

# **APCB INC.**

## **2026 Annual Shareholders' Meeting**

### **Meeting Handbook**

**Type of Meeting: Physical Meeting**

**Meeting Time: June 17, 2026**

**Meeting Venue: No. 240, Sec. 3, Daguan Rd., Banqiao  
Dist., New Taipei City**

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# APCB INC.

## 2026 Annual Shareholders' Meeting Procedure

- I. Calling Meeting to Order
- II. Chairperson's Address
- III. Report Items
- IV. Proposals
- V. Discussion
- VI. Extraordinary Motions
- VII. Adjournment

APCB INC.

2026 Annual Shareholders' Meeting Agenda

- I. Time: 9:00 a.m. on Wednesday, June 17, 2026
- II. Venue: No. 240, Sec. 3, Daguan Rd., Banqiao Dist., New Taipei City (Qukunlun Park Activity Center)
- III. Type of Meeting: Physical Meeting
- IV. Reporting Total Number of Shares Represented and Calling Meeting to Order by Chairperson
- V. Chairperson's Address
- VI. Report Items
  - (I) 2025 Business Report
  - (II) 2025 Audit Committee Report
  - (III) Report on Endorsements/Guarantees Status in 2025
  - (IV) Report on Loaning of Funds in 2025
  - (V) Report on Investment status in Mainland China in 2025
  - (VI) Amendments to the "Codes of Ethical Conduct"
  - (VII) Report on the Implementation of the Share Repurchases by the Company
- VII. Proposals
  - (I) The Company's 2025 financial statements and business report are proposed for acceptance.
  - (II) The Company's 2025 earnings distribution and deficit compensation proposal is presented for acceptance.
- VIII. Discussion
  - (I) The Company to handle cash-refunding capital reduction.
- IX. Extraordinary motions.
- X. Adjournment

# Report Items

I. 2025 Business Report

Explanation: Please refer to page 5-7 of this meeting handbook.

II. 2025 Audit Report of Audit Committee

Explanation: Please refer to the “Audit committee report” on page 8 of this meeting handbook.

III. Report on Endorsements/Guarantees Status in 2025

Explanation: Please refer to page 9 of this meeting handbook.

IV. Report on Loaning of Funds in 2025

Explanation: Please refer to page 10 of this meeting handbook.

V. Report on Investment status in Mainland China in 2025

Explanation: Please refer to page 11 of this meeting handbook.

VI. Amendments to the “Codes of Ethical Conduct”

Explanation: In response to the amendments to the laws and regulations. Please refer to page 12-13 of this agenda handbook for the Comparison Table of the Amended Articles.

VII. Report on the Implementation of the Share Repurchases by the Company

| Item                                                                                                                 | Description                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of Board of Directors' resolution                                                                               | December 3, 2025                                                                                                                                                                                    |
| Purpose of repurchase                                                                                                | To protect the Company's credit and shareholders' interests                                                                                                                                         |
| Method of share repurchase                                                                                           | Buyback shares through a securities firm from the Taiwan Stock Exchange                                                                                                                             |
| Scheduled repurchase period                                                                                          | From December 4, 2025 to February 3, 2026                                                                                                                                                           |
| Number of shares intended to be repurchased                                                                          | 2,500,000                                                                                                                                                                                           |
| Repurchase price range                                                                                               | Within the range of NT\$9.70 to NT\$20.58; however, if the share price falls below the lower limit of the aforementioned repurchase price range, the share repurchase will continue to be executed. |
| Actual repurchase period                                                                                             | From December 4, 2025 to January 30, 2026                                                                                                                                                           |
| Number of shares repurchased                                                                                         | 2,500,000                                                                                                                                                                                           |
| Ratio of the accumulated number of the Company's shares held by the Company to the total number of issued shares (%) | 1.59%                                                                                                                                                                                               |
| Amount of shares bought back                                                                                         | NTD 37,061,977                                                                                                                                                                                      |
| Average repurchase price per share                                                                                   | NTD 14.82                                                                                                                                                                                           |
| Reasons for failure to complete the repurchase                                                                       | None.                                                                                                                                                                                               |

## 2025 Business Report

In April 2025, the Trump administration imposed reciprocal tariffs globally, causing significant disruption to the world economy. Reciprocal tariffs on China reached as high as 145% at one point. In response, printed circuit board manufacturers and related electronics companies sought to establish new facilities in neighboring Southeast Asian countries, such as Thailand and Vietnam, in order to benefit from lower tariff rates on exports to the United States.

The Company's standalone revenue for fiscal year 2025 was NT\$570,206 thousand, with standalone gross profit of NT\$41,662 thousand. Compared to fiscal year 2024, standalone revenue decreased by 54.41%, while standalone gross profit improved from a loss of approximately NT\$203 million to a profit of approximately NT\$42 million. The primary reason for the decline in standalone revenue was that the Taiwan plant's production lines operated only through December 2024. From 2025 onward, the Company proactively reduced orders for LED gold-plated boards, which had been generating substantial losses due to surging gold prices, and also lost orders from customers who could not follow the transfer of production to the subsidiary Jing-Lu Electronics. The turnaround in standalone gross profit from negative to positive was mainly attributable to the fact that, from 2025 onward, upon receiving orders, the Company retains a margin in accordance with transfer pricing rules and transfers all production to its subsidiary, Jing-Lu Electronics, thereby eliminating the need to absorb manufacturing-related gains and losses. Future growth in gross profit will depend on the volume of orders received.

The Company's consolidated revenue for fiscal year 2025 was NT\$4,176,321 thousand, with a consolidated gross profit of NT\$181,151 thousand. Compared to fiscal year 2024, consolidated revenue decreased by 18.04%, while consolidated gross profit increased by 6.45%. The decline in consolidated revenue reflects not only the reduction in standalone revenue but also the fact that, following the divestiture of the Thai subsidiary Jing-Yi Electronics in September 2024, its revenue is no longer consolidated from 2025 onward. By contrast, the mainland China subsidiary, Jing-Lu Electronics, saw its individual revenue increase by 29.4% year-on-year due to higher memory module board sales; however, consolidated revenue still declined overall. The improvement in consolidated gross profit reflects the elimination of losses from gold-plated board operations, as well as the removal of Jing-Yi Electronics' chronic losses following its divestiture. However, Jing-Lu Electronics' individual gross profit declined year-on-year despite higher revenue, due to rising costs including gold prices. Overall, consolidated gross profit still posted a modest year-on-year improvement.

Looking ahead to 2026, geopolitical tensions globally remain unresolved, and the decline in inflation has been slower than expected, driving gold prices to historic highs. Given that gold-surface-treated products account for approximately 60% of the Company's PCB output, the Company faces considerable pressure on profitability this year even after seeking price increases from customers. As AI server technology continues to advance rapidly, data transmission speed requirements are growing exponentially. In response to this market demand, the Company has introduced new products including optical transceiver module boards and high-speed connector boards, with the expectation that, under favorable production conditions, these products will inject new growth momentum into revenue and profitability in the coming year.

(I) Business Plan Implementation Results

Unit: NTD thousand

| Items \ Year                       | 2025      | 2024      | Variance Ratio |
|------------------------------------|-----------|-----------|----------------|
| Operating revenue                  | 4,176,321 | 5,095,425 | (18.04%)       |
| Operating costs                    | 3,995,170 | 4,925,244 | (18.88%)       |
| Operating Income                   | 181,151   | 170,181   | 6.45%          |
| Operating expenses                 | 544,163   | 649,075   | (16.16%)       |
| Operating net income (losses)      | (363,012) | (478,894) | (24.20%)       |
| Non-operating revenue and expenses | 175,450   | 635,831   | (72.41%)       |
| Net income before tax              | (187,562) | 156,937   | (219.51%)      |
| Net income of the period           | (138,760) | 147,973   | (193.77%)      |

(II) Analysis of financial balance and profitability

| Items \ Year        |                                                        | 2025     | 2024    |
|---------------------|--------------------------------------------------------|----------|---------|
| Financial Structure | Debt to asset ratio                                    | 49.68%   | 48.43%  |
|                     | Long-term funds to property, plant and equipment ratio | 289.69%  | 362.72% |
| Profitability       | Return on assets                                       | (1.38%)  | 2.87%   |
|                     | Return on Equity                                       | (3.95%)  | 4.06%   |
|                     | Profit before tax to paid-in capital ratio             | (11.95%) | 9.81%   |
|                     | Profit margin                                          | (3.32%)  | 2.90%   |
|                     | Earnings per share                                     | (\$0.88) | \$0.93  |

(III) Budget implementation: The Company did not publish its financial forecast for 2025, so it is not applicable.

(IV) Research and Development: In addition to the development of products and technology that meet the market demand requested by its customers, the Company continues to advance its innovation in new camera modules and SMD LED environmental sensors, and at the same time aims at the research and development of heavy copper products for high-power industrial power supply units, power IC copper subtracts, high-speed transmission products and special automotive products.

Chairman:  
Tsao, Yueh-Hsia

Manager:  
Lai, Chin-Tsai

Accounting Supervisor:  
Tsai, Cheng-Hung

APCB INC.  
Audit Committee Report

The board of directors has prepared the Company's 2025 Business Report, Financial Statements, and earnings allocation proposal. The CPA firm of KPMG was retained to audit the company's financial statements and has issued an audit report. The foregoing business report, financial statements, and earnings allocation proposal have been reviewed and determined to be correct and accurate by the audit committee members. According to applicable requirements of the Securities and Exchange Act and the Company Act, we hereby submit this report

To

2026 Annual Shareholders' Meeting of APCB INC.

APCB INC.  
Convener of Audit Committee: Chang, Hui

March 6, 2026

**Report on Endorsements/Guarantees Status in 2025**

Unit: NTD thousand

| Endorsement/<br>guarantee provider | Guaranteed party                        |                                                       | Limits on<br>endorsement/<br>guarantee amount<br>provided to each<br>guaranteed party | Maximum<br>Balance of<br>endorsement/<br>guarantee for<br>the Period | Ending<br>Balance of<br>endorsement/<br>guarantee | Amount<br>actually<br>drawn for<br>the period | Amount of<br>endorsement/<br>guarantee<br>collateralized<br>by properties | Ratio of<br>accumulated<br>endorsement/<br>guarantee to net<br>worth stated in latest<br>financial statements | Maximum<br>endorsement/<br>guarantee<br>amount<br>allowable |
|------------------------------------|-----------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
|                                    | Company Name                            | Relation                                              |                                                                                       |                                                                      |                                                   |                                               |                                                                           |                                                                                                               |                                                             |
| The Company                        | APCB Electronics<br>(Kunshan) Co., Ltd. | Investee company<br>accounted by the<br>equity method | 2,634,954                                                                             | 943,665                                                              | 269,760                                           | -                                             | -                                                                         | 8.19%                                                                                                         | 3,293,692                                                   |

Note: According to the Company's "Procedures of Endorsements/Guarantees," the total amount of the Company's external endorsements/guarantees shall not exceed 100% of the Company's net worth stated in the latest financial statements, and the amount of endorsements/guarantees to each company shall not exceed 80% of the Company's net worth stated in the latest financial statements. For those engaged in endorsements/guarantees due to dealings, the amount shall not exceed the total amount of transactions with the company in the latest year (the higher amount of purchases or sales between the two parties).

## Report on Loaning of Funds in 2025

Unit: USD thousand/CNY thousand

| Financing company     | Counterparty                 | Maximum balance for the period | Ending balance   | Amount actually drawn for the period | Interest rate range (%) | Nature for financing | Amount of business dealings | Reason for short-term financing | Allowance for bad debt | Collateral |       | Financing limits for each borrowing company | Financing company's total financing amount limits |
|-----------------------|------------------------------|--------------------------------|------------------|--------------------------------------|-------------------------|----------------------|-----------------------------|---------------------------------|------------------------|------------|-------|---------------------------------------------|---------------------------------------------------|
|                       |                              |                                |                  |                                      |                         |                      |                             |                                 |                        | Item       | Value |                                             |                                                   |
| U-PEAK Ltd.           | APCB International Co., Ltd. | USD44,690                      | <b>USD44,690</b> | USD44,690                            | 0                       | Short-term financing | -                           | The need for working capital    | -                      |            | -     | USD57,134                                   | USD57,134                                         |
| APCB Holdings LIMITED | APCB International Co., Ltd. | USD9,600                       | -                | -                                    | -                       | Short-term financing | -                           | The need for working capital    | -                      |            | -     | -                                           | -                                                 |

Note: According to the Company's "Procedure of Loaning of Funds to Others," the total amount of funds loaned to others is limited to 40% of the net worth stated in the latest financial statements.

The total amount of funds loaned to others for the need of short-term inter-company or inter-enterprise financing shall not exceed 40% of the Company's net worth stated in its latest financial statements, and the amount of loans to each company/enterprise shall not exceed 30% of the Company's net worth stated in its latest financial statements. For those companies/enterprises with which the Company has business dealings, the maximum amount shall not exceed 40% of the Company's net worth stated in the latest financial statements; the amount of each loan shall be limited to the amount of business dealings between the two parties. The amount of business dealings refers to the higher of the purchase or sale amount between two parties.

According to the "Regulations Governing Investee Companies' Loaning of Funds to Others" formulated by the Company, the loan of funds between foreign companies in which the company directly or indirectly owns 100% of the voting shares is not subject to the limit of 40% of the net worth of the Company and the term of one year. However, the total amount of the loan shall not exceed 100% of the net worth of the company of the loan; each limit shall not exceed 100% of the net worth of the company of the loan.

Besides this, the term shall not exceed five years.

# Report on Investment status in Mainland China in 2025

Unit: \$thousand

| Investee Company in Mainland China   | Main Businesses                                                                                          | Paid-in capital | Method of investment                                                                             | Accumulated outflow of investment from Taiwan as of the beginning of the period | Investment inflow and outflow of the period |        | Accumulated Outflow of Investment from Taiwan of the period | Percentage of direct or indirect shareholding of the Company | Share of profits/losses of the period (note) | Carrying Amount as of the end of the period (note) | Accumulated inward remittance of earnings as of the end of the period |
|--------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------|--------|-------------------------------------------------------------|--------------------------------------------------------------|----------------------------------------------|----------------------------------------------------|-----------------------------------------------------------------------|
|                                      |                                                                                                          |                 |                                                                                                  |                                                                                 | Outflow                                     | Inflow |                                                             |                                                              |                                              |                                                    |                                                                       |
| APCB Electronics (Kunshan) Co., Ltd. | Design, development, production and operation of multilayer circuit boards and new electronic components | US\$26,675      | Investment in Mainland China companies through an existing company established in a third region | US\$26,675                                                                      | -                                           | -      | US\$26,675                                                  | 100%                                                         | (US\$10,842)                                 | US\$40,642                                         | US\$142,968                                                           |
| HAO DUO Electronics Co., Ltd.        | Sales and purchase of circuit boards                                                                     | US\$210         | Investment in Mainland China companies through an existing company established in a third region | US\$210                                                                         | -                                           | -      | US\$210                                                     | 100%                                                         | (US\$295)                                    | US\$1,896                                          | -                                                                     |

|                                                                           |                                                              |                                                                                       |
|---------------------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Accumulated outflow of investment from Taiwan as of the end of the period | Investment amounts authorized by investment commission, MOEA | Upper limit on investment in Mainland China stipulated by investment commission, MOEA |
| US\$26,885 thousand                                                       | US\$26,885 thousand                                          | NT\$1,976,215 thousand                                                                |

Note: The investment profit/loss and carrying amounts disclosed by the Company represent the amounts of each direct or indirect investment. The investment profit recognized by the Company is based on the investee company's financial statements audited by the parent company's certified public accountants in Taiwan and is accounted by the equity method.

**Comparison Table of the Amended Articles of “Codes of Ethical Conduct”**

| <b>Article</b>       | <b>Before Amendment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>After Amendment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Explanatory Notes</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| II. Scope of Content | <p>(VI) Compliance with Laws and Regulations</p> <p>The Company shall strengthen compliance with the Securities and Exchange Act and all other applicable laws and regulations.</p>                                                                                                                                                                                                                                                                                                                                                                                   | <p>(VI) Compliance with Laws and Regulations</p> <p>The Company shall strengthen compliance with the Securities and Exchange Act and all other applicable laws and regulations, <u>including measures related to sustainable production processes and community assistance following natural disasters. Greenhouse gas inventory reporting shall be conducted in a manner that prevents greenwashing.</u></p>                                                                                                                                                                                                                                                                                                                   | <p>Basis: Criteria for assessing the effectiveness of internal control systems as published by the competent authority. Added provisions regarding sustainable production processes, post-disaster community assistance, and greenhouse gas inventory reporting requirements to prevent greenwashing.</p>                                                                                                                                                                                         |
|                      | <p>(VII) Encouraging Reporting of Illegal or Unethical Conduct</p> <p>The Company shall promote ethical awareness internally and encourage employees to report to a manager, the head of internal audit, or other appropriate personnel whenever they suspect or discover any violation of laws, regulations, or this Code of Ethical Conduct. To encourage such reporting, the Company shall, through established procedures and mechanisms, ensure that employees are aware that the Company will make every effort to protect whistleblowers from retaliation.</p> | <p>(VII) Encouraging Reporting of Illegal or Unethical Conduct</p> <p>The Company shall strengthen the promotion of ethical values internally, <u>prohibit the offering or acceptance of unreasonable gifts, entertainment, or other improper benefits, and prevent employees from sacrificing the Company’s interests for personal gain, thereby fostering integrity, sound development, and good business practices.</u> Employees are encouraged to report to a manager, the head of internal audit, or other appropriate personnel whenever they suspect or discover any violation of laws, regulations, or this Code of Ethical Conduct. To encourage reporting, the Company shall, through established procedures and</p> | <p>Basis: Criteria for assessing the effectiveness of internal control systems as published by the competent authority. Added prohibition on offering or accepting unreasonable gifts, entertainment, or other improper benefits; added provisions to prevent employees from sacrificing company interests for personal gain; added whistleblower anonymity protections covering both employees and suppliers, along with confidentiality obligations for handling personnel and supervisors.</p> |

| Article | Before Amendment | After Amendment                                                                                                                                                                                                                                                                                                                                                                                                                                              | Explanatory Notes                                                                                                                                                                                       |
|---------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|         |                  | mechanisms, ensure that employees are aware that any person – whether an employee or a supplier – who reports a matter of significant importance to the Company’s interests or who faces risk of personal harm as a result of reporting shall be afforded anonymous treatment to protect the whistleblower. All personnel involved in handling such reports and their supervisors shall maintain confidentiality in accordance with applicable requirements. |                                                                                                                                                                                                         |
|         | None.            | <u>(IX)Sustainability Information</u><br><br><u>The Company shall establish data management and internal audit mechanisms to ensure that the data sources, calculation methods, reporting processes, and regulatory requirements pertaining to sustainability information conform to internal control standards, and shall incorporate sustainability information auditing into the annual audit plan.</u>                                                   | Basis: Criteria for assessing the effectiveness of internal control systems as published by the competent authority.<br>Addition of internal control procedures relating to sustainability information. |

# Proposals

Motion I.

**(Proposed by the Board of Directors)**

Cause: The Company's 2025 financial statements and business report are proposed for acceptance.

- Explanation:
- I. CPA Jhao, Min-Ru and CPA Wu, Chia-Han of KPMG CPA firm was retained to audit the company's financial statements and has issued an audit report. Additionally, the board of directors has approved the Company's 2025 Business Report.
  - II. For the preceding business reports, independent auditors' reports and financial statements, please refer to page 5-7 and page 18-35 of this meeting handbook.
  - III. Please accept the statements and report.

Resolution:

Motion II.

**(Proposed by the Board of Directors)**

Cause: The Company's 2025 earnings distribution and deficit compensation proposal is presented for acceptance.

- Explanation:
- I. The Company prepared the 2025 deficit appropriation and earnings distribution table in accordance with Article 20 of the Articles of Incorporation. Please refer to the appendix table.
  - II. The Cash dividends are proposed to be distributed at NT\$1 per share (rounded to the nearest dollar). The fractional balance of all dividends less than NT\$1 will be summed up and recognized as other revenue of the Company. The board of directors is authorized to set the record date and the payment date after the approval at this regular shareholders' meeting.
  - III. IV. Please accept the earnings allocation.

Resolution:

APCB INC.  
Earnings Distribution and Deficit Compensation Statement  
2025

Unit: NT\$

| Items                                                | Amount        |
|------------------------------------------------------|---------------|
| Beginning balance                                    | 887,718,033   |
| Less: cancellation of treasury shares                | (10,717,248)  |
| Less: net loss after tax of the period               | (138,758,402) |
| Less: legal reserve appropriation (10%)              | 0             |
| Less: appropriation to special reserve               | (47,559,545)  |
| Retained earnings available for distribution         | 690,682,838   |
| Appropriation:                                       |               |
| Less: cash dividends to shareholders (\$1 per share) | (154,494,311) |
| Undistributed earnings at the end of the period      | 536,188,527   |

Note: The capital used for calculating the cash dividend to shareholders is based on the total number of issued shares as of March 2026, which was 156,994,311 shares. After deducting 2,500,000 shares to be retired (treasury shares), the total number of shares outstanding after cancelation will be 154,494,311 shares.

Chairman:  
Tsao, Yueh-Hsia

Manager:  
Lai, Chin-Tsai

Accounting Supervisor:  
Tsai, Cheng-Hung

# Discussion

## Motion I

**(Proposed by the Board of Directors)**

Cause: The Company to handle cash-refunding capital reduction.

- Explanation:
- I. To enhance return on equity (ROE) and optimize the capital structure, the Board of Directors resolved to implement a cash capital reduction and return capital to shareholders.
  - II. The Company's current paid-in capital is NT\$1,544,943,110. It is proposed to reduce the capital by NT\$463,482,930 through the cancellation of 46,348,293 common shares. The capital reduction ratio is 30%. After the reduction, the paid-in capital will be NT\$1,081,460,180.
  - III. Based on the shareholding recorded in the Shareholders' Register on the "Record Date of Capital Reduction and Share Exchange," shareholders will receive 700 new shares for every 1,000 old shares (300 shares eliminated per 1,000 shares) and a cash return of NT\$3 per share. Shareholders may apply to the Company's stock transfer agent to aggregate fractional shares into whole shares from five days prior to the book closure date until the day before the book closure date. For fractional shares that remain less than one full share, the Company will pay shareholders in cash based on the par value (rounded to the nearest dollar). The Chairman is authorized to arrange for specific persons to purchase any remaining fractional shares at par value.
  - IV. Upon approval by the shareholders' meeting and effective registration with the competent authority, the Board of Directors is authorized to determine the record date for the capital reduction and handle all related matters.
  - V. All new shares issued as a result of this capital reduction will be in scripless (book-entry) form. The rights and obligations of the new shares shall be identical to those of the original shares.
  - VI. Prior to the record date, should there be any changes in the number of outstanding shares due to regulatory requirements, amendments to laws, or other factors that necessitate adjustments to the capital reduction ratio or the amount returned per share, the Board of Directors will be fully authorized by the shareholders' meeting to handle such adjustments.
  - VII. The proposal was resolved by the Board of Directors on May 6, 2026.
  - VIII. Please resolve.

Resolution:

Extraordinary Motions

Adjournment

## **Appendix I**

### **Independent Auditors' Report**

To Board of Directors, APCB INC.

#### **Audit opinions**

We have audited the accompanying consolidated financial statements of APCB INC. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of January 1 to December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies as of January 1 to December 31, 2025 and 2024.

In our opinion, the aforementioned consolidated financial statements fairly present in all material respects the financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and cash flows for each of the years starting January 1 and ending December 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

#### **Basis for Opinion**

We conducted our audits in accordance with the entrusted Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. The auditors of the firm, subject to the independence regulations, have maintained independence from the Group in accordance with the Code of Ethics and perform other obligations of such Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the Group for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters determined by our accountants to be stated on the auditors' report are as follows:

##### **I. Recognition of revenue**

Please refer to Note 4 (13) in the consolidated financial statements for the accounting policy of the recognition of revenue; please refer to Note 6 (18) in the consolidated financial statements for the disclosure of revenue items.

Description of key audit matters:

Sales revenue is one of the key indicators for the investors and the management to assess the financial or business performance of the Group. In addition, the Company is a TWSE listed company, which receives high attention of the investors. In addition, the judgment of the timing of revenue recognition and the transfer of control of goods are extremely important for the fair presentation of the financial statements. Therefore, we consider revenue recognition for the period surrounding the balance sheet date as one of the key audit matters in auditing the current year's financial report.

#### Responding audit procedure

We have executed the following responding audit procedure on the aforementioned key audit items:

- Conduct tests on the effectiveness of the design and implementation of internal control related to the recognition of revenues, including randomly selecting samples to verify the basic information, transaction terms, and payment receipts of customers.
- Conduct trend analysis on the top 10 customers in terms of sales, including comparing the customer list and the amount of sales revenue in the current period, last period, and the same period in the previous year, to analyze whether or not there is any significant abnormality. In case of any significant changes, we will verify them and analyze the causes.
- Test the samples of sales transactions prior to and after the end of the fiscal year to assess the authenticity of the sales transactions, the attribution period of revenue, and the accuracy of the recognition.

#### II. Impairment assessment on property, plant and equipment

Please refer to Note 4 (12) Impairment of non-financial assets in the consolidated financial reports for the accounting policy for the impairment of property, plant and equipment; please refer to Note 5 of the consolidated financial reports for the accounting estimates and assumption uncertainty of the impairment of property, plant and equipment; please refer to Note 6 (9) of the consolidated financial reports for the description on the assessment on the impairment of property, plant and equipment.

#### Description of key audit matters:

The Group's subsidiary in Mainland China holds property and a significant amount of manufacturing equipment. Where the profit is less than expected due to poor operating performance or other unexpected conditions, the book value of the assets might be overestimated. Therefore, the assets may be at significant risk of impairment. During the assessment on the impairment of assets, it involved the subjective judgment of the management to determine the estimate of the recoverable amount is based on the assumption. Any change in the economics or the change in the estimate of the Company's strategy may cause significant impairment loss from significant impairments

or reversals. Therefore, we regard the assessment on the impairment of property, plant and equipment as one of the most significant audit matters in this year's audit.

#### Responding audit procedure

We have executed the following responding audit procedure on the aforementioned key audit items:

- Obtained the description on the impairment on the sign of impairment based on the self-assessment by the management.
- Obtained the appraisal report from the external expert delegated by the management.
- Assessed the reasonableness of the methods and data adopted by the management when measuring the recoverable amount of assets and delegated the internal expert to assess the valuation method and significant assumption used in the appraisal report.
- Assessed the reasonableness of the recognition of impairment loss.

#### Other matters

APCB INC. has prepared the 2025 and 2024 parent company only financial reports, and we have presented unqualified audit report for reference.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the individual financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is also responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists in the consolidated financial statements. Misstatements can arise from fraud or error. Misstatements

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also performed the following tasks:

1. Identify and assess the risk of material misstatement of the consolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. In cases where we consider that such events or circumstances have a material uncertainty, then relevant disclosure of the consolidated financial statements is required to be provided in our audit report to allow users of consolidated financial statements to be aware of such events or circumstances, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including relevant notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the individual entities of the Group, and express an opinion on consolidated financial statements. We handle the guidance, supervision and execution of the audit on the Group and are responsible for preparing the opinion for the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of auditors.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Group's 2025 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

CPA:

|                      |                         |
|----------------------|-------------------------|
| Securities Competent | Jin-Guan-Cheng-Shen-Zi  |
| Authority Approval   | : Letter No. 1050036075 |
| number               | Jin-Guan-Cheng-Shen-Zi  |
|                      | Letter No. 1130332775   |

March 6, 2026

**APCB Inc.**  
**Consolidated Balance Sheets**  
**December 31, 2025 and 2024**

Unit: NTD thousand

|                                                                                   |                                                                                           | 2025.12.31          |            | 2024.12.31       |            |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------------|------------|------------------|------------|
|                                                                                   |                                                                                           | Amount              | %          | Amount           | %          |
| <b>Asset</b>                                                                      |                                                                                           |                     |            |                  |            |
| <b>Current asset:</b>                                                             |                                                                                           |                     |            |                  |            |
| 11xx                                                                              |                                                                                           |                     |            |                  |            |
| 1100                                                                              | Cash and cash equivalents (Note 6 (1))                                                    | \$ 3,007,388        | 46         | 2,684,643        | 37         |
| 1110                                                                              | Financial assets at fair value through profit or loss (FVTPL) - Current (Note 6 (2))      | 245,900             | 4          | 138,482          | 2          |
| 1136                                                                              | Financial assets measured at amortized cost - Non-current (Note 6 (4) and (8))            | 282,875             | 4          | 740,367          | 10         |
| 1150                                                                              | Net notes receivable (Note 6 (5) and (18))                                                | 3,171               | -          | 5,660            | -          |
| 1170                                                                              | Net accounts receivable (Note 6 (5), (12), (18) and 8)                                    | 1,104,943           | 17         | 1,371,199        | 19         |
| 1200                                                                              | Other receivables (Note 6 (6))                                                            | 30,164              | 1          | 107,029          | 1          |
| 1220                                                                              | Current tax assets                                                                        | 2,940               | -          | 70,820           | 1          |
| 130x                                                                              | Inventories (Note 6 (7))                                                                  | 401,589             | 6          | 407,298          | 6          |
| 1479                                                                              | Other current asset                                                                       | 25,062              | -          | 16,258           | -          |
|                                                                                   | <b>Total current asset</b>                                                                | <b>5,104,032</b>    | <b>78</b>  | <b>5,541,756</b> | <b>76</b>  |
| <b>Non-current assets:</b>                                                        |                                                                                           |                     |            |                  |            |
| 15xx                                                                              |                                                                                           |                     |            |                  |            |
| 1520                                                                              | Financial assets through other comprehensive income at FVTPL - Non-current (Note 6 (3))   | 24,795              | -          | 24,795           | -          |
| 1536                                                                              | Financial assets measured at amortized cost - Non-current (Note 6 (4), 6 (8), (12) and 8) | -                   | -          | 187,226          | 3          |
| 1600                                                                              | Property, Plant and Equipment (Note 6 (9), (12), 7, 8, and 9)                             | 1,200,300           | 18         | 1,162,446        | 17         |
| 1755                                                                              | Right-of-use assets (Note 6 (10), (12), (13), 7, and 8)                                   | 50,738              | 1          | 84,248           | 1          |
| 1780                                                                              | Intangible assets (Note 6 (11))                                                           | 7,608               | -          | 8,258            | -          |
| 1840                                                                              | Deferred tax assets                                                                       | 157,201             | 3          | 188,866          | 3          |
| 1900                                                                              | Other non-current asset                                                                   | 1,290               | -          | 23,197           | -          |
|                                                                                   | <b>Total non-current asset</b>                                                            | <b>1,441,932</b>    | <b>22</b>  | <b>1,679,036</b> | <b>24</b>  |
|                                                                                   |                                                                                           | <b>6,545,964</b>    | <b>100</b> | <b>7,220,792</b> | <b>100</b> |
| <b>Liabilities and Equity</b>                                                     |                                                                                           |                     |            |                  |            |
| <b>Current liabilities:</b>                                                       |                                                                                           |                     |            |                  |            |
| 21xx                                                                              |                                                                                           |                     |            |                  |            |
| 2100                                                                              | Short-term borrowings (Note 6 (4), (5), (9), (10), (12), 7, 8, and 9)                     | \$ 2,073,559        | 32         | 2,047,337        | 28         |
| 2150                                                                              | Notes payable                                                                             | 1,174               | -          | 86,875           | 1          |
| 2170                                                                              | Accounts payable                                                                          | 430,563             | 7          | 363,879          | 5          |
| 2209                                                                              | Other payables (Note 6 (19))                                                              | 316,694             | 5          | 414,962          | 6          |
| 2213                                                                              | Equipment payable                                                                         | 47,013              | 1          | 20,470           | -          |
| 2230                                                                              | Current tax liabilities                                                                   | 28,751              | -          | -                | -          |
| 2280                                                                              | Lease liabilities - current (Note 6 (13) and 7)                                           | 7,096               | -          | 9,800            | -          |
| 2280                                                                              | Liability reserve - current (Note 6 (8))                                                  | 125,179             | 2          | -                | -          |
| 2250                                                                              | Refund liabilities - Current                                                              | 22,442              | -          | 27,460           | -          |
| 2365                                                                              | Other current liabilities (Note 6 (18))                                                   | 16,328              | -          | 33,585           | 1          |
| 2399                                                                              | <b>Total current liabilities</b>                                                          | <b>3,068,799</b>    | <b>47</b>  | <b>3,004,368</b> | <b>41</b>  |
| <b>Non-current liabilities:</b>                                                   |                                                                                           |                     |            |                  |            |
| 25xx                                                                              |                                                                                           |                     |            |                  |            |
| 2550                                                                              | Liability reserve - non-current (Note 6 (8))                                              | -                   | -          | 130,576          | 2          |
| 2570                                                                              | Deferred tax liabilities (Note 6 (15))                                                    | 78,393              | 1          | 225,255          | 3          |
| 2580                                                                              | Lease liabilities - Non-current (Note 6 (13) and 7)                                       | 33,262              | 1          | 64,550           | 1          |
| 2630                                                                              | Long-term deferred income (Note 6 (9))                                                    | 5,121               | -          | 5,117            | -          |
| 2640                                                                              | Net defined benefit liabilities - Non-current (Note 6 (14))                               | -                   | -          | 6,164            | -          |
| 2645                                                                              | Guarantee deposit                                                                         | 66,697              | 1          | 61,104           | 1          |
|                                                                                   | <b>Total non-current liabilities</b>                                                      | <b>183,473</b>      | <b>3</b>   | <b>492,766</b>   | <b>7</b>   |
|                                                                                   | <b>Total Liabilities</b>                                                                  | <b>3,252,272</b>    | <b>50</b>  | <b>3,497,134</b> | <b>48</b>  |
| <b>Equity attributable to owners of the parent company (Note 6 (8) and (16)):</b> |                                                                                           |                     |            |                  |            |
| 31xx                                                                              |                                                                                           |                     |            |                  |            |
| 3110                                                                              | Common share capital                                                                      | 1,569,943           | 24         | 1,598,993        | 22         |
| 3200                                                                              | Capital surplus                                                                           | 411,318             | 6          | 418,929          | 6          |
| 33xx                                                                              | Retained earnings:                                                                        |                     |            |                  |            |
| 3310                                                                              | Legal reserve                                                                             | 638,551             | 10         | 623,753          | 9          |
| 3320                                                                              | Special reserve                                                                           | -                   | -          | 70,035           | 1          |
| 3350                                                                              | Unappropriated retained earnings                                                          | 738,242             | 11         | 989,476          | 14         |
|                                                                                   | Subtotal of retained earnings                                                             | 1,376,793           | 21         | 1,683,264        | 24         |
| 34xx                                                                              | Other equities:                                                                           |                     |            |                  |            |
| 3410                                                                              | Exchange Differences on Translation of Foreign Financial Statements                       | (55,003)            | (1)        | 15,028           | -          |
| 3420                                                                              | Unrealized profit or loss of financial assets through other comprehensive income at FVTPL | 7,444               | -          | 7,444            | -          |
|                                                                                   | Other equities:                                                                           | (47,559)            | (1)        | 22,472           | -          |
| 3500                                                                              | Treasury shares                                                                           | (16,803)            | -          | -                | -          |
| 3xxx                                                                              | <b>Total equity</b>                                                                       | <b>3,293,692</b>    | <b>50</b>  | <b>3,723,658</b> | <b>52</b>  |
| 2-3xxx                                                                            | <b>Total liabilities and equities</b>                                                     | <b>\$ 6,545,964</b> | <b>100</b> | <b>7,220,792</b> | <b>100</b> |

(Please refer to the notes of the consolidated financial reports for details)

Chairperson: Tsao, Yueh-Hsia

Managerial Officer: Lai, Jin-Tsai

Accounting Officer: Tsai, Cheng-Hong

**APCB Inc.**  
**Statements of Consolidated Comprehensive Income**  
**January 1 to December 31 of 2025 and 2024**

**Unit: NTD thousand**

|                                                                |                                                                                             | <b>2025</b>         |            | <b>2024</b>      |            |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------|------------|------------------|------------|
|                                                                |                                                                                             | <b>Amount</b>       | <b>%</b>   | <b>Amount</b>    | <b>%</b>   |
| 4000                                                           | <b>Operating revenue (Note 6 (18)):</b>                                                     | \$ 4,176,321        | 100        | 5,095,425        | 100        |
| 5111                                                           | <b>Operating costs (Note 6 (7), (9), (10), (11), (13), (14), and 12)</b>                    | <u>3,995,170</u>    | <u>96</u>  | <u>4,925,244</u> | <u>97</u>  |
| 5950                                                           | <b>Gross profit</b>                                                                         | <u>181,151</u>      | <u>4</u>   | <u>170,181</u>   | <u>3</u>   |
| 6000                                                           | <b>Operating expenses (Note 6 (5), (9), (10), (11), (13), (14), (19), 7 and 12):</b>        |                     |            |                  |            |
| 6100                                                           | Selling expenses                                                                            | 130,069             | 3          | 152,941          | 3          |
| 6200                                                           | Administrative expenses                                                                     | 410,143             | 10         | 497,408          | 9          |
| 6450                                                           | Losses on Expected Credit Impairment (gains from reversal)                                  | <u>3,951</u>        | <u>-</u>   | <u>(1,274)</u>   | <u>-</u>   |
|                                                                | <b>Total operating expenses</b>                                                             | <u>544,163</u>      | <u>13</u>  | <u>649,075</u>   | <u>12</u>  |
| 6900                                                           | <b>Net operating loss</b>                                                                   | <u>(363,012)</u>    | <u>(9)</u> | <u>(478,894)</u> | <u>(9)</u> |
| 7000                                                           | <b>Non-operating income and expense (Note 6 (3), (8), (9), (10) (13), (20) and 7):</b>      |                     |            |                  |            |
| 7100                                                           | Interest income                                                                             | 80,842              | 2          | 106,869          | 2          |
| 7010                                                           | Other income                                                                                | 86,901              | 2          | 55,471           | 1          |
| 7020                                                           | Other gains or losses                                                                       | 66,696              | 2          | 561,488          | 11         |
| 7050                                                           | Financial costs                                                                             | <u>(58,989)</u>     | <u>(1)</u> | <u>(87,997)</u>  | <u>(2)</u> |
|                                                                | <b>Total non-operating incomes and expenses</b>                                             | <u>175,450</u>      | <u>5</u>   | <u>635,831</u>   | <u>12</u>  |
| 7900                                                           | <b>Net income (loss) before tax</b>                                                         | <u>(187,562)</u>    | <u>(4)</u> | <u>156,937</u>   | <u>3</u>   |
| 7950                                                           | <b>Less: Tax expenses (gain) (Note 6 (15))</b>                                              | <u>(48,802)</u>     | <u>(1)</u> | <u>8,964</u>     | <u>-</u>   |
| 8200                                                           | <b>Current period net profit (loss)</b>                                                     | <u>(138,760)</u>    | <u>(3)</u> | <u>147,973</u>   | <u>3</u>   |
| 8300                                                           | <b>Other comprehensive income (Note 6 (8), (15) and 6 (16)):</b>                            |                     |            |                  |            |
| 8360                                                           | <b>Components of Other Comprehensive Income that May Be Reclassified to Profit or Loss:</b> |                     |            |                  |            |
| 8361                                                           | Exchange Differences on Translation of Foreign Financial Statements                         | (86,612)            | (2)        | 111,639          | 2          |
| 8399                                                           | Less: Income taxes related to the items that may be reclassified                            | <u>(16,581)</u>     | <u>-</u>   | <u>19,132</u>    | <u>-</u>   |
| 8300                                                           | <b>Comprehensive income in the current period</b>                                           | <u>(70,031)</u>     | <u>(2)</u> | <u>92,507</u>    | <u>2</u>   |
| 8500                                                           | <b>Total comprehensive income in the current period</b>                                     | <u>\$ (208,791)</u> | <u>(5)</u> | <u>240,480</u>   | <u>5</u>   |
| <b>Earnings (deficits) per share (Unit: NTD) (Note 6 (17))</b> |                                                                                             |                     |            |                  |            |
| 9750                                                           | Basic earnings (deficits) per share                                                         | <u>\$ (0.88)</u>    |            | <u>0.93</u>      |            |
| 9850                                                           | Diluted earnings (deficits) per share                                                       | <u>\$ (0.88)</u>    |            | <u>0.92</u>      |            |

(Please refer to the notes of the consolidated financial reports for details)

**Chairperson: Tsao, Yueh-Hsia**

**Managerial Officer: Lai, Jin-Tsai**

**Accounting Officer: Tsai, Cheng-Hong**

**Statements of Changes in Consolidated Equity**  
**January 1 to December 31 of 2025 and 2024**

| Equity attributed to the owner of the parent company |                      |                 |                |                 |                                  |                  |                                                                     |                                                                                           |                 |                  |
|------------------------------------------------------|----------------------|-----------------|----------------|-----------------|----------------------------------|------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------|------------------|
|                                                      | Retain earnings      |                 |                |                 | Other equities components        |                  |                                                                     |                                                                                           |                 |                  |
|                                                      | Common share capital | Capital surplus | Legal reserve  | Special reserve | Unappropriated retained earnings | Total            | Exchange Differences on Translation of Foreign Financial Statements | Unrealized profit or loss of financial assets through other comprehensive income at FVTPL | Treasury shares | Total equity     |
| <b>Balance as of January 1, 2024</b>                 |                      |                 |                |                 |                                  |                  |                                                                     |                                                                                           |                 |                  |
| Earnings appropriation and distribution:             | \$ 1,598,993         | 418,929         | 618,503        | 43,967          | 952,771                          | 1,615,241        | (77,479)                                                            | 7,444                                                                                     | (70,035)        | 3,563,128        |
| Set aside legal reserve                              | -                    | -               | 5,250          | -               | (5,250)                          | -                | -                                                                   | -                                                                                         | -               | -                |
| Set aside special reserve                            | -                    | -               | -              | 26,068          | (26,068)                         | -                | -                                                                   | -                                                                                         | -               | -                |
| Cash dividends of common shares                      | -                    | -               | -              | -               | (79,950)                         | (79,950)         | -                                                                   | -                                                                                         | -               | (79,950)         |
| Current period net profit                            | -                    | -               | -              | -               | 147,973                          | 147,973          | -                                                                   | -                                                                                         | -               | 147,973          |
| Comprehensive income in the current period           | -                    | -               | -              | -               | -                                | -                | 92,507                                                              | -                                                                                         | 92,507          | 92,507           |
| Total comprehensive income in the current period     | -                    | -               | -              | -               | 147,973                          | 147,973          | 92,507                                                              | -                                                                                         | 92,507          | 240,480          |
| <b>Balance as of December 31, 2024</b>               |                      |                 |                |                 |                                  |                  |                                                                     |                                                                                           |                 |                  |
| Earnings appropriation and distribution:             | 1,598,993            | 418,929         | 623,753        | 70,035          | 989,476                          | 1,683,264        | 15,028                                                              | 7,444                                                                                     | 22,472          | 3,723,658        |
| Set aside legal reserve                              | -                    | -               | 14,798         | -               | (14,798)                         | -                | -                                                                   | -                                                                                         | -               | -                |
| Reversal of special reserve                          | -                    | -               | -              | (70,035)        | 70,035                           | -                | -                                                                   | -                                                                                         | -               | -                |
| Cash dividends of common shares                      | -                    | -               | -              | -               | (156,994)                        | (156,994)        | -                                                                   | -                                                                                         | -               | (156,994)        |
| Current period net loss                              | -                    | -               | -              | -               | (138,760)                        | (138,760)        | -                                                                   | -                                                                                         | -               | (138,760)        |
| Comprehensive income in the current period           | -                    | -               | -              | -               | -                                | -                | (70,031)                                                            | -                                                                                         | (70,031)        | (70,031)         |
| Total comprehensive income in the current period     | -                    | -               | -              | -               | (138,760)                        | (138,760)        | (70,031)                                                            | -                                                                                         | (70,031)        | (208,791)        |
| Treasury stock repurchase                            | -                    | -               | -              | -               | -                                | -                | -                                                                   | -                                                                                         | -               | (64,181)         |
| Cancellation of treasury stock                       | (29,050)             | (7,611)         | -              | -               | (10,717)                         | (10,717)         | -                                                                   | -                                                                                         | -               | 47,378           |
| <b>Balance as of December 31, 2025</b>               | <b>\$ 1,569,943</b>  | <b>411,318</b>  | <b>638,551</b> | <b>-</b>        | <b>738,242</b>                   | <b>1,376,793</b> | <b>(55,003)</b>                                                     | <b>7,444</b>                                                                              | <b>(47,559)</b> | <b>3,293,692</b> |

(Please refer to the notes of the consolidated financial reports for details)

**Chairperson: Tsao, Yueh-Hsia**

**Managerial Officer: Lai, Jin-Tsai**

**Accounting Officer: Tsai, Cheng-Hong**

**APCB Inc.**  
**Statements of Consolidated Cash Flows**  
**January 1 to December 31 of 2025 and 2024**

Unit: NTD thousand

|                                                                            | 2025                | 2024               |
|----------------------------------------------------------------------------|---------------------|--------------------|
| <b>Cash flows from operating activities:</b>                               |                     |                    |
| Current net profit (loss) before tax                                       | \$ (187,562)        | 156,937            |
| Adjustment item:                                                           |                     |                    |
| Income/expenses items                                                      |                     |                    |
| Depreciation expense                                                       | 172,633             | 285,434            |
| Amortization expenses                                                      | 1,039               | 2,178              |
| Losses on Expected Credit Impairment (gains from reversal)                 | 3,951               | (1,274)            |
| (Gain) loss on financial assets at FVTPL                                   | (104,366)           | 16,393             |
| Interest expenses                                                          | 58,989              | 87,997             |
| Interest income                                                            | (80,842)            | (106,869)          |
| Dividend income                                                            | (4,252)             | (2,184)            |
| (Gain) loss on disposal and scraps of property, plant and equipment        | (2,095)             | 15,348             |
| Loss from disposal of intangible assets                                    | -                   | 600                |
| Loss (gain) on disposal of subsidiary                                      | 24,800              | (577,144)          |
| Gains from modification of lease                                           | (1,078)             | -                  |
| Loss from impairment of non-financial assets                               | -                   | 104,244            |
| Total income/expenses items                                                | 68,779              | (175,277)          |
| Asset/liability variation related to operating activities                  |                     |                    |
| Net asset variation related to operating activities                        |                     |                    |
| Financial assets designated as at FVTPL                                    | (3,052)             | 382,907            |
| Notes receivable                                                           | 2,489               | (652)              |
| Accounts receivable                                                        | 262,305             | (167,667)          |
| Other receivables                                                          | 59,067              | 87,032             |
| Inventories                                                                | 5,709               | (37,778)           |
| Other current asset                                                        | 12,508              | 10,531             |
| Total net asset variation related to operating activities                  | 339,026             | 274,373            |
| Net liabilities variation related to operating activities                  |                     |                    |
| Notes payable                                                              | (85,701)            | (9,089)            |
| Accounts payable                                                           | 66,684              | 174,573            |
| Other payables                                                             | (97,827)            | 107,531            |
| Refunds liabilities                                                        | (5,018)             | (9,248)            |
| Other current liabilities                                                  | (17,257)            | (7,043)            |
| Net defined benefit liability                                              | (6,164)             | (5,421)            |
| Total net liabilities variation related to operating activities            | (145,283)           | 251,303            |
| Total net assets and liabilities variation related to operating activities | 193,743             | 525,676            |
| Total adjustment item                                                      | 262,522             | 350,399            |
| Cash inflow provided by operating activities                               | 74,960              | 507,336            |
| Interest received                                                          | 98,640              | 92,516             |
| Interest paid                                                              | (59,430)            | (91,482)           |
| Tax refunded (paid)                                                        | 24,496              | (4,141)            |
| <b>Net cash inflow from operating activities</b>                           | <b>138,666</b>      | <b>504,229</b>     |
| <b>Cash flows from investment activities:</b>                              |                     |                    |
| Acquisition of financial assets measured at amortized cost                 | -                   | (740,367)          |
| Disposal of financial assets measured at amortized cost                    | 645,563             | 3,099              |
| Payment from disposal of subsidiary                                        | -                   | 904,456            |
| Acquisition of property, plant and equipment                               | (194,339)           | (219,560)          |
| Disposal of property, plant and equipment                                  | 24,799              | 44,431             |
| Acquisition of Intangible Assets                                           | (670)               | (555)              |
| Increase (decrease) in other non-current assets                            | 21,907              | (5,179)            |
| Dividends received                                                         | 4,252               | 2,184              |
| <b>Net cash inflow (outflow) provided by investment activities</b>         | <b>501,512</b>      | <b>(11,491)</b>    |
| <b>Cash flows from financing activities:</b>                               |                     |                    |
| Increase in short-term borrowings                                          | 7,201,052           | 12,404,353         |
| Decrease in short-term borrowings                                          | (7,174,830)         | (13,762,797)       |
| Increase in short-term notes payable                                       | -                   | 190,162            |
| Decrease in short-term notes payable                                       | -                   | (340,002)          |
| Borrowed Long-term borrowings                                              | -                   | 230,274            |
| Repayments of long-term borrowings                                         | -                   | (233,823)          |
| Increase (decrease) in guarantee deposit                                   | 5,593               | (676)              |
| Repaid principal of lease                                                  | (8,909)             | (9,864)            |
| Distribution of cash dividends                                             | (156,994)           | (79,950)           |
| Cost of treasury stock repurchase                                          | (64,181)            | -                  |
| Increase in long-term income                                               | 1,743               | 1,600              |
| <b>Net cash outflow from financing activities</b>                          | <b>(196,526)</b>    | <b>(1,600,723)</b> |
| <b>Effect of changes in exchange rate on cash and cash equivalents</b>     | <b>(120,907)</b>    | <b>(60,536)</b>    |
| <b>Increase in current cash and equivalents</b>                            | <b>322,745</b>      | <b>(1,168,521)</b> |
| <b>Cash and cash equivalents at the beginning of the year</b>              | <b>2,684,643</b>    | <b>3,853,164</b>   |
| <b>Cash and cash equivalents at the end of the year</b>                    | <b>\$ 3,007,388</b> | <b>2,684,643</b>   |

(Please refer to the notes of the consolidated financial reports for details)

Chairperson: Tsao, Yueh-Hsia

Managerial Officer: Lai, Jin-Tsai

Accounting Officer: Tsai, Cheng-Hong

## **Independent Auditors' Report**

To Board of Directors, APCB INC.

### **Audit opinions**

We have audited the accompanying parent company only financial statements of APCB INC. (the "Company"), which comprise the parent company only balance sheets from January 1 to December 31, 2025 and 2024, the parent only statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies as of December 31, 2025 and 2024.

In our opinion, the accompanying unconsolidated financial statements present fairly, in all material respects, the unconsolidated financial position of the Company as of December 31, 2025 and 2024, and its unconsolidated financial performance and unconsolidated cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers of the Republic of China.

### **Basis for Opinion**

We conducted our audits in accordance with the entrusted Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Unconsolidated Financial Statements section of our report. The auditors of the firm, subject to the independence regulations, have maintained independence from the Company in accordance with the Code of Ethics and perform other obligations of such Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the unconsolidated financial statements of the Company for the year ended December 31, 2025. These matters were addressed in the context of our audit of the unconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters determined by our accountants to be stated on the auditors' report are as follows:

#### **I. Recognition of revenue**

Please refer to Note 4 (13) in the parent company only financial statements for the accounting policy of the recognition of revenue; please refer to Note 6 (17) in the parent company only financial statements for the disclosure of revenue items.

Description of key audit matters:

Sales revenue is one of the key indicators for the investors and the management to assess the financial or business performance of the Company. In addition, the Company is a TWSE listed company, which receives high attention of the investors. In addition, the judgment of the timing of revenue recognition and the transfer of control of goods are extremely important for the fair presentation of the financial statements. Therefore, we consider revenue recognition for the period surrounding the balance sheet date as one of the key audit matters in auditing the current year's financial report.

#### Responding audit procedure

We have executed the following responding audit procedure on the aforementioned key audit items:

- Conduct tests on the effectiveness of the design and implementation of internal control related to the recognition of revenues, including randomly selecting samples to verify the basic information, transaction terms, and payment receipts of customers.
- Conduct trend analysis on the top 10 customers in terms of sales, including comparing the customer list and the amount of sales revenue in the current period, last period, and the same period in the previous year, to analyze whether or not there is any significant abnormality. In case of any significant changes, we will verify them and analyze the causes.
- Test the samples of sales transactions prior to and after the end of the fiscal year to assess the authenticity of the sales transactions, the attribution period of revenue, and the accuracy of the recognition.

#### II. Impairment assessment on investments accounted for using the equity method

Please refer to Note 4 (12) in the parent company only financial statements for the accounting policy of impairment of non-financial assets; please refer to Note 5 in the parent company only financial statement for the accounting estimates and uncertainty of assumption for the impairment assessment on investments accounted for using the equity method; please refer to Note 6 (7) investments accounted for using the equity method for the description on the impairment on the investments accounted for using the equity method.

#### Description of key audit matters:

APCB Electronics (Kunshan) Co., Ltd, a subsidiary of APCB INC., has recently suffered losses. We found the impairment of the investment exists. This investment accounted for using the equity method is a significant investment of the Company and the carrying amount is high. Therefore, we regard the impairment assessment on investments accounted for using the equity method as one of the most significant audit matter in this year's audit.

#### Responding audit procedure

We have executed the following responding audit procedure on the aforementioned key audit items:

- Reviewed the audit procedure of asset impairment assessment conducted by the audit personnel of the Company on APCB Electronics (Kunshan) Co., Ltd., including obtaining the description of the sign of impairment based on the self-assessment by the management, obtaining the appraisal report from the external expert delegated by the management, assessing the objectivity and professionalism of the external expert, assessing the reasonableness of the methods and data adopted by the management when measuring the recoverable amount of assets, delegating the internal expert to assess the valuation method and significant assumptions used in the appraisal report, and assessing the reasonableness of the recognition of impairment loss.

### **Responsibilities of Management and Those Charged with Governance for the Unconsolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the unconsolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for necessary internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, management is also responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, Including the Audit Committee, are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the unconsolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the unconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists in the unconsolidated financial statements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the unconsolidated financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also performed the following tasks:

1. Identify and assess the risk of material misstatement of the unconsolidated financial statements due to fraud or error, design and adopt appropriate countermeasures for the risks assessed, and obtain sufficient and appropriate audit evidence in order to be used as the basis for the opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. In case where we consider that such events or circumstances have a material uncertainty, then relevant disclosure of the unconsolidated financial statements are required to be provided in our audit report to allow users of unconsolidated financial statements to be aware of such events or circumstances, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause APCB INC. to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including relevant notes, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entity of the Company, and express an opinion on unconsolidated financial statements.  
We handle the guidance, supervision and execution of the audit on the Company and are responsible for preparing the opinion for the parent company only financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of auditors.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Company's 2025 unconsolidated financial statements and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

CPA:

Securities Competent  
Authority Approval number :

Jin-Guan-Cheng-Shen-Zi Letter No.  
1050036075  
Jin-Guan-Cheng-Shen-Zi Letter No.  
1130332775

March 6, 2026

## December 31, 2025 and 2024

**1xxx Total assets**

**Accounting Officer: Tsai, Cheng-Hong**

**APCB Inc.**  
**Statements of Comprehensive Income**  
**January 1 to December 31 of 2025 and 2024**

Unit: NTD thousand

|                                                                    |                                                                                                                                | <b>2025</b>         |             | <b>2024</b>    |           |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------|----------------|-----------|
|                                                                    |                                                                                                                                | <b>Amount</b>       | <b>%</b>    | <b>Amount</b>  | <b>%</b>  |
| 4000                                                               | <b>Operating revenue (Note 6 (17) 7):</b>                                                                                      |                     |             |                |           |
| 4111                                                               | Sales revenue                                                                                                                  | \$ 570,206          | 101         | 1,250,649      | 102       |
| 4170                                                               | Less: Sales return                                                                                                             | 1,310               | -           | 2,730          | -         |
| 4190                                                               | Sales discount                                                                                                                 | 7,292               | 1           | 22,954         | 2         |
| 4100                                                               | <b>Net operating revenue</b>                                                                                                   | 561,604             | 100         | 1,224,965      | 100       |
| 5000                                                               | <b>Operating costs (Note 6 (6), (8), (9), (12), (13), 7 and 12)</b>                                                            | 519,942             | 92          | 1,428,237      | 117       |
| 5950                                                               | <b>Gross profit (loss)</b>                                                                                                     | 41,662              | 8           | (203,272)      | (17)      |
| 6000                                                               | <b>Operating expenses (Note 6 (4), (8), (9), (10), (12), (13), (18), 7 and 12):</b>                                            |                     |             |                |           |
| 6100                                                               | Selling expenses                                                                                                               | 8,036               | 1           | 16,405         | 1         |
| 6200                                                               | Administrative expenses                                                                                                        | 126,845             | 23          | 150,740        | 12        |
| 6450                                                               | Losses on Expected Credit Impairment (gains from reversal)                                                                     | 3,951               | 1           | -              | -         |
|                                                                    | <b>Total operating expenses</b>                                                                                                | 138,832             | 25          | 167,145        | 13        |
| 6900                                                               | <b>Net operating loss</b>                                                                                                      | (97,170)            | (17)        | (370,417)      | (30)      |
| 7000                                                               | <b>Non-operating income and expense (Note 6 (2), (3), (8), (12), (19), 7):</b>                                                 |                     |             |                |           |
| 7100                                                               | Interest income                                                                                                                | 2,777               | -           | 21,485         | 2         |
| 7010                                                               | Other income                                                                                                                   | 92,149              | 16          | 67,158         | 6         |
| 7020                                                               | Other gains or losses                                                                                                          | 108,283             | 19          | (39,705)       | (3)       |
| 7050                                                               | Financial costs                                                                                                                | (16,958)            | (3)         | (31,434)       | (3)       |
| 7370                                                               | Share of other profits/losses of subsidiaries, associated companies, and joint venture accounted for using equity method       | (287,577)           | (50)        | 540,584        | 44        |
|                                                                    | <b>Total non-operating incomes and expenses</b>                                                                                | (101,326)           | (18)        | 558,088        | 46        |
| 7900                                                               | <b>Net income (loss) before tax</b>                                                                                            | (198,496)           | (35)        | 187,671        | 16        |
| 7950                                                               | <b>Less: Tax expenses (gain) (Note 6 (14))</b>                                                                                 | (59,736)            | (11)        | 39,698         | 3         |
| 8200                                                               | <b>Current period net profit (loss)</b>                                                                                        | (138,760)           | (24)        | 147,973        | 13        |
| 8300                                                               | <b>Other comprehensive income (Note 6 (14), and (15)):</b>                                                                     |                     |             |                |           |
| 8360                                                               | <b>Components of Other Comprehensive Income that May Be Reclassified to Profit or Loss:</b>                                    |                     |             |                |           |
| 8361                                                               | Exchange Differences on Translation of Foreign Financial Statements                                                            | (82,908)            | (15)        | 95,669         | 8         |
| 8380                                                               | Share of other comprehensive income of subsidiaries, associated companies, and joint venture accounted for using equity method | (3,704)             | (1)         | 15,970         | 1         |
| 8399                                                               | Less: Income taxes related to the items that may be reclassified                                                               | (16,581)            | (3)         | 19,132         | 2         |
| 8300                                                               | <b>Comprehensive income in the current period</b>                                                                              | (70,031)            | (13)        | 92,507         | 7         |
| 8500                                                               | <b>Total comprehensive income in the current period</b>                                                                        | <b>\$ (208,791)</b> | <b>(37)</b> | <b>240,480</b> | <b>20</b> |
| <b>Earnings per share of the Company (Unit: NTD) (Note 6 (16))</b> |                                                                                                                                |                     |             |                |           |
| 9750                                                               | Basic earnings (deficits) per share                                                                                            | \$                  | (0.88)      |                | 0.93      |
| 9850                                                               | Diluted earnings (deficits) per share                                                                                          | \$                  | (0.88)      |                | 0.92      |

(Please refer to the notes of the parent company only financial reports for details)

Chairperson: Tsao, Yueh-Hsia

Managerial Officer: Lai, Jin-Tsai

Accounting Officer: Tsai, Cheng-Hong

**APCB Inc.**

**Statements of Changes in Equity**

**January 1 to December 31 of 2025 and 2024**

Unit: NTD thousand

|                                                  | Retain earnings      |                 |                |                 |                                  | Other equities components |                                                                     |                                                                                           |                 |                  |
|--------------------------------------------------|----------------------|-----------------|----------------|-----------------|----------------------------------|---------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------|------------------|
|                                                  | Common share capital | Capital surplus | Legal reserve  | Special reserve | Unappropriated retained earnings | Total                     | Exchange Differences on Translation of Foreign Financial Statements | Unrealized profit or loss of financial assets through other comprehensive income at FVTPL | Treasury        |                  |
|                                                  |                      |                 |                |                 |                                  |                           |                                                                     |                                                                                           | shares          | Total            |
|                                                  | \$ 1,598,993         | 418,929         | 618,503        | 43,967          | 952,771                          | 1,615,241                 | (77,479)                                                            | 7,444                                                                                     | (70,035)        | 3,563,128        |
| <b>Balance as of January 1, 2024</b>             |                      |                 |                |                 |                                  |                           |                                                                     |                                                                                           |                 |                  |
| Earnings appropriation and distribution:         |                      |                 |                |                 |                                  |                           |                                                                     |                                                                                           |                 |                  |
| Set aside legal reserve                          | -                    | -               | 5,250          | -               | (5,250)                          | -                         | -                                                                   | -                                                                                         | -               | -                |
| Set aside special reserve                        | -                    | -               | -              | 26,068          | (26,068)                         | -                         | -                                                                   | -                                                                                         | -               | -                |
| Cash dividends of common shares                  | -                    | -               | -              | -               | (79,950)                         | (79,950)                  | -                                                                   | -                                                                                         | -               | (79,950)         |
| Current period net profit                        | -                    | -               | -              | -               | 147,973                          | 147,973                   | -                                                                   | -                                                                                         | -               | 147,973          |
| Comprehensive income in the current period       | -                    | -               | -              | -               | -                                | -                         | 92,507                                                              | -                                                                                         | 92,507          | 92,507           |
| Total comprehensive income in the current period | -                    | -               | -              | -               | 147,973                          | 147,973                   | 92,507                                                              | -                                                                                         | 92,507          | 240,480          |
| <b>Balance as of December 31, 2024</b>           |                      |                 |                |                 |                                  |                           |                                                                     |                                                                                           |                 |                  |
| Earnings appropriation and distribution:         |                      |                 |                |                 |                                  |                           |                                                                     |                                                                                           |                 |                  |
| Set aside legal reserve                          | -                    | -               | 14,798         | -               | (14,798)                         | -                         | -                                                                   | -                                                                                         | -               | -                |
| Cash dividends of common shares                  | -                    | -               | -              | -               | (156,994)                        | (156,994)                 | -                                                                   | -                                                                                         | -               | (156,994)        |
| Reversal of special reserve                      | -                    | -               | -              | (70,035)        | 70,035                           | -                         | -                                                                   | -                                                                                         | -               | -                |
| Current period net loss                          | -                    | -               | -              | -               | (138,760)                        | (138,760)                 | -                                                                   | -                                                                                         | -               | (138,760)        |
| Comprehensive income in the current period       | -                    | -               | -              | -               | -                                | -                         | (70,031)                                                            | -                                                                                         | (70,031)        | (70,031)         |
| Total comprehensive income in the current period | -                    | -               | -              | -               | (138,760)                        | (138,760)                 | (70,031)                                                            | -                                                                                         | (70,031)        | (208,791)        |
| Treasury stock repurchase                        | -                    | -               | -              | -               | -                                | -                         | -                                                                   | -                                                                                         | -               | (64,181)         |
| Cancellation of treasury stock                   | (29,050)             | (7,611)         | -              | -               | (10,717)                         | (10,717)                  | -                                                                   | -                                                                                         | -               | 47,378           |
| <b>Balance as of December 31, 2025</b>           | <b>\$ 1,569,943</b>  | <b>411,318</b>  | <b>638,551</b> | <b>-</b>        | <b>738,242</b>                   | <b>1,376,793</b>          | <b>(55,003)</b>                                                     | <b>7,444</b>                                                                              | <b>(47,559)</b> | <b>3,293,692</b> |

(Please refer to the notes of the parent company only financial reports for details)

Chairperson: Tsao, Yueh-Hsia

Managerial Officer: Lai, Jin-Tsai

Accounting Officer: Tsai, Cheng-Hong

**APCB Inc.**  
**Cash flow statement**  
**January 1 to December 31 of 2025 and 2024**

Unit: NTD thousand

|                                                                                                                          | 2025              | 2024               |
|--------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|
| <b>Cash flows from operating activities:</b>                                                                             |                   |                    |
| Net gains (loss) before tax in the current period                                                                        | \$ (198,496)      | 187,671            |
| Adjustment item:                                                                                                         |                   |                    |
| Income/expenses items                                                                                                    |                   |                    |
| Depreciation expense                                                                                                     | 6,874             | 45,414             |
| Amortization expenses                                                                                                    | -                 | 550                |
| Losses on Expected Credit Impairment (gains from reversal)                                                               | 3,951             | -                  |
| Gain on financial assets at FVTPL                                                                                        | (104,366)         | 16,393             |
| Interest expenses                                                                                                        | 16,958            | 31,434             |
| Interest income                                                                                                          | (2,777)           | (21,485)           |
| Dividend income                                                                                                          | (4,252)           | (2,184)            |
| Share of other profits/losses of subsidiaries, associated companies, and joint venture accounted for using equity method | 287,577           | (540,584)          |
| Gains on disposal of property, plant and equipment                                                                       | (21,062)          | (4,780)            |
| Loss from disposal of intangible assets                                                                                  | -                 | 600                |
| Gains from modification of lease                                                                                         | (1,078)           | -                  |
| Unrealized sales gain                                                                                                    | 44,985            | -                  |
| Loss from impairment of non-financial assets                                                                             | -                 | 104,244            |
| Total income/expenses items                                                                                              | 226,810           | (370,398)          |
| Asset/liability variation related to operating activities                                                                |                   |                    |
| Net asset variation related to operating activities                                                                      |                   |                    |
| Financial assets designated as at FVTPL                                                                                  | (3,052)           | (22,785)           |
| Notes receivable                                                                                                         | 1,094             | 257                |
| Accounts receivable                                                                                                      | 290,959           | (22,424)           |
| Accounts receivable - Related party                                                                                      | 1,004             | (376)              |
| Other receivables                                                                                                        | 42,863            | (40,797)           |
| Other receivables - Related party                                                                                        | 480               | 41,821             |
| Inventories                                                                                                              | 70,956            | 29,692             |
| Other current asset                                                                                                      | 2,708             | 9,184              |
| Total net asset variation related to operating activities                                                                | 407,012           | (5,428)            |
| Net liabilities variation related to operating activities                                                                |                   |                    |
| Notes payable                                                                                                            | (85,701)          | (5,865)            |
| Accounts payable                                                                                                         | (5,043)           | (11,771)           |
| Accounts payable - Related party                                                                                         | 124,719           | 22,193             |
| Other payables                                                                                                           | (121,133)         | 86,697             |
| Refunds liabilities                                                                                                      | (5,542)           | (876)              |
| Other current liabilities                                                                                                | (9,771)           | (589)              |
| Net defined benefit liability                                                                                            | (6,164)           | (7,553)            |
| Total net liabilities variation related to operating activities                                                          | (108,635)         | 82,236             |
| Total net assets and liabilities variation related to operating activities                                               | 298,377           | 76,808             |
| Total adjustment item                                                                                                    | 525,187           | (293,590)          |
| Cash inflow (outflow) from operating activities                                                                          | 326,691           | (105,919)          |
| Interest received                                                                                                        | 2,777             | 24,174             |
| Interest paid                                                                                                            | (17,634)          | (32,249)           |
| Tax refunded (paid)                                                                                                      | 23,936            | (2,939)            |
| <b>Net cash inflow (outflow) from operating activities</b>                                                               | <b>335,770</b>    | <b>(116,933)</b>   |
| <b>Cash flows from investment activities:</b>                                                                            |                   |                    |
| Acquisition of property, plant and equipment                                                                             | (3,160)           | (3,285)            |
| Disposal of property, plant and equipment                                                                                | 21,062            | 7,311              |
| Decrease in other non-current assets                                                                                     | 440               | 2,590              |
| Dividends received                                                                                                       | 209,313           | 2,184              |
| <b>Net cash inflow from investment activities:</b>                                                                       | <b>227,655</b>    | <b>8,800</b>       |
| <b>Cash flows from financing activities:</b>                                                                             |                   |                    |
| Increase in short-term borrowings                                                                                        | 4,900,000         | 9,755,000          |
| Decrease in short-term borrowings                                                                                        | (5,485,000)       | (10,615,000)       |
| Increase in short-term notes payable                                                                                     | -                 | 190,162            |
| Decrease in short-term notes payable                                                                                     | -                 | (340,002)          |
| Repaid principal of lease                                                                                                | (6,403)           | (7,116)            |
| Distribution of cash dividends                                                                                           | (156,994)         | (79,950)           |
| Cost of treasury stock repurchase                                                                                        | (64,181)          | -                  |
| <b>Net cash outflow from financing activities</b>                                                                        | <b>(812,578)</b>  | <b>(1,096,906)</b> |
| <b>Decrease in current cash and equivalents</b>                                                                          | <b>(249,153)</b>  | <b>(1,205,039)</b> |
| <b>Cash and cash equivalents at the beginning of the year</b>                                                            | <b>518,361</b>    | <b>1,723,400</b>   |
| <b>Cash and cash equivalents at the end of the year</b>                                                                  | <b>\$ 269,208</b> | <b>518,361</b>     |

(Please refer to the notes of the parent company only financial reports for details)

Chairperson: Tsao, Yueh-Hsia

Managerial Officer: Lai, Jin-Tsai

Accounting Officer: Tsai, Cheng-Hong

## **Appendix II**

### **APCB INC.**

#### **Rules of Procedure for Shareholders' Meetings**

- Article I. The shareholders' meeting of the Company shall proceed in accordance with these Rules. Matters not specified in these Rules shall be undertaken in accordance with applicable laws and the Company's articles of incorporation.
- Article II. Attending shareholders (or proxies) shall bring their attendance cards and hand in a sign-in card in lieu of signing in.  
The number of shares present is calculated based on the number of shares reported on the attendance card and the virtual meeting platform, plus the number of shares exercising the voting rights by correspondence or electronic means  
In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.
- Article III. The presence of shareholders in a shareholders' meeting and their voting thereof shall be calculated in accordance with the number of shares.
- Article IV. The place where the shareholders' meeting is held shall be in the county or city where the Company is located. The time for commencing the said meeting shall not be earlier than 9 o'clock in the morning or later than 3 o'clock in the afternoon.  
When the Company holds a virtual shareholders' meeting, the venue of the meeting shall not be restricted as described in the proceeding paragraph.  
The time for accepting shareholders' registration shall be 30 minutes prior to the commencement of the meeting.  
In the event of a virtual shareholders' meeting, registration shall be accepted at the virtual meeting platform at least 30 minutes prior to the commencement of the meeting. Shareholders who have completed the registration shall be deemed to be present in person at the meeting.

- Article V. The Company may designate its lawyer, certified public accountant or other relevant persons to attend the shareholders' meeting. Those handling the business of a shareholders' meeting shall wear an identification card or a badge.
- Article VI. The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation. When the Company convene a virtual shareholders' meeting, the Company shall retain the relevant information of the shareholders and continuously record and videotape the entire virtual meeting without interruption from beginning to end. The information and audio and video recording under the preceding paragraph shall be properly kept by the company during the entirety of the Company's existence, and copies of the audio and video recording shall be provided to and kept by the entity engaged to handle video conferencing matters.
- Article VII. When it is time to convene a shareholders' meeting, the chairperson shall immediately convene the meeting, provided, however, that if the shareholders present do not represent a majority of the total amount of issued shares, the chairperson may postpone the meeting, provided, however, that the postponement of the said meeting shall be limited to two times, and the total time postponed shall not exceed one hour. If the meeting has been postponed for two times, but the shareholders present still do not represent one-third of the total amount of issued shares, a tentative resolution may be adopted in accordance with Article 175 of the Company Act. Before the close of the said meeting if the shareholders present represent a majority of the total amount of issued shares, the chairperson may present the tentative resolution so adopted to the meeting for resolution.

Article VIII. If a shareholders' meeting is called by the board of directors, the proceedings of the meeting shall be formulated by the board of directors, and the meeting shall proceed in accordance with the said proceedings. The proceedings shall not be changed without a resolution made by the shareholders' meeting.

If a shareholders' meeting shall be called by any other person than the board of directors, the preceding provisions shall apply mutatis mutandis to the said meeting.

The chairperson shall not adjourn a meeting without resolution adopted by shareholders if the motions (including extraordinary motions) covered in the proceedings so arranged in the above two Paragraphs shall not have been resolved.

Changes to how the Company convenes its shareholders' meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders' meeting notice.

After close of the said meeting, shareholders shall not elect another chairperson to hold another meeting at the same place or at any other place, and the resolutions made by them are ipso facto ineffective.

Article IX. A shareholder wishing to speak in a shareholders' meeting shall first fill out a slip, specifying therein the major points of his speech, his/her serial number as a shareholder (or number of attendance) and his/her name, and the chairperson shall determine his/her order of giving a speech.

A shareholder who submits his slip for a speech but does not actually speak shall be considered as not having given a speech. If the contents of his/her speech shall be different from those specified on the slip, the contents of his/her speech shall prevail.

When a shareholder is giving a speech, the other shareholders shall not interrupt unless they have obtained the prior consent from the chairperson and the said shareholder, and the chairperson may prevent others from interrupting.

Article X. A shareholder shall not speak more than two times for one motion, unless he/she has obtained the prior consent from the chairperson, and each speech shall not exceed 5 minutes. If a shareholder violates the above provisions or his speech exceeds the scope of the motion, the chairperson may prevent him from doing so.

- Article XI. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- Article XII. After a shareholder has given a speech, the chairperson may personally or designate relevant person to respond.
- Article XIII. When the chairperson considers that the discussion for a motion has reached the extent for making a resolution, he/she may announce discontinuance of the discussion and submit the motion for resolution.
- Article XIV. Voting rights may be exercised in writing or electronically at the shareholders' meeting of the Corporation. The method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.
- A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.
- After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or online, a declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the Company Act and in the

Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chairperson or a person designated by the chairperson shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179 of the Company Act.

Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company, otherwise, the portion of excessive voting power shall not be counted.

Article XV. When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article XVI. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairperson, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for proposals or elections shall be conducted in public at the place of the shareholders' meeting, and voting results, including the tally of weighted votes, shall be reported on-site immediately and recorded in writing upon completion of the vote counting.

In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

Article XVII. When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and

announce a time when, in view of the circumstances, the meeting will be resumed.

Article XVIII. The chairperson may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word “Proctor.”

When a shareholder violates the rules of procedure and defies the chairperson’s correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder from the meeting.

Article XIX. Resolutions adopted at a shareholders’ meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairperson of the meeting and shall be distributed to all shareholders of the Company within 20 days after the close of the meeting. The preparation and distribution of the minutes of shareholders’ meeting may be effected by means of electronic transmission.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

Article XX. The election of directors at a shareholders’ meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately.

Article XXI. These Rules shall take effect after having been submitted to and approved by a shareholders’ meeting. Subsequent amendments thereto shall be effected in the same manner.

## **Appendix III**

### **APCB INC.**

#### **Articles of Incorporation**

##### **Chapter 1 General Provisions**

- Article I. The Company shall be incorporated under the Company Act, and its name shall be APCB Inc.
- Article II. The scope of business of the Company shall be as follows:
- (I) CC01080 Electronics Components Manufacturing
  - (II) F119010 Wholesale of Electronic Materials
  - (III) F219010 Retail Sale of Electronic Materials
  - (IV) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval
- Article II-I. The Company may provide endorsement and guarantee and act as a guarantor for business purpose in accordance with the rules and regulations of securities competent authorities.
- Article II-II. The total amount of the Company's equity investment shall not be subject to the restriction of not more than forty percent of the Company's paid-in capital.
- Article III. The Company headquarters in New Taipei City. With the resolution made by the board of directors, the Company may establish branches within and without of the territory of the Republic of China.
- Article IV. (Deleted)

##### **Chapter 2 Shares**

- Article V. The total authorized capital of the Company is NT\$2.5 billion, divided into 250 million shares, with a par value at NT\$10 each. The board of directors is authorized to issue such shares in installments based on the business requirement.
- A total of NT\$100 million, representing 10 million shares, shall be reserved from the total capital stated in the preceding paragraph for the issuance of employee stock options, and the board of directors is authorized to issue the stock options in installments.
- Article VI. With an approval made by two-thirds or more of the attending shareholders who represent a majority of the total number of its outstanding shares, the Company may issue employee stock options at a price lower than the closing price of the Company's shares on the date of

issuance or transfer them to employees at a price lower than the average price of the shares actually bought back.

Article VII. The share certificates of the Company shall be in registered form, signed by, or affixed with the seals of, at least three directors, and authenticated by the competent governmental authority upon issuance pursuant to laws. When issuing new shares, the Company may print a share certificate in respect of the full number of shares to be issued at that time, and shall arrange for the certificate to be kept or registered by a centralized securities custodian institution; the same applies to other marketable securities.

Article VIII. Registration for transfer of shares shall be suspended for 60 days before the day of a regular shareholders' meeting, for 30 days before the day of any special shareholders' meeting, and for 5 days before the day on which dividends or any other benefit is scheduled to be paid by the Company.

### Chapter 3 Shareholders' Meeting

Article IX. Shareholders' meetings of the Company are of two kinds: regular shareholders' meetings and special shareholders' meetings. The regular shareholders' meeting is called once per year within 6 months of the end of each fiscal year. Special shareholders' meetings may be called in accordance with laws whenever necessary.

Article X. Where a shareholder is unable to attend a meeting, he/she may appoint a proxy to represent him/her and specify the scope authorization in the proxy form issued by the Company. The use of proxy forms shall be subject to the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies promulgated by securities competent authorities.

Article XI. Each shareholder of the Company shall receive one voting right for each share. However, restricted a director or a director who has a situation provided under Article 179 of the Company Act shall not have the voting right.

Article XII. Except as otherwise provided by the Company Act, a meeting shall only be held when shareholders representing a majority of the total number of issued shares have attended. A resolution shall be adopted by the consent of a majority of the votes represented by those in attendance at the meeting

Article XII-I. The Company's shareholders' meetings shall be conducted in accordance with the "Rules of Procedure for Shareholders' Meetings."

Article XII-II. The shareholders' meeting can be held in the form of virtual conference or other audiovisual means, as announced by the Ministry of Economic Affairs.

#### Chapter 4 Directors

Article XIII. The Company shall have seven to nine directors. The board of directors is authorized to determine the number of directors. The term of office of directors is 3 years, and the directors shall be elected from persons having legal capacity at a shareholders' meeting and shall be eligible for re-elections. The total number of shares of the Company's registered stock held by all directors of the Company shall be in compliance with the the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" issued by the competent securities authorities.

The Company shall adopt the candidate nomination system for its election of directors in accordance with Article 192-1 of the Company Act.

In accordance with the Securities and Exchange Act, the number of independent directors of the Company shall not be less than three and shall not be less than one-fifth of the number of directors. Independent directors are subject to regulations of the competent securities authorities.

Article XIII-I. In compliance with Articles 14-4 of the Securities and Exchange Act, the Company shall establish an audit committee. The Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Act, the Securities and Exchange Act and other applicable regulations.

Article XIV. The board of directors shall consist of the directors of the Company; the chairperson of the board of directors shall be elected from among the directors by a majority of directors in attendance at a meeting attended by at least two-thirds of the directors. The chairperson of the board of directors shall represent the Company in external matters.

A notice setting forth the purpose of the meeting shall be given to each director no later than 7 days prior to a board meeting. Nonetheless, a board meeting may be convened at any time in case of emergency. A meeting of the board of directors shall be called in writing, via e-mail or

facsimile.

Article XV. If chairperson of the board of directors is on leave of absence or is unable to exercise his/her duties for any reason, his/her proxy is subject to the provisions of Article 208 of the Company Act. If a director is on leave of absence or is unable to attend a board meeting for any reason, he/she may appoint another director as proxy to attend the meeting in accordance with Article 205 of the Company Act.

Article XVI. The remuneration to all directors shall be assessed by the remuneration committee, and the board of directors is authorized to decide the remuneration to all directors at a rate consistent with general practices in the industry.

Article XVI-I. The Company may take out liability insurance for the directors with respect to the liabilities that might arise from the performance of duties during their term of office.

#### Chapter 5 Manager

Article XVII. The Company may appoint one general manager and several deputy general managers whose commissioning, decommissioning and pay rate shall be as pursuant to Article 29 of the Company Act.

#### Chapter 6 Accounting

Article XVIII. After the close of each fiscal year, the following reports shall be prepared by the board of directors. The reports shall be submitted to the audit committee for review 30 days prior to the regular shareholders' meeting and thereafter submitted to the regular shareholders' meeting for recognition.

(I) Business Report.

(II) Financial Statements.

(III) Proposal Concerning the Distribution of Earnings or offset of Losses.

Article XIX. If the Company makes a profit in a year, it shall set aside not less than 5% for remuneration to employees and not more than 3% for remuneration to directors. However, if the Company has accumulated losses, the Company shall first reserve an amount to offset the losses. No less than 10% of the amount in the preceding paragraph should be set aside for the compensation distributions to non-executive employees.

Article XX. If there is profit in the Company's annual financial statements, the Company shall first pay taxes and offset accumulated losses, and then set aside 10% as legal reserve and set aside special reserve in accordance

with the law. If there remains surplus, the board of directors shall, after adding the undistributed earnings from previous years, prepare a proposal for distribution and submit it to the shareholders for resolution.

To meet the Company's future needs for equipment replacement and expansion, cash dividends shall be distributed at a rate of not less than 10% of the total dividends, and the rest shall be distributed in the form of stock dividends.

#### Chapter 7 Supplementary Provisions

Article XXI Any matters not sufficiently provided for in these Articles of Incorporation shall be handled in accordance with the Company Act.

Article XXII These Articles of Incorporation were established on November 21, 1981.

The 1st amendment was made on February 27, 1983.

The 2nd amendment was made on September 15, 1985.

The 3rd amendment was made on August 10, 1988.

The 4th amendment was made on August 8, 1997.

The 5th amendment was made on December 12, 1998.

The 6th amendment was made on May 30, 1999.

The 7th amendment was made on June 18, 2000.

The 8th amendment was made on June 3, 2001.

The 9th amendment was made on June 27, 2002.

The 10th amendment was made on June 24, 2003.

The 11th amendment was made on June 24, 2004.

The 12th amendment was made on December 31, 2004.

The 13th amendment was made on June 14, 2005.

The 14th amendment was made on June 14, 2006.

The 15th amendment was made on June 13, 2007.

The 16th amendment was made on June 13, 2008.

The 17th amendment was made on June 15, 2010.

The 18th amendment was made on June 22, 2012.

The 19th amendment was made on June 21, 2016.

The 20th amendment was made on June 15, 2017.

The 21st amendment was made on June 23, 2022.

The 22st amendment was made on June 20, 2025.

## **Appendix IV**

### **APCB INC.**

#### **Codes of Ethical Conduct (Pre-amended)**

##### **I. Purpose and Basis**

These guidelines are established to guide the conduct of the Company's directors and managers – including the President and equivalent positions, Vice Presidents and equivalents, Senior Managers and equivalents, heads of Finance, Accounting, and Internal Audit departments, and any other persons authorized to manage company affairs or sign on behalf of the Company – so that their behavior conforms to ethical standards and so that the Company's stakeholders may better understand those standards.

##### **II. Scope of Content**

The Company's Code of Ethical Conduct, formulated in consideration of the Company's circumstances and needs, covers the following eight areas:

###### **(I) Prevention of Conflicts of Interest**

A conflict of interest arises when personal interests interfere or may interfere with the overall interests of the Company – for example, when a director or manager is unable to handle company affairs in an objective and efficient manner, or when their position with the Company results in improper benefits to themselves, their spouse, parents, children, or relatives within the second degree of kinship. The Company shall pay particular attention to fund lending or guarantees provided to affiliated enterprises associated with the aforementioned persons, significant asset transactions, purchases and sales, and dealings with suppliers, customers, investors, creditors, competitors, principal banking institutions, and accountants. The Company shall establish policies to prevent conflicts of interest and provide appropriate channels through which directors or managers may proactively disclose any potential conflicts of interest with the Company.

###### **(II) Prohibition on Taking Corporate Opportunities for Personal Gain**

The Company shall prevent directors or managers from engaging in the following:

1. Exploiting corporate property, information, or their position to create opportunities for personal gain.
2. Using corporate property, information, or their position to obtain personal benefits.

3. Competing against the Company. When profit opportunities arise for the Company, directors and managers have a duty to advance the Company's legitimate and lawful interests.

(III) Duty of Confidentiality

Directors and managers shall maintain confidentiality regarding information about the Company, its suppliers, and its customers, except where disclosure is authorized or required by law. Information subject to confidentiality includes all non-public information that could be exploited by competitors or that, if disclosed, could cause harm to the Company or its customers.

(IV) Fair Dealing

Directors and managers shall deal fairly with the Company's suppliers, customers, competitors, and employees. They shall not obtain improper benefits through manipulation, concealment, abuse of information obtained by virtue of their position, misrepresentation of material facts, or any other unfair dealing practices.

(V) Protection and Proper Use of Company Assets

Directors and managers are responsible for protecting Company assets and ensuring they are used effectively, lawfully, and for legitimate business purposes. Theft, negligence, or waste directly impacts the Company's profitability.

(VI) Compliance with Laws and Regulations

The Company shall strengthen compliance with the Securities and Exchange Act and all other applicable laws and regulations.

(VII) Encouraging Reporting of Illegal or Unethical Conduct

The Company shall promote ethical awareness internally and encourage employees to report to a manager, the head of internal audit, or other appropriate personnel whenever they suspect or discover any violation of laws, regulations, or this Code of Ethical Conduct. To encourage such reporting, the Company shall, through established procedures and mechanisms, ensure that employees are aware that the Company will make every effort to protect whistleblowers from retaliation.

#### (VIII) Disciplinary Measures

When a director or manager violates this Code of Ethical Conduct, the Company may impose disciplinary measures commensurate with the severity of the violation, including warnings, demerits, demotion, salary reductions, or other sanctions. In cases of serious violations, the matter shall be referred to the Board of Directors for resolution. Information regarding the violation – including the date of violation, the nature of the violation, and the action taken – shall be disclosed promptly on the Market Observation Post System (MOPS). The Company shall also establish an appropriate appeals mechanism to provide recourse for individuals subject to disciplinary action under this Code.

#### III. Procedures for Waiver

Any waiver of compliance with the Company's Code of Ethical Conduct for a director or manager must be approved by resolution of the Board of Directors. The following information shall be disclosed promptly on the Market Observation Post System (MOPS): the date the Board approved the waiver, any objections or reservations expressed by independent directors, the period covered by the waiver, the reasons for the waiver, and the specific provisions waived. This disclosure enables shareholders to assess whether the Board's resolution is appropriate, deters arbitrary or questionable waivers, and ensures that adequate controls are in place to protect the Company in any instance where compliance is waived.

#### IV. Disclosure

The Code of Ethical Conduct shall be disclosed on the Company's website, in the annual report, in the prospectus, and on the Market Observation Post System (MOPS). The same applies whenever the Code is amended.

#### V. Implementation

These guidelines shall take effect upon approval by the Board of Directors and shall be submitted to the shareholders' meeting for review. The same applies to any subsequent amendments.

## Appendix V

### APCB INC. Shareholdings of All Directors

| Title                          | Name            | Shareholding Recorded in the Shareholder List as of the Book Closure Date | Shareholding Ratio |
|--------------------------------|-----------------|---------------------------------------------------------------------------|--------------------|
| Chairman                       | Tsao, Yueh-Hsia | 9,924,708                                                                 | 6.32%              |
| Director                       | Lai, Chin-Tsai  | 10,299,803                                                                | 6.56%              |
| Director                       | Lin, Chun-Hao   | 488,926                                                                   | 0.31%              |
| Director                       | Ko, Ching-Yu    | 1,122,000                                                                 | 0.71%              |
| Independent director           | Chang, Hui      | 0                                                                         | —                  |
| Independent director           | Hung, Ju-Mei    | 0                                                                         | —                  |
| Independent director           | Lin, Pao-Chu    | 0                                                                         | —                  |
| Independent director           | Tasi, Yi-Ling   | 844                                                                       | 0.00%              |
| Total shares held by directors |                 | 21,835,437                                                                | 13.90%             |

- Note: I. There are currently four independent directors on the board of directors of the Company. Hence, according to “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies,” the shareholdings of independent directors elected by a public company shall not be counted in the total; the statutory share ownership figures calculated for all directors other than the independent directors shall be decreased by 20 percent.
- II. As of the book closure date for the shareholders’ meeting, April 19, 2026, the Company has issued 156,994,311 shares. According to “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies,” the statutory minimum number of shares required to be held by all directors is 9,419,658 shares.

## Appendix VI

### Impact of Issuance of Stock Dividends on Business Performance, Earnings per Shares, and Return of Equity

| Items                                             |                                                                                                                                                                                                           | Year                                                  | 2026<br>(Pro-forma) |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------|
| Beginning paid-in capital                         |                                                                                                                                                                                                           |                                                       | NT\$1,598,993,110   |
| Stock dividend and cash dividend issued this year | Cash dividend per share                                                                                                                                                                                   |                                                       | NT\$1               |
|                                                   | Stock dividend per share for capital increase from retained earnings                                                                                                                                      |                                                       | —                   |
|                                                   | Stock dividend per share for capital increase from capital reserve                                                                                                                                        |                                                       | —                   |
| Change in business performance                    | Operating profit                                                                                                                                                                                          |                                                       | —                   |
|                                                   | Year-on-year increase/decrease ratio of operating profit                                                                                                                                                  |                                                       | —                   |
|                                                   | Net profit after tax                                                                                                                                                                                      |                                                       | —                   |
|                                                   | Year-on-year increase/decrease (%) of net profit after tax                                                                                                                                                |                                                       | —                   |
|                                                   | Earnings per share                                                                                                                                                                                        |                                                       | —                   |
|                                                   | Year-on-year increase/decrease of earnings per share                                                                                                                                                      |                                                       | —                   |
|                                                   | Average annual ROE ratio (reciprocal of average annual P/E ratio)                                                                                                                                         |                                                       | —                   |
| Pro forma earnings per share and its P/E ratio    | In case that cash dividends would be paid in lieu of stock dividend by a Capitalization of retained earnings                                                                                              | Pro forma earnings per share                          | —                   |
|                                                   |                                                                                                                                                                                                           | Pro forma average return over investment (annualized) | —                   |
|                                                   | In case that there would be no stock dividend appropriated from a capitalization of capital reserve                                                                                                       | Pro forma earnings per share                          | —                   |
|                                                   |                                                                                                                                                                                                           | Pro forma average return over investment (annualized) | —                   |
|                                                   | In case that there would be no stock dividend appropriated from a capitalization of capital reserve, and cash dividends would be paid in lieu of stock dividends by a capitalization of retained earnings | Pro forma earnings per share                          | —                   |
|                                                   |                                                                                                                                                                                                           | Pro forma average return over investment (annualized) | —                   |

Note 1: The capital used for calculating the cash dividend to shareholders is based on the total number of issued shares as of March 2026, which was 156,994,311 shares. After deducting 2,500,000 shares to be retired (treasury shares), the total number of shares outstanding after cancelation will be 154,494,311 shares.

2: The Company did not make financial forecast for 2026 publicly; therefore, there is no need to disclose the information of the 2026 forecast.