		
NT$50,000,000(inclusive) ~ 100,000,000(exclusive)		
Greater than or equal to NT$100,000,000		Chiao, Yu-Heng
Total	5	5

2.2.3 Distribution of Employee Bonus to Management Team

2025/12/31 Unit: NT$ thousands

	Title	Name	Employee Compensation in Stock (Fair Market Value)	Employee Compensation in Cash	Total	Ratio of Total Amount to Net Income (%)
Managers	Chairman and CEO	Chiao, Yu-Heng	0	10,967	10,967	0.38%
	General Manager	Tao, Cheng-Kuo				
	General Manager of Business Dept.(Taiwan)	Tsai, Chi-Feng				
	General Manager (Proxy) of Business Dept. (Jiangyin)	Tseng, Chia-Hsing				
	Vice President	Wu, Chang-Long				
	Assistant Manager	Huang, Chin-Wen				
	Finance & Accounting officer / Corporate Governance Officer	Chien, Pei-Chi				

2.2.4 Analysis of total remunerations to Directors, President, vice presidents etc. as a percentage of the standalone after-tax net income in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

1. Analysis of total remunerations to Directors, President, vice presidents etc. as a percentage of the stand-alone after-tax net income in the last two years:

Unit: NT$ thousands

Item / year	2025		2024	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Total remuneration	96,873	167,942	74,893	152,965
The proportion of total amount to profit after income tax (%)	3.31	5.74	2.49	5.08

2. Analysis and description of remuneration policies, standards, packages and the procedure for determining remuneration, and their linkage to operating performance and future risk exposure.
   The remuneration is appropriated according to the business performance of the Company in the year and the stipulated percentage in Article 23-1 of the Articles of Incorporation, which stipulate that: "If there is profit at the end of each fiscal year, a ratio from 2% to 10% of profit of the current year shall be distributable as employees' compensation and no more than 10% shall be distributable as Directors' remuneration. However, if the Company still records a cumulative loss, its profit shall first be used to make up the loss."
   The Compensation Committee refers to the general level of the industry and considers reasonableness and the correlations between the Company's operating performance, personal performance and future risks exposure. The remuneration will be implemented as required after it is reviewed by the Compensation Committee and approved by the board of directors. The remuneration of directors and managers depend on participation in the company's operations and their individual performance contributions in accordance with Article 6 of the company's "Compensation and Compensation Committee Organization Regulations" and "The Board of Directors' Performance Evaluation Measures. ”The assessment items include moral hazard events of directors and managers or other risk events that cause negative impact on company image, goodwill, improper internal management, and personnel malpractice, etc.
   The company will afford the reasonable remuneration based on the remuneration ratio of directors and managers after taking into account the target achievement rate, profit rate, operating efficiency, contribution, etc. of directors and managers, the chairman will be based on the management performance appraisal with

the principle of distribution recommended by the compensation committee.

2.3 Implementation of Corporate Governance

2.3.1 Operations of Board of Directors Operation

The Board of Directors totally held 9(A) meetings in 2025. The attendance records for the directors are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Chairman	Chiao, Yu-Heng	9	0	100.00	-
Director	Representative of Walsin Technology Corp.: Lai, Wei-Chen	9	0	100.00	-
Director	Representative of Walsin Technology Corp.: Wu, Yung-Hui	9	0	100.00	-
Director	Representative of Chin-Xin Investment Co. Ltd.: Chou, Chih-Chung	8	1	88.89	-
Director	Representative of Xing Xing Investment Co. Ltd. : Chiao, Tzu-Yu	5	4	55.56	-
Independent director	Lu, Chi-Chant	9	0	100.00	-
Independent director	Wang, Kuo-Cheng	9	0	100.00	-
Independent Director	Yuan, Jun-Tang	9	0	100.00	-
Independent Director	Lee, Yi-Hsin	9	0	100.00	-

Other mentionable items:

1. If any of the following circumstances occur,, the dates of the meetings, sessions, contents of motion, all independent directors’ opinions and the company’s response should be specified:
   (1) Matters referred to in Article 14-3 of the Securities and Exchange Act.
   The Company has established audit committees; hence the Article 14-3 of Securities and Exchange Act shall not be applicable. Please refer to the chapter of Audit Committee in the Annual Report.
   (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: None.

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

Term/Meeting Date	Name(s) of Directors	Proposal	Participated in Vote or Not
12 term 12th Meeting 2025/01/16	Chiao, Yu-Heng	To approve of 2024 H2 the managers' profit sharing compensation.	Recused as provided by law.
12 term 13th Meeting 2025/02/11	Chiao, Yu-Heng Lai, Wei-Chen	To approve the subscription the increase cash capital of Career Technology (Mfg.) Co., Ltd.	
12 term 14th Meeting 2025/02/19	Chiao, Yu-Heng Lai, Wei-Chen Wu, Yung-Hui	To approve the issue of the donation for charity activities.	
12 term 15th Meeting 2025/03/27	All Directors	To approve the 2024 directors' compensation.	
	Chiao, Yu-Heng	To approve the 2024 managers' compensation.	
12 term 17th Meeting 2025/08/06	Chiao, Yu-Heng Chiao, Tzu-Yu	To approve the company's transfer of treasury stock to employees.	
	Chiao, Yu-Heng Lai, Wei-Chen Chiao, Tzu-Yu	To approve the subscription the increase cash capital of Global Brands Manufacture Ltd..	

Term/Meeting Date	Name(s) of Directors	Proposal	Participated in Vote or Not
12 term 18th Meeting 2025/09/16	Chiao, Yu-Hen Chiao, Tzu-Yu	To approve the company's transfer of treasury stock to employees.	
12 term 19th Meeting 2025/10/29	Chiao, Yu-Heng Lai, Wei-Chen Chiao, Tzu-Yu	The company acquired a real property right-of-use assets from a related party Career Technology (Mfg.) Co., Ltd.	
12 term 20th Meeting 2025/12/09	Chiao, Yu-Heng	To approve the company's transfer of treasury stock to employees.	

3. Evaluation cycles, evaluation periods, evaluation scopes, evaluation methods and evaluation procedures, etc. for evaluating the performance of the Company’s board of directors and board members are disclosed as below:
Since 2012, in accordance with the Company’s “Board Performance Evaluation Regulations”, internal performance evaluations of the Board of Directors, Audit Committee and Compensation Committee (hereinafter collectively referred to as functional committees) have been conducted at the end of each year; external performance evaluations have been conducted every three years, and the Board of Directors’ performance evaluation results for 2025 will be submitted to the Compensation Committee and the Board of Directors’ report on January 22, 2026..

Scope of Assessment	Evaluation Method	Evaluation Period	Evaluation Content
The Board of Directors as a whole	External Board Evaluation	Every three years	1. Board Composition and Professional Development. 2. Quality of board decision-making. 3. Board effectiveness. 4. Internal Control and Risk Management. 5. The level of board participation in corporate social responsibility.
The Board of Directors as a whole	Board Self-Assessment	Once a year	1. Level of involvement in company operations. 2. Enhance the quality of board decision-making. 3. Board Composition and Structure. 4. Election and continuing education of directors. 5. Internal Control.
Individual board members	Board Member Self-Assessment		1. Understanding of company goals and missions. 2. Understanding of directorial responsibilities. 3. Level of involvement in company operations. 4. Internal relationship management and communication. 5. Professional qualifications and continuing education of the directors. 6. Internal Control.
Functional Committee	Internal Self-Assessment of Functional Committees		1. Level of involvement in company operations. 2. Understanding of the responsibilities of functional committees. 3. Improve the quality of decision-making for functional committees. 4. Composition and appointment of members for functional committees. 5. Internal Control.

4. Evaluation of achievement of enhancing the Board's performance:

(1) In order to implement a good Board governance mechanism, the diversity and professionalism of the Board members need to be considered:

A. Diversity of Board members:

As stated in the "Rules Governing the Election of Directors" and "Corporate Social Responsibility Best Practice Principles", the appointment of directors should consider the overall composition of the Board of Directors. The diversity goal is to have at least one female director or one director has appropriate accounting or financial expertise.

B. Professionalism of Board members:

The overall consideration for the election of the Board of Directors of the Company includes operational judgment and management capabilities, accounting and financial analytical capabilities, crisis management capabilities, industry knowledge, international market outlook, leadership, and decision-making capabilities.

Title	Name	Gender	Age	Profession Background	Operational Capability	Financial analysis	Management	crisis management	Industry knowledge	international market view	leadership	Decision-making capacity
chairman	Chiao, Yu-Heng	Male	61~70	Business Management	V		V	V	V	V	V	V
Director	Walsin technology Corp. Representative: Lai, Wei-Chen	Male	61~70	Quality Assurance Management	V		V	V	V	V	V	V
Director	Walsin technology Corp. Representative : Wu, Yung-Hui	Male	61~70	Business Management	V		V	V	V	V	V	V
Director	Chin-Xin Investment Co. Ltd. Representative : Chou, Chih-Chung	Male	51~60	Financial Accounting	V	V	V	V	V	V	V	V
Director	Xing Xing Investment Co. Ltd. Representative :Chiao, Tzu-Yu	Female	21~30	Business Management	V		V	V	V	V	V	V
Independent Director	Lu, Chi-Chant	Male	71~80	Financial Accounting & Electrical Machinery	V	V	V	V	V	V	V	V
Independent Director	Wang, Kuo-Cheng	Male	61~70	Financial Accounting	V	V	V	V	V	V	V	V
Independent Director	Yuan, Jun-Tang	Male	61~70	Business Management	V		V	V	V	V	V	V
Independent Director	Lee, Yi-Hsin	Female	51~60	Legal	V		V	V	V	V	V	V

C. Implementation of diversity policy of the Company's Board:

a. Goa l: As the "Rules Governing the Election of Directors" and "Corporate Governance Best Practice Principles", the company clearly stipulates that the selection of directors should consider the overall composition of the Board of Directors. The composition of Board members should be diversified, such as having different professional backgrounds, work fields or genders; as well as different knowledge, skills and attainment in order to exert the strategic guidance function.

b. Achievement: The directors of the company all have relevant business experience. As for professional fields, approximately 22.22% of all directors have business management background; approximately 33.34% of all directors have financial accounting & Electrical Machinery background; approximately 22.22% of all directors have business management background; approximately 11.11% of all directors have quality assurance management background; approximately 11.11% of all directors have Legal background; at least two female directors or one director has appropriate accounting or financial expertise, the achievement rate is 100%.

c. The Company attaches great importance to gender equality in the composition of the Board of Directors, with the goal of increasing the number of female directors to one-third. Considering the Company's operating structure, business development direction, future development trends and other needs, the Company currently has 9 members on the Board of Directors, of which 7 (78%) are male and 2 (22%) are female. In the future, the Company will do its best to increase the number of female directors to achieve its goal.

(2) In order to improve the supervision function of the Board of Directors, increasing frequency of Board meetings is necessary to be considered:
The Company’s Board of Directors meet each quarter to review business performance and discuss Operational strategy issues including shocks, risks and opportunities in environment society and economy. In 2025, the Board meetings were held 9 times, with an average attendance rate of 93.83%.

(3) Performance Evaluation of the Board of Directors - 2023 Annual Internal Evaluation Results:
● Internal Evaluation Results go as follows:
In December 2025, the Company conducted an internal annual board performance evaluation of the board of directors, individual board members and functional committees in accordance with the evaluation indicators and evaluation procedures specified in these Rules, and compiled and scored the data after the questionnaires were collected, and made recommendations for improvement in 2025.
The results were reported at the board meeting in Jan. 22, 2026 and disclosed on the Company's website.

● External Evaluation Results go as follows:
The Company appointed the Taipei Foundation of Finance in 2025. The results of external evaluation was disclosed the Company's annual report and on the website.
.
2.3.2 Operation of the Audit Committee
The Audit Committee meetings held 8 (A) meetings, with an average attendance rate of 100.00% in 2025. The attendance records for the independent directors are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Convener	Lu, Chi-Chant	8	0	100.00	Note1
Independent director	Wang, Kuo-Cheng	8	0	100.00	-
Independent director	Yuan, Jun-Tang	8	0	100.00	-
Independent director	Lee, Yi-Hsin	8	0	100.00	Note2

Note1: Lu, Chi-Chant is a qualified accountant.
Note2: Lee, Yi-Hsin lawyer.

Other mentionable items:
1. If any of the following circumstances occur, the dates of the audit committee meetings, sessions, contents of motion, objection, reservation or major proposed project content from the Independent directors, resolutions of the Audit Committee and the Company’s response to the Audit Committee’s opinion should be specified:
(1) Matters referred to in Article 14-5 of the Securities and Exchange Act.

Date/term of the Audit Committee meeting	Subject	Option	Resolutions /Response to the comments of the Audit Committee
3th Term 10th Meeting 2025/02/11	To approve the subscription the increase cash capital of Career Technology (Mfg.) Co., Ltd.	None.	Passed by all members unanimously./Not Applicable
3th Term 11th Meeting 2025/02/19	1. To approve the 2024 annual financial statements. 2. To approve the 2024 Internal Control System Statement. 3. To approve the donation for charity activities.	None.	Passed by all members unanimously./Not Applicable
3th Term 12th Meeting	1. Discussed appointment of the Company's CPA and the CPA’s remuneration and independence assessment for 2025.	None.	Passed by all members

Date/term of the Audit Committee meeting	Subject	Option	Resolutions /Response to the comments of the Audit Committee
2025/3/27	2. To approve the 2025 earnings. 3. To discuss the Amendments of the Procedures for the Acquisition and Disposal of Asset. 4. To discuss the Amendments of the Procedures for Lending Funds to other parties. 5. To discuss the Amendments of the Articles of Incorporation.		unanimously./Not Applicable
3th Term 13th Meeting 2025/05/02	1. To approve the 2025 Q1 financial statements. 2. To approve the 2024 business report. 3. To approve the amendments"Stock Affairs Agency Internal Control System". 4. To discuss the Amendments of the Articles of Incorporation. 5. "The Board of Directors resolves for repurchase of the Company's own shares."	None.	Passed by all members unanimously./Not Applicable
3th Term 14th Meeting 2025/08/06	1. To approve the 2025 Q2 financial statements. 2. To approve the company's transfer of treasury stock to employees. 3. To approve the subscription the increase cash capital of Global Brands Manufacture Ltd..	None.	Passed by all members unanimously./Not Applicable
3th Term 15th Meeting 2025/9/16	1. To revise the Company's "Payroll Cycle Internal Control System - Payroll Management Operations" 2. To revise the Company's "Regulations Governing Financial and Business Transactions Among Related Parties" 3. To approve the company's transfer of treasury stock to employees 4. "The Board of Directors resolves for repurchase of the Company's own shares."	None.	Passed by all members unanimously./Not Applicable
3th Term 16th Meeting 2025/10/29	1. To approve the 2025 Q3 financial statements. 2. To approve the Company's 2025 internal audit plan. 3. To approve the Company's 2026 internal control cycle audit plan. 4. To approve the company's "Risk Management Policies and Procedures" 5. The company acquired a real property right-of-use assets from a related party Career Technology (Mfg.) Co., Ltd.	None.	Passed by all members unanimously./Not Applicable
3th Term 17th Meeting 2025/12/09	1. To approve the amendments"Stock Affairs Agency Internal Control System". 2. To approve the company's transfer of treasury stock to employees. 3. "The Board of Directors resolves for repurchase of the Company's own shares."	None.	Passed by all members unanimously./Not Applicable

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

2. If there are independent directors’ avoidance of motions in conflict of interest, the directors’ names, contents of motion, causes for avoidance and voting should be specified: None.
3. Communication between independent directors, the chief internal auditor and CPAs (which should include major events, methods, results, etc. as regards the Company's financial and business conditions):
   (1) Communication matters between independent directors, chief internal auditor and CPAs:
      A. The internal auditor have communicated the result of the audit reports to the members of the Audit Committee periodically, and have presented the findings of all audit reports in the quarterly meetings of the Audit Committee. The internal auditor and independent directors have regular meetings at least once a quarter to report on the company's internal audit performance and internal control operations. Should the urgency of the matter require it, the Company's chief internal auditor will inform the members of the Audit Committee outside of the regular reporting. The communication channel between the Audit Committee and the internal auditor has been functioning well.
      B. The CPAs is invited to attend Audit Committee meetings at least four times a year and to report to the Audit

Committee on the review or audit results of the Company's and its affiliates' financial statements and the internal control audit status. The CPA shall fully communicate any material adjustments to entries or any amendments to laws and regulations.

(2) Communication between independent directors and CPAs in the most recent year:

Date	Communication items
2025/02/19	To audit annual financial statements of 2024 and the legislation or changes of the relevant laws and regulations.
2025/05/02	To review annual financial statements for first quarter of 2025 and the legislation or changes of the relevant laws and regulations.
2025/08/06	To review annual financial statements for second quarter of 2025 and the legislation or changes of the relevant laws and regulations.
2025/10/29	To review annual financial statements for third quarter of 2025 and the legislation or changes of the relevant laws and regulations.

(3) Communication between independent directors and the chief internal auditor in the most recent year:

Date	Communication items
2025/02/19	1. To review and approve 2024 the Internal Auditor's report. 2. To review and approve 2024 Statement of Internal Control System.
2025/05/02	1. To review and approve 2025 first quarter the Internal Auditor's report. 2. To respond the independent directors ask questions.
2025/08/06	1. To review and approve 2025 second quarter the Internal Auditor's report. 2. To respond the independent directors ask questions.
2025/10/29	1. To review and approve 2025 third quarter the Internal Auditor's report. 2. To review and approve the 2025 internal audit plan.

4. Operation of the Audit Committee

1. The Audit Committee's Duties and Annual Work Summary	2. Annual Work Summary
A. Adoption of or amendment to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.	A. Agenda arrangement。
B. Assessment of the effectiveness of the internal control system.	B. Handling matters related to the meeting of the Audit Committee in accordance with the law.
C. Adoption of or amendment to procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of loans to others, or endorsements or guarantees for others, pursuant to Article 36-1 of the Securities and Exchange Act.	C. Follow-ups and execution of improvements requested by the Audit Committee.
D. Matters bearing on the personal interest of a director.	D. Whether any employee, manager and director have entered into related-party transactions and possible conflicts of interest in such transactions.
E. Material asset or derivatives transactions.	E. Annual self-assessment work of the audit committee.
F. Material loans, endorsements, or provision of guarantees.	F. Establishing and revising the organizational regulations and relevant operating procedures.
G. The offering, issuance, or private placement of any equity-type securities.	G. Announcement of relevant matters concerning the Audit Committee pursuant to law.
H. The engagement or dismissal of a CPA, or the compensation given thereto.	H. Providing company information required by independent directors to assist them in fully exercising their powers.
I. The appointment or discharge of a financial, accounting, or internal auditing officer.	I. Suggestions and complaints from interested parties.
J. Annual financial reports signed or chopped by the Chairman, manager and accounting officer.	J. Work safety/environmental protection and legal compliance.
K. Any other material matter so required by the Company or the Competent Authority.	K. Derivative commodity management.

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

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
1. Has the company set and disclosed the principles for practicing corporate governance according to the "Corporate Governance Best-Practice Principles for TWSE / TPEx Listed Companies?”	V		The Company has established “Corporate Governance Best Practice Principles” according to the "Corporate Governance Best Practice Principles for TWSE TPEx Listed Companies" and disclosed them on the Company's website.	No Difference
2. Shareholding Structure & Shareholders’ Rights				
(1) Does Company has Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If Yes, has these procedures been implemented accordingly?	V		The Company has assigned spokesperson and acting spokesperson, and their contact information are disclosed on the Company’s official website so shareholders can express their opinions by phone or email. The Company in turn handles the issues according to relevant procedures.	No Difference
(2) Does Company possesses a list of major shareholders and beneficial owners of these major shareholders?	V		The Company tracks the shareholdings of directors, officers, and top ten shareholders.	No Difference
(3) Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates?	V		The Company has established a management system in accordance with relevant laws and regulations in order to properly control the risks in the relationships between the Company and its Affiliated corporations and developed adequate firewalls.	No Difference
(4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V		The Company has established its “Insider Trading Policy”. “Ethical Corporate Management Procedures and Code of Conduct”. “Directors and Managers of Codes of Ethical Conduct” that applies to all employees, officers and members of the Board of Directors of the Company and to another person having a duty of trust or confidence, with respect to transactions in the Company’s securities. This policy prohibits any insider trading and the Company regularly provides internal training on this issue	No Difference
3. Composition and Responsibilities of the Board of Directors				
(1) Has the Company established a diversification policy, specific management objectives and implemented?	V		According to the "Company’s Corporate Governance Best Practice Principles", the composition of the Board of Directors shall be determined by taking diversity into consideration. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities: 1. Ability to make operational judgments. 2. Ability to perform accounting and financial analysis. 3. Ability	No Difference

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			to conduct management administration. 4. Ability to conduct crisis management. 5. Knowledge of the industry. 6. An international market perspective. 7. Ability to lead. 8. Ability to make policy decisions. Implementation of diversity policy of the Company’s Board, please refer to "Evaluation of achievement of enhancing the Board’s performance".	
(2) Other than the Compensation Committee and the Audit Committee which are required by law, does the Company plan to set up other Board committees?	V		The Company has established a Remuneration Committee, an Audit Committee, and a Sustainability Committee in accordance with the law, as well as a Personnel Evaluation Committee, a Employee Welfare Committee, and an Information Security Committee to perform their respective functions.	No Difference
(3) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of performance to the Board of Directors, and uses the results as reference for directors’ remuneration and renewal?	V		The Company has established the Rules "Regulations Governing Board Performance Evaluation", based on which the Company conducts regular annual performance evaluations. The evaluation methods include the board’s self-evaluation and board members’ self-evaluation. The Company's board performance evaluation being conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years. When electing or nominating members of the board of directors, the Company shall reference the results of the performance evaluations. An individual director's remuneration shall be reference the results of performance evaluations. The most recent evaluation has been completed in Dec. 2024 and reported in the board meeting and Compensation Committee, which was held on Jan. 16, 2025.	No Difference
(4) Does the Company regularly evaluate its external auditors’ independence?	V		The Company’s Audit Committee and Board of Directors evaluate the independence and competency of the CPAs every year, based on the evaluation standards and reference audit quality indicator (AQI) in note 1 of this annual report. The performance is evaluated in 5 major aspects and 13 indicators including professionalism, quality control, independence, the supervision, and innovation ability. The CPA is confirmed to be independent of the Company and can provide the Company with financial report auditing certification, as well as various financial, accounting, and tax consulting services. The evaluation results of the most recent year have been discussed and approved by the Audit Committee and Board of Directors on 2025/3/27 to evaluate the independence and competency of CPAs.	No Difference
4. Does the Company appoint competent and appropriate corporate governance personnel and corporate	V		The Board of Directors appointed the Finance & Accounting officer as the Corporate Governance Officer who in charge of assisting in related affairs on Nov. 2, 2020, including handling of matters relating to	No Difference

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to board meetings and shareholders' meetings according to law, and recording minutes of board meetings and shareholders' meetings)?			Board, Functional Committee shareholders' meetings in compliance with law, assistance in on boarding and continuing education of directors, provision of information required for performance of duties by directors, and assistance in directors' compliance of law, etc.	
5. Has the Company established a means of communicating with its Stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?	V		The company maintains unimpeded communication channels with stakeholders, including customers, shareholders/investors, employees, suppliers, communities, authorities or other stakeholders of the company, so as to understand the corporate social responsibility issues that stakeholders are concerned. Depending on the situation, the Company's shareholders service, human resources dept. Customer Service Dept. and Procurement Dept. will communicate with stakeholders. We also have publicly disclosed the contact information of our corporate spokesperson and relevant departments. Also, we have a stakeholder section on our corporate website to address our corporate social responsibilities and any other issues. The company has formulated the "Management Measures for Complaints/Reports", and interested parties can directly communicate with relevant units of the company to make suggestions and complaints.	No Difference
6. Has the Company appointed a professional registrar for its Shareholders' Meetings?		V	The Company has handled such affairs by itself.	The Company will be handled in accordance with the company's needs and legal regulations.
7. Information Disclosure				
(1) Has the Company established a corporate website to disclose information regarding its financials, business and corporate governance status?	V		The Company has established a public website to disclose information regarding its financial, business and corporate governance. https://tw.hannstarboard.com/information-security/	No Difference
(2) Does the Company use other information disclosure channels (e.g. maintaining an English-language website, designating staff to	V		Dedicated personnel are in charge of collecting and disclosing such information in both Chinese and English versions for the reference of shareholders and stakeholders. The Company established a spokesperson system and dedicated team to handle	No Difference

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Explanation	
handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?			shareholder services. Information related to shareholders' meetings or investors' meetings is updated immediately on the company website.	
(3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second and third quarter financial statements as well as the operating status of each month before the prescribed deadline?	V		The company relevant laws and regulations to announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline.	No Difference
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?	V		Regarding information on employee rights and interests, employee wellness, investor relations, supplier relations and rights of the stakeholders, please refer to "Corporate Social Responsibility" section in the annual report.	No Difference
9. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange. The Company will continue considering the possible measures to enhance the results of the Corporate Governance Evaluation.				

Note:1. Items for assessment of the CPA's independence.

Evaluation Items	Evaluation Result	Independence
1. Does the CPA have direct or significant / indirect relations with the Company in financial interests?	No	Yes
2. Does the CPA have a close business relations or potential employment relationship with the Company?	No	Yes
3. Does the CPA or members of the audit team hold the posts in the Company, such as the director, supervisor and officer or occupied a key position with significant influence on the auditing process?	No	Yes
4. Does the CPA have kinship with the Company's directors, supervisors, or officers or any post with significantly influences on the auditing work?	No	Yes
5. The CPA did not receive from the Company, directors, managers, or major shareholders	No	Yes

Evaluation Items	Evaluation Result	Independence
any offer or gift, the value of which exceeds the usual social etiquette standards.		
6. Does the CPA offer non-audit service which could impact the auditing process for the Company?	No	Yes
7. Does the CPA act as the company's defense attorney or represent the Company to negotiate with any third party over any dispute?	No	Yes
8. Whether accountants have been disciplined.	No	Yes

2.3.4 Composition, Responsibilities and Operations of the Compensation Committee

A. Professional Qualifications and Independence Analysis of Compensation Committee Members

2025/4/20

Identity	Conditions / Name	Professional qualifications and experience	Independent status	Number of other public companies in which the individual is concurrently severing as the Compensation Committee member
Convener Independent Director	Lu, Chi-Chant	Please refer to Disclosure of information on professional qualifications of directors and independence of independent directors for the relevant content.	All of the following situations apply to each and every of the Compensation Committee Members: 1. Satisfy the requirements of Article 14-6 of "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" issued by Taiwan's Securities and Futures Bureau. 2. Committee Members (or nominee arrangement) as well as his/her spouse and minor children do not hold any HSB common shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"	1
Independent Director	Yuan, Jun-Tang			0
Member	Chen, Yi-Min	With over five years of experience in corporate operations. Associate Vice President of Human Resource at Walsin Lihwa Corporation. Current Job: The member of compensation committee at Global Brands Manufacture Corporation, Walton Advanced Engineering Corporation and Silitech Technology Corporation.		3

Note: Lu, Chi-Chant is a qualified accountant.

B. Information on Operation of the Compensation Committee

(1) The Company's Compensation Committee is comprised of three members.

(2) Term for the current committee members: From 2023/6/15 to 2026/6/14.

(3) The Compensation Committee meet 6 times in 2025 and the job titles and attendance records of the committee members are as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Convener	Lu, Chi-Chant	6	0	100	-
Committee Member	Yuan, Jun-Tang	6	0	100	-
Committee Member	Chen, Yi- Min	6	0	100	-

Other mentionable items:

1. If the board of directors declines to adopt or modifies a recommendation of the Compensation Committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the Compensation Committee's opinion (e.g., the remuneration passed by the Board of Directors exceeds the recommendation of the Compensation Committee, the circumstances and cause for the difference shall be specified): None.
2. Resolutions of the Compensation Committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.

3. The matters for discussion and resolution by the Compensation Committee and the Company are handling of the opinions of the members of the Compensation Committee:

Date/term of the Compensation Committee	Subject	Resolution /Response to the comments of the Compensation Committee
2025/1/16 The 7th in the 5 term	1. The distribution of Profit Sharing compensation for the Second Half of 2024 and Year-End Performance Bonuses for the year 2024 to the company's managers. 2. The distribution ratio of employee and director remuneration for the Year 2024.	Proposal passed by the Compensation Committee./ Not Applicable
2025/2/19 The 8th in the 5 term	1. The distribution of GK bonuses for the Second Half of 2024 to the company's managers.	
2025/3/27 The 9th in the 5 term	1. The distribution of remuneration to the company's directors for the year 2024. 2. The distribution of employee remuneration to the company's Managers for the year 2024. 3. Definition of the scope of Non-Managerial employees.	
2025/8/6 The 10th in the 5 term	1. The distribution of treasury stock to the company's managers. 2. The distribution of Profit Sharing compensation and GK compensation for the first half of 2025 to the company's managers. 3. Salary adjustments for the company's managers.	
2025/9/16 The 11th in the 5 term	The distribution of treasury stock to the company's managers.	
2025/12/9 The 12th in the 5 term	1. The distribution of treasury stock to the company's managers. 2. The remuneration of newly appointed Managers.	

3. The function of the Compensation Committee of the Company is to evaluate, in a professional and objective manner, the Company's remuneration policies and systems for directors and managers of the Company and make recommendations to the board of directors for their reference in making decisions.

(1). Scope of responsibilities:

1. Review this regulation regularly and put forward suggestions for amendments.
2. Establish and periodically review the performance evaluation and remuneration policy, system, standards and structure for directors and managerial officers.
3. Periodically evaluate and prescribe the remuneration of directors and managerial officers.

(2). When performing the official powers of the preceding paragraph, the Compensation Committee shall follow the principles listed below:

1. With respect to the performance assessment and remuneration of directors and managerial officers of the Company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the reasonableness of the correlation between remuneration and individual performance, the Company's business performance, and future risk exposure.
2. It shall not produce an incentive for the directors or managerial officers to engage in activity to pursue remuneration exceeding the risks that the Company may tolerate.
3. It shall take into consideration the characteristics of the industry and the nature of the Company's business when determining the ratio of bonus payout based on the short-term performance of its directors and senior management and the time for payment of the variable part of remuneration.

4. Discussions on the salary and remuneration of members of the committee shall be explained at the meeting, and the member shall avoid interests, shall not participate in discussions and votes, and shall not exercise voting rights on behalf of other members of the salary and remuneration committee.
"Remuneration" as referred to in the preceding two paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with that of remuneration for directors and managerial officers as set out in the regulations governing information to be published in annual reports of public companies.
When deliberating the recommendations of the Compensation Committee, the board of directors shall give comprehensive consideration to matters including amounts of remuneration, payment methods, and the company's future risk.
4. Operation of the Compensation Committee

The Compensation Committee's Duties and Annual Work Summary	Annual Work Summary
A. Establish and periodically review the policies, systems, standards, and structure of compensation.	A. Assess the rationality of the issuance of compensation to directors and managers.
B. Regularly assess the performance of directors and managers in corporate governance and operation.	B. Review the proposal for the promotion of managers.
C. Ensure that the performance and personal remuneration of directors and managers are proportional.	

2.3.5 Composition, responsibilities and operation of the Sustainable Development Committee
1. Information on Operation of the Sustainable Development Committee
(1) The Company's Sustainable Development Committee is comprised of three members.
(2) Term for the current committee members: From 2025/10/29 to 2026/6/14.
(3) The Sustainable Development Committee met 1 times (A) in 2025 and the job titles and attendance records of the committee members are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】	Remarks
Convener	Tao, Cheng-Kuo	1	0	100	-
Committee Member	Lai, Wei-Chen	1	0	100	-
Committee Member	Lu, Chi-Chant	1	0	100	-

2. The matters for discussion and resolution by the Sustainable Development Committee and the Company are handling of the opinions of the members of the Sustainable Development Committee:

Date/term of the Compensation Committee	Proposal	Resolution /Response to the comments
2025/12/26 The 1th in the 1 term	1.The comp any's 2026 Sustainability development plan.	Proposal passed by the Compensation Committee./ Not Applicable

2.3.6 The state of the company's promotion of sustainable development, any variance from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, and the reason for any such variance.

Promotion Item	Implementation Status			Situation and Reasons for Differences from Code of Practice on Sustainable Development for Listed Companies
	Yes	No	Abstract Explanation	
1. Does the Company establish a governance structure to promote sustainable development, established a dedicated (part-time) unit to promote sustainable development; and did the Board of Directors authorize senior management to handle it and report the supervisory status to the Board of Directors?	V		The Company established the ESG Committee, which was approved by the Board of Directors on October 29, 2025, as one of the functional committees under the Board. The President acts as the representative for handling management, and senior executives are responsible for the operation of the sub-functional committee. Sub-functional committee is responsible for corporate governance and economy, sustainable environment, product responsibility, employee care and social engagement, as well as developing and establishing management standards for material social responsibility issues, adhering to international standards in order to strive to become an example of international citizen, and reporting the handling status to the Board on a regular basis. The organization, operation, and implementation of the ESG Committee have been disclosed on the Company's official website and in the ESG Report.	No Difference
2. Does the Company conduct risk assessments on environmental, social and corporate governance issues related to the Company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		In accordance with the principle of materiality, the company requires all departments to conduct a risk assessment mechanism on environmental, social and corporate governance topics related to the company's operations, formulate emergency response measures, and disclose them on the Company's official website and in the ESG Report.	No Difference
3. Environmental issues (1) Has the Company established environmental management systems based on its industrial characteristics?	V		The Company has been awarded d certificates, including the ISO 14001 Environmental Management Systems.	No Difference
(2) Does the Company committed to improving the energy efficiency using recycled materials with low impacts on the environment?	V		The Company is committed to improving the efficiency of the water resources and to use recycled materials that have a low impact on the environment. Our plant sites set their annual goals and directions in terms of energy conservation each year. We also increase our energy utilization rates through saving water and reducing waste.	No Difference
(3) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?	V		The Company conducts ISO14064 greenhouse gas inventory and verification voluntarily every year, and reduces greenhouse gas emissions through energy conservation and carbon reduction activities in the plant areas to respond to global environmental issues arising from climate change.	No Difference

Promotion Item	Implementation Status			Situation and Reasons for Differences from Code of Practice on Sustainable Development for Listed Companies
	Yes	No	Abstract Explanation	
			Based on the "Climate-Related Financial Disclosures (TCFD)" officially released in June 2017, the company will list the current and future potential climate-related risks and opportunities in 2024, and formulate response measures based on the assessment results.	
(4) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage reduction and other waste management policies?	V		The Company conducts annual and regular greenhouse gas inventories and checks statistics on (raw) materials, pollutant emissions and waste generation and relevant information in accordance with ISO 14064 and other relevant procedures, laws and regulations, so as to monitor the status on using resources and propose relevant improvement policies. (Note2)	No Difference
4. Social issues (1) Does the Company set policies and procedures in compliance with regulations and internationally recognized human rights principles?	V		upholds the principle of fairness and reasonableness when treating all employees. In our human resource management, we are both institutionalized and humane. We abide by the labor-related laws and regulations of the locations where we operate and use the Responsible Business Alliance (RBA) Code of Conduct as the management framework. The Company regularly conducts Self-Assessment Questionnaires (SAQ) and participates in the Validated Audit Program (VAP) to continuously review our operations for compliance with relevant regulations. In response to the ever-evolving International Financial Reporting Standards, IFRS Sustainability Disclosure Standards, and financial regulations (such as the CRS Common Reporting Standard), the Company has dedicated departments responsible for research and implementation to adapt to regulatory changes. Through the formulation of management differentials and the execution of internal audits, human rights risks in the production and operation process are identified, and risk management is carried out. In addition, we also adhere to the spirit of human rights protection and fundamental principles promulgated in various international human rights conventions, including the "United Nations Global Compact," "United Nations Universal Declaration of Human Rights," and "International Labor Organization Declaration on Fundamental Principles and Rights at Work," ensuring our commitment to respecting and protecting human rights and treating employees with dignity and respect. The Guanyin and Jiangyin plants maintained a zero-occurrence record for high-risk projects, child labor, forced labor, and discrimination in 2025.HannStar Board's human	No Difference

Promotion Item	Implementation Status			Situation and Reasons for Differences from Code of Practice on Sustainable Development for Listed Companies
	Yes	No	Abstract Explanation	
			rights policy is publicly available on the official website at https://tw.hannstarboard.com/labor/. The Guanyin and Jiangyin plants passed the RBA third-party audits and were awarded Silver medals in 2024 and 2025, respectively. The Guanyin plant is scheduled to undergo its next RBA audit in 2026.. In 2025, The Guanyin and Jiangyin plants total of17,407 people participated in the training sessions, and the total training hours reached 24,906 hours.	
(2) Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation?	V		talent recruitment policy is based on diversity and equality. In recruiting, hiring, evaluating, and promoting employees, we do not discriminate based on backgrounds such as gender, age, religion, race, political orientation, marital status, or labor union. The talent employment policy is based on the suitability of talents. To effectively retain talents, the Company's remuneration policy is determined based on the operating goals and profit performance, with reference to external remuneration standards, as well as the employees' professional knowledge, skills, job responsibilities, and individual performance. The Company offers various incentive-based variable compensation packages to timely boost employee morale and retain top talent. Ex: The average annual salary is more than 16 month's pay. Employee Remuneration, Monthly Performance Bonus, Profit Sharing Bonus , Various Incentive Bonuses, Long Service Bonus, Referral Bonus, Outstanding Employee Award Bonus. At the same time, we attach importance to the physical and mental balance of employees, set up an employee welfare committee, and plan a diversified welfare system, such as: festival bonuses/gifts, birthday gifts, wedding and funeral subsidies, free exquisite meals, free group insurance (including life insurance, accidental injury insurance, group injury medical insurance, hospitalization medical insurance, cancer medical insurance, etc.), as well as a family self-funded insurance mechanism, employee dormitory and rental subsidies, domestic and foreign travel subsidies, employee emergency assistance, department dinner subsidies, movie tickets, car and motorcycle parking lots, education and training subsidies, book and newspaper reading room and breastfeeding room, free employee health check-ups and factory doctor health consultations, the group's year-end party and lucky draw, community activities, etc.	No Difference

Promotion Item	Implementation Status			Situation and Reasons for Differences from Code of Practice on Sustainable Development for Listed Companies
	Yes	No	Abstract Explanation	
(3) Does the Company provide employees with a safe and healthy working environment, with regular safety and health training?	V		he company has passed ISO45001 occupational safety and health management system verification. General and special health examinations for on-the-job workers are conducted regularly every year. On-site services such as hearing protection, maternity protection and overload protection plan are conducted by contracting physicians on a monthly basis, as well as health promotion and management such as tracking of abnormal conditions found in health examinations. There is also regular training on labor safety and health education. In 2025, The Guanyin and Jiangyin plants total of18,690 people participated in the training sessions, and the total training hours reached35,583.5hours.	No Difference
(4) Has the Company established effective career development training plans?	V		Based on the operating strategy, mid and long-term development goals, the needs of each unit's professional functions, and the gap between employees' performance evaluations, HannStar Board makes appropriate annual education and training programs, including pre-employment training, on-the-job training, and certification systems for new employees. and external training, employee self-development, etc., covering issues such as management, professionalism, quality assurance, and general knowledge to develop and improve the skills that employees should have, thereby improving work efficiency and quality. Additionally, the Company has established a comprehensive promotion system, clearly outlining the training requirements and hours that employees at different levels must complete each year. These requirements as the basis for promotions, evaluations, salary adjustments, and determining training needs, helping to align employee growth with the Company's development. for employees to participate in external training, actively encouraging employees to pursue continuous learning and professional development. In addition to physical courses, we also work with digital course vendors to establish an online learning system (e-learning) to provide diversified learning channels for employees to learn independently without time and space restrictions. The Guanyin plant implemented the Talent Development Quality Management System (TTQS) many years ago. Through the PDDRO management cycle—linking company strategy, training needs, design, execution, review, and results—the Company has built a comprehensive and systematic strategic training	No Difference

<table>
<tr><th rowspan="2">Promotion Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Situation and Reasons for Differences from Code of Practice on Sustainable Development for Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Explanation</th></tr>
<tr><td></td><td>V</td><td></td><td>framework aimed at continuously improving training quality. This system has earned multiple recognitions, including the TTQS Bronze Award. In response to industry shifts and market competition, the company is integrating global resources to strengthen our product and technology portfolio while expanding overseas investments. Developing global talent remains a top priority; we provide incentives such as TOEIC exam subsidies and bonuses to encourage employees to enhance their language proficiency and cultivate international expertise. The Guanyin and Jiangyin plants total of68,948people participated in the training sessions with a total of630,559 hours of participation in 2025.
Core Training Categories.
<table>
<tr><th>Core Training Categories</th><th>Category Description</th></tr>
<tr><td>New Employee Orientation</td><td>Covers RBA, ESG, Trade Secret Protection, Personal Data Protection, Intellectual Property Rights (IPR), and Occupational Safety and Health (OSH).</td></tr>
<tr><td>E-Learning & Self-Development</td><td>Designed to enhance professional expertise and cultivate a habit of autonomous learning among employees.</td></tr>
<tr><td>Technical & Functional Training</td><td>Ensures team members master core technologies and processes while gaining a deep understanding of key operational points.</td></tr>
<tr><td>Management & Leadership Development</td><td>Equips management staff with essential leadership knowledge and organizational skills.</td></tr>
</table></td><td></td></tr>
<tr><td>(5) Regarding customer health and safety, customer privacy, and the marketing and labeling of products and services, does the Company follow relevant laws and international standards and formulate relevant policies and complaint procedures to protect the rights and interests of consumers?</td><td>V</td><td></td><td>The marketing and labeling of the Company's products and services are handled in accordance with the relevant laws and regulations. As its products are not directly sold to consumers, the relevant consumer rights policies and complaint procedures are not applicable.</td><td>No Difference</td></tr>
<tr><td>(6)Does the Company set supplier management policy and request suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor right, and their</td><td>V</td><td></td><td>The Company has established supplier evaluation management regulations. Suppliers must satisfy the requirements of the Responsible Business Alliance (RBA) management process under the regulations to be listed as qualified suppliers. The Company conducts evaluation of major suppliers every year,</td><td>No Difference</td></tr>
</table>

Promotion Item	Implementation Status			Situation and Reasons for Differences from Code of Practice on Sustainable Development for Listed Companies
	Yes	No	Abstract Explanation	
implementation status?			and qualified suppliers will be disqualified if they fail to meet the standards.	
5. Does the Company refer to international reporting rules or guidelines to publish ESG Report to disclose non-financial information of the Company? Has the said Report acquire 3rd certification party verification or statement of assurance?	V		This report is prepared in accordance with the GRI Standards issued by the Global Sustainability Standards Board (GSSB), the SASB Standards for the Hardware Industry, the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEx Listed Companies," and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Our objective is to present issues across the economic, social, and environmental dimensions that concern our stakeholders and to demonstrate our commitment to sustainable development. The content of this report was collected and compiled by the respective task forces of the HannStar Board Sustainability Committee and subsequently submitted to the Committee for final review. Currently, this report has not undergone external third-party assurance or verification; however, we plan to apply for third-party verification in 2026.	No Difference
6. In case of the company has stipulated its sustainable development codes according to the Market Listed Corporate Code of Practice on Sustainable Development, please state its functions and differences: The Company has already stipulated “Sustainable Development Best Practice Principles” and discloses relative information on its website, and strictly abides by during daily operation.				
7. Other important information useful for explaining the status of sustainable development implementation: The company has ESG Report and disclosed the website and Market Observation Post System.				

Note1：The company has prepared the CSR report, the explanations may just indicate the way to consult such report and the corresponding index page numbering.

Note2：The company checks the greenhouse gas emissions of its Guanyin factory and Jiangyin factory every year according to the ISO 14064-1:2018 international standard, and entrusts a third-party verification unit to verify, and obtains a verification statement.

(1). Greenhouse gas inventory and confirmation information for the most recent two years

Item	2025		2024	
	Emissions	Density	Emissions	Density
Scope 1	1,261.53	0.22	1,057.61	0.15
Scope 2	25,815.22	4.51	19,856.81	2.74
Scope 3	67.21	0.01	40.77	0.01
Percentage of data collected	100%		100%	
Assurance Institutions	ARES		ARES	
Statement of Assurance	Unqualified Opinion		Unqualified Opinion	
Note 1: Emissions are in tons of CO2e; Intensity = Emissions / Guanyin Plant Revenue (millions of New Taiwan Dollars) Note 2: Due to the increase in greenhouse gas emissions caused by the company's increased production capacity and changes in product structure, the company will continue to invest in energy reduction and carbon reduction projects to achieve its carbon reduction goals.				

(2). Greenhouse gas reduction targets, strategies, and specific action plans: The company will disclose its carbon reduction targets, strategies and specific action plans in 2027.

2. Through daily water consumption tracking, the company controls the water consumption in the factory area and calculates the unit water consumption of products to formulate relevant control measures to reduce the waste of water resources.

Water Consumption (Unit: ton)	2025	2024
Water Consumption (Top Water)	472,099	441,339
Wastewater discharge volume	422,127	354,019
Water consumption	49,972	87,320
Note: In response to the increased greenhouse gas emissions resulting from the company's increased production capacity and changes in product structure, the company will continue to invest in energy reduction and carbon reduction projects to achieve its carbon reduction goals.		

3. The company's waste reduction measures: the source reduction method is used to control the waste output, and the entrusted reuse treatment is the priority; the waste produced is entrusted to legal removal and treatment companies to clean up, reducing the environmental load.

Waste output (Unit: ton)	2025	2024
harmful	5,071.29	5,643.08
non harmful	1,168.43	866.13
Density	0.004	0.004
Note: 1. Dense Calculation: Waste Output Weight / Product Production Area. 2. Hazardous Waste: Scrap Boards/Scraps, Other Resource Waste, Other Non-Resource Waste, Copper Resource Waste, Precious Metal Waste. 3. Non-Hazardous Waste: Other Resource Waste, Other Metal Waste, Other Non-Resource Waste, Waste Wood Waste, Waste Paper Waste, Waste Plastic Waste, Precious Metal Waste.		

4. The company follows the policies of "conserving energy and resources, rationalizing the use of energy and resources" and "continuously promoting energy and resource conservation and implementing control and reduction, and voluntarily conducting greenhouse gas inventory" to implement measures such as greenhouse gas, tap water and waste management. Since 2024, we will reduce the above-mentioned greenhouse gas emissions, tap water consumption and waste output by 1% each year as the reduction goal, and achieve the reduction goal through measures such as electricity saving, water saving and packaging material recycling, and contribute to the sustainable development of the environment.

Reduction Target Setting (1% reduction)	greenhouse gases (Unit: tCO2e)	tap water (Unit: ton)	Waste (Unit: ton)
Base year	2023 (Note)/23,650.5051	2025/542,025	2025/6,239.72
Reduction Target	236.5	5420	62

Note: Based on the target setting disclosure period of 14064-1

5. Climate-related Information：

Evaluation Item	Implementation Status
Describe the oversight and governance of the Board of Directors and management regarding climate-related risks and opportunities.	To address the risks posed by climate change to the enterprise, HannStar Board Corporation established a greenhouse gas (GHG) inventory management system in 2019 and obtained ISO 14064 certification. The inventory scope is limited to the Guanyin Plant, and the implementation progress and schedule are reported to the Board of Directors on a regular basis.
Describe how the identified climate-related risks and opportunities affect the company's business, strategy, and financial performance (short-term, medium-term, and long-term).	Short-term: In the event of global extreme rainfall and droughts, rising raw material costs, or the imposition of carbon and energy-related taxes by governments, which may lead to production interruptions and increased operating costs, the company will respond by utilizing low-carbon energy and adopting more efficient production and distribution methods. Medium term: In response to potential shifts in consumer behavior and changes in average rainfall that may lead to decreased demand for existing products and services, as well as asset write-downs and

	accelerated depreciation, the company must develop more low-carbon products and formulate climate adaptation plans to increase revenue and mitigate climate threats. Long-term: In anticipation of future water scarcity and shifts in average temperatures—which may lead to decreased production capacity, increased infrastructure costs, and forced adjustments in labor management and planning—it is necessary to enhance overall disaster response capabilities and implement more diverse alternative energy sources to mitigate the impact of risks.
Describe the financial impact of extreme climate events and transition actions.	It has been assessed that extreme weather events and transition actions have no material impact on the Company's finances.
Describe how the identification, assessment, and management processes for climate risks are integrated into the overall risk management system.	The Company utilizes greenhouse gas inventories to quantify and manage overall emissions, identifying material climate-related risks and opportunities. In accordance with the procedures outlined in the [Risk Management Regulations], responsible departments implement risk controls and risk management operations and formulate response strategies, which are reviewed periodically and reported to the Board of Directors.
When using scenario analysis to assess resilience against climate change risks, the scenarios, parameters, assumptions, analysis factors, and primary financial impacts employed should be disclosed.	The Company has not yet adopted scenario analysis for climate change.
If there is a transition plan to address climate-related risks, describe the details of the plan, as well as the metrics and targets used to identify and manage physical risks and transition risks.	None.
If internal carbon pricing is used as a planning tool, the basis for determining the price should be explained.	None.
If climate-related targets are established, the activities covered, greenhouse gas emission scopes, planning timelines, and annual progress must be disclosed. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the sources and quantities of the carbon offsets or the quantity of RECs must be specified.	The company has set a target to reduce Scope 1 and 2 greenhouse gas emissions by 1% compared to the base year for the first phase, with targets to be reviewed and adjusted on a rolling basis annually.
Greenhouse Gas Inventory, Assurance, Reduction Targets, Strategies, and Concrete Action Plans	Not Applicable

Note 3: The annual salient human rights issues and their corresponding mitigation and remediation measures, identified through questionnaires, are presented in the table below:

Issue	Risk Level	Risk Impact	Risk Response Strategies
No child labor	High	Costs of the remediation plan and the resulting negative impact on the company's image	1. System Adjustment: Ensure thorough verification of personal identification documents during the hiring process. 2. Compensation: Child Labor Remediation Plan
Time and Attendance Management	High	Non-compliance with regulations and RBA standards may lead to administrative penalties and, in	1. System Adjustment: Regularly send attendance reports to identify any anomalies. 2. Compensation: (1). When anomalies occur, HR shall proactively coordinate with the department heads to assist employees in resolving the issues.

Issue	Risk Level	Risk Impact	Risk Response Strategies
		severe cases, employee grievances that could damage the company's image.	(2). Establish effective communication channels, including policy briefings, labor-management meetings, and employee suggestion boxes, to ensure employees can fully express their suggestions or opinions regarding the company.
Do not harass, Non-discrimination	High	Management deficiencies related to unlawful harassment or infringement in the workplace may undermine employee trust in the company. Furthermore, such issues could lead to litigation, exposing the company to investigations and penalties from regulatory authorities, thereby damaging the corporate image.	1. System Adjustments: Regularly review and revise sexual harassment prevention measures, as well as related complaint and whistleblower protection procedures, to ensure compliance with regulatory requirements. 2. Compensation: (1). Employees can report and resolve issues through channels such as the grievance hotline and suggestion boxes. ☆ Internal Audit Office Complaint Hotline +886-928-888615 (Taiwan) +86-185-6617-1998 (China) ☆ Internal Audit Office Complaint Email audit@passivecomponent.com ☆ HR Complaint Hotline +886-3-4838500 ext.2665 (Taiwan) +886-0510-86197999 ext.88008 (China) ☆HR Grievance Mailbox hr@hannstarboard.com (Taiwan) hr.care@hannstarboard.com(China) (2). Monthly on-site visits by company physicians are arranged, along with irregular EAP (Employee Assistance Program) interviews to provide psychological counseling services. (3). Seminars are organized with experts to promote issues such as self-protection and the safeguarding of rights. In 2025, the Jiangyin and Guanyin plants conducted a total of 17,407 person-times of ESG and human rights education and training, totaling 24,906 hours.

Persons of concern for human rights	High-risk issues	Remedies	Risk Mitigation
Supplier	Compensation and Working Hours	If a supplier fails to establish effective working hour management, the supplier shall be required to improve its scheduling system in accordance with the Code of Conduct.	Conduct spot checks on supplier scheduling, overtime, and leave to ensure compliance with applicable laws and regulations.
	Health and Safety	Following the occurrence of an industrial safety incident, the contractor involved shall be required to implement all necessary compensation measures, including group insurance, occupational accident insurance, and the processing of labor pension insurance and survivor benefits.	Periodic supplier evaluations incorporate "Environmental Health" and "Employee Health and Hygiene" indicators to review relevant legal compliance.

Supplier Hotline: +886-3-4838500 ext. 2677
Supplier Complaint Email: purchasing@hannstarboard.com

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

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs.				
(1) Does the company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?	V		The Board of Directors has passed the "Ethical Corporate Management Procedures and Code of Conduct" which combines the business philosophy of honesty, transparency and responsibility rooted in integrity, and is a guideline to provide high ethical standards for all employees. The Board of Directors and senior management place the greatest importance in adopting the highest standards of integrity and ethics in corporate management and employee work conduct. The principles are disclosed the company website.	No Difference
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has established a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?	V		The company established the "Ethical Corporate Management Procedures and Code of Conduct"; The measures to establish a risk evaluation mechanism for dishonest conduct, and regularly review the business activities within the business scope that have a higher risk of dishonest conduct. All employees were required to sign a commitment letter for integrity from the suppliers, employees are strictly prohibited from accepting or offering bribes, the unified purchase business management and risk control review the integrity of the cooperative suppliers and customers; all political contributions are in accordance with the law.	No Difference
(3) Whether the company has established relevant policies that are duly enforced to prevent unethical conduct, provided implementation procedures, guidelines, consequences of violation and complaint procedures, and periodically reviews and revises such policies?	V		The company established the "Ethical Corporate Management Procedures and Code of Conduct", and periodically reviews and revises such policies.	No Difference
2. Ethic Management Practice				
(1) Whether the company has assessed the ethics records of which it has business relationship with and includes business conduct and ethics related clauses in the business contracts?	V		All employees were required to sign a commitment letter for integrity from the suppliers with ethical conduct clauses in the contract.	No Difference
(2) Whether the company has set up a unit which is dedicated to promoting the company's ethical standards and regularly (at least once a year) reports directly to the	V		In order to improve the management of integrity management in our company, the human resources department is responsible for the formulation and	No Difference

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
Board of Directors on its ethical corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation?			promotion of integrity management policies and prevention plans; the Auditor is responsible for inspection and supervision, pays attention to the development of domestic and foreign integrity management regulations at all times, and regularly reports the company's integrity to the board of directors Operational results.	
(3) Whether the company has established policies to prevent conflict of interests provide appropriate communication and complaint channels and implement such policies properly?	V		The company has formulated the policies to prevent conflict of interest s is based on the “Ethical Corporate Management Procedures and Code of Conduct”.	No Difference
(4) Has the Company established an effective accounting system and internal control system for the implementation of ethical management, and has its internal audit unit drawn up an audit plan based on the results of the assessment of the risk of unethical conduct, in order to verify compliance with such plan for prevention of unethical conduct, or has it engaged a CPA firm to perform the audit?	V		The Company has established effective accounting systems and internal control systems for enforcing ethical corporate management. Our internal audit personnel and accountants implement the Company's audit unit on an annual basis.	No Difference
(5) Does the company provide internal and external ethical conduct training programs on a regular basis?	V		The company has provided the internal and external ethical conduct training programs on a regular basis, The Guanyin and Jiangyin plants total of 16,599 people participated in the training sessions with a total of 20,545.5 hours of participation in2025.	No Difference
3. Fulfill operations integrity policy.				
(1) Does the company establish specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received?	V		The Company's website provides a “company mailbox" on the employee portal website, providing internal and external personnel with a means to file complaints, and the designate responsible individuals to handle the related recommendations and violations. If the violations are verified, disciplinary action shall be taken in accordance with the Company's regulations.	No Difference
(2) Whether the company has established standard operation procedures for investigating the complaints received, follow-up measures after investigation are completed, and ensuring such complaints are handled in a confidential manner?	V		The Company has formulated the "“Ethical Corporate Management Procedures and Code of Conduct ", thereby protecting the identity as well as data of those who provide suggestions or feedback.	No Difference
(3) Does the company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?	V		The Company will protect the confidentiality of the whistleblower’s identity and the content of the report	No Difference

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			during the whistle blowing process. Personnel participating in the investigation may not divulge much information in order to prevent the whistleblower from unfair treatment and retaliation.	
4. Information disclosure				
Has the Company disclosed its integrity principles and progress onto its website and Market Observation Post System (MOPS)?	V		The Company's "Ethical Corporate Management Procedures and Code of Conduct" and corporate governance related information has been disclosed on the Company's website and Market Observation Post System.	No Difference
5. If the company has established corporate governance policies based on Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancy between the policies and their implementation. The Company has established and follows the "Ethical Corporate Management Procedures and Code of Conduct", which found no discrepancy so far.				
6. Other important information to facilitate better understanding of the company's corporate conduct and ethics compliance practices (e.g., review the company's corporate conduct and ethics policy). The Company has passed by Board of Directors and established the "Corporate Governance Best Practice Principles" according to the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and disclosed them on the Company's website.				

2.3.8 Other Important Information Regarding Corporate Governance

1. The Directors have trained in the most recent year:

Title	Name	Date		Name of the training session	Hours of training
		Start Date	End Date		
Chairman	Chiao, Yu-Heng	2025/11/21	2025/11/21	2025 Insider Equity Transaction Legal Compliance Briefing	3.0
		2025/11/13	2025/11/13	Challenges and Responses to the Global Economic and Trade Situation; Strategic Leadership: The Cornerstone of Business Vision	3.0
		2025/11/13	2025/11/13	Quantum Science Exploration: Strategic Opportunities in Quantum Computing Development and the Semiconductor Industry	1.5
		2025/05/16	2025/05/16	Digital Transformation Value Creation - Driving Change with Data and Opening Up Development Opportunities for the Industrialization of AI	2.0
		2025/05/09	2025/05/09	Digital Manufacturing Development Strategy	3.0
Corporate Director Representative	Lai, Wei-Chen	2025/07/29	2025/07/29	Analysis of fraud methods and introduction of relevant laws and cases on money laundering (including insider trading awareness).	2.0
		2025/07/29	2025/07/29	Honest business practices, employee fraud and reporting system (including gender equality)	2.0

Title	Name	Date		Name of the training session	Hours of training
		Start Date	End Date		
		2025/07/29	2025/07/29	AI Development and Cybersecurity Risks	2.0
Corporate Director Representative	Wu, Yung-Hui	2025/07/29	2025/07/29	Analysis of fraud methods and introduction of relevant laws and cases on money laundering (including insider trading awareness).	2.0
		2025/07/29	2025/07/29	Honest business practices, employee fraud and reporting system (including gender equality)	2.0
		2025/07/29	2025/07/29	AI Development and Cybersecurity Risks	2.0
Corporate Director Representative	Chiao, Tzu-Yu	2025/07/29	2025/07/29	Analysis of fraud methods and introduction of relevant laws and cases on money laundering (including insider trading awareness).	2.0
		2025/07/29	2025/07/29	Honest business practices, employee fraud and reporting system (including gender equality)	2.0
		2025/07/29	2025/07/29	AI Development and Cybersecurity Risks	2.0
Corporate Director Representative	Chou, Chih-Chung	2025/07/29	2025/07/29	Analysis of fraud methods and introduction of relevant laws and cases on money laundering (including insider trading awareness).	2.0
		2025/07/29	2025/07/29	Honest business practices, employee fraud and reporting system (including gender equality)	2.0
		2025/07/29	2025/07/29	AI Development and Cybersecurity Risks	2.0
Independent Director	Lu, Chi-Chant	2025/07/29	2025/07/29	Analysis of fraud methods and introduction of relevant laws and cases on money laundering (including insider trading awareness).	2.0
		2025/07/29	2025/07/29	Honest business practices, employee fraud and reporting system (including gender equality)	2.0
		2025/07/29	2025/07/29	AI Development and Cybersecurity Risks	2.0
Independent Director	Wang, Kuo-Cheng	2025/08/21	2025/08/21	Analysis of Corporate Equity Investment Planning and Joint Venture Agreement Practices	3.0
		2025/08/21	2025/08/21	Trump 2.0: Corporate Response Strategies for Global Tax Reform and Supply Chain Restructuring	3.0
		2025/07/29	2025/07/29	Analysis of fraud methods and introduction of relevant laws and cases on money laundering (including insider trading awareness).	2.0
		2025/07/29	2025/07/29	Honest business practices, employee fraud and reporting system (including gender equality)	2.0
		2025/07/29	2025/07/29	AI Development and Cybersecurity Risks	2.0
Independent Director	Yuan, Jun-Tang	2025/07/29	2025/07/29	Analysis of fraud methods and introduction of relevant laws and cases on money laundering (including insider trading awareness).	2.0
		2025/07/29	2025/07/29	Honest business practices, employee fraud and reporting system (including gender equality)	2.0
		2025/07/29	2025/07/29	AI Development and Cybersecurity Risks	2.0

Title	Name	Date		Name of the training session	Hours of training
		Start Date	End Date		
Independent Director	Lee, Yi-Hsin	2025/07/29	2025/07/29	Analysis of fraud methods and introduction of relevant laws and cases on money laundering (including insider trading awareness).	2.0
		2025/07/29	2025/07/29	Honest business practices, employee fraud and reporting system (including gender equality)	2.0
		2025/07/29	2025/07/29	AI Development and Cybersecurity Risks	2.0

2 The Managers have trained in the most recent year:

Title Name	Date		Name of the training session	Hours of training
	Start Date	End Date		
CEO Chiao, Yu-Heng	Same as above			
Finance & Accounting officer/ Company Secretary Chien, Pei-Chi	2025/12/19	2025/12/19	Directors, Supervisors and Corporate Governance Executives Series Course – Taiwan's Asset Management Era: Opportunities and Challenges of Family Offices	3.0
	2025/12/10	2025/12/10	Series of Courses for Directors, Supervisors and Corporate Governance Executives – Domestic and International Development Trends of Carbon Pricing Mechanisms	3.0
	2025/08/11	2025/08/11	CDP and its corresponding IFRS S2 problem analysis and promotion course	6.0
	2025/07/24	2025/07/24	The impact of corporate green electricity procurement strategies and carbon pricing on financial statements	6.0
	2025/05/21	2025/05/21	Excel Hub Analysis in Finance, Equity Management, Cost Allocation, Auditing, and its Integration with Word	6.0

2.3.8 Internal Control Systems

1. Statement on Internal Control：Please refer to the Market Observation Post System (MOPS) https://mops.twse.com.tw > Single Company > Corporate Governance > Company Regulations > Internal Control/Internal Control Statement Announcement. Enter the year and company code to search.

2. If CPAs are engaged to review the internal control system, their report shall be disclosed: None.

2.3.9 Major Resolutions of Shareholders’ Meeting and Board Meetings

1. Major Resolutions of Shareholders’ Meeting

Major resolutions of Shareholders’ Meeting			
Date of Shareholders	Proposal	Resolutions	Implement
20256/18	1. To ratify the 2024 Business Report and Financial Statements.	Approved and acknowledged as proposed by the Board of Directors by voting.	The relevant forms have been submitted to the competent authority for reference and announcement in accordance with the Company Act and other relevant laws and regulations.
	2. To ratify the2024 Earnings Distribution.	Approved and acknowledged as proposed by the Board of Directors by voting.	Approved. NT$2.5 per shares, a total amount of NTD 1,215,415,000 for cash dividends distribution. The Board of Director authorized the Chairman to set the dividend distribution date on 2025/7/25.

	3. To discuss the amendment of the Articles of Incorporation.	Approved and acknowledged as proposed by the Board of Directors by voting.	Approved.
	4. To discuss the amendment of the Procedures for Lending Funds to other parties.	Approved and acknowledged as proposed by the Board of Directors by voting.	Approved.
	5. To discuss the amendment of the Procedures for Acquisition and Disposal of Assets.	Approved and acknowledged as proposed by the Board of Directors by voting.	Approved.

2. Major Resolutions of Shareholders' Meeting and Board Meetings

Date of Board Meetings	Proposal
2025/01/16 The 12th in the 12 term	1.To approve the 2025 business plan. 2.To approve the percentage of distribution of employees' compensation and remuneration of directors and for 2024. To approve of 2024 H2 the managers' profit sharing compensation.
2025/02/11 The 13th in the 12 term	To approve the subscription the increase cash capital of Career Technology (Mfg.) Co., Ltd.
2025/02/19 The 14th in the 12 term	1.To approve the 2024 annual financial statements. 2.To distribute the 2024 employees' and directors' compensation. 3.To approve the 2024 Internal Control System Statement. 4.To approve of 2024 H2 the managers' gk compensation. 5.To approve the donation for charity activities.
2025/03/27 The 15th in the 12 term	1.Discussed appointment of the Company's CPA and the CPA's remuneration and independence assessment for 2025. 2.To approve the 2024 earnings. 3.To discuss the Amendments of the Procedures for the Acquisition and Disposal of Asset. 4.To discuss the Amendments of the Procedures for Lending Funds to other parties. 5.To discuss the Amendments of the Articles of Incorporation. 6.To add the discussion Items at the 2025 annual general shareholders' meeting. 7.To approve the 2024 directors' compensation. 8.To approve the 2024 managers' compensation. 9.Establish the range of the company's grassroots employees.
2025/05/02 The 16th in the 12 term	1. To approve the 2025 Q1 financial statements. 2. To approve the 2024 business report. 3. To approve the 2024 affiliated business consolidated report. 4. To approve the amendments "Stock Affairs Agency Internal Control System". 5. To approve the Company issue the LETTER OF COMFORT to support the indirect Subsidiary. 6. To discuss the Amendments of the Articles of Incorporation. 7. "The Board of Directors resolves for repurchase of the Company's own shares."
2025/08/06 The 17th in the 12 term	1. To approve the 2025 Q2 financial statements. 2. To approve the ESG report. 3. To approve of 2025 H1 the managers' profit sharing compensation and Gatekeeper. 4. To approve the adjustment of the managerial compensation. 5. To approve the company's transfer of treasury stock to employees. 6. To approve the subscription the increase cash capital of Global Brands Manufacture Ltd..
2025/09/16 The 18th in the 12 term	1. To revise the Company's "Payroll Cycle Internal Control System - Payroll Management Operations". 2. To revise the Company's "Regulations Governing Financial and Business Transactions Among Related Parties". 3. To approve the company's transfer of treasury stock to employees. 4. "The Board of Directors resolves for repurchase of the Company's own shares."
2025/10/29	1. To approve the 2025 Q3 financial statements.

Date of Board Meetings	Proposal
The 19th in the 12 term	2. To approve the Company's 2025 internal audit plan. 3. To approve the Company's 2026 internal control cycle audit plan. 4. To approve the Company issue the LETTER OF COMFORT to support the indirect Subsidiary. 5. To set up the Company's the "Sustainable Development Committee" 6. To approve the company's "Risk Management Policies and Procedures" 7. The company acquired a real property right-of-use assets from a related party Career Technology (Mfg.) Co., Ltd..
2025/12/09 The 20th in the 12 term	1. To approve the amendments "Stock Affairs Agency Internal Control System". 2. To approve the company's transfer of treasury stock to employees.
2026/01/22 The 21th in the 12 term	1. To approve the 2026 business plan. 2. To approve the percentage of distribution of employees' compensation and remuneration of directors and for 2025. 3. To approve of 2025 H2 the managers' profit sharing compensation.
2026/02/24 The 22th in the 12 term	1.To approve the 2025 annual financial statements. 2.Discussed appointment of the Company's CPA and the CPA’s independence assessment for 2025. 3.To distribute the 2025 employees' and directors' compensation. 4.Proposed to conduct a comprehensive re-election of the company's directors and independent directors. 5.To add the discussion Items at the 2026 annual general shareholders' meeting. 6.To approve the 2025 Internal Control System Statement. 7.To approve of 2025 H2 the managers' gk compensation. To approve the donation for charity activities.
2026/03/ The 23th in the 12 term	To approve the 2026 Q1 financial statements. Discussed appointment of the Company's CPA and the CPA’s remuneration for 2025. To approve the 2025 business report. To approve the 2025 earnings. Proposed list of candidates for directors of the Company. The proposed motion to the shareholders' meeting to lift the non-compete restrictions on the newly appointed directors of the company. The company has revised its "Management Procedures for Financial Transactions Between Related Parties". To approve the company issue the LETTER OF COMFORT to support the indirect Subsidiary. The Company Manager Promotions and Individual Salary Adjustments. The Company Compensation Distribution for Frontline Employees in 2025. To approve the 2025 directors' compensation. To approve the 2025 managers' compensation.

2.3.10 In the most recent year and up to the date of publication of the annual report, the directors have different opinions on important resolutions passed by the board of directors and there are records or written statements, the main contents of which are: None.

2.4 Information on CPAs' fees

Unit: NT$ thousands

Name of accounting firm	Name of CPAs	Period covered by the CPA audit	Audi t fees	Non-audit fees	Total Remarks	Total Remarks
Deloitte Touche Tohmatsu Limited	Wu, Ker-Chang Chang, Chih-Yi	2025	4,080	800	4,880	Note

Note: Three tiered transfer pricing documentation, capital reduction audit services, etc. NT$800 thousand.

2.4.1 Change of CPA firm and the audit fees paid in the year of the change are less than those paid in the previous year: None.

2.4.2 Audit fees paid in the current year are at least 10% less than those paid in the previous year: None.

2.5 Information on replacement of Certified Public Accountant: None.

2.6 Where the Company’s chairperson, general manager, or any managerial officer in charge of finance or accounting maters has 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 and position of the person, and the period during which the position was held, shall be disclosed.: None.

2.7 Transfer of equity interests and/or pledge of or change in equity interest by a director, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

2.7.1 Changes to the shares of the directors, managers and shareholders holding more than 10% of the company's shares:

Please refer to the Market Observation Post System (MOPS) https://mops.twse.com.tw > Summarized Reports > Shareholding Changes/Securities Issuance > Shareholding/Pledge/Transfer by Directors, Supervisors, and Major Shareholders > Summary of Shareholding Balance of Directors, Supervisors, Managerial Officers, and Major Shareholders. Select “Listed” for Market Type and “Semiconductor” for Industry Type, then enter the relevant date to search.

2.7.2 Stock transfers to related parties: None.

2.7.3 Pledge of stock rights to related parties: None.

Name	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage	Name	Name Relationship	Comments
Walsin technology Corp.	102,950,543	21.18	0	0.00	0	0.00	Walsin Lihwa Corp.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	Director of the company
							Career Technology (MFG.) Co., Ltd.	The Vice Chairman and the Chairman of the corporate shareholder are the same person.	
							Chin-Xin Investment Co. Ltd.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Xing Xing Investment Co. Ltd.	Its chairman is a first-degree relative of the shareholder.	
							Prosperity Dielectrics Co., Ltd.	Its chairman is the same as the chairman of institutional shareholder.	
Representative: Chiao, Yu-Heng	11,873,404	2.44	16,969	0.00	0	0.00	Hong, Pai-Yung	Its chairman is a first-degree relative of the shareholder.	
Walsin Lihwa Corp.	58,653,635	12.06	0	0.00	0	0.00	Walsin technology Corp.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Career Technology (MFG.) Co., Ltd.		
							Chin-Xin Investment Co. Ltd.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Prosperity Dielectrics Co., Ltd.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Hong, Pai-Yung	Its chairman is a first-degree relative of the shareholder.	
Representative: Chiao, Yu-Lon	436,050	0.09	0	0.00	0	0.00	Chiao, Yu-Heng	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
Career Technology (MFG.) Co., Ltd.	23,272,932	4.79	0	0.00	0	0.00	Walsin technology Corp.	A related party that is subject to the Regulations Governing the Preparation of Financial Reports.	
							Walsin Lihwa Corp.	A related party that is subject to the Regulations Governing the Preparation of Financial Reports.	
							Chin-Xin Investment Co. Ltd.	The Chairperson and the Vice Chairperson of the corporate shareholder are relatives within the second degree of kinship.	
							Xing Xing Investment Co. Ltd.	The chairperson and the vice chairperson of the corporate shareholder are immediate family members.	
							Prosperity Dielectrics Co., Ltd.	The Chairman and the Vice Chairman of the corporate shareholder are the same person.	
Representative: Lai, Wei-Chen	412,117	0.08	0	0.00	0	0.00	-	-	
Chin-Xin							Walsin technology Corp.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	Director of

							Prosperity Dielectrics Co., Ltd.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Hong, Pai-Yung	Its chairman is a first-degree relative of the shareholder.	
Representative: Chiao, Yu-Cheng	51,666	0.01	0	0.00	0	0.00	Chiao, Yu-Heng	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
Chiao, Yu-Heng	11,873,404	2.44	16,969	0.00	0	0.00	Walsin technology Corp.	Its chairman is the same as the chairman of institutional shareholder.	Chairman and CEO of the company
							Walsin Lihwa Corp.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Career Technology (MFG.) Co., Ltd.	The person is the same as the Vice Chairman of the corporate shareholder.	
							Chin-Xin Investment Co. Ltd.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Xing Xing Investment Co. Ltd.	Its chairman is a first-degree relative of the shareholder.	
							Prosperity Dielectrics Co., Ltd.	Its chairman is the same as the chairman of institutional shareholder.	
							Hong, Pai-Yung	Its chairman is a first-degree relative of the shareholder.	
Xing Xing Investment Co. Ltd.	10,463,520	2.15	0	0.00	0	0.00	Walsin technology Corp.	Its chairman is a first-degree relative of the shareholder.	Director of the company
							Career Technology (MFG.) Co., Ltd.	The Vice Chairperson and the Chairperson of the corporate shareholder are immediate family members.	
							Prosperity Dielectrics Co., Ltd.	Its chairman is the same as the chairman of institutional shareholder.	
							Hong, Pai-Yung	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
Representative: Chiao, Tzu-Yun	78,753	0.02	0	0.00	0	0.00	Chiao, Yu-Heng	Its chairman is a first-degree relative of the shareholder.	
Hong, Pai-Yung	9,281,552	1.91	0	0.00	0	0.00	Walsin technology Corp.	Its chairman is a first-degree relative of the shareholder.	
							Walsin Lihwa Corp.	Its chairman is a first-degree relative of the shareholder.	
							Career Technology (MFG.) Co., Ltd.	Is a relative within the first degree of kinship of the Vice Chairman of a corporate shareholder	
							Chin-Xin Investment Co. Ltd.	Its chairman is a first-degree relative of the shareholder.	
							Xing Xing Investment Co. Ltd.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Prosperity Dielectrics Co., Ltd.	Its chairman is the same as the chairman of institutional shareholder.	
							Chiao, Yu-Heng	Its chairman is a first-degree relative of the shareholder.	

account.									
Qiu, Yue-hong	5,762,000	1.19	0	0.00	0	0.00	-	-	
Prosperity Dielectrics Co., Ltd.	5,214,865	1.07	0	0.00	0	0.00	Walsin technology Corp.	Its chairman is the same as the chairman of institutional shareholder.	
							Walsin Lihwa Corp.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Career Technology (MFG.) Co., Ltd.	The Vice Chairman of the corporate shareholder is the same person as the Chairman of the corporate shareholder.	
							Chin-Xin Investment Co. Ltd.	Its chairman is a second-degree relative of the chairman of the institutional shareholder.	
							Xing Xing Investment Co. Ltd.	Its chairman is a first-degree relative of the chairman of the institutional shareholder.	
Representative: Chiao, Yu-Heng	11,873,404	2.44	16,969	0.00	0	0.00	Hong, Pai-Yung	Its chairman is a first-degree relative of the shareholder.	

2.9 The number of shares of the same investee held by the Company

Unit: shares/, NT$ thousands

Re-Investment Companies (Note1)	Investment by the Company		Investment of directors, managers or enterprises under their direct or indirect control		Total Shareholding	
	Number of shares	Percentage (%)	Number of shares(Note2)	Percentage (%)	Number of shares(Note2)	Percentage (%)
HannStar Board (BVI) Holdings Corp.	52,000,000	100.00	0	0.00	52,000,000	100.00
Global Brands Manufacture Ltd.	201,204,729	40.30	8,713,636	1.75	209,918,365	42.05
Career Technology (Mfg.) Co., Ltd.	176,415,555	27.73	1,233,475	0.19	177,649,030	27.92
Walsin New Energy Corporation	1,250,000	25.00	1,250,000	25.00	2,500,000	50.00

Note1: Investment income recognized under equity method.

Note2: As of the date of publication, the number of shares held by some re-invested companies is presented in the original investment amount.

III Fundraising Overview

3.1 Capital and Shares

3.1.1 Source of Capital

A. Issued Shares

2026/4/20

Unit: NT$ thousands/ shares

Year/ Month	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark	
		Shares	Amount (NT$ thousands)	Shares	Amount (NT$ thousands)	Sources of Capital	Date of Approval and Document Number
1989.03	10	8,000,000	80,000,000	8,000,000	80,000,000	Incorporation	-
1992.05	10	40,000,000	400,000,000	16,000,000	160,000,000	Capital increase by cash 80,000,000.	-
1998.10	10	40,000,000	400,000,000	40,000,000	400,000,000	Capitalization of 40,000,000. Capital increase by cash 200,000,000.	1998.10.27 (1998)Tai-Tsai-Tzeng (1) No.88249
1999.07	10	64,000,000	640,000,000	46,000,000	460,000,000	Capitalization of 60,000,000.	1999.07.08 (1999)Tai-Tsai-Tzeng (1) No.62356
2000.06	10	64,000,000	640,000,000	50,850,000	508,500,000	Capitalization of 48,500,000. (including employee bonus 2,500,000)	2000.06.22 (2000)Tai-Tsai-Tzeng (1) No.54011
2001.06	10	78,000,000	780,000,000	57,818,761	578,187,610	Capitalization of 69,687,610 (including employee bonus 8,667,610)	2001.06.05 (2001)Tai-Tsai-Tzeng (1) No.135262
2001.10	10	78,000,000	780,000,000	69,485,427	694,854,270	Consolidate capital increase and issue new shares of 116,666,660.	2001.10.17 (2001)Tai-Tsai-Tzeng (1) No.162065
2002.10	10	138,000,000	1,380,000,000	100,102,080	1,001,020,800	Capitalization of 51,166,530 (including employee bonus 9,475,280) capital increases by cash 255,000,000.	2002.07.10 (2002)Tai-Tsai-Tzeng (1) No.0910138137
2003.10	10	148,000,000	1,480,000,000	107,473,232	1,074,732,320	Capitalization of 73,711,520 (including employee bonus 13,650,280)	2003.8.20Tai-Tsai-Tzeng (1) No.0920137685
2004.04	10	148,000,000	1,480,000,000	112,774,732	1,127,747,320	Overseas Conversion corporate bonds of 5,301,500.	-
2004.07	10	200,000,000	2,000,000,000	125,988,460	1,259,884,600	Capitalization of 132,137,280 (Including employee bonus 24,469,860).	2004.5.14Tai-Tsai-Tzeng (1) No.0930121303
2004.10	10	200,000,000	2,000,000,000	144,377,498	1,443,774,980	Overseas Conversion corporate bonds of 18,389,038.	-
2005.02	10	200,000,000	2,000,000,000	172,542,966	1,725,429,660	Overseas Conversion corporate bonds of 28,165,468.	2005.4.28letter Jin-Guan-Zheng (1) No.0940113974號
2005.04	10	200,000,000	2,000,000,000	196,698,981	1,966,989,810	Capitalization of 241,560,150.	2005.9.14letter Jin-Guan-Zheng (1) No.0940138353
2005.06	10	280,000,000	2,800,000,000	204,304,390	2,043,043,900	Overseas Conversion corporate bonds of 7,605,409.	2005.06.29 Ching Shou Shang Tz No.09401116490
2005.09	10	280,000,000	2,800,000,000	208,071,729	2,080,717,290	Overseas Conversion corporate bonds of 3,767,339.	2005.09.21 Ching Shou Shang Tz No.09401185060
2005.11	10	280,000,000	2,800,000,000	232,071,729	2,320,717,290	Capital increase by cash 240,000,000.	2005.11.10 Ching Shou Shang Tz No.09401225840
2006.07	10	400,000,000	4,000,000,000	280,806,792	2,808,067,920	Capitalization of 487,350,630.	2006.08.23 Ching Shou Shang Tz No.09501186890
2007.08	10	400,000,000	4,000,000,000	331,352,014	3,313,520,140	Capitalization of 505,452,220.	2007.08.24 Ching Shou Shang Tz No.09601207530
2008.09	10	600,000,000	6,000,000,000	397,362,416	3,973,624,160	Capitalization of 660,104,020.	2008.09.16 Ching Shou Shang Tz No.09701238260
2008.10	10	600,000,000	6,000,000,000	397,608,416	3,976,084,160	Employee share option of 246,000.	2008.10.09 Ching Shou Shang Tz No.09701258160
2009.10	10	600,000,000	6,000,000,000	399,926,416	3,999,264,160	Employee share option of 2,318,000.	2009.10.20 Ching Shou Shang Tz No.09801239910
2010.02	10	600,000,000	6,000,000,000	400,253,416	4,002,534,160	Employee share option of 327,000	2010.02.11 Ching Shou Shang Tz No.09901031600
2010.05	10	600,000,000	6,000,000,000	400,592,416	4,005,924,160	Employee share option of 339,000	2010.05.14 Ching Shou Shang Tz No.09901099200
2010.10	10	600,000,000	6,000,000,000	440,717,657	4,407,176,570	Capitalization of 400,592,410. Employee share option of 66,000	2010.10.26 Ching Shou Shang Tz No.09901239710
2011.01	10	600,000,000	6,000,000,000	440,749,657	4,407,496,570	Employee share option of 32,000	2011.01.27 Ching Shou Shang Tz No.10001014480
2011.06	10	600,000,000	6,000,000,000	441,171,657	4,411,716,570	Employee share option of 422,000	2011.04.06 Ching Shou Shang Tz No.10001066900
2011.08	10	600,000,000	6,000,000,000	457,936,180	4,579,361,800	Capitalization of167,645,230	2011.08.26 Ching Shou Shang Tz No.10001199170
2014.11	10	600,000,000	6,000,000,000	455,436,180	4,554,361,800	Retirement of treasure shares 2,500,000.	2014.11.19 Ching Shou Shang Tz No.10301241080
2016.07	10	600,000,000	6,000,000,000	450,436,180	4,504,361,800	Retirement of treasure shares 5,000,000.	2016.07.22 Ching Shou Shang Tz No.10501177640

Year/ Month	Par Value (NT$)	Authorized Capital		Paid-in Capital		Remark	
		Shares	Amount (NT$ thousands)	Shares	Amount (NT$ thousands)	Sources of Capital	Date of Approval and Document Number
2019.08	10	600,000,000	6,000,000,000	459,424,904	4,594,249,040	Capitalization of 89,887,240.	2019.08.19 Ching Shou Shang Tz No.10801109930
2019.08	10	700,000,000	7,000,000,000	459,424,904	4,594,249,040	Approval of capital change.	2019.08.27 Ching Shou Shang Tz No.10801114210
2019.10	10	700,000,000	7,000,000,000	491,441,352	4,914,413,520	Issuance of new shares for transfer of 32,016,448.	2019.10.28 Ching Shou Shang Tz No.10801147160
2020.06	10	700,000,000	7,000,000,000	528,441,352	5,284,413,520	Capital increase by cash 370,000,000.	2020.06.12 Ching Shou Shang Tz No.10901099150
2024.09	10	700,000,000	7,000,000,000	486,166,000	4,861,660,000	Capital reduction by cash 422,753,520	2024.09.09 Ching Shou Shang Tz No. 11330147100

Note1: The Company does not pay with property other than cash.

B. Type of Stock

2026/4/20

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Shares	486,166,000 (Note1)	213,834,000	700,000,000	Listed company's shares

Note 1: As of the book closure date for the Annual Shareholders' Meeting, the total number of common shares issued is 486,166,000 shares (including 227,000 shares of treasury stock) of NTD 10 per share.

C. Information for Shelf Registration: None.

3.1.2 List of Major Shareholders

2026/4/20

Shares / Major Shareholder	Number of Shareholding	Percentage (%)
Walsin technology Corp.	102,950,543	21.18
Walsin Lihwa Corp.	58,653,635	12.06
Career Technology (Mfg.) Co., Ltd.	23,272,932	4.79
Chin-Xin Investment Co., Ltd.	17,249,459	3.55
Chiao, Yu-Heng	11,873,404	2.44
Xing Xing Investment C. Ltd.	10,463,520	2.15
Hong, Pai-Yung	9,281,552	1.91
Hua Nan Bank manages the Yuanta Taiwan Value High Yield ETF Securities Investment Trust Fund account.	7,664,000	1.58
Qiu, Yue-hong	5,762,000	1.19
Prosperity Dielectrics Co., Ltd.	5,214,865	1.07

3.1.3 Dividend Policy and Implementation Status

A. Dividend Policy

Article 24: The Company's surplus at the end of the accounting year shall be first subject to taxation and reimbursement of previous losses, followed by a 10% provision for legal capital reserve and special capital reserve by law or reversal. The remainder plus previous retained earnings shall be allocated as bonus for shareholders at the Board's proposal and subject to approval at the shareholders' meeting.

Article 24-1: Profit distribution of the Company shall be governed by Article 24 of the Company's Articles of Association, of the dividend and bonus distributable to shareholders, 0%~50% shall be distributed in the form of cash while 50%~100% shall be distributed in stocks; however, when the Company has enough cash to cover the expenditure for the current year, the aforementioned ratio of dividend distributable in cash may be raised to 100%.

B. The dividend distributions proposed at the most recent shareholders' meeting

The cash dividends for the year of 2025 is NT$1,225,138,320 to be distributed to shareholders. According to the number of shares issued and entitled to distribution totaling 486,166,000, the cash dividends of approximately NT$2.52 per share will be distributed.

C. If a material change in dividend policy is expected, provide an explanation: None.

3.1.4 Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting

The company does not need to public its financial forecasts for the year 2025 per relevant rules and therefore does not need to disclose its annual forecasts information.

3.1.5 Compensation of Employees and Directors

A. If there is profit at the end of each fiscal year, a ratio from 2% to 10% of profit of the current (year shall be distributable as employees' compensation (of which no less than 50% shall be distributed to grassroots employees) and no more than 2% shall be distributable as Directors' remuneration. However, if the Company still records a cumulative loss, its profit shall first be used to make up the loss. The aforementioned employee compensation shall be paid in stock or cash as decided by the board of directors, and the recipients may include employees of subsidiary companies who meet certain conditions.

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

(1) Distribution of Compensation of Employees and Directors for 2024 Approved in the Board of Directors Meeting

Unit: NT$

	Board Resolution (2026/2/21)	Estimated Amount in 2025 (Note)
Compensation of directors (Cash)	46,485,342	46,485,342
Compensation of employees (Cash)	119,533,746	119,533,746
Total	166,019,088	166,019,088

Note: There is no difference between the actual and estimated amounts.

(2) Distribution of Compensation of Employees and Directors for 2024 Approved in the Board of Directors Meeting

Unit: NT$

	Board Resolution (2024/2/22)	Estimated Amount in 2023 (Note2)
Compensation of directors (Cash)	48,305,480	48,305,476
Compensation of employees (Cash)	98,336,147	98,336,148
Total	146,641,627	146,641,624

Note: The difference of NT$3 between the amount recognized initially and the amount specified in the Board resolution will be adjusted for the next period.

3.1.6 Buy-back of Treasury Stock:

1. Repurchases already completed:

Treasury stocks	8th	9th	9th
Purpose of buy-back	Transfer to employees	Transfer to employees	Transfer to employees
Timeframe of buy-back	2024/03/28~2024/04/11	2025/05/05~2025/05/09	2025/09/17~2025/10/14
Price range (NTD)	57~70 per share	40~65 per share	75~88 per share
Class, quantity of shares repurchased	3,000,000 shares (Note2)	2,000,000 shares	2,000,000 shares
Value of shares repurchased	NTD 184,434,463	NTD 100,371,468	NTD 172,633,060
Quantity of repurchased shares as a percentage of total shares to be repurchased	100%	100%	100%
Shares sold / transferred	3,000,000 shares (Note3)	2,000,000 shares (Note4)	1,773,000 shares (Note5)
Accumulated number of company shares held	0 share	0 share	227,000 shares
Percentage of total company shares held	0%	0%	0.05%

Note1: As of the book closure date for the Annual Shareholders’ Meeting, the total number of common shares issued is 486,166,000 shares (including 227 ,000 shares of treasury stock).

Note2: The number of shares conversion for cash capital reduction in 2024 was 2,760,000 shares.

Note3:2025/08/21 transferred 953,000 shares ; 2025/09/30 transferred 1,807,000 shares.

Note4:2025/08/21 transferred 953,000 shares ; 2025/09/30 transferred 1,047,000 shares.

Note5:2026/01/02 transferred 1,773,000 shares.

2. Any repurchase still in progress：None.

3.2 Issuance of Corporate Bonds: None.

3.3 Issuance of Preferred Shares: None.

3.4 Issuance of Global Depositary Receipts: None.

3.5 Status of employee stock option plan: None.

3.6 Status of employee restricted stock: None.

3.7 Status of new shares issuance in connection with mergers and acquisitions: None.

3.8 Progress on planned use of capital:

No issuance of securities that were not completed, or were completed but have yet to achieve the intended benefits by the last three years before the publication date of annual report.

IV Overview of Business Operations

4.1 Business activities

4.1.1 Scope of Business

A. Major areas of business operations

① Manufacturing and Sales of Printed Circuit Board (PCB)

Applications include personal computers, storage devices, network communication products, consumer electronic products, on-board products including body control, active safety system, audio and video navigation system, advanced driver assistance system, head lamp control, new energy vehicle battery management system, etc.

② Electronic Manufacturing Service (EMS)

Including the complete process architecture of mold opening, injection molding, coating, SMT and system assembly, and the substrate assembly processing as the base. The services include personal computers, storage devices, communication products, consumer electronics, on-board products, power tools, smart home, industrial products, LED, etc.

B. Revenue distribution

Unit: NT$ thousands

Year / Product Categories	2024		2025	
	Net Operating Revenue	Ratio (%)	Net Operating Revenue	Ratio (%)
PCB	48,729,516	85.15	33,650,873	80.83
EMS	8,186,529	14.31	7,800,552	18.74
Real estate	45,251	0.08	36,676	0.09
Other	264,907	0.46	143,931	0.34
Total	57,226,203	100.00	41,632,032	100.00

C. Current products (Services): Printed Circuit Board (PCB) and Electronic Manufacturing Services (EMS).

D. New Products (Services) Planned for Development

Printed Circuit Boards (PCBs) serve as the foundation for carrying various electronic components and are known as the "Mother of Electronics." Driven by the AI wave in 2025, the industry benefited from the demand for Artificial Intelligence (AI) and High-Performance Computing (HPC). This led to a complete transformation of the product demand structure and reshaped the value of PCBs. While facing a production capacity shortage due to exploding demand, PCB manufacturers also encountered technical barriers in high-end processes and material development, resulting in a developmental landscape characterized by "high-end technology leadership and comprehensive supply chain restructuring."

Since the rapid development of the AI wave began in 2023, The Company has actively invested in high-end process equipment. Starting in 2024, the company expanded core PCB technologies, including Pin Lam pressing machines, pulse plating lines, and back-drilling machines. However, as product complexity and layer counts gradually increased, the originally planned capacity became insufficient. Consequently, The Company chose to expand capacity across all processes and enhance equipment capabilities, including High-Precision Etching Machine, additional pressing machines, CCD drilling machines, CCD back-drilling machines, thick-board plating lines, and copper via-filling plating lines. As the four major Cloud Service Providers (CSPs) scrambled for dominance in the AI sector, they rapidly expanded data centers, causing PCB demand to multiply several times over.

With consumer demand for AI computing power rising sharply, PCB raw material suppliers have shifted development toward materials with lower loss and better flatness. Due to better margins and demand for high-end glass cloth, suppliers have phased out low-end products. As a result, in 2026, the PCB industry faces not only a rapid structural transformation but also the challenge of coordinating supplier lead times. Fortunately, the Group made early strategic layouts in Southeast Asia, completing the ecosystem for rigid PCB supply. High-end probe cards and switch products rely on plants in Singapore and Malaysia. AI server products are supplied by The Company's Guanyin plant and the newly expanded Taoyuan Science Park plant this year, while the Jiangyin plant focuses on consumer products, AI PCs, and computing acceleration cards.

The Company's research direction aligns with the AI wave, focusing on high-layer thick boards, high-frequency/high-speed networking, and probe card applications. This includes 1.6T development using Quartz cloth, hybrid and asymmetric pressing technology, 40+ layer products combined with HDI technology, embedded chip multi-layer board technology, and automated high-speed signal measurement. The Company will continue to research the latest high-frequency materials and introduce high-end product technologies. Beyond expanding ultra-high aspect ratio and fine-line processes, the company is expanding capacity across all stages to accommodate increased layer counts. This aims to satisfy the AI and HPC requirements of customers, foster collaborative relationships, and prepare for next-generation products. To meet future demand, the company continues R&D in high-end AI products:

A. 50+ layer asymmetric lamination technology (N+M) – for 800G switch products.
B. HLC combined with HDI process – AI server product development.
C. Embedded chip multi-layer board technology development.
D. Switch 1.6T product development.
E. Switch 3.2T with Quartz cloth – material evaluation.
F. Non-etching brown oxide system evaluation.
G. Establishment of automated in-board Insertion Loss measurement technology.
H. Establishment of RF-110GHz high-speed signal measurement technology.

4.1.2 Industry Overview
Reviewing 2025, while US reciprocal tariff policies impacted global industrial structures, the overall PCB supply chain maintained a growth trend due to the urgent demand from the AI wave. According to TPCA statistics, the annual output value of the PCB manufacturing industry increased to NT$915.2 billion in 2025, a growth of 15.8%. This growth was primarily driven by the explosion in high-end application demand. As the four major CSPs actively built data centers, the PCB supply chain remained resilient against tariffs, achieving breakthrough growth.
1. Current Status and Development of the Industry
①Multilayer Boards:
The number of layers represents the independent wiring layers within a circuit board, usually an even number including the two outermost layers. To accommodate the increased wiring functions and heat dissipation needs of AI servers, PCB demand is trending toward higher layer counts; some AI server multi-layer boards can now reach over 70 layers. Multi-layer boards are categorized into medium-low layer (4–6 layers) and high-layer (8 layers and above). Medium-low boards are used in consumer electronics, PCs, notebooks, and automotive electronics, while high-layer boards are applied in telecommunications, high-end servers, industrial control, medical, and military fields. According to ITRI and Prismark, the growth rate of multi-layer boards accounted for approximately 21.8% of the total PCB market in 2025. Driven by AI servers, demand for boards with 18+ layers grew rapidly. With the expansion of networking chip and memory demand, coupled with price increases from tight glass fiber cloth supply, the growth of multi-layer boards is expected to continue setting records in 2026.
②HDI:
HDI is a PCB technology evolved to meet the trend of precision in electronics, enabling high-density wiring. HDI boards are typically manufactured using the buildup method; more buildup layers indicate a higher technical grade. They utilize laser drilling and hole metallization for interconnection through buried and blind vias.
Based on manufacturing difficulty and market scale, HDI is categorized into:
(a) Entry-level: 1st-order (1+C+1), 2nd-order (2+C+2), 3rd-order (3+C+3).
(b) General: 4th-order and above, Any Layer (n+C+n, currently mostly 10–12 layers).
(c) High-end: SLP (Substrate-like PCB), Rigid-Flex boards (using HDI in the rigid section).
HDI offers advantages such as being light, thin, and compact, which increases circuit density and supports advanced packaging. According to ITRI and Prismark, HDI products grew by approximately 12.9% in 2025. While mobile and automotive demand was weak, demand for AI, HPC, satellite communication, and AI glasses increased significantly. Furthermore, traditional multi-layer server boards are increasingly adopting HDI designs for wiring and high-speed signal considerations, suggesting strong growth momentum in 2026.
③ Flexible Printed Circuits (FPC):
FPC applications are wide, mainly including smartphones, tablets, PCs, and high-end wearable devices. Amidst a stagnant mobile market in 2025, growth was only 2.4%. However, automotive FPCs and emerging applications like AI smart glasses continue to provide new orders, potentially opening a new path for flexible boards.

(2) Relevance among Industry Upstream, Midstream, Downstream
Printed Circuit Boards (PCB), the backbone of electronic products, interconnect various components and provide a platform for their installation and connection. Upstream suppliers provide materials like glass fiber, copper foil, and resins, as well as production and testing equipment. Midstream involves producing copper-clad laminates, PCBs, and providing electronic component assembly and related services. Downstream includes suppliers of various electronics. The Company is positioned in the midstream, offering professional PCB manufacturing and electronic product system assembly services.
2. Links between the Upstream, Midstream and Downstream Segments of the Industry
Printed Circuit boards (PCB) is the indispensable basic parts of all electronic products and is the "mother of electronic industry", on which the complex copper circuit wires between parts and components are etched after careful and orderly planning, providing the main support for the installation and interconnection of electronic components. In the PCB industry, its upstream of is the suppliers of glass fiber, copper foil, resin and other materials, production process and testing equipment; the midstream is the suppliers of copper foil substrate, PCB manufacturing, electronic components assembly and processing and related services; the downstream is the suppliers of various electronic

products. The Company Co., Ltd. in the midstream of the PCB industry is a professional company that mainly provides PCB manufacturing services and electronic product system assembly services.

Upstream	Midstream	Downstream
Glass fiber/Glass fiber cloth Copper foil Epoxy resin Phenolic Resin Polyimide resin Production process and testing equipment	Copper foil substrate Rigid board/soft board/IC carrier board manufacturing Assembly processing and related services	Suppliers of various electronic products

3. Product Development Directions, Trends and Competition

(1) Product Development Directions

Driven by the expansion of AI servers, High-Performance Computing (HPC), and data centers in 2025, the PCB and IC substrate industries have spearheaded a global technological transformation. 2026 marks a critical juncture where AI-driven key technologies converge and industrial competition is reshaped. With the application of high-end products, demand for advanced packaging, heterogeneous integration, and power management continues to rise. This has not only fueled growth across the chip, substrate, and PCB supply chains but has also heated up the market for memory and packaging materials. The output value of Taiwan's PCB industry is expected to surpass NT$1 trillion.

On the international front, the PCB industry is directly impacted by geopolitical volatility, such as the "Trump storm" and Middle East tensions. Amid uncertainties regarding tariffs, geopolitical factors, and national fiscal deficits, major manufacturers have been compelled to pull in shipments ahead of schedule. However, the supply chain for high-end materials is facing significant shortages. Critical materials for ensuring high-speed signal integrity and reducing transmission loss—such as high-performance glass fabrics and ultra-low profile (VLP) copper foils—are in short supply. As AI server specifications transition to next-generation products (moving from Vera Rubin to Feynman), the supply gap for high-end PCB raw materials could peak at 37%. These issues are unlikely to be resolved in the short term, causing a shift in the competitive landscape: the industry is moving from a pursuit of raw capacity to mastering the autonomy of key materials. Managing supply chains, securing specialized high-end processes, reducing reliance on specific vendors, and establishing a diversified supply system will be the decisive factors for maintaining profitability in 2026.

(2) Competition Situation

The Company is committed to diversifying its product portfolio. Currently, IPC, Server, Networking, and Probe Cards are our primary product lines. In response to the demand for Artificial Intelligence and high-end computing, coupled with the integration in 2025, the Group' s layout in the rigid PCB sector has become more comprehensive. We are confident in our ability to provide flexible solutions for our customers' supply chain needs and high-end technical requirements.

4.1.3 Technologies and R&D Overview

1. R&D Expenses invested in the past two years and u p t o t he date of publication o f t he annual report:

Unit: NT$ thousands

Item \ Year	2025	As of March 31,2026
R&D expenses.	497,874	131,981

2. Technologies (Products) Successfully Developed

A. 40+ Asymmetric Sequential Switch products.
B. Mass production of 400G & 800G SWITCH products.
C. Mass production of SWITCH Power Board products (Heavy Copper).
D. Mass production of Non-Etch Brown Oxide process.
E. Material evaluation for 1.6T-SWITCH.
F. Completion of 67GHz measurement equipment setup.
G. Obtained Utility Model Patent: Back-drill structure for printed circuit boards.
H. Invention Patent approved: Non-brown oxide printed circuit board structure and its manufacturing method.

4.1.4 Long term and Short term Business Development Plans

1.Short-term Plans:

(1). In response to the AI wave, The Company is expanding plant capacity at the fastest speed to meet customer demand.

(2). To address the shortage of raw materials for high-end products, the company is coordinating with both suppliers and customers to alleviate short-term supply-demand imbalances.
(3). Accelerate the certification process for high-end products at Southeast Asian facilities to diversify the risk of over-concentration in high-end product markets.

2.Long-term Plans:
(1). Follow market trends and focus on High-Mix Low-Volume (HMLV) high-unit-price orders, enhancing market competitiveness through speed and superior quality.
(2). Establish long-term partnerships with customers to co-develop new products and explore new markets.
(3). Actively develop application markets for new products and expand product coverage.

4.2 Market analysis and sales overview

4.2.1 Market Analysis

1. Sales territory

Unit: NT$ thousands

sales territory \ Year		2025		2024	
		Amount	Ratio %	Amount	Ratio %
Export Revenue	Asia	52,189,278	91.20	39,310,411	94.43
	America	2,626,708	4.59	1,320,797	3.17
	Europe	2,381,603	4.16	938,513	2.25
	others	28,614	0.05	62,311	0.15
Total		57,226,203	100.00	41,632,032	100.00

2.Demand and Supply Conditions and Market Growth Potential

(1) According to the research firm Prismark, the global PCB market output value is estimated to reach approximately US$85.1 billion in 2025, representing an annual increase of about 15.8%. The primary growth drivers stem from the construction of AI servers and high-speed network infrastructure, while demand for military and aerospace applications remains consistently strong. Additionally, the gradual recovery of the smartphone and personal computer markets has bolstered the demand for related PCBs. Looking at the product structure, the growth momentum for multi-layer boards is the most significant, accounting for an increase of approximately 21.8% in total PCB output value. Meanwhile, 8-to-16-layer boards have maintained growth due to server and PC demand; however, prices still face certain pressures due to intense market competition. Regarding High-Density Interconnect (HDI) boards, driven by emerging applications such as AI servers, networking equipment, satellite communications, and automotive electronics—and combined with the integration of multi-layer board technology—profitability remains substantial, accounting for a 12.9% increase in total output value.

(2) AI Supply Chain Maturation

Looking ahead to 2026, Prismark predicts the global PCB market size will further grow to approximately US$95.7 billion, an annual increase of about 12.5%. Among these, HDI will continue to be driven by AI server and high-speed network demand, with an expected growth rate of about 14.5%. The multi-layer board market will be propelled by AI and networking equipment demand; supported by advanced materials and complex designs, the average number of product layers will increase again, and the growth rate for high-end boards of 18 layers or more is expected to reach approximately 62.4%. From the perspective of product investment structure, multi-layer boards account for about 37%, IC substrates and HDI account for about 29% each, and flexible PCBs account for about 5%. As high-end AI product structures change rapidly and demand continues to rise, the coordination between raw materials and customer supply chains must become tighter. Overseas investment and factory expansion certifications are also accelerating, indicating that the estimated capital expenditure for Taiwanese PCB manufacturers in 2026 will reach approximately NT$162.4 billion, a significant annual increase of 63.7%. Regarding the distribution of investment regions, Taiwan remains the primary investment hub, accounting for about 31%; Mainland China accounts for about 27%; and emerging overseas production bases such as Thailand account for approximately 26%, demonstrating that the PCB industry is accelerating its global layout amidst geopolitical trends and supply chain restructuring.
According to Prismark data, the company is currently ranked as the 14th largest professional printed circuit board manufacturer globally in terms of overall operating scale (excluding PCBA) for Q4 2025 (refer to the figure below).

TOP 40 PCB SUPPLIERS FOR Q4 2025

($M)	2024	2025E	2025E/2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q4 2025/ Q3 2025	Q4 2025/ Q4 2024
Zhen Ding	$5,340	$5,869	9.9%	$1,736	$1,219	$1,240	$1,579	$1,832	16.0%	5.5%
Unimicron	$3,594	$4,225	17.5%	$909	$915	$1,055	$1,136	$1,118	-1.6%	23.0%
Dongshan Precision	$3,451	$3,605	4.5%	$1,061	$738	$787	$989	$1,091	10.3%	2.9%
Shennan Circuit	$2,492	$3,295	32.2%	$675	$658	$784	$880	$972	10.4%	43.9%
TTM	$2,443	$2,906	19.0%	$651	$649	$731	$753	$774	2.9%	18.9%
WUS Group	$1,960	$2,760	40.8%	$631	$582	$641	$734	$803	9.4%	27.3%
Victory Giant	$1,493	$2,686	79.9%	$422	$593	$652	$711	$730	2.7%	73.0%
Compeq	$2,256	$2,446	8.4%	$613	$509	$590	$669	$677	1.2%	10.4%
Tripod	$2,050	$2,361	15.2%	$527	$521	$581	$648	$612	-5.5%	16.1%
Mektec	$2,504	$2,273	-9.2%	$612	$526	$516	$597	$635	6.2%	3.7%
Kinwong	$1,761	$2,100	19.2%	$498	$460	$519	$557	$564	1.3%	13.3%
AT&S	$1,669	$1,933	15.9%	$423	$413	$453	$523	$544	4.1%	28.6%
Gold Circuit	$1,208	$1,928	59.6%	$304	$364	$453	$585	$526	-10.1%	73.3%
Hannstar	$1,297	$1,848	42.6%	$315	$321	$506	$525	$496	-5.6%	57.5%
Kingboard Group	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
SEMCO	$1,492	$1,621	8.7%	$393	$344	$404	$428	$445	4.0%	13.3%
Meiko	$1,306	$1,517	16.2%	$352	$361	$367	$396	$393	-0.9%	11.6%
Ibiden	$1,242	$1,497	20.5%	$310	$340	$390	$388	$379	-2.4%	22.4%
Nan Ya PCB	$1,005	$1,295	28.8%	$243	$257	$311	$366	$360	-1.8%	47.9%
Dongguan Shengyi	$652	$1,290	97.8%	$210	$217	$303	$428	$342	-20.0%	63.3%
AKM Meadville	$1,113	$1,276	14.6%	$284	$240	$291	$388	$357	-7.8%	25.6%
Kinsus	$951	$1,267	33.3%	$249	$262	$311	$346	$349	0.7%	40.2%
BH Co	$1,284	$1,264	-1.6%	$349	$229	$279	$406	$351	-13.5%	0.5%
Young Poong Group	$1,123	$1,085	-3.4%	$244	$251	$241	$267	$326	21.9%	33.7%
Suntak	$873	$1,080	23.8%	$237	$224	$264	$288	$305	6.0%	28.9%
LG Innotek	$939	$1,041	10.8%	$247	$223	$256	$272	$290	7.0%	17.7%
Shenzhen Fastprint	$809	$1,026	26.8%	$204	$217	$255	$272	$282	3.5%	38.2%
Shinko	$857	$1,010	17.8%	$193	$213	$270	$270	$256	-5.0%	32.8%
Simmtech	$904	$1,007	11.4%	$215	$209	$244	$269	$285	5.9%	32.3%
Nitto Denko	$862	$924	7.2%	$217	$192	$215	$263	$254	-3.4%	16.8%
Olympic	$699	$780	11.6%	$187	$167	$188	$209	$215	2.5%	14.7%
ISU Petasys	$615	$768	24.8%	$162	$174	$173	$214	$206	-3.6%	27.3%
Aoshikang	$635	$763	20.1%	$175	$160	$194	$205	$204	-0.5%	16.6%
Sumitomo PC	$700	$761	8.8%	$174	$146	$153	$241	$221	-8.6%	26.9%
Delton	$520	$752	44.8%	$147	$154	$181	$197	$221	12.0%	50.7%
Daeduck Group	$655	$750	14.4%	$148	$148	$176	$206	$219	6.0%	48.2%
Flexium	$824	$719	-12.7%	$175	$157	$178	$204	$180	-11.6%	2.6%
Si Flex	$434	$678	56.4%	$101	$100	$134	$230	$213	-7.3%	112.0%
Founder PCB	$484	$662	36.7%	$144	$131	$164	$176	$192	9.0%	33.5%
CMK	$623	$654	5.0%	$160	$163	$158	$166	$168	1.1%	4.7%
Total	**$56,672**	**$67,455**	**19.0%**	**$15,292**	**$14,133**	**$16,044**	**$18,429**	**$18,849**	**2.3%**	**23.3%**

Data source: PRISMARK

3. Competitive Niche and Factors for Future Development and Response
(1) Competitive Advantages::
Our competitive advantages are rooted in our leading position in the NB and PCB markets, solid partnerships with NB ODMs, and expansion into various fields such as AI-Servers and networking products. Additional advantages include excellent customer service capabilities, outstanding engineering expertise, highly flexible manufacturing capabilities, robust capacity expansion plans, economies of scale, and cost advantages. Furthermore, the Company excels in vertical integration, energy conservation, environmental safety, and waste recycling management, supported by a professional team. Upstream and Downstream Vertical Integration: The Company is a professional Electronic Manufacturing Services (EMS) provider capable of self-producing Printed Circuit Boards. In other words, we possess the capability for vertical integration across the supply chain, committed to providing our customers with services that offer both depth and breadth.
(2) Development Prospects - Favorable and Unfavorable Factors, and Responses: Favorable Factors:
A.Responses: Favorable Factors:
a. With the rise of the global AI wave, The Company has expanded to meet customer demand.
b. Investment in high-layer count and large-size equipment to enhance the production capacity of high-value products.
c. Southeast Asian plants have passed certifications; the layout for PCB products ranging from low-end to high-end is complete, enabling us to supply the global PCB rigid board market.
B.Unfavorable Factors and Responses:
a. Uncertainty regarding whether Trump’s tariff policies will cause another major supply chain realignment, combined with shortages of high-end raw materials. The supply chain must be carefully managed to mitigate risks.
b. Whether the impact of the U.S.-Iran conflict expands, leading to rising raw material costs and delaying the construction of AI data center infrastructure.
4.2.2 Usage and Manufacturing Processes for the Main Products
1. Product Purpose
(1) Printed Circuit Board
Printed circuit board, embedded with various electronic components has played the function of relay transmission, which is an essential component of all electronic products, and its quality and design are closely related to the performance of electronic products.

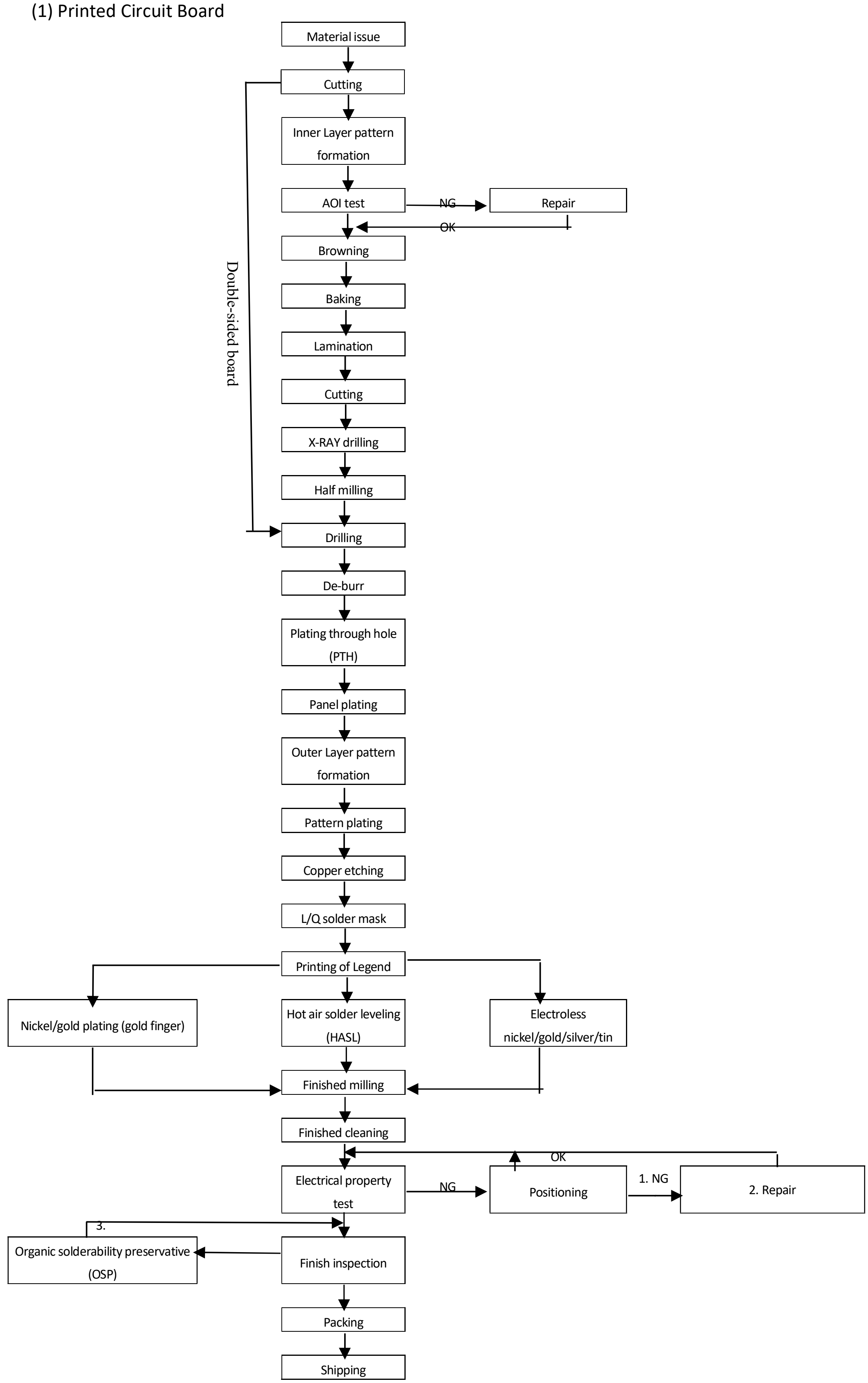
Primary Products	Major Applications
Double-sided laminate	Computer peripherals and terminals, fax machines, cameras, numerical control equipment, personal computers, communication equipment, etc.
Multilayer board	Personal computers, fax machines, industrial automation related equipment, numerical control equipment, communication equipment, mini, medium and small computers, semiconductor test equipment, personal computers, wall-mounted ultra-thin TV systems, digital cameras, etc.

(2) Substrate assembly procession

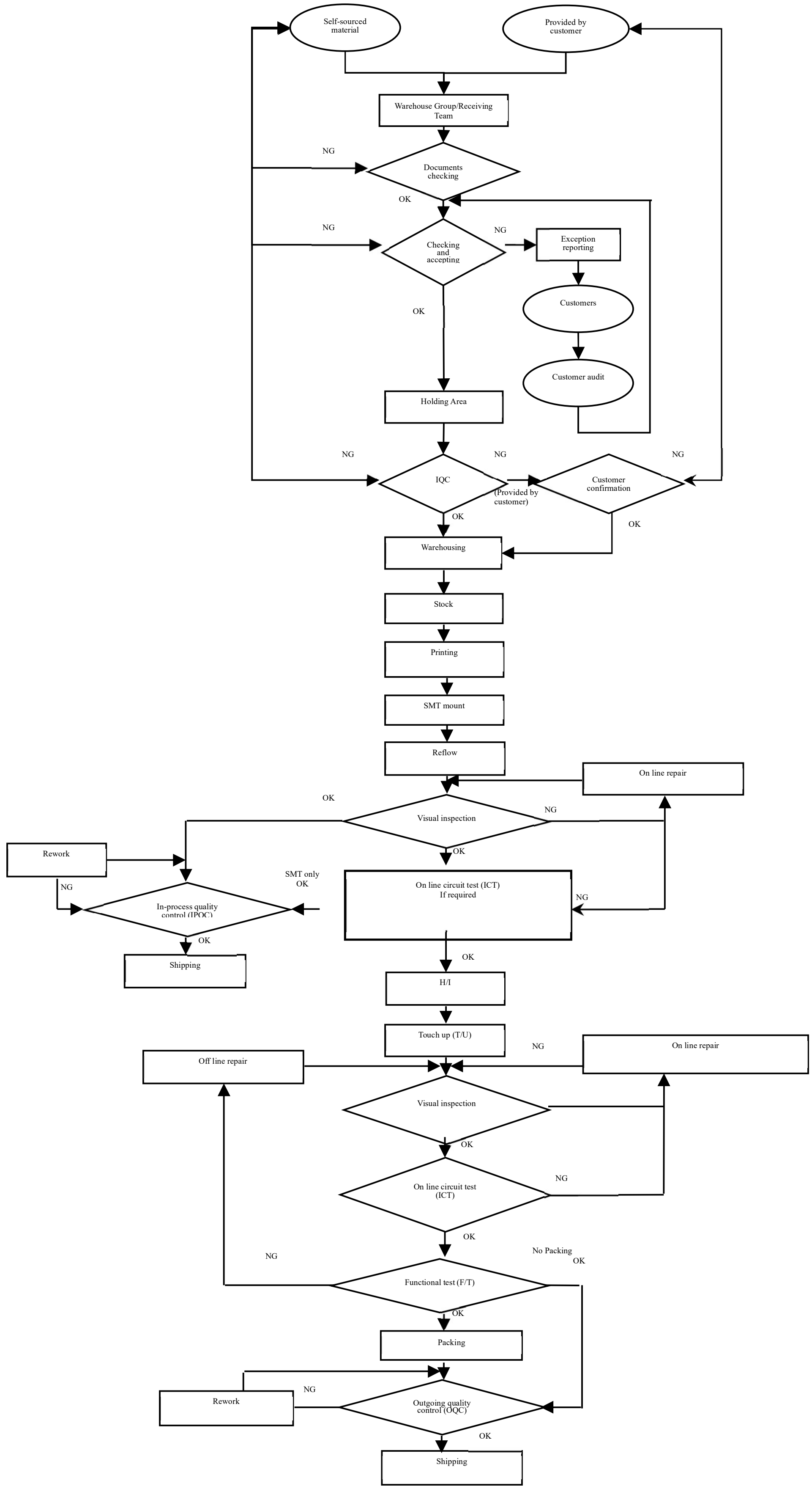
SMT and DIP-type electronic components are placed on PCBs to interconnect the components' circuits, achieving signal processing. All products requiring PCBs must undergo this process.

2. Manufacturing Processes

(1) Printed Circuit Board



(2) Substrate assembly processing



4.2.3 Supply Situation for Major Raw Materials

Major Raw Materials	Major suppliers
Substrate, film	NPC、TUC、EMC、ITEQ
Copper foil	CCPG、CO-TECH、LCY GROUP
Chemical potion	DDP Specialty Products Taiwan Co., Ltd.、JETCHEM INTERNATIONAL CO., LTD.、TAIWAN UYEMURA CO., LTD.、MACDERMID PERFORMANCE SOLUTIONS TAIWAN LTD、ATOTECH
Dry film	ETERNAL
Ink	TAIWAN TAIYO、ONSTATIC、CMC、SAN-EI

4.2.4 Suppliers/Customers Who Accounted for 10% or More of Total Purchase (Sales) in one of the last two fiscal years and Analysis of Changes

1. Customers accounted for 10% or more of purchase for the last two fiscal years: None.
2. Suppliers accounted for 10% or more of purchase for the last two fiscal years

Unit: NT$ thousands

Item	As of March 31,2026				2025				2024			
	Name	Amount	%	Relationship with the Company	Name	Amount	%	Relationship with the Company	Name	Amount	%	Relationship with the Company
1	Supplier A	655,238	6.64	None	Supplier A	2,581,070	7.94	None	Supplier A	2,602,804	11.63	None
2	Other suppliers	9,208,231	93.36		Other suppliers	29,926,221	88.37		Other suppliers	19,774,919	88.37	
	Total	9,863,469	100.00		Total	32,507,291	100.00		Total	22,377,723	100.00	

Note: Due to contract limitation, using a code in place of the actual name of the supplier

4.3 Workforce Structure

Workforce Structure from the last two years and up to the date of publication of the annual report:

Year		2026(As of March 31)	2025	2024
Number of Employees	DL	14,962	15,100	13,081
	IDL	2,778	2,766	2,064
	Total	17,740	17,866	15,145
Average Age		36.02	35.90	33.99
Average Years of Service		7.03	6.98	5.71
Education Level Percentage (%)	Doctor	0.00	0.00	0.00
	Master	2.02	1.88	0.96
	College	22.57	22.80	21.27
	High school	42.74	42.70	44.84
	Below High school	32.67	32.62	32.93

4.4 Disbursements for Environmental Protection

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

Date of punishment	Disciplinary action number	Violation of laws and regulations	Disciplinary content	Response measures
2025/2/4	30115030019	This violates Article 28, Paragraph 1 of the Water Pollution Prevention and Control Act, and is	Fine amount: NTD 28,000.	It has been repaired.

Date of punishment	Disciplinary action number	Violation of laws and regulations	Disciplinary content	Response measures
		subject to penalties in accordance with Article 51, Paragraph 2 of the Water Pollution Prevention and Control Act.		

4.4.2 In response to the "Restriction of Hazardous Substance" (EU RoHS):

The Company can meet the requirements of EU RoHS and hazardous substances control for all customers.

4.5 Labor Relations

4.5.1 Employee benefit plans, continuing education, training, retirement systems, and the status of their implementation

1. Employee compensation measures and their implementation:

All employees of the Company are entitled to the following benefits:

(1) Implement monthly performance bonus and profit sharing bonus system..
(2) Implement the employee compensation system.
(3) Implement the performance appraisal and promotion system.
(4) Provide periodic health examinations free of charge.
(5) Provide meals for staff free of charge.
(6) Provide employees with comprehensive group insurance (including life insurance, accident insurance, medical insurance and cancer prevention insurance)/employee's dependents can participate in the Company's preferential insurance service at their own expense.
(7) Provide dormitories for employees living in other counties and cities.
(8) Provide gifts and presents for Spring Festival, Dragon Boat Festival and Mid-Autumn Festival and birthday gifts.
(9) Organize club activities and staff travel, provide subsidies for weddings and funerals.
(10) Provide EAP service and emergency relief program.
(11) Organize activities such as festivals, travel at home and abroad, special store promotions.

2. Employees' further education, training and their implementation:

(1) Employee training methods

The company's training methods include education and training for new staff, orientation training, internal training, in-service training, external training, Group training, etc.

(2) Education and Training Summary Table

Item \ Company	HannStar Board Corp.		HannStar Board Tech. (Jiangyin) Corp.	
Year	2025	2024	2025	2024
Number of courses	36	37	307	290
Training Hours	145.5	101	5,627	750
Training Participation	11,441	9,332	57,507	7,697
Total Training hours	77,436	36,692	553,123	261,625

3. Retirement system and its implementation:

In accordance with the provisions of the Labor Standards Act, the Company used to appropriate a retirement reserve fund in proportion to the total amount of wages and salaries paid on a monthly basis, which was deposited in an account set up in the name of the labor pension reserve supervision committee and used, but adopted the defined contribution system later since the Labor Pension Act came into force on July 1, 2005.

Employees may elect to apply for either the provisions regarding pensions in the former Labor Standards Law, or the pension system in the current Labor Pension Act and reserve the seniority prior to application of such act. For employees applying the Labor Pension Act, the Company shall not contribute less than 6% of the employee's monthly salary as the pension fund every month. And the Company has set up the Measures for the Management of Labor Retirement, stating that the Labor Standards Act and the Labor Pension Act are applicable to those who are employed by the Company and get their wages to handle matters relating to their retirement. HannStar Board Tech (Jiangyin) Co., Ltd. the subsidiary in China Mainland, also pays the basic endowment insurance monthly according to the "Regulations of Jiangsu Province on Basic Endowment Insurance of Enterprise Employee", which is to provide a stable and reliable source of living for the retired employees. The basic endowment insurance premium is jointly paid by the Company and the employee according to different contribution ratios (16% paid by the Company and 8% paid by the employee). The insured who has reached the mandatory retirement age (60 for males and 50 for females) and who has paid premiums for more than 15 years, the Company will handle the retirement formalities for him. And from the month following the approved retirement time, the social insurance agency will entrust the institutions such as a bank to pay the basic pension on a monthly basis.

Retirement conditions：

(1) An employee may apply for voluntary retirement under any of the following conditions:

- A worker who has one of the following circumstances may apply for retirement.
- Those who have worked for more than 25 years.
- Those who have worked for more than 10 years and have reached the age of 60.

(2) Employers shall not force a worker to retire unless any of the following situations has occureed:

- Those who are over 65 years old.
- Physically and mentally challenged workers.

Pension payment standard：

Seniority in the old system: According to their working seniority, two bases are given for each full year. However, for those who have worked for more than 15 years, a base will be given for each full year, and the maximum total is limited to 45 bases. If it is less than half a year, it will be counted as half a year; if it has completed half a year, it will be counted as one year.

4. Labor and management agreement and safeguarding the rights and interests of employees:

The company has not established a labor union to sign a collective agreement, but all parent and subsidiary companies hold regular labor and management meetings, and each department head and subordinates carry out effective communication through regular or irregular business meetings and educational training for the well communication between labor and management. The rights and obligations of both the employers and employees shall be governed by the provisions of the Company's Employee Handbook. Since the establishment of the Company, both labor and management have been able to maintain harmonious labor relations. Therefore, there has been no loss caused by labor disputes. In order to maintain harmonious labor-management relations, the management of the Company will pay more attention to the communication channels between labor and management, and implement the human-based management system.

5. Measures aimed at safeguarding the rights and interests of employees

Each department of the parent and the subsidiary companies has established a sound operation process, to safeguard the rights and interests of all employees according to the relevant laws and regulations and internal control standards, and implement their responsibilities. In addition, the Company has developed a good communication mechanism and attaches great importance to the exchange of views between employees and supervisors. And the Company can make the most appropriate treatment accordingly to safeguard the rights and interests of employees and the Company.

6. Employee behavior or ethical code

In order to establish employee behavior and ethical code, the company has formulated relevant rule of management systems to follow the behavior, ethical concepts, rights and obligations of employees at all levels. The relevant measures are briefly described as follows:

(1) Company Organization Regulations:

Clearly define the work responsibilities and roles of each level and job grade to achieve clear task ssignments and optimal talent utilization.

(2) Authorization Management Regulations：

Clearly define the authority and responsibilities of employees at each job level within the organization to enhance efficiency

(3) Procedures for Ethical Management and Guidelines for Conduct:

The Procedure are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and the applicable laws and regulations of the places where this Corporation and its business groups and organizations operate, with a view to providing all personnel of this corporation with clear directions for the performance of their duties.

(4) Work Rules Management Regulations:

In accordance with the Labor Standards Act and relevant laws and regulations, specifically regulate the rights and obligations between the company.

(5) Corporate Social Responsibility Best Practice Principles:

To fulfill good corporate citizenship and social responsibility, the company makes its best efforts to continuously seek principles that are both ecologically and ethically acceptable.

(6) Employee Code of Conduct Management Regulations:

To provide guidance for all company employees when conducting business activities, all employees shall comply with these ethical standards of conduct.
(7) Recruitment Management Regulations:
The principles for human resource planning, recruitment, selection and employment procedures.
(8) Salary Management Regulations:
Establish guidelines for employee salary approval, adjustment, and payment methods.
(9) Attendance management Regulations:
Establish rules and principles for employee attendance.
(10) Employee Leave Regulations:
Establish guidelines for employee leave and time-off.
(11) Education and training management Regulations:
In order to strengthen the quality of employees, the company provides relevant courses to enhance employees' abilities.
(12) Appraisal Management Regulations:
Annual employee performance assessments are regularly implemented as the basis for annual salary reviews, promotions, bonus allocation, and training implementation.
(13) Rewards and Disciplinary Management Regulations:
To provide appropriate rewards or disciplinary actions to employees in order to maintain employee discipline and establish a clear system of rewards and penalties.
(14) Intellectual property rights Regulations:
To effectively manage the company's intellectual property rights and encourage employee research and innovation, operational guidelines for patent application incentives are established to ensure the company's commercial interests and competitiveness.
(15) Complaint & Whistleblowing Management Regulations:
In order to prevent employees or other external stakeholders from being subjected to improper or unfair treatment, and to provide accessible complaint and whistleblowing channels and handling procedures.
(16) Sustainable Development Best Practice Principles：
In accordance with the "Sustainable Development Best Practice Principles for TWSE/GTSM Listed Companies," to achieve the goal of sustainable development.
The above methods not only provide the work code of conduct for all employees of the company, but also strictly require employees to conduct themselves. We will never allow employees to use their duties without permission, engage in any illegal behavior, or violate the scope of rights and something that violates morals and ethics.

7. The Company continued to pay attention to environmental protection issues and implemented relevant systems through practical actions, including ISO 14001 environmental management system verification, ISO 14064 greenhouse gas emissions verification, ISO45001 occupational safety and health management system and responsible business alliance (RBA) verified and obtained the certificate.

(1) To formulate a safety health manual and stipulate safety management matters for employees to follow.
(2) Safety and health management unit
1. Set up labor safety and health management units in accordance with the provisions of the Labor Safety and Health Law.
2. The security office convenes a labor safety and health committee every three months to discuss safety, sanitation, environmental protection, fire protection and other issues that will affect the company's production and operation with the supervisors of each unit.

(3) Facility safety
1. The production equipment is equipped with safety protection facilities to prevent personnel from being injured due to work.
2. For the hazardous equipment, the company regularly inspects and spots the inspections in accordance with regulations every month.
3. Mechanical equipment such as elevators is entrusted to professional manufacturers to implement maintenance and inspection every month.
4. Vehicle machinery commissioned by professional manufacturers to implement maintenance and inspection every month.
5. To implement the periodic inspections of hazardous equipment (boilers) and elevators, and overall inspections of vehicle machinery every year.

(4) Environmental Safety
1. The factories will produce acid, alkali, organic waste gas and other machines, all of which are equipped with exhaust facilities to remove the hazardous factors from the work site.
2. To implement the work environment is measured and classified management is carried out according to the

exposure assessment and hazard characteristics every six months.

3. The drinking water shall be maintained by the manufacturer every month, the water quality shall be inspected quarterly, and the overall maintenance shall be carried out every year to ensure the sanitation of the drinking water of the employees.

(5) Education and training

1. New recruits and general workers and operators of dangerous machinery and equipment are given general safety and hygiene and on-the-job education and training..
2. To establish hazardous work supervisors, first aid personnel, and qualified forklift drivers in accordance with the law.
3. The company explains the prevention and precautions of hazardous substances to reduce the occurrence of industrial safety accidents in the education and training of new employees.
4. The SDS is placed in the place where chemicals are used and stored, and employees are taught to understand the contents of the SDS and required to wear appropriate personal protective equipment.
5. Strictly require employees to wear safety helmets and obey traffic rules when riding motorcycles, and the incidence of traffic accidents during duty is effectively reduced..

(6) Health examination

1. To implement the health check for employee every year.
2. To conduct annual health inspections for employees with special operations.

(7) Relapse prevention

1. To investigate every public injury accident and implement preventive measures.
2. To implement disaster statistics every month and report to the Occupational Safety and Health Administration of the Ministry of Labor before the 10th of the following month.

(8) Group Insurance：

The company has insured the group insurance for every employee, so that employees never worry when they are injured by occupation.

4.5.2 For last year and up to the date of publication of the annual report, there was no loss due to labor disputes. The current labor relation is harmonious and there is no concern on labor disputes.

4.6 Cyber security management:

4.6.1 Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

To enhance management over information security, the Company has established the Information Security Committee in 2022 to review the Company and its subsidiaries' information security governance, supervise the implementation of information security management, review issues related to information security and to make continuous improvements so as to ensure the formulation and appropriateness of information security policy.
The Company's information security strategy is focused on three aspects, namely, information governance, legal compliance, and technological utilization. This will allow the Company to comprehensively enhance its information security protection in all aspects, from system to technology, and from individual employee to the organization.
In the future, the Company will continue to strengthen its information security protection and to formulate joint prevention mechanism. It will also ensure that it keeps up with the training and development of quality information security personnel. To this means, the Company regularly announces and promotes information security policy and arranges for related training in each year.

4.6.2 List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefore, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided. None.

4.7 Material Contracts

Company	Contract Nature	Contracting Party	Term	Major Content	Restrictive Clauses
HannStar Board Corp.	Syndicated loan agreement	E.SUN Bank and participating banks	2024/3/6	Total amount of NT$ 5 billion dollars.	(Note 1)

Note 1: (1) According to the contract, the company’s consolidated financial statements should financial ratios

maintenance before the company repay all the liability.

(2) The financial ratios is stipulated as follows:

A. Current Ratio: ≧100%;

B. Net Debt to Equity Ratio: <200%;

C. Tangible Net Worth: >NT$ 80 billion dollars;

D. Interest Protection Multiples: ≧3

V Financial Status, Operating Results and Risk Management

5.1 Financial Status

Unit: NT$ thousands

Item \ Year	2024	2025	Difference	
			Amount	%
Current Assets	45,978,891	58,058,439	12,079,548	26.27%
Property, plant and equipment (Including Investment property)	13,957,579	19,790,589	5,833,010	41.79%
Intangible assets	731,233	3,962,683	3,231,450	441.92%
Other assets	28,743,265	30,427,604	1,684,339	5.86%
Assets	89,410,968	112,239,315	22,828,347	25.53%
Current liabilities	32,163,717	43,850,066	11,686,349	36.33%
Non-current liabilities	9,832,158	14,797,459	4,965,301	50.50%
Liabilities	41,995,875	58,647,525	16,651,650	39.65%
Ordinary share	4,861,660	4,861,660	-	-
Capital surplus	4,290,990	4,556,850	265,860	6.20%
Retained earnings	20,074,856	21,847,415	1,772,559	8.83%
Other equity	3,150,355	5,042,038	1,891,683	60.05%
treasury shares	(182,034)	(19,588)	162,446	(89.24%)
Non-controlling interests	15,219,266	17,303,415	2,084,149	13.69%
Equity	47,415,093	53,591,790	6,176,697	13.03%

Analysis of financial status difference exceeding 20%:

1. The increase in Current Assets due to the increase in Accounts receivable and Inventories .
2. The increase in Property, plant and equipment due to the increase in Property, plant and equipment.
3. The increase in Intangible assets due to the increase in Goodwill.
4. The increase in Assets due to the increase in Accounts receivable , Inventories, and Property, plant, and equipment.
5. The increase in Current liabilities due to the increase in Short-term borrowings and Accounts payable.
6. The increase in Non-current liabilities due to the increase in Long-term borrowings.
7. The increase in Liabilities due to the increase in Short-term borrowings, Long-term borrowings, and Accounts payable.
8. The increase in Other equity due to the increase in Unrealized gains on financial assets.
9. The decrease in treasury shares due to the transfer of treasury shares to employees.

5.2 Financial Performance

Unit: NT$ Thousands

Item \ Year	2024	2025	Difference	
			Amount	%
Operation Revenue	41,632,032	57,226,203	15,594,171	37.46%
Operation Costs	31,453,874	45,941,853	14,487,979	46.06%
Gross Profit	10,178,158	11,284,350	1,106,192	10.87%
Operating Expenses	4,052,468	5,193,667	1,141,199	28.16%
Profit from Operation	6,125,690	6,090,683	(35,007)	(0.57%)
Non-Operating Income and Expenses	1,283,307	854,017	(429,290)	(33.45%)
Profit Before Income Tax	7,408,997	6,944,700	(464,297)	(6.27%)
Income Tax Expense	2,843,147	2,219,314	623,833	(21.94%)
Net Profit For The Year	4,565,850	4,725,386	159,536	3.49%
Net Profit attributable to owners of the Company	3,012,223	2,923,435	(88,788)	(2.95%)

Note 1：Analysis of operating results difference exceeding 20% :

1. The increase in Operation Revenue was mainly due to the increase in order intake.
2. The increase in Operation Costs was mainly due to the increase in order intake.
3. The increase in Operating Expenses was mainly due to the increase in order intake.
4. The decrease in Non-Operating Income and Expenses was mainly due to the increase in loss on foreign exchange
5. The decrease in Income Tax Expense was mainly due to the decrease in income tax on repatriated overseas earnings.

Note 2：Sales volume forecast and the basis there for and the effect upon the Company's financial operations and response plans: please refer to Ⅳ. Overview of Business Operations.

5.3 Cash Flow

5.3.1 Analysis of Cash Flow

Unit: NT$ thousands

Cash and cash equivalents at beginning of Year (A)	Net cash flow from operating activities (B)	Cash outflow (C)	Cash surplus (deficit) (A)+(B)-(C)	Remedy for cash deficit	
				Investment Plans	Financial Plans
21,158,826	7,464,674	5,487,354	23,136,146	Not Applicable	

1.Analysis of change in cash flow in the current year:

(1). The inflows of net cash generated by operating activities was NT$ 7,464,674 thousand due to the increase in operating profit.

(2). The outflows of net cash generated by investing activities was NT$ 9,628,692 thousand due to cash outflows for the acquisition of subsidiaries and Property, plant and equipment.

(3). The inflows of net cash generated by financing activities was NT$ 4,393,567 thousand due to new bank borrowings, and distribution of cash dividend.

(4). The outflows of Effect of exchange rate changes on cash and cash equivalents was NT$ 252,229 thousand.

2. Remedy for Cash Deficit and Liquidity Analysis：Not Applicable.

5.3.2 Cash flow Analysis for the coming year

Estimated cash and cash equivalents at beginning of Year (A)	Estimated net cash flow from operating activities (B)	Estimated cash outflow (C)	Estimated cash surplus (deficit) (A)+(B)-(C)	Estimated remedy for cash deficit	
				Investment Plans	Financial Plans
23,136,146	3,803,649	11,767,957	15,171,838	Not Applicable	

1. Analysis of change in cash flow for the coming year:

(1) Estimated Net Cash Flow from Operating Activities:

The inflows of net cash generated by operating activities due to the increase of profit before taxes.

(2) Estimated Cash Outflow:

Mainly spent for new bank borrowings,capital expenditures and distribute of cash dividend.

2. Estimated Remedy for Cash Deficit and Liquidity Analysis：Not Applicable.

5.4 Major Capital Expenditures and Impact on Financial and Business in the most recent year

5.4.1 Major Capital Expenditures and Source of Funds:

The amount for purchase of plant and equipment are NT$ 3,502,511 thousand and NT$ 3,251,175 respectively for 2024 and 2025. The source of funds was mainly from own funds and long-term loans..

5.4.2 Expected Benefits

The company promotes the company's products to obtain a competitive within the trade by replacement of obsolete machinery and equipment, improving quality, process capabilities and increasing production capacity. For long-term development, the Company’s goal is to increase profits and create maximum benefits for shareholders' equit.

5.5 Investment Policy of the Past Year, Profit/Loss Analysis, Improvement Plan and Investment Plan for the Coming Year

5.5.1 Investment Policy of the Past Year:

The company's reinvestment plan is mainly to accompany business development and long-term holdings.

5.5.2 The Profit/Loss Analysis, Improvement Plan and Investment Plan for the Coming Year:

Unit: NT$ thousands

Item / Investment Business	2025 Income (loss) of the investments	Reasons for Gain or Loss	Action Plan	Investment Plan for the next year
HannStar Board (BVI) Holdings Corp.	2,101,018	Mainly due to good operating profit performance.	None	-
Global Brands Manufacture Ltd.	1,280,168	Mainly due to good operating profit performance.	None	-
Career Technology (MFG.) Co., Ltd.	(761,154)	Mainly due to changes in revenue and due to provision of impairment losses	Continued develop business	-
Walsin New Energy Corporation	(1,683)	Mainly due to the on ongoing investment in solar power sites construction costs.	Ongoing development of solar power sites	-

5.6 Analysis and Evaluation of Risk Factors

5.6.1 Impact of Interest Rate and Exchange Rate Changes and Inflation on the Company's Profit and Countermeasures.

Item	Impact	Response measures
Interest Rate Change	Net interest revenue (interest expense less Interest income) was approximately NT$1,473,318 thousand in 2025.	In order to reduce interest rate risk, the company will monitor the change with the market. In addition to bank loans, it also makes good use of various financing instrument and adjusts floating interest rates based on market conditions to raise funds for operations.
Exchange Rate Change	Foreign exchange loss was approximately NT$170,721 thousand (including profit/loss from trading foreign exchange derivative products) in 2025.	The company will use hedging instrument to reduce the risk of exchange rate changes.
Inflation	The company's products are developed for specific customer needs and are not general consumer products, so inflation has no specific impact on the company.	None.

5.6.2 Policies of Engaging in High-risk, High-leverage Investments, Lending to Others, Providing Endorsements and Guarantees and Derivatives Transactions, Profit/loss Analysis and Future Countermeasures.

Item Policy Major causes of profit	Item Policy Major causes of profit	Item Policy Major causes of profit	Item Policy Major causes of profit
High-risk, Investments	The company focuses on the industry and does not engage in high-risk investments.	None.	None.
High-Leverage Investments	The company focuses on the industry and does not engage in high- leverage investments.	None.	None.
Lending or Endorsement Guarantees	Conducted in accordance with the provisions of the Company's "Procedures for Lending Funds to Other Partied " and " Endorsement and Guarantee Procedures "	None.	None.
Derivative Instrument Transactions	The company engages in derivative transactions for the purpose of hedging risks, the company has conducted in accordance with the provisions of the Company's "Procedures for acquisition or disposing of derivative transactions" in the "Asset Acquisition and Disposal Procedures" .	None.	None.

5.6.3 Future R&D Plans and Expected R&D Investment: The expected R&D investment is approximately NT$44,000 thousand, with the following plans:

Unit: thousands

Item	Years	Note	Products	Invest
50+ Asymmetric sequential technology	112~115	Advance AI server & SWITCH products.	AI Server、SWITCH	17,000
HDI AI Server products	112~115	HDI-Server technology.	AI Server	12,000
Embedded chip HLC development	115~117	Advance AI server	AI Server	5,000
1.6T SWITCH materials	113~115	High frequency materials developed.	AI Server、SWITCH	2,000
3.2T SWITCH materials	113~115	High frequency materials developed.	AI Server、SWITCH	2,000
Non-etching brown oxide systems	113~115	Advance AI serve products.	AI Server、SWITCH	2,000
AI-BC measurement technology	115~117	AI server measurement	AI Server、SWITCH	3,000
Establishment of 67+GHz high-speed signal measurement	114~116	RF-110GHz.	AI Server、SWITCH	1,000

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

The Company consistently pays close attention to any changes in local and foreign policies and makes appropriate amendments to our systems when necessary. As of the date of publication of this annual report, changes in related laws have not had a significant impact on our operations.

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

The Company attaches great importance to improvements in technology, in response to technological changes and industrial changes, we will continue to improve R&D technology and new product development, the company has also carefully monitors market trends and assesses the impact they may have on the company's operations.

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

Since its inception, the Company has consistently maintained an ethical business philosophy and fulfilled its social responsibilities. Aside from working to strengthen internal management and conforming to all relevant corporate governance requirements, the Company has also participated in numerous public welfare activities.

5.6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans.

As of the date of publication of this annual report, the Company has no ongoing merger and acquisition activities. In considering future M&A activities, the Company will evaluate their efficiency, risks, vertical integration and other potential factors in accordance with its internal control system.

5.6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans

As of the date of publication of this annual report, the Company has no factory expansion plans.

5.6.9 Risks Associated with Over-concentration in Purchases or Sales and Countermeasures

The Company has maintained at least two suppliers to provide raw material quotation and has worked to diversify its customer base in order to reduce the concentration of sales. As of the date of publication of this annual report, there are no risks associated with over-concentration in purchases or sales.

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

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

5.6.12 Litigation or Non-litigation Matters: None.

5.6.13 Other Major Risks

5.7 Other Major Issues: None.

VI Special Disclosure

6.1 Summary of Affiliated Enterprise：https://mops.twse.com.tw > Single Company > Electronic Document Download > Three Forms and Documents of Related Enterprises. Enter the year and company code to search.

6.2 Progress of private placement of securities during the most recent year and up to the date of annual report publication: None.

6.3 Other matters that require additional description: None.

6.4 Corporate events with material impact on shareholders' equity or stock prices set forth in Subparagraph 2, Paragraph 2, Article 36 of the Securities and Exchange Act during the most recent year and up to the annual report publication date: None.