Stock Code: 6138

Anpec Electronics Corporation

2025

Annual Report

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5. **Overseas Securities Exchange Where Securities are Listed and Method of Inquiry:** Not applicable.

6. **Website:** https://www.anpec.com.tw

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Chapter 1 Letter to Shareholders

Anpec Electronics focuses on developing high-end products and advanced technologies such as mixed signal power products and sensors, with the mission of enhancing the domestic industrial ecosystem. The Company engages in the design, testing, production, and marketing of mixed-signal power IC and sensors. There are four major product lines at Anpec Electronics, including Power Management, Motor Driver, Audio, and Discrete Power Device. The Company's business results and plan are detailed as follows:

Implementation of Business Plan

1. Implementation Results
   Initially starting off as a producer of analog IC, Anpec Electronics has developed into a supplier of mixed-signal power IC and sensor IC today. The Company's main focus of technology development revolves around highly integrated, high performance, high power, and customized IC. After years of development, our clients are primarily top-tier brands in various fields of application. Anpec Electronics has witnessed a gradual shift in the fields of application from consumer products in the past to more demanding applications such as servers, storage systems, computer memory, communications equipment, industrial control, enterprise equipment, and in-vehicle applications. In 2025, the Company posted a consolidated net revenue of NTD 7,483.69 million and a net profit after tax of NTD 1,148.53 million, a 22.9% increase and a 35.7% increase from 2024, respectively, together with an EPS after tax of NTD 13.04.
2. Budget Implementation
   This section is not applicable as the Company has not compiled financial projections for 2025.
3. Revenue, Expenditure, and Profitability Analysis
   (1) Revenue and Expenditure:

Unit: NTD thousands

Item	2025	2024
Net operating revenue	7,483,689	6,089,504
Operating costs	4,788,666	3,925,234
Gross profit	2,695,023	2,164,270
Operating expenses	1,406,638	1,261,943
Operating income	1,288,385	902,327
Non-operating income and expenses	103,597	139,224
Net profit before tax	1,391,982	1,041,551

(2) Profitability Analysis:

Item		2025	2024
Return on total assets (%)		17.89	14.10
Return on equity (%)		24.22	19.72
Proportion to paid-in capital (%)	Operating income	171.15	120.07
	Profit before tax	184.91	138.59
Net profit margin (%)		15.34	13.90
Basic earnings per share (NTD)		13.04	9.89

4. Research and Development

The Company's research and development areas focus on Power Management, Motor Driver and Control, Audio Amplifier, Discrete Power Devices, and integrated driver IC products. With research and development (R&D) and product strategies that are technology-based, driven by customer demand, and aimed at high-quality growth, the Company continues to move towards higher-end technology and advanced applications.

(1) Power Management: The Company focuses on high-voltage, high-efficiency power architectures and is committed to the development of next-generation power management technologies. In the PC field, in addition to continuing the development of next-generation power solutions for motherboards, the Company has completed charging and protection solutions for mainstream specifications and continues to provide samples. In response to the USB Type-C PD high-power protocol, the Company has collaborated with brand clients to develop customized, comprehensive product lines and continues to invest resources in the research and development of next-generation high-voltage protection solutions. Driven by the AI PC replacement trend, the Company expects to further increase its market share. In the memory field, as DDR5 penetration and operating speeds increase, performance requirements for power management have become increasingly stringent. The Company is investing in the development of next-generation power solutions for memory modules and actively participating in the formulation of next-generation specifications to meet clients' diverse system requirements with a more complete product portfolio. In the storage device field, benefiting from the surge in data storage demand driven by AI computing and enterprise-level high-capacity storage needs, the Company is developing distributed power management solutions while collaborating with clients on core integrated power management units and signal transmission solutions to ensure system scalability and stability. In the security monitoring field, the Company is developing highly integrated system power units for AI monitoring applications to achieve high performance and high reliability within limited spaces, thus meeting clients' dual demands for confined space and security. In the network communications field, with the iteration of Wi-Fi

specifications, the Company focuses on developing low-noise, low-interference power technologies to ensure overall system performance and stability in high-speed wireless network environments. In the server field, targeting the high current density and high power requirements driven by AI applications, the Company is developing high-power density solutions and power protection/current detection technologies, while moving toward core power management technology to continuously strengthen its presence in high-performance computing.

(2) Motor Drive and Control: The Company has cultivated motor drive technology for many years. Through a new generation of digital control and programmable solutions, it effectively resolves various technical barriers for clients at the customization and mass production levels. By virtue of its technical depth and first-mover advantage, the Company has successfully established a defensive competitive threshold, allowing its digital drive solutions to be widely applied in diverse growth markets. In the fields of PCs, graphics cards, and gaming consoles, the Company continues to assist brand clients in setting specifications, thus achieving the optimal balance between performance, noise, and efficiency, and leading the market into next-generation solutions. In the automotive field, following the trends of vehicle electrification and digitalization, the Company's automotive products have passed clients' certifications and are shipping steadily. The Company will continue to invest resources in developing customized solutions to meet the needs for diverse functional modules. In the industrial field, the Company focuses on developing new products and customized solutions for high-durability product lines to expand the breadth of its product lines and actively increasing penetration across diverse applications. In the field of servers and high-performance computing, in response to the high heat density environments brought by the surge in AI, cooling media are evolving from air-cooled to liquid-cooled systems. The digital high-power drive solutions developed by the Company not only assist clients in resolving pain points such as high-temperature heat dissipation and system stability enhancement but also further simplify system designs and reduce power loss. Currently, research and development of high-end server solutions have been completed, and market promotion has been initiated, which is expected to become a significant driving force for the Company's medium-to-long-term revenue growth.

(3) Audio Amplification: The Company is currently deeply engaged in the TV and monitor audio markets. By researching and developing core technologies for low-noise, high-power Class-D power amplifiers, it continuously optimizes system audio performance and strengthens market competitiveness. Furthermore, to enhance growth momentum, we are actively collaborating with clients to extend our application footprint to high-growth fields such as audio systems and soundbars, thus achieving a diversified product portfolio.

(4) Discrete Power Devices and Integrated Driver IC Products: In addition to continuously expanding our main revenue from major computer-related applications at present, power supplies, power batteries, motor applications, and industrial control/in-vehicle applications are the key categories of applications from which we intend to increase our revenue. Aside from investing engineering resources into the expansion of production capacity, we are also stepping up efforts to develop new product and technology platforms. We need to continuously advance the wafer and assembly technology through the integration of our own resources and those of our manufacturing partners in response to new technology trends, such as 5G, AIoT, and industrial/in-vehicle applications. Our efforts in the development of new medium- and high-voltage technologies, the optimization of low voltage technologies, and flip-chip packaging have also borne fruits as they are required for new products/applications. In addition to promoting new products for next-generation low-voltage platforms, the Company will also strengthen the promotion of integrated driver ICs, particularly DrMOS. The R&D investment of power device components such as SiC and GaN is an indispensable project for product development at the Company, while the continuous expansion of R&D resources is the direction we have been unremittingly working towards.

Regarding R&D and engineering, in the face of the continuous increase in high-value and customized projects, the Company is actively strengthening its R&D momentum, expanding its R&D and engineering teams, and recruiting top talent. By optimizing the IP database and cross-departmental collaboration processes, the Company has significantly improved new product development efficiency and time-to-market speed. Simultaneously, the Company is investing R&D resources into innovative fields to strengthen its presence in advanced technologies and emerging application areas to respond to rapid market changes and reinforce its leading position in the key components sector. Externally, the Company is deepening collaborative development and technology transfer with academic and research institutions while actively investing in external teams with potential and complementary capabilities. Through the integration of internal and external resources, the Company is accelerating the transformation of its core technological advantages and sales channel strengths into the next stage of growth momentum.

<u>Overview of Business Plan</u>

1. Business Policy

   (1) The Company focuses on developing high-end products and advanced technologies such as mixed signal power products and sensors, with the mission of enhancing the local industrial ecosystem. The Company engages in the design, testing, production, and marketing of mixed-signal power IC and sensors. There are four major product lines at Anpec Electronics, including Power Management, Motor Driver, Audio, and Discrete Power Device.

(2) Adhering to our management philosophy of being Authentic, Novel, Passion, Execution and Customer-oriented, we provide clients with diverse products and complete after-sales services.
(3) Apart from providing customers with complete solutions based on our core philosophy of creating value and leading the market on an ongoing basis, we also focus on offering the highest performance and customized products in the industry while helping our clients increase the added value of their end products and leading the market, with the goal of becoming a top-tier chip supplier in the global market.

2. Expected Sales Volume and Its Basis

This section is not applicable as the Company has not compiled financial projections for 2026.

3. Important Production and Sales Policy

In 2025, the market finally emerged from the shadow of excess inventory. Driven by the upgrading of end-user devices and the expansion of AI infrastructure, the industry demonstrated robust demand momentum. Unlike the downturn in 2024, the market in 2025 finally returned to normal seasonal effects, with revenue ratios significantly moving up in the third and fourth quarters. Overall, the demand for high-performance computing, heat dissipation, memory, and storage was relatively strong, driving the steady growth of the Company's core product lines, with gross margin performance also exceeding expectations. Under the efforts of the Company's team, both individual and consolidated revenues reached historical highs in 2025, and EPS reached the second-highest level in history.

In 2026, at the production level, facing global geopolitical risks and a dynamic market environment, the Company is adopting a regionalized supply chain strategy. It is establishing localized production systems for different regional markets to implement risk diversification and enhance operational efficiency. In terms of supply chain management, the Company maintains inventory at healthy levels through precise coordination between production and sales. At the same time, it has established a flexible stocking mechanism to ensure that it can still meet the dynamic changes in clients' mass production demands even when market demand fluctuates drastically. Furthermore, the Company is dedicated to strengthening long-term partnerships with its suppliers. While stabilizing existing resources, we are actively developing competitive outsourced semiconductor assembly and test (OSAT) and wafer foundry partners. We look forward to achieving a more comprehensive upstream and downstream collaboration to continuously optimize resource allocation and further reinforce the Company's core competitive advantages at the production level.

At the marketing and sales level, the development of new products across various application fields serves as the cornerstone of the Company's revenue growth. With value creation at our core, we continue to invest resources in developing customized and Company-defined next-generation solutions. By constantly strengthening the breadth of our product lines, the Company is committed to increasing full-system coverage, satisfying clients' increasingly diverse needs with a one-stop portfolio of high-performance products. To strengthen its market position, the Company will continue to expand collaborations with end-product brands and leading chipset manufacturers. Leveraging long-term client trust and partnerships, and utilizing our technological leadership to develop the most efficient next-generation solutions, we assist clients in shortening R&D cycles to accelerate time-to-market speed and secure leadership positions in the end-user market. The Company will actively expand into new application fields and tap into new client segments, while maintaining focus on the development of high-value products and key components. By providing clients with full-system solutions across technological domains, we expect to enhance the Company's global competitiveness and market standing.

Looking ahead to 2026, the global market is expected to transition from recovery to a steady expansion growth cycle. As AI applications penetrate from the cloud to edge terminals, high-performance computing, next-generation heat dissipation technologies, next-generation networking standards, high-bandwidth memory, and high-speed storage devices will continue to drive the growth momentum. Simultaneously, empowered by AI technology, smart security, automated industrial control, and the automotive sector are also expected to initiate structural upgrades. The Company will continue to cultivate the aforementioned core technical fields. In response to the development trends of end-user demand, we will provide clients with high-performance and high-value product portfolios, striving to consolidate our leading position in the industry. Facing the challenges of supply chain regionalization brought by geopolitics, the Company will utilize its global presence to flexibly optimize quality and production lead times. With refined technical resilience and cost structures, we will exert full effort to meet our clients' multifaceted needs.

Future Company Development Strategies

Provide a full range of products and applications to meet our clients' diverse needs.
Create a situation where our clients, shareholders, employees and suppliers are all winners through continuous growth and profitability.

Effects of External Competition, the Legal Environment, and the Overall Business Environment

1. Changes in interest rates: Interest rate risk is mainly caused by fluctuations in market interest rates. The Company's financial assets and liabilities exposed to interest rate risk are primarily financed through financial investments and working capital. As of December 31, 2025, the Company's main financial assets and liabilities exposed to interest rate risk mainly consisted of time deposits, bond, and funds. The Company's own capital is still sufficient and the impact of interest rate fluctuations on the Company's profitability should not be material.

2. Changes in exchange rates: The Company mainly engages in export sales. Exchange rate risk is mainly related to operating activities. In order to reduce the impact of changes in exchange rates on the Company, the Group carefully considers the impact of exchange rate fluctuations

when purchasing goods and receiving orders, and constantly reviews gains and losses arising from the amount of the foreign currency positions to protect the Company's profit. Therefore, in addition to natural hedging, the Company also uses spot sales and forward foreign exchange hedging to adjust the amount of net foreign currency receivables and payables positions in a timely manner. The Company had no derivative financial instruments with exchange rate risk in its accounts as of December 31, 2025.

3. Inflation: According to statistics from the Directorate-General of Budget, Accounting and Statistics, the average annual growth rate of the Consumer Price Index (CPI) for 2025 was 1.66%, marking a five-year low. Compared to the inflation range of approximately 1.8% to 2.7% in major global economies during the same period, the price increase in Taiwan remains relatively moderate. Looking ahead to 2026, as overall inflationary pressures ease, prices are expected to continue a trend of slow deceleration. However, factors such as climate change, labor market shortages, geopolitical risks, and uncertainties in global trade policies may still cause increased inflation volatility and push up cost pressures. According to the latest forecast from the Chung-Hua Institution for Economic Research, the annual CPI growth rate for 2026 is expected to be approximately 1.66%, indicating that Taiwan's inflation will remain within a controllable range.

   The Company will continue to closely monitor domestic and international price fluctuations, and pay particular attention to the potential impact of inflation on raw material procurement costs, processing fees, and overall production costs. We will adjust product prices, procurement strategies, and operational guidelines based on actual conditions to mitigate the impact of inflation on operational performance. Overall, under the established management mechanisms and flexible adjustment strategies, the impact of inflation on the Company's revenue and profit is expected to be controllable and will not cause significant adverse effects.

As the global economy enters the "new normal" of the post-pandemic era, the end-user market demonstrated resilience in 2025. Despite persistent geopolitical tensions, changes in tariff policies, and regional competition, the AI-driven technological transformation has become the core engine for component growth in relevant fields. Looking ahead to 2026, as generative AI enters a phase of large-scale deployment, data center requirements for power efficiency and thermal management will continue to rise. Relying on high-efficiency power management and digital motor drive technologies, as well as customer relationships developed over many years, the Company will continue to develop supporting solutions for various applications. In the fields of automotive electronics and industrial applications, although the electric vehicle market faces short-term volatility, the long-term trend of vehicle electronicization remains unchanged. The Company will deepen the development of automotive-grade certified products. Meanwhile, in the industrial sector, we will develop a more comprehensive product portfolio to increase the Company's solution coverage in the market. Facing trade barriers and supply chain restructuring, the Company will adopt a flexible R&D strategy, focusing on high-value markets and customized high-margin products. By optimizing our IP library and enhancing cross-departmental collaboration, we will translate technological innovation into market competitiveness to alleviate the pressures of inflation and exchange rate fluctuations. By virtue of our technological leadership, we will consolidate our market leading position and create long-term value.

Beyond the operational aspects, the management team is committed to long-term sustainable operation, with core values of Authentic, Novel, Passion, Execution, and Customer, actively playing the role of a responsible corporate citizen. In the environmental aspect, while the Company is R&D-oriented with low carbon emissions, we have obtained ISO 14001 and ISO 9001 certifications. We minimize environmental impact across design, materials, and the supply chain. In alignment with the government's sustainability roadmap, we have initiated greenhouse gas inventories and will further strengthen climate management and energy efficiency by referencing TCFD and SBTi frameworks in the future. On the social front, we value employee development, and provide learning resources, comprehensive benefits, and a safe workplace. We encourage employees to utilize their expertise and promote a diverse and inclusive culture, thus ensuring that they from different backgrounds can grow fairly. Simultaneously, the Company actively participates in public welfare, such as health lectures, blood donation drives, and purchasing gift boxes from social welfare organizations to give back to society through practical action. In terms of governance, the Company adheres to ethical management principles, and maintains a transparent, independent, and diverse governance structure. The Board of Directors features gender diversity and an appropriate proportion of independent directors. Starting from 2025, we publish a sustainability report annually to disclose implementation status and strengthen communication with stakeholders. Concurrently, we continue to strengthen intellectual property rights, information security, and integrity education. Our corporate governance evaluation remains within the top 6 - 20% level. The Company believes that sustainability is a long-term journey. We will continue to move forward with integrity and innovation to build a more resilient and competitive enterprise, while creating long-term value for customers, employees, investors, and society.

Finally, we would like to thank all our colleagues, shareholders, clients and suppliers for their continued support and contributions.

We wish everyone good health and all the best!

Chairman and CEO: WANG, CHIH-HSIN

President SHENG, KANG

Accounting Manager HUANG, KUI-YI

Chapter 2 Corporate Governance Report

1. Information on the Company's Directors, Supervisors, President, Vice Presidents, Assistant Vice Presidents, and the Supervisors of All the Company's Divisions and Branch Units

(1) Directors

Information of Directors (I)

April 28, 2026

Title	Nationality/ Place of Registration	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Professional and Educational Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	Other Officer(s), Director(s), or Supervisor(s) with which the Person Has a Relationship of Spouse or Relative within the Second Degree			Remarks (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	R.O.C.	WANG, CHIH-HSIN	Male 61-70 years old	2023. 06.21	3	2011. 06.24	799,499	1.08	881,499	1.17	6,157	0.01	0	0	Entrepreneur Management Research Class, National Chengchi University, Bachelor of Economics, National Chengchi University Sales Vice President, AMKOR Technology Taiwan Ltd.; Executive Assistant to the President, OLINK Technology Co., Ltd.; Chief Executive Officer, Domintech Precision Technology Co., Ltd.; Sales Vice President, Executive Vice President, and President, Anpec Electronics Corporation	Chief Executive Officer of the Company, Representative of Institutional Director of Sinopower Semiconductor Inc.; Director of SUPEC (Suzhou) Co., Ltd.; Director of Yu Jing Energy Technology Co., Ltd.; Supervisor of Yu Jing Technology Co., Ltd. Chairman of ANPEC International Holding Ltd.	None	None	None	Yes
Director	R.O.C.	SHENG, KANG	Male 41-50 years old	2023. 06.21	3	2020. 06.22	907,958	1.23	996,958	1.32	12,499	0.02	0	0	Entrepreneur Management Research Class, National Chengchi University, Master of Electrical Engineering, National Cheng Kung University	President of the Company; Chairman, SUPEC (Suzhou) Co., Ltd.	None	None	None	None

Title	Nationality/ Place of Registration	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Professional and Educational Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	Other Officer(s), Director(s), or Supervisor(s) with which the Person Has a Relationship of Spouse or Relative within the Second Degree			Remarks (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
															Senior Head of Division, Marketing and R&D Vice President, and Executive Vice President, Anpec Electronics Corporation					
Director	R.O.C.	CHEN, SHAN-NAN (Note 3)	Male 61-70 years old	2023. 06.21	3	1997. 10.08	859,930	1.16	-	-	-	-	-	-	Ph.D. in Electrical Engineering, University of New Mexico, U.S.A. Factory Chief, Episil Technologies Inc.; Chairman, Chief Executive Officer, and President, Anpec Electronics Corporation; Director, Bigbest solutions, Inc.; President, Grenergy, Inc.	Chairman, Grenergy, Inc.	None	None	None	None
Director	R.O.C.	Sinopower Semiconductor Inc. (Note 4)	-	2025. 06.23	1	2025. 06.23	1,238,088	1.66	1,265,088	1.67	-	-	0	0	-	-	-	-	-	None
Representative of Institutional Director	R.O.C.	HUANG, CHIA-HUNG (Note 4)	Female 61-70 years old	2025. 06.23	1	2025. 06.23	143,504	0.19	152,504	0.20	0	0	0	0	Department of Spanish Language and Literature, College of Foreign Languages and Literatures, Fu Jen Catholic University Deputy Director of Human Resources and Administrative Support Department at Anpec Electronics Corporation; Director of Administrative Management at Sinopower Semiconductor Inc.	Director of Human Resources and Administrative Support Department of the Company	None	None	None	None
Director	R.O.C.	LIN, CHUN-LIANG	Male 71-80 years	2023. 06.21	3	2017. 06.20	400,560 (Note 2)	0.54	400,560 (Note 2)	0.53	45,118 (Note 2)	0.06	0	0	Master of Business Administration, Chinese Culture University	Supervisor, Foreverlamp International Corp.;	None	None	None	None

Title	Nationality/ Place of Registration	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Professional and Educational Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	Other Officer(s), Director(s), or Supervisor(s) with which the Person Has a Relationship of Spouse or Relative within the Second Degree			Remarks (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
			old												Supervisor, Anpec Electronics Corporation; Executive Secretary, Syndication Loan Team, Business Department, Chiao Tung Bank; Manager, Wenshan Branch, Mega International Commercial Bank; Deputy Director, Credit Analysis Department, Mega International Commercial Bank; Supervisor, Eusol Biotech Co., Ltd.	Representative of Institutional Director, Sinopower Semiconductor Inc.				
Director	R.O.C.	LIN, CHE-MING	Male 41-50 years old	2023. 06.21	3	2006. 06.12	1,047,314	1.41	1,501,312	1.98	72,000	0.10	0	0	MBA, Boston University, U.S.A.; Bachelor of Chemistry, National Sun Yat-sen University Manager of New Product Business Department, Lightsonic Optoelectronics Inc.; Director and Manager of Marketing Business, Ecolighting, Inc.; Deputy Head of Marketing Business Division, Bigbest solutions, Inc.; Deputy Head of Production Division, Bigbest solutions, Inc.; President and Executive Assistant to the Chairman, Hsin-Li Chemical Industrial Corp.;	Chairman & President, Linbros Co., Ltd.	None	None	None	None

Title	Nationality/ Place of Registration	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Professional and Educational Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	Other Officer(s), Director(s), or Supervisor(s) with which the Person Has a Relationship of Spouse or Relative within the Second Degree			Remarks (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
															Director, Grenergy, Inc.					
Director	R.O.C.	HUANG, JIN-HUA	Female 71-80 years old	2023. 06.21	3	2006. 06.12	801,708	1.08	902,708	1.19	60,555	0.08	0	0	National Taipei University of Nursing and Health Sciences Assistant Manager, Management Department, United Microelectronics Corp.; Supervisor, Lighthouse Technology Co., Ltd.	None	None	None	None	None
Director	R.O.C.	Jingmao Investment Co., Ltd.	-	2024. 06.21	2	2024. 06.21	675,000	0.90	453,000	0.60	-	-	0	0	-	-	-	-	-	None
Representative of Institutional Director	R.O.C.	YANG, SEN-LU	Male 61-70 years old	2024. 06.21	2	2024. 06.21	9,000	0.01	9,000	0.01	0	0	0	0	Master, Department of Science and Application, National Taichung University of Education Supervisor, Jingmao investment Co., Ltd.	Supervisor, Jingmao investment Co., Ltd.	None	None	None	None
Independent Director	R.O.C.	CHIANG, CHUN-YEN	Male 61-70 years old	2023. 06.21	3	2017. 06.20	0	0	0	0	0	0	40,000	0.05	EMBA, National Sun Yat-sen University; Entrepreneur Management Research Class, National Chengchi University President and Representative of Institutional Director, Taiflex Scientific Co., Ltd. Chairman, Kunshan Taiflex Electronic Co., Ltd.	Convener of Remuneration Committee and Audit Committee, Anpec Electronics Corporation; Independent Director, Convener of the Remuneration Committee, and Audit Committee Member, Sinopower Semiconductor Inc.	None	None	None	None
Independent Director	R.O.C.	CHIEN, CHUAN-SHENG	Male 51-60 years	2023. 06.21	3	2017. 06.20	0	0	0	0	0	0	0	0	Entrepreneur Management Research Class, National Chengchi University	Member of Audit Committee, Anpec Electronics	None	None	None	None

Title	Nationality/ Place of Registration	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Professional and Educational Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	Other Officer(s), Director(s), or Supervisor(s) with which the Person Has a Relationship of Spouse or Relative within the Second Degree			Remarks (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
			old												Master of Mechanical Engineering, National Central University President, Innodisk Co.	Corporation; Chairman, Innodisk Co.; Representative of Institutional Director, Aetina Co.; Representative of Institutional Director, Millitronic Co., Ltd.; Representative of Institutional Director, Sysinno Technology Inc.				
Independent Director	R.O.C.	CHIEN, HUI-HUAN	Male 51-60 years old	2023. 06.21	3	2020. 06.22	110,000	0.15	140,000	0.19	0	0	0	0	Master of Total Quality and Engineering Management, University of the West of Scotland, U.K. Bachelor of Electronic Engineering, National Taipei University of Technology Chairman and Senior Executive Assistant to the Chief Executive Officer, Prodisc Technology Inc. Vice President, Everest Display Inc.	Audit Committee and Remuneration Committee Member, Anpec Electronics Corporation; Assistant Vice President of Global Service Engineer and Process Development, Dell Taiwan R&D Center	None	None	None	None
Independent Director	R.O.C.	HUANG, KUO-YU	Male 51-60 years old	2023. 06.21	3	2020. 06.22	0	0	0	0	0	0	0	0	Entrepreneur Management Research Class, National Chengchi University; Bachelor of Journalism, Shih Hsin University 1111 Job Bank Chief Planner; Editor-in-Chief of Excellence Magazine	Audit Committee and Remuneration Committee Member, Anpec Electronics Corporation; President of Finance Management, Lion Travel Service Co., Ltd.; President, JWI	None	None	None	None

Title	Nationality/ Place of Registration	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Professional and Educational Experience	Other Position(s) Concurrently Held at the Company and at Other Companies	Other Officer(s), Director(s), or Supervisor(s) with which the Person Has a Relationship of Spouse or Relative within the Second Degree			Remarks (Note 1)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
																Marketing Co., Ltd.				

Note 1: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer). If as required for its operations, the Chairman and the Chief Executive Officer of the Company are the same person. The Company has established an Audit Committee has been established and increased the number of independent directors has been increased to four seats, and over 70% of the Company's directors do not hold concurrent positions as Company managers or employees, which ensures that the Board of Directors maintains its strength in objectivity and supervisory power.

Note 2: The number of shares subject to statutory trust (with reserved voting rights) is as follows: 400,560 shares for myself and 45,118 shares for my spouse.

Note 3: Resigned on June 23, 2025; information disclosed up to that date.

Note 4: Assumed office on June 23, 2025

Table 1: Major Shareholders of Institutional Shareholders

April 28, 2026

Name of Institutional Shareholder	Major Shareholders of Institutional Shareholders (Shareholding ratio)
Jingmao Investment Co., Ltd.	YANG, SEN-TAI (90%), YANG, SEN-LU (10%)
Sinopower Semiconductor Inc.	Anpec Electronics Corporation (42.62%),Mega International Commercial Bank in custody for Sinopower Semiconductor Inc. Employee Stock Ownership Trust Account(5.41%), SHIUE ,TIAN-FURE (2.01%), LIN, WEN-PIN (1.51%), Citibank as custodian for BNP Investment Operations SNC Investment Account (1.28%), LIN, WEI-CHIEH (1.24%), CHEN, JIH-SHENG (0.97%), HSBC (Taiwan) Commercial Bank Ltd. as custodian for Merrill Lynch International Account (0.72%), JPMorgan Chase Bank in custody for J.P. Morgan Securities (Taiwan) Limited Investment Account (0.72%), Yuanta Securities Co., Ltd. (0.66%)

Table 2: Listed in Table 1 Are Institutions That Are Major Shareholders, and the Major Shareholders Thereof

Name of Institution	Major Shareholders of Institution
Anpec Electronics Corporation	Please refer to page 103-104, Chapter 3. Capital Overview > 1. Capital and Shares > (2) List of Major Shareholders.
Yuanta Securities Co., Ltd.	Yuanta Financial Holding Co., Ltd. (100%)

Information of Directors (II)

a. Disclosure of Professional Qualifications of Directors and Independence Criteria of Independent Directors

Qualifications / Name	Professional Qualifications and Experience (Note)	Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
WANG, CHIH-HSIN Director	WANG, CHIH-HSIN used to be Sales Vice President, AMKOR Technology Taiwan Ltd.; Executive Assistant to the President, OLINK Technology Co., Ltd.; and Chief Executive Officer, Domintech Precision Technology Co., Ltd.; and has many years of experience in business and management within the semiconductor industry. Since 2006, the director has successively served as the Sales Vice President, Executive Vice President, Vice Chairman, and President of the Company, and is currently the Chairman and Chief Executive Officer of the Company. He has a wealth of experience in the industry and management and possess the capabilities of leadership, decision-making, financial analysis, operational judgment, business management, and crisis management, industry knowledge, and international market experience.	N/A.	-
SHENG, KANG Director	SHENG, KANG has been working in the Company for more than 20 years. He once served as the Senior Head of Division, Vice President of Marketing and R&D, and Executive Vice President, Anpec Electronics Corporation, and is currently the President of the Company. He has an in-depth understanding of the Company and the semiconductor industry as well as related management experience in R&D and sales. The director possesses a range of leadership capabilities, including decision-making, operational		-

Qualifications / Name	Professional Qualifications and Experience (Note)	Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
	judgment, and crisis management skills. Additionally, the director has extensive experience in operational management, crisis management, industry knowledge, and navigating international markets.		
CHEN, SHAN-NAN Director (Note 1)	CHEN, SHAN-NAN was formerly the Factory Chief for Episil Technologies Inc.; and is one of the founders of the Company, which was established in 1997. The director served as the Chairman, Chief Executive Officer, and President of the Company, Chairman, Bigbest solutions, Inc.; and President, Grenergy, Inc.; and is currently a Chairman of Grenergy, Inc. He has extensive experience in related industries for many years, and possesses strong leadership, decision-making, financial analysis, operational judgment, operation management, crisis management, industry knowledge, and international market experience.		-
Representative of Institutional Director, Sinopower Semiconductor Inc. HUANG, CHIA-HUNG (Note 2)	Having served in the Company for over 20 years, HUANG, CHIA-HUNG possesses extensive experience in the fields of human resources and administration and previously assisted a subsidiary with its IPO-related operations. Currently serving as the Director of the Human Resources and Administrative Support Department, she possesses a significant understanding of the Company and the semiconductor industry, complemented by expertise in administrative management and human resources. She is qualified to provide relevant opinions to the Board of Directors in areas such as leadership, decision-making, operational judgment, business management, and crisis management.		-

Qualifications / Name	Professional Qualifications and Experience (Note)	Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
LIN, CHUN-LIANG Director	LIN, CHUN-LIANG served as a supervisor of the Company in 2003, and was elected as a director in 2017, and has been a member of the Company's Board of Directors with years of experience. During this period, the director served as Executive Secretary, Syndication Loan Team, Business Department, Chiao Tung Bank; Manager, Wenshan Branch, Mega International Commercial Bank; Deputy Director, Credit Analysis Department, Mega International Commercial Bank; and thus possesses sufficient financial expertise. In addition, he used to be Supervisor, Eusol Biotech Co., Ltd. Currently, LIN, CHUN-LIANG serves as Supervisor, Foreverlamp International Corp. and Representative of Institutional Director, Sinopower Semiconductor Inc. He has sufficient experience in leadership, decision-making, operational judgment, business management, crisis management, industry knowledge and international markets.		-
LIN, CHE-MING Director	LIN, CHE-MING formerly served as Manager of New Product Business Department, Lightsonic Optoelectronics Inc.; Director and Manager of Marketing Business, Ecolighting, Inc.; Deputy Head of Marketing Business Division, Bigbest solutions, Inc.; Deputy Head of Production Division, Bigbest solutions, Inc.; President and Executive Assistant to the Chairman, Hsin-Li Chemical Industrial Co.; Director, Grenergy, Inc. He is currently the Chairman and President of Linbros Co., Ltd. He possesses leadership capabilities of leadership, decision-making skills, financial analysis expertise, operational judgment, business		-

Qualifications / Name	Professional Qualifications and Experience (Note)	Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
	management acumen, crisis management skills, industry knowledge, and international market experience. Additionally, his experiences in other industries provide valuable practical experience for the Board of Directors.		
HUANG, JIN-HUA Director	HUANG, JIN-HUA formerly served as Assistant Manager, Management Department, United Microelectronics Corp. and Supervisor, Lighthouse Technology Co., Ltd. Her rich experience in administrative management can provide the Board of Directors with practical advice on leadership, decision-making, operational judgment, operational management, and crisis management.		-
Representative of Institutional Director of Jingmao investment Co., Ltd. YANG, SEN-LU	YANG, SEN-LU serves as Supervisor of Jingmao investment Co., Ltd, with many years of experience in administrative management, and is capable of providing the Board of Directors with practical advice on decision-making, business management, and crisis handling.		-
CHIANG, CHUN-YEN Independent Director	CHIANG, CHUN-YEN has served in the following capacities at listed electronic component companies: President and Representative of Institutional Director, Taiflex Scientific Co., Ltd.; and Chairman, Taiflex Scientific (Kunshan) Co., Ltd. He has over a decade of experience in the aforementioned industry, specifically in management. He possesses extensive and exceptional skills in leadership, decision-making, financial analysis, operational judgment, operation management, crisis management, industry knowledge, and international market experience. In addition to being competent in concurrently serving as Independent	The independent directors have met the following independence criteria in the two years prior to and during the term of office: (1) Not an employee of the Company or any of its affiliates (2) Not a director or supervisor of the Company or any of its affiliates (except for cases where the person is an independent director of the Company, its parent company, or any subsidiary as appointed in accordance with the Act or with the laws of the country of the parent or subsidiary) (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or	1

Qualifications / Name	Professional Qualifications and Experience (Note)	Independence Criteria	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
	Director and Remuneration and Audit Committee Convener, as well as Independent Director, Remuneration Committee Convener, and Audit Committee Member of Sinopower Semiconductor Inc.; CHIANG, CHUN-YEN can also provide years of industrial and practical experience to the Company as a reference for meeting decision-making.	more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings (4) Not a managerial officer listed in (1) or the spouse, relative within the second degree of kinship, or direct blood relatives within the third degree of kinship of the persons listed in (2) and (3)	
CHIEN, CHUAN-SHENG Independent Director	Current OTC computer and peripheral equipment industry: President and Chairman, Innodisk Co.; and concurrently serving as Representative of Institutional Director, Aetina Co.; Representative of Institutional Director, MilliTronic Co., Ltd.; and Representative of Institutional Director, Sysinno Technology Inc. With years of management experience in the industry, CHIEN, CHUAN-SHENG has excellent leadership, decision-making, financial analysis, operational judgment, operation management, crisis management, industry knowledge and international market experience, and is able to provide his insights based on his knowledge and experience in industrial practices and professionalism for the proposals in the Company's Audit and Remuneration Committee meetings.	(5) Not a director, supervisor, or employee of an institutional shareholder who directly holds more than 5% of the Company's total outstanding shares, who is among the top five shareholders, or who designates its representative to serve as a director or supervisor of the Company in accordance with Paragraph 1 or 2, Article 27 of the Company Act (except for an independent director engaged concurrently by the Company, its parent company, and its subsidiary or a subsidiary under the same parent company in accordance with the Act or local laws and regulations) (6) Not a director, supervisor, or employee of another company where a majority of the Company's director seats or voting shares and those of another company are controlled by the same person	-
CHIEN, HUI-HUAN Independent Director	CHIEN, HUI-HUAN formerly served as Chairman and Senior Executive Assistant to the Chief Executive Officer, Prodisc Technology Inc. and Vice President, Everest Display Inc. for more than five years, and currently serves as Assistant Vice President of Global Service Engineer and Process Development, Dell Taiwan R&D Center, where he has been for more than a decade. With excellent leadership,	(7) Not a director (managing director), supervisor, or employee of another company or institution where the Chairman, the President, or person holding an equivalent position of the Company and a person in an equivalent position at another company or institution are the same person or are spouses (8) Not a director (managing director), supervisor, managerial officer, or shareholder holding 5% or more of the shares of a	-

<table>
<tr><th>Qualifications / Name</th><th>Professional Qualifications and Experience (Note)</th><th>Independence Criteria</th><th>Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director</th></tr>
<tr><td></td><td>decision-making, financial analysis, operational judgment, business management, crisis management, industry knowledge and international market experience, he provides experience and professional advice on industry practices when discussing proposals in the Company’s Audit and Remuneration Committee meetings.</td><td rowspan="2">specific company or institution which has a financial or business relationship with the Company (except for a specific company or institution holding more than 20% and no more than 50% of the total issued shares of the Company and for an independent director engaged concurrently by the Company, its parent company, and its subsidiary or a subsidiary under the same parent company in accordance with the Act or local laws and regulations).
(9) Not a professional individual who, or an owner, partner, director (managing director), supervisor, or managerial officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the past two years has received cumulative compensation exceeding NTD 500,000, or a spouse thereof
(10) Does not have a marital relationship, or a relative within the second degree of kinship to any other Director of the Company.
(11) Does not meet any descriptions stated in Article 30 of the Company Act
(12) Not elected as a governmental, juridical person, or other representative as defined in Article 27 of the Company Act</td><td></td></tr>
<tr><td>HUANG, KUO-YU
Independent Director</td><td>HUANG, KUO-YU formerly served as Executive Producer, 1111 Job Bank and Editor-in-Chief, Excellence Magazine, and has management experience in human resources and publishing information services. He is currently serving as the President of Finance Management, Lion Travel Service Co., Ltd., and concurrently as the President, JWI Marketing Co., Ltd., a position he has held for more than a decade. To sum up, he has experience in leadership, operational judgment, operational management, crisis management, and international market, and his experience in multiple industries, which is different from the semiconductor industry, makes him capable of providing valuable practical operation experiences in the Company’s Audit and Remuneration Committee meetings.</td><td>-</td></tr>
</table>

Note: None of the circumstances in the subparagraphs of Article 30 of the Company Act apply to the directors of the Company.

Note 1: Resigned on June 23, 2025.

Note 2: Assumed office on June 23, 2025.

b. Diversity and Independence of the Board of Directors:

(a) Diversity Policy

The Company's process for nominating and selecting members of the Board of Directors adheres to the guidelines outlined in the provisions of the Company's Articles of Incorporation. We utilize a candidate nomination system, and follow the "Procedures for Election of Directors" and "Corporate Governance Best Practice Principles" to ensure that our directors are diverse and independent. Based on its own operations, business model, and development needs, the Company has formulated an appropriate diversity policy, including but not limited to the following two key standards:

i. Basic requirements and values: Gender, Age, Nationality, and Culture, etc.

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

(b) Specific Management Objectives

The Company is committed to promoting gender equality in the composition of the Board of Directors. Currently, female directors account for 18% of all directors, which meets our goal of having at least one female director. Due to the nature of the industry and considerations regarding the suitability of directors, the proportion of female directors has not yet reached one-third. However, the Company has been actively seeking qualified female candidates for the board; indeed, the director elected during the 2025 shareholders' meeting by-election was female. The Company will continue to strive to increase the proportion of female directors in line with the Company's operational developments.

The Company's directors have successfully met the standards outlined in Article 20 of the "Corporate Governance Best Practice Principles" through their diversification, complementarity, and implementation. Moving forward, the diversity policy will be regularly reviewed and updated to align with the Company's operational model and development needs. This includes, but is not limited to, the two key standards of basic requirements and values, as well as professional knowledge and skills. The goal is to ensure that all Board members of the Board of Directors shall possess the necessary knowledge, skills, and capabilities necessary to effectively carry out their duties.

(c) Diversity of Individual Board Members' Backgrounds:

The Company has a total of 11 board seats, which comprises 11 Taiwanese citizens, including 4 independent directors. Three of the directors also serve as employees of the Company, representing 27% of the total number of directors. The age distribution of the directors is as follows: 2 directors are over 65 years old, while the rest are under 65. The Board of Directors has 4 independent directors, accounting for 36% of the total number of directors. Among them, 2 independent directors have served for less than 6 years, while the other 2 independent directors have served for 6-9 years. None have served more than three consecutive terms.

For information regarding the independence of the Company's directors, please refer to pages 18 to 23. All independent directors comply with the regulations set forth by the Securities and Futures Bureau of the Financial Supervisory Commission. The implementation of diversity in individual directors' backgrounds is shown in the table below:

Core of Diversity / Names of Directors	Basic Components									Industry Experience and Professional Capabilities							
	Nationality	Gender	Concurrently Serving as Employee	Age				Years of Serving as an Independent Director		Operational Judgments	Accounting and Financial Analysis	Management Administration	Crisis Management	Knowledge of the Industry	International Market Perspective	Ability to Lead	Ability to Make Policy Decisions
				41-50 years old	51-60 years old	61-70 years old	Over 70 years old	3-6 years	6-9 years								
WANG, CHIH-HSIN	R.O.C.	Male	Yes			•		N/A		•	•	•	•	•	•	•	•
SHENG, KANG	R.O.C.	Male	Yes	•				N/A		•	•	•	•	•	•	•	•
CHEN, SHAN-NAN (Note 1)	R.O.C.	Male	No				•	N/A		•	•	•	•	•	•	•	•
HUANG, CHIA-HUNG (Note 2)	R.O.C.	Female	Yes			•		N/A		•	-	•	•	•	-	•	•
LIN, CHUN-LIANG	R.O.C.	Male	No				•	N/A		•	•	•	•	•	•	•	•
LIN, CHE-MING	R.O.C.	Male	No	•				N/A		•	•	•	•	•	•	•	•
HUANG, JIN-HUA	R.O.C.	Female	No				•	N/A		•	•	•	•	-	•	•	•
YANG, SEN-LU	R.O.C.	Male	No			•		N/A		•	-	•	•	-	-	•	•
CHIANG, CHUN-YEN	R.O.C.	Male	No			•			•	•	•	•	•	•	•	•	•
CHIEN, CHUAN-SHENG	R.O.C.	Male	No		•				•	•	•	•	•	•	•	•	•
CHIEN, HUI-HUAN	R.O.C.	Male	No		•			•		•	•	•	•	•	•	•	•
HUANG, KUO-YU	R.O.C.	Male	No		•			•		•	•	•	•	-	•	•	•

Note 1: Resigned on June 23, 2025.

Note 2: Assumed office on June 23, 2025.

(2) Information on the Company's President, Vice Presidents, Assistant Vice Presidents, and Supervisors of All Company Divisions and Branch Units

April 28, 2026

Title	Nationality	Name	Gender	Date of Appointment	Shares Held		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Professional and Educational Experience	Other Position(s) Concurrently Held at Other Companies	Managerial officer(s) with which the Person Has a Relationship of Spouse or Relative within the Second Degree			Remark (Note)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chief Executive Officer	R.O.C.	WANG, CHIH-HSIN	Male	2007.06.01	881,499	1.17	6,157	0.01	0	0	Entrepreneur Management Research Class, National Chengchi University, Bachelor of Economics, National Chengchi University Sales Vice President, AMKOR Technology Taiwan Ltd.; Executive Assistant to the President, OLINK Technology Co., Ltd.; Chief Executive Officer, Domintech Precision Technology Co., Ltd.; Sales Vice President, Executive Vice President, and President, Anpec Electronics Corporation.	Representative of Institutional Director, Sinopower Semiconductor Inc.; Director, SUPEC (Suzhou) Co., Ltd.; Director, Yu Jing Energy Technology Co., Ltd.; Supervisor, Yu Jing Technology Co., Ltd.; Chairman of ANPEC International Holding Ltd.	None	None	None	Yes
President	R.O.C.	SHENG, KANG	Male	2016.11.09	996,958	1.32	12,499	0.02	0	0	Entrepreneur Management Research Class, National Chengchi University, Master of Electrical Engineering, National Cheng Kung University Senior Head of Division,	Chairman, SUPEC (Suzhou) Co., Ltd.	None	None	None	None

Title	Nationality	Name	Gender	Date of Appointment	Shares Held		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Professional and Educational Experience	Other Position(s) Concurrently Held at Other Companies	Managerial officer(s) with which the Person Has a Relationship of Spouse or Relative within the Second Degree			Remark (Note)
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
											Marketing and R&D Vice President, and Executive Vice President, Anpec Electronics Corporation.					
Deputy Head of Division, Financial Accounting Department	R.O.C.	HUANG, KUI-YI	Female	2017.08.09	106,000	0.14	0	0	0	0	MBA, College of Technology Management, National Tsing Hua University Senior Manager of Finance, Manager, Anpec Electronics Corporation; Section Manager of Accounting, Mosel Vitelic Inc.	Chairman, SUPEC International Holding Ltd.	None	None	None	None

Note: Relevant information if the Chairman of the Board of Directors and the President or equivalent (the top managerial officer) are the same person, or are spouses or relatives of first-degree kinship, the reasons, rationale, necessity, and countermeasures (such as increasing the number of independent directors, and more than half of the directors not concurrently serving as employees or managers): As a result of operational demands from the Company's operations, the Chairman and CEO are the same person. The number of independent directors has been increased to four. Furthermore, over 70% of the Board of Directors are not currently employed as the Company's managerial officers or staff members of the Company. This ensures that the Board maintains its strength in objectivity and supervisory functions.

(3) Remuneration Paid to Directors, President, and Vice Presidents in the Most Recent Year

A. Remuneration to Directors and Independent Directors

Unit: NTD thousands

<table>
<tr><th rowspan="4">Title</th><th rowspan="4">Name</th><th colspan="8">Directors' remuneration</th><th colspan="2" rowspan="2">Ratio of Total Compensation (A+B+C+D) to Net Income (%) (Note 10)</th><th colspan="8">Relevant Remuneration Received By Directors Who are Also Employees</th><th colspan="2" rowspan="2">Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (%) (Note 10)</th><th rowspan="4">Compensation from Ventures Other Than Subsidiaries or from the Parent Company (Note 11)</th></tr>
<tr><th colspan="2">Base Compensation (A) (Note 2)</th><th colspan="2">Severance Pay and Pension (B)</th><th colspan="2">Director Remuneration (C) (Note 3)</th><th colspan="2">Business Execution Expenses (D) (Note 4)</th><th colspan="2">Salary, Bonuses, and Allowance (E) (Note 5)</th><th colspan="2">Severance Pay and Pension (F) (Note 12)</th><th colspan="4">Employee Compensation (G) (Note 6)</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial report (Note 7)</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial report (Note 7)</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial report (Note 7)</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial report (Note 7)</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial report (Note 7)</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial report (Note 7)</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial report (Note 7)</th><th colspan="2">The Company</th><th colspan="2">All companies included in the financial report (Note 7)</th><th rowspan="2">The Company</th><th rowspan="2">All companies included in the financial report</th></tr>
<tr><th>Amount in Cash</th><th>Amount in Stock</th><th>Amount in Cash</th><th>Amount in Stock</th></tr>
<tr><td>Chairman</td><td>WANG, CHIH-HSIN</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">0</td><td rowspan="8">17,015</td><td rowspan="8">17,015</td><td rowspan="8">1,365</td><td rowspan="8">1,445</td><td rowspan="8">18,380
1.93</td><td rowspan="8">18,460
1.94</td><td rowspan="8">39,086</td><td rowspan="8">39,086</td><td rowspan="8">162</td><td rowspan="8">162</td><td rowspan="8">20,595</td><td rowspan="8">0</td><td rowspan="8">20,595</td><td rowspan="8">0</td><td rowspan="8">78,223
8.22</td><td rowspan="8">78,303
8.23</td><td rowspan="8">None</td></tr>
<tr><td>Director</td><td>SHENG, KANG</td></tr>
<tr><td>Director</td><td>CHEN, SHAN-NAN (Note 13)</td></tr>
<tr><td>Director</td><td>LIN, CHUN-LIANG</td></tr>
<tr><td>Director</td><td>LIN, CHE-MING</td></tr>
<tr><td>Director</td><td>HUANG, JIN-HUA</td></tr>
<tr><td>Director</td><td>Representative of Sinopower Semiconductor Inc.: HUANG, CHIA-HUNG (Note 14)</td></tr>
<tr><td>Director</td><td>Representative of Jingmao investment Co., Ltd.: YANG, SEN-LU</td></tr>
<tr><td>Independent Director</td><td>CHIANG, CHUN-YEN</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">9,723</td><td rowspan="4">11,141</td><td rowspan="4">550</td><td rowspan="4">660</td><td rowspan="4">10,273
1.08</td><td rowspan="4">11,801
1.24</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">10,273
1.08</td><td rowspan="4">11,801
1.24</td><td rowspan="4">None</td></tr>
<tr><td>Independent Director</td><td>CHIEN, CHUAN-SHENG</td></tr>
<tr><td>Independent Director</td><td>CHIEN, HUI-HUAN</td></tr>
<tr><td>Independent Director</td><td>HUANG, KUO-YU</td></tr>
</table>

1. Please specify the independent director remuneration policy, system, standard, and structure, and the connection between the remuneration and the factors considered, such as their job responsibilities, risks, and time contributed: The remuneration of directors and independent directors of the Company includes traveling expenses and distribution of directors' remuneration. When it comes to travel expenses, we adhere to industry standards. Directors are reimbursed for their attendance at the Board of Directors meetings. The Company compensates directors with remuneration that does not exceed 3% of the current fiscal year's profit status. However, any remaining accumulated losses of the company shall be made up first.
2. Other than disclosures in the table above, remuneration paid to directors for providing services (such as providing consulting services as a non-employee to the parent company/ all companies in the companies in the Consolidated financial statements/ reinvested business) for all companies in the consolidated financial statements in the most recent year: None

Note 1: The list of directors will be presented separately, with institutional shareholders, the names of institutional shareholders and their representatives shall be listed separately as well. General directors and independent directors will also be listed separately. Additionally, a summary of individual payments made to each director will be disclosed in a summary manner. If a director also holds the position of President or Vice President, this form and the subsequent table(s) (3-1), or the following tables (3-2-1) and (3-2-2) must be completed.

Note 2: Referring to the remuneration of directors in the most recent year (including directors' remuneration, job duty bonuses, severance pay, various bonuses, incentives, etc.).

Note 3: Referring to the listing of amounts of directors' remuneration distributed by the Board of Directors in the most recent year.

Note 4: Referring to the expenses generated in the process of executing relevant job duties of directors in the most recent year (including transportation expenses, special expenses, various allowances, dormitory, provision of material objects such as vehicles, etc.). If providing housing, automobiles, or other means of transportation, as well as exclusive personal expenses, are provided, the nature and cost of these assets must be disclosed. This includes the actual or calculated rent at fair market prices, fuel costs, and any other associated payments. If a driver is assigned to the directors, please take note of the relevant compensation paid to the driver by the Company. However, this compensation should not be included in the remuneration.

Note 5: Referring to the directors concurrently serving as employees in the most recent year (including concurrently serving as President, Vice President, other managerial officers and employees) receiving compensation, job duty bonus, severance pay, various bonuses, incentives, traveling expenses, special expenses, various allowances, dormitory, provision of material objects such as vehicles, etc. If providing housing, automobiles, or other means of transportation, as well as exclusive personal expenses, are provided, the nature and cost of these assets must be disclosed. This includes the actual or calculated rent at fair market prices, fuel costs, and any other associated payments. If a driver is assigned to the directors, please take note of the relevant compensation paid to the driver by the Company. However, this compensation should not be included in the remuneration. The remuneration shall include compensation expenses recognized in accordance with IFRS2 "Share-Based Payment," which encompasses the acquisition of employee stock options, restricted stock awards, and participation in cash capital increase subscription, among others.

Note 6: Referring to the employee compensation (including stock and cash) obtained by directors concurrently serving as employees (including President, Vice President, other managerial officers and employees) in the most recent year. The Board of Directors must disclose the amount of employee compensation distributed by the Board of Directors in the previous year. If it is not possible to estimate this remuneration, the proposed distribution amount for the current year will be calculated based on the proportion of the actual distribution amount from the previous year. This information will be listed in Table 1-3.

Note 7: The total amount of remuneration paid to the directors of the Company by all companies in the consolidated financial statements (including the Company) shall be disclosed.

Range of Remuneration Table

Range of Remuneration Paid to Directors	Names of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies included in the financial report (H) (Note 9)	The Company (Note 8)	All companies included in the financial report (I) (Note 9)
Less than NTD 1,000,000	–	–	–	–
NTD 1,000,000 - NTD 1,999,999	CHEN, SHAN-NAN, Sinopower Semiconductor Inc.	CHEN, SHAN-NAN, Sinopower Semiconductor Inc.	CHEN, SHAN-NAN, Sinopower Semiconductor Inc.	CHEN, SHAN-NAN, Sinopower Semiconductor Inc.
NTD 2,000,000 - NTD 3,499,999	WANG, CHIH-HSIN; SHENG, KANG; LIN, CHUN-LIANG; LIN, CHE-MING; HUANG, JIN-HUA; CHIANG, CHUN-YEN; CHIEN, CHUAN-SHENG; CHIEN, HUI-HUAN; HUANG, KUO-YU; Jingmao investment Co., Ltd.	WANG, CHIH-HSIN; SHENG, KANG; LIN, CHUN-LIANG; LIN, CHE-MING; HUANG, JIN-HUA; CHIEN, CHUAN-SHENG; CHIEN, HUI-HUAN; HUANG, KUO-YU; Jingmao investment Co., Ltd.	LIN, CHUN-LIANG; LIN, CHE-MING; HUANG, JIN-HUA; CHIANG, CHUN-YEN; CHIEN, CHUAN-SHENG; CHIEN, HUI-HUAN; HUANG, KUO-YU; Jingmao investment Co., Ltd.	LIN, CHUN-LIANG; LIN, CHE-MING; HUANG, JIN-HUA; CHIEN, CHUAN-SHENG; CHIEN, HUI-HUAN; HUANG, KUO-YU; Jingmao investment Co., Ltd.
NTD 3,500,000 - NTD 4,999,999	–	CHIANG, CHUN-YEN	–	CHIANG, CHUN-YEN
NTD 5,000,000 - NTD 9,999,999	–	–	–	–
NTD 10,000,000 - NTD 14,999,999	–	–	–	–
NTD 15,000,000 - NTD 29,999,999	–	–	SHENG, KANG	SHENG, KANG
NTD 30,000,000 - NTD 49,999,999	–	–	WANG, CHIH-HSIN	WANG, CHIH-HSIN
NTD 50,000,000 - NTD 99,999,999	–	–	–	–
NTD 100,000,000 and above	–	–	–	–
Total	12	12	12	12

Note 8: The Company has fully compensated each director the total amount of remuneration, and has disclosed their names along with the corresponding payment range in which they are paid.

Note 9: The Company shall disclose the total amount of remuneration paid to each director of the Company by all companies in the consolidated financial statements, including the Company. Additionally, the name of each director shall be disclosed with the range of their respective remuneration.

Note 10: Net income means the net income after tax on the parent company only or individual financial report for the most recent year.

Note 11:

a The amount of remuneration received by the directors of the Company from the reinvested businesses other than subsidiaries or the parent company shall be clearly indicated in this column (if there is none, please fill in "None").

b If Company directors of the Company receive remuneration from the reinvested businesses that are not subsidiaries or the parent company, such remuneration shall be included in column I of the Range of Remuneration Table, and the name of the column name shall be changed into "Parent Company and All Reinvested Businesses."

c Remuneration pertains to the compensation, remuneration (including that of employees, directors, supervisors, and managers), as well as business execution expenses received by the Company's directors in their capacity as managers, supervisors, or directors of the Company as directors, supervisors or managers of the reinvested businesses, excluding subsidiaries or the parent company.

Note 12: Referring to the appropriated amount of expensed pension.

Note 13: Resigned on June 23, 2025

Note 14: Assumed office on June 23, 2025

*The content of remuneration disclosed in this form is different from the concept of income in the Income Tax Act. The purpose of this form is for information disclosure and not for taxation.

B. Remuneration Paid to the President and Vice Presidents

Unit: NTD thousands

Title	Name	Remuneration (A) (Note 3)		Severance Pay and Pension (B) (Note 1)		Bonuses and Allowances (C) (Note 4)		Employee Compensation (D) (Note 5)				Ratio of Total Compensation (A+B+C+D) to Net Income (%) (Note 9)		Compensation from Ventures Other Than Subsidiaries or from the Parent Company (Note 10)
		The Company	All companies included in the financial report (Note 6)	The Company	All companies included in the financial report (Note 6)	The Company	All companies included in the financial report (Note 6)	The Company		All companies included in the financial report (Note 6)		The Company	All companies included in the financial report	
								Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock			
Chief Executive Officer	WANG, CHIH-HSIN	7,124	7,124	108	108	29,096	29,136	19,094	0	19,094	0	55,422 5.83	55,462 5.83	None
President	SHENG, KANG													

*Regardless of title, anyone whose position is equivalent to President and Vice Presidents (such as general manager, chief executive officer, executive director, etc.) shall be disclosed.

Note 1: Referring to the appropriated amount of expensed pension.

Note 2: The names of the President and Vice Presidents shall be listed separately to disclose the amount of each payment in aggregate. If a director also holds the position of President or Vice President, it is necessary to complete this form and either table above (1-1), or the tables (1-2-1) and (1-2-2) shall be filled out.

Note 3: Referring to the listing of the compensation, job duty bonuses, and severance pay of the President and Vice Presidents in the most recent year.

Note 4: Referring to the listing of the amount of various bonuses, incentives, traveling expenses, special expenses, various allowances, dormitory, and provision of material objects such as vehicles, etc. for the President and Vice Presidents in the most recent year. If providing housing, automobiles, or other means of transportation, as well as exclusive personal expenses, are provided, the nature and cost of these assets must be disclosed. This includes the actual or calculated rent at fair market prices, fuel costs, and any other associated payments. If a driver is assigned to the directors, please take note of the relevant compensation paid to the driver by the Company. However, this compensation should not be included in the remuneration. The remuneration shall include compensation expenses recognized in accordance with IFRS2 “Share-Based Payment,” which encompasses the acquisition of employee stock options, restricted stock awards, and participation in cash capital increase subscription, among others.

Note 5: Referring to the listing of the amount of employee compensation (including stock and cash) approved by the Board of Directors for the President and Vice Presidents for the most recent year. If it is impossible to estimate the said remuneration, the proposed distribution amount for this year shall calculated based on the proportion of the actual distribution amount last year, and shall be listed in Table 1-3.

Note 6: The total amount of remuneration paid to the President and Vice Presidents of the Company by all companies in the consolidated financial statements (including the Company) shall be disclosed.

Range of Remuneration Paid to the President and Vice Presidents	Name of President and Vice Presidents	
	The Company (Note 7)	All companies included in the financial report (E) (Note 8)
Less than NTD 1,000,000	—	—
NTD 1,000,000 - NTD 1,999,999	—	—
NTD 2,000,000 - NTD 3,499,999	—	—
NTD 3,500,000 - NTD 4,999,999	—	—
NTD 5,000,000 - NTD 9,999,999	—	—
NTD 10,000,000 - NTD 14,999,999	—	—
NTD 15,000,000 - NTD 29,999,999	WANG, CHIH-HSIN; SHENG, KANG	Same as the left column
NTD 30,000,000 - NTD 49,999,999	—	—
NTD 50,000,000 - NTD 99,999,999	—	—
NTD 100,000,000 and above	—	—
Total	2	2

Note 7: The Company has fully compensated each President and Vice President, and their names of the President and Vice Presidents have been disclosed along with the corresponding salary range in which they are paid.

Note 8: The consolidated financial statements must disclose the total amount of remuneration paid to each President and Vice Presidents of the Company, including the Company itself. Additionally, the names of the President and Vice Presidents must be disclosed within the range of their respective salaries.

Note 9: Net income means the net income after tax on the parent company only or individual financial report for the most recent year.

Note 10:

a The amount of remuneration received by the President and Vice Presidents of the Company from the reinvested businesses other than subsidiaries or the parent company shall be clearly indicated in this column (if there is none, please fill in "None").

b If the President and Vice Presidents of the Company receive remuneration from the reinvested businesses that are not subsidiaries or the parent company, such remuneration shall be included in column E of the Range of Remuneration Table, and the name of the column name shall be changed into "Parent Company and All Reinvested Businesses."

c Remuneration pertains to the compensation, remuneration (including that of employees, directors, and supervisors), as well as business execution expenses received by the President and Vice Presidents of the Company. This applies to their roles as directors, supervisors, or managers of the reinvested businesses, excluding subsidiaries or the parent company.

* The content of remuneration disclosed in this form is different from the concept of income in the Income Tax Act. The purpose of this form is for information disclosure and not for taxation.

C. Names of Managerial Officers Distributed with Employee Compensation and Distribution Status

December 31, 2025
Unit: NTD thousands

<table>
<tr><th></th><th>Title</th><th>Name</th><th>Amount in Stock (thousand dollars)</th><th>Amount in Cash (thousand dollars)</th><th>Total (thousand dollars)</th><th>Ratio of Total Amount to Net Income (%)</th></tr>
<tr><td rowspan="3">Managerial Officers</td><td>Chief Executive Officer</td><td>WANG, CHIH-HSIN</td><td rowspan="3">0</td><td rowspan="3">21,638</td><td rowspan="3">21,638</td><td rowspan="3">2.27</td></tr>
<tr><td>President</td><td>SHENG, KANG</td></tr>
<tr><td>Finance and Accounting Supervisor</td><td>HUANG, KUI-YI</td></tr>
</table>

Note: On February 11, 2026, the Board of Directors of the Company approved the amount of employee compensation to be distributed, and the above is the amount proposed by the managerial officers.

D. Comparisons and Descriptions of Total Remuneration, as a Percentage of Net Income Stated in the Parent Company-Only Financial Reports or Individual Financial Reports, as Paid by the Company and All Other Companies Included in the Consolidated Financial Statements During the Past Two Fiscal Years to Directors, Supervisors, the President, and Vice Presidents, with Analysis and Description of Remuneration Policies, Standards, and Packages, Procedure for Determining Remuneration, and Linkage Thereof to Operating Performance and Future Risk Exposure:

(A) Analysis of the ratio of the difference between the two fiscal years of remuneration paid to the Company's Directors, Supervisors, Presidents, and Vice Presidents to the after-tax net profit:

Unit: NTD thousands

	2025		2024	
	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements
Total Remuneration Paid to Directors, President, and Vice Presidents	84,075	85,723	42,529	43,674
Ratio of Total Remuneration Paid to Directors, President, and Vice Presidents to Net Income (%)	8.84	9.01	5.91	6.07

(B) Policy, standards, and composition of remuneration; procedures for determining remuneration; and correlation with business performance and future risks

a. According to the Company's Articles of Incorporation, 10% to 25% of the profit for the current year shall be distributed as employee compensation, with no less than 5% of the total employee compensation allocated to entry-level employees. Director remuneration shall not exceed 3% of the profit for the current year. However, any remaining accumulated losses of the company shall be made up first.

b. The Company's remuneration policy for directors and managerial officers is based on the results of the "Regulations Governing the Self-Evaluation or Peer Evaluation of the Board of Directors" and the "Performance Management Regulations" applicable to managerial officers, respectively. The Company shall evaluate the performance evaluation and compensation of its directors and managerial officers by considering the industry's average remuneration level, their performance in relation to the Company's operating performance and future risks, taking into account the time and responsibilities they have devoted, their personal goal achievements, their performance in other positions, the remuneration that others have received by others in the same positions in recent years. Individual performance is evaluated against the Company's short-term and long-term business goals, financial status, operating performance, and future risks. Relevant performance evaluations and the reasonableness of compensation are reviewed by the Remuneration Committee and the Board of Directors. When it comes to travel expenses, we adhere to industry standards. Directors are reimbursed for their attendance at the Board of Directors meetings.

Evaluation items for director performance evaluation shall include at least the following six dimensions:

(a) Mastery of Company goals and tasks
(b) Awareness and identification of the job duties of directors.
(c) Degree of involvement in company operations.
(d) Internal relationship management and communication.
(e) Professional and continuing education of directors.
(f) Internal control

Evaluation items for managerial officers performance evaluation shall include at least the following five dimensions:

(a) Strategic planning and goal attainment.
(b) Leadership and team management.

(c) Strategy execution and decision-making ability.
(d) Operational efficiency and process improvement.
(e) Professional attitude and core corporate values.

2. Implementation of Corporate Governance

(1) Operation of the Board of Directors

A total of 6 (A) meetings of the Board of Directors were held in the most recent year. The attendance of directors was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Ratio of Attendance in Person (%) (B/A)	Remarks
Chairman	WANG, CHIH-HSIN	6	0	100.00	None
Director	SHENG, KANG	6	0	100.00	None
Director	CHEN, SHAN-NAN	1	1	50.00 (Note 1)	Resigned on June 23, 2025
Director	LIN, CHE-MING	6	0	100.00	None
Director	HUANG, JIN-HUA	5	1	83.33	None
Director	LIN, CHUN-LIANG	6	0	100.00	None
Director	Representative of Sinopower Semiconductor Inc.: HUANG, CHIA-HUNG	3	1	75.00 (Note 2)	Assumed office on June 23, 2025
Director	Representative of Jingmao investment Co., Ltd.: YANG, SEN-LU	6	0	100.00	None
Independent Director	CHIANG, CHUN-YEN	6	0	100.00	None
Independent Director	CHIEN, CHUAN-SHENG	6	0	100.00	None
Independent Director	CHIEN, HUI-HUAN	6	0	100.00	None
Independent Director	HUANG, KUO-YU	6	0	100.00	None

Note 1: Number of board meetings held during the term of office was 2.
Note 2: Number of board meetings held during the term of office was 4.

Other disclosed matters:

1. With regard to the operations of the Board of Directors, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, all independent directors' opinions, and the Company's response shall be specified:
   (1) Matters referred to in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee; thus, Article 14-3 of the Securities and Exchange Act does not apply. For the explanation of the matters stipulated in Article 14-5 of the Securities and Exchange Act, please refer to the Operation of the Audit Committee on page 44 of this annual report.
   (2) Any recorded or written Board resolutions to which independent directors have dissenting or qualified opinions to be noted in addition to the above: None.
2. Regarding recusals of directors in 2025 and 2026 up to the publication date of the annual report due to conflicts of interests, the names of the directors, contents of motions, reasons for recusal, and results of voting shall be specified:
   (1) 9th meeting of the 10th Board of Directors (May 9, 2025)

      Subject: Proposal for the appointment of managerial officers.

      Resolution: For this proposal, the Chairman of the Board appointed Independent Director CHIANG, CHUN-YEN as the Chairman for this proposal. Except for Chairman WANG, CHIH-HSIN and Director SHENG, KANG, who recused themselves due to their concurrent roles as managerial officers of the Company, the remaining present directors unanimously voted for the adoption of the proposal.

      Subject: Proposals from the Company's Remuneration Committee.

      Resolution: For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company's Remuneration Committee, fully explained the discussion and resolutions of the Remuneration Committee, and the Chairman of the Board appointed Independent Director CHIANG, CHUN-YEN as the Chairman for this proposal. Except for Chairman WANG, CHIH-HSIN and Director SHENG, KANG, who recused themselves due to their concurrent roles as managerial officers of the Company, the remaining present directors unanimously voted for the adoption of the proposal.
   (2) 13th meeting of the 10th Board of Directors (November 12, 2025)

      Subject: Proposals from the Company's Remuneration Committee.

      Resolution: For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company's Remuneration Committee, fully explained the discussion and resolutions of the Remuneration Committee, except for Director SHENG, KANG, who recused himself due to his concurrent roles as a managerial officer of the Company, the remaining present directors unanimously voted for the adoption of the proposal.

      Subject: Issuance of restricted stock awards

      Resolution: For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company's Remuneration Committee and Audit Committee, fully explained the discussion and resolutions of the Remuneration Committee, except for Director SHENG, KANG, who recused himself due to his concurrent roles as a managerial officer of the Company, the remaining present directors unanimously voted for the adoption of the proposal.

(3) 14th meeting of the 10th Board of Directors (February 11, 2026)

Subject: "Proposals from the Company's Remuneration Committee" and "Proposal for Issuance of Restricted Stock Awards."

Resolution: For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company's Remuneration Committee, fully explained the discussion and resolutions of the Remuneration Committee, and the Chairman of the Board appointed Independent Director CHIANG, CHUN-YEN as the Chairman for this proposal. Except for Chairman WANG, CHIH-HSIN and Director SHENG, KANG, who recused themselves due to their concurrent roles as managerial officers of the Company, the remaining present directors unanimously voted for the adoption of the proposal.

3. TWSE/TPEx-listed companies shall disclose the evaluation cycle and duration, scope of evaluation, methodology, and evaluation contents of the self (peer) evaluation of the Board of Directors and fill out the table of Implementation of the Evaluation of the Board of Directors:

The Company approved the formulation of "Rules for Self-Evaluation or Peer Review of Board of Directors" at the 12th meeting of the 8th Board of Directors on March 25, 2020, and performed the evaluation at the end of that year, including the self-evaluation or peer review of the Board of Directors and the functional committees. The results of the evaluation of 2025 were presented to the Board of Directors at the meeting held on February 11, 2026:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content	Evaluation Results
Annually	2025.01.01 - 2025.12.31	Board of Directors	Self-evaluation of the Board of Directors	1. Degree of involvement in company operations 2. Improving the quality of decision-making of the Board 3. Composition and structure of the Board 4. Selection and continuing education of directors 5. Internal control	Excellent
Annually	2025.01.01 - 2025.12.31	Individual members of the Board of Directors	Self-evaluation of the members of the Board of Directors	1. Mastery of Company goals and tasks 2. Awareness and identification of the job duties of directors 3. Degree of involvement in company operations 4. Internal relationship management and communication 5. Professional and continuing education of directors	Excellent

				6. Internal control	
Annually	2025.01.01 - 2025.12.31	Audit Committee	Self-evaluation of the conveners	1. Degree of involvement in company operations 2. Awareness and identification of the job duties of audit committees 3. Improve the quality of decision-making in audit committees 4. Composition and selection of members of audit committees 5. Internal control	Excellent
Annually	2025.01.01 - 2025.12.31	Remuneration Committee	Self-evaluation of the conveners	1. Degree of involvement in company operations 2. Awareness and identification of the job duties of remuneration committees 3. Improve the quality of decision-making in remuneration committees 4. Composition and selection of members of remuneration committees 5. Internal control	Excellent

4. Goals of the functions of the Board (including establishing the Audit Committee and enhancing information transparency) and the evaluation of implementation results:

(1) The Company established and revised the “Procedures for Handling Requests Made by Directors” in May 2019 and May 2023, respectively, as approved by the Board of Directors. A Corporate Governance Officer was appointed to assist the directors in their duties and enhance the effectiveness of the Board.

(2) On June 21, 2023, the Shareholders’ Meeting of the Company held a general election to elect the members of the 10th Board of Directors. Eleven directors, including four independent directors, were elected, and the four independent directors concurrently served as members of the 3rd Audit Committee.

(3) The Company website features an “Investor Relations” section that offers investors access to financial, business, and material information, as well as corporate governance details. This information is updated in real-time to ensure accuracy. Additionally, the Company has implemented a spokesperson system and a stakeholder section to provide shareholders and stakeholders with a means to consult the Company’s financial and business-related information.

(4) The Board of Directors has approved the following relevant corporate governance regulations: Corporate Governance Best Practice Principles, Sustainable Development Best Practice Principles, Procedures for Ethical Management and Guidelines for Conduct, Guidelines for the Adoption of Codes of Ethical Conduct, Rules Governing the Scope of Powers of Independent Directors, Regulations for the Evaluation of Independence for Certified Public Accountants Attesting the Financial Statements, Regulations Governing the Self-Evaluation or Peer Evaluation of the Board of Directors, Remuneration Committee

Charter, and Audit Committee Charter. These regulations have been disclosed on the Company website.

(2) Operation of the Audit Committee

A. The Audit Committee of the Company is composed of all four independent directors. For the professional qualifications and experience of the members, please refer to the Information of Directors on pages 21 to 23 of this annual report.

The Audit Committee operates with the main purpose of supervising the following matters:

(A) Fair presentation of the Company's financial statements.

(B) The appointment/dismissal, independence and performance of certified public accountants attesting the financial statements.

(C) Effective implementation of the Company's internal controls.

(D) Compliance of the Company with relevant laws and regulations.

(E) Management and control of the Company's existing or potential risks.

B. Annual Work Highlights of 2025

(A) Review of financial statements

Review of the annual financial statements of 2024 and quarterly financial statements of Q1 to Q3 of 2025.

Review of 2024 Business Report, earnings distribution proposal, and cash distribution from capital surplus.

(B) Evaluation of the effectiveness of the internal control system

The Audit Committee has evaluated the effectiveness of the Company's internal control system policies and procedures and reviewed the periodic reports from the Company's auditing department, certified public accountants and the management in 2024, including risk management and compliance with the laws and regulations. The Audit Committee concluded that the Company's risk management and internal control systems are effective and that the Company has adopted the necessary control mechanisms to monitor and correct non-compliance.

(C) Appointment, dismissal, or the remuneration of the Company's CPAs

Review of the independence and suitability of the CPAs in 2025.

Review of the remuneration for the appointment of the CPAs in 2025.

(D) Amendments to the internal control systems

(E) Execution of the offering, issuance, or private offering of securities with equity nature

Review the list of employees and the number of Issuance of the restricted stock awards in 2025.

(F) Review of the 2026 Auditing Plan

C. A total of 4 (A) meetings of the Audit Committee were held in 2025. The attendance of independent directors was as follows:

Title	Name	Attendance in Person (B)	Attendance by Proxy	Ratio of Attendance in Person (%) (B/A)	Remarks
Independent Director	CHIANG, CHUN-YEN	4	0	100.00	None
Independent Director	CHIEN, CHUAN-SHENG	4	0	100.00	None
Independent Director	CHIEN, HUI-HUAN	4	0	100.00	None
Independent Director	HUANG, KUO-YU	4	0	100.00	None

Other disclosed matters:

1. With regard to the operations of the Audit Committee, if any of the following circumstances occur, the dates, terms of the meetings, contents of motions, dissenting opinions, reservations or material proposals from independent directors, all Audit Committee resolutions, and the Company's response to the Audit Committee's opinions shall be specified:
   (1) Matters referred to in Article 14-5 of the Securities and Exchange Act: Please refer to Item 4.
   (2) Except for the aforementioned items, any other resolutions not approved by the Audit Committee but approved by more than two-thirds of all directors: None; please refer to Item 4.
2. Regarding recusals of independent directors due to conflicts of interests, the names of the independent directors, contents of motions, reasons for recusal, and results of voting shall be specified: None.
3. Communications among the independent directors, the Company's internal auditing supervisor, and CPAs:
   (1) The auditing supervisor adheres to regulations by submitting the audit report to the independent directors. Additionally, they maintain communication with the independent directors via phone or mail as needed. If Audit Committee members have questions after an audit report is issued, discussions and communications are conducted immediately. The auditing supervisor also reports the implementation status of the audit plan and the status of follow-up on improvements to both the Audit Committee and the Board of Directors.

Audit Committee	Attendees	Communication Key Points	Communication Results
2025.02.21 7th meeting of the 3rd Audit Committee	Independent Directors: CHIANG, CHUN-YEN CHIEN, CHUAN-SHENG CHIEN, HUI-HUAN HUANG, KUO-YU Auditing Supervisor: LIN, YU-JU	• Reported and communicated on the execution of audit operations from November 2024 to January 2025. • Explained and communicated the 2024 internal control self-evaluation proposal.	Independent directors had no further recommendations.
2025.05.09 8th meeting of the 3rd Audit Committee		• Reported and communicated on the execution of audit operations from February to April 2025.	Independent directors had no further recommendations.
2025.08.08 9th meeting of the 3rd Audit Committee		• Reported and communicated on the execution of audit operations from May to July 2025.	Independent directors had no further recommendations.
2025.11.12 10th meeting of the 3rd Audit Committee		• Reported and communicated on the execution of audit operations from August to October 2025. • Explained and communicated the 2026 audit plan proposal. • Explained and communicated the proposal to amend the Internal Control System.	Independent directors had no further recommendations.

(2) The CPAs communicate separately with independent directors every quarter before the Audit Committee meetings. They also report any communication-related issues to the governance units, ensuring that independent directors have a comprehensive understanding of the Company’s significant financial and business conditions.

Audit Committee	Attendees	Communication Key Points	Communication Results
2025.02.21 7th meeting of the 3rd Audit Committee	Independent Directors: CHIANG, CHUN-YEN CHIEN, CHUAN-SHENG CHIEN, HUI-HUAN HUANG, KUO-YU	• The CPAs explained the audit findings of the 2024 consolidated and individual financial reports and communicated with independent directors.	Independent directors had no further recommendations.

2025.05.09 8th meeting of the 3rd Audit Committee	CPA: LI, TIEN-YI	• The CPAs explained the review results of the 2025 first-quarter consolidated financial report and communicated with independent directors.	Independent directors had no further recommendations.
2025.08.08 9th meeting of the 3rd Audit Committee		• The CPAs explained the review results of the 2025 second-quarter consolidated financial report and communicated with independent directors.	Independent directors had no further recommendations.
2025.11.12 10th meeting of the 3rd Audit Committee	Independent Directors: CHIANG, CHUN-YEN CHIEN, CHUAN-SHENG CHIEN, HUI-HUAN HUANG, KUO-YU CPA: SHU-CHIEN PAI	• The CPAs explained the review results of the 2025 third-quarter consolidated financial report and communicated with independent directors. • The CPAs communicated regarding the annual audit plan, including the roles and responsibilities of the lead auditors, the audit plan, preliminary views on key audit matters, and an explanation of the CPAs’ independence.	Independent directors had no further recommendations.

D. Operation of the Audit Committee in 2025

Audit Committee	Contents of Motions and Follow-up	Matters Referred to in Article 14-5 of the Securities and Exchange Act	Dissenting Opinions, Reservations, or Material Proposals from Independent Directors	Resolution Results of the Audit Committee	Resolutions approved by more than two-thirds of all directors but not approved by the Audit Committee:	Handling of the Audit Committee’s opinions by the Board of Directors
7th meeting of the 3rd Audit Committee 2025.02.21	Discussed proposals: 1. 2024 Business Report and Financial Statements. 2. 2024 earnings distribution proposal. 3. Cash distribution from capital surplus. 4. Assessment of effectiveness of internal control system and internal control system statement. 5. Evaluation of independence and suitability of CPAs for 2025. 6. Review of the appointment and remuneration of the Company’s CPAs for 2025.	✓ ✓ ✓ ✓ ✓ ✓	None.	After the relevant non-voting personnel fully explained the discussed proposals and left the meeting room, all the discussion items were unanimously approved by all the attending committee members.	None.	Unanimously approved by all attending directors.
8th meeting of the 3rd Audit Committee 2025.05.09	Discussed proposals: 1. The Company’s financial statements for Q1 of 2025. 2. Issuance of restricted stock awards	- ✓	None.			
9th meeting of the 3rd Audit Committee 2025.08.08	Discussed proposals: 1. The Company’s financial statements for Q2 of 2025	-	None.			
10th meeting of the 3rd Audit Committee 2025.11.12	Discussed proposals: 1. The Company’s financial statements for Q3 of 2025. 2. The Company’s 2026 annual audit plan. 3. Amendments to the “Internal Control Systems” 4. Issuance of restricted stock awards	- ✓ ✓ ✓	None.			

(3) Corporate Governance Implementation Status and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
1. Does the Company establish and disclose its Corporate Governance Best Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company has formulated a Corporate Governance Best Practice Principles and disclosed it on the Market Observation Post System (MOPS) and the Company website.	None.
2. Shareholding structure & shareholders' rights (1) Does the Company establish internal operating procedures to deal with shareholders' suggestions, doubts, disputes, and litigations, and implement based on the procedures?	✓		(1) For shareholders' suggestions or questions, the Company not only has a spokesperson and acting spokesperson, but also entrusts a professional stock affairs agency with stock affairs agents to handle shareholders' suggestions or disputes.	None.
(2) Does the Company maintain a list of major shareholders who have de facto control over the Company and the ultimate controllers of such major shareholders?	✓		(2) The Company has stock affairs personnel and appointed stock affairs agent, Taishin Securities, to manage the list of major shareholders and the list of ultimate controllers of major shareholders.	None.
(3) Has the Company established, and does it execute, a risk management and firewall system within its affiliated companies?	✓		(3) The management responsibilities of personnel, assets and finance between the Company and affiliates are clearly separated. In addition to the regulations of "Rules Governing Transactions among the Corporations of the Group, Specific Companies and Related Parties" and "Supervision Measures of Subsidiaries," the auditors also regularly supervise the conditions of execution.	None.
(4) Has the Company established internal rules	✓		(4) The Company has established "Procedures for Handling Material Inside Information" and	None.

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
against insiders trading with undisclosed information?			"Guidelines for the Adoption of Codes of Ethical Conduct," which are listed on the Company's website, and prohibits insiders from using unpublished information in the market to trade marketable securities.	
3. Composition and responsibilities of the Board of Directors				
(1) Does the Board of Directors formulate diversity policies, specific management objectives and implement them?	✓		(1) Please refer to the description of the diversity and independence of the Board of Directors on pages 24-26 of this annual report.	None.
(2) Does the Company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?		✓	(2) The Company has established the Remuneration Committee in accordance with the regulations of the competent authority and voluntarily set up the Audit Committee in advance in 2017 and established the code of practice. Other functional committees will be set up in accordance with the regulations of the competent authority and the operational demands of the Company.	As described in the summary on the left.
(3) Has the Company established a performance evaluation method and assessment process for the Board of Directors, conducted annual evaluations, reported the results to the Board, and used these results as a reference for individual directors' remuneration and nomination for re-election?	✓		(3) The Company has a Remuneration Committee that regularly evaluates the achievement of the performance targets of directors. The Company has established the "Rules for Self-Evaluation or Peer Review of Board of Directors" in the Board meeting on March 25, 2020, and the evaluation of directors' performance for 2025 was submitted to the Board of Directors February11, 2026 and reported as required.	None.
(4) Does the Company regularly evaluate the independence of the CPAs?	✓		(4) In accordance with the "Regulations for the Evaluation of Independence for Certified Public Accountants Attesting the Financial Statements," the Company conducts an annual evaluation of the CPAs' independence. The assessments of the	None.

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
			independence and suitability of the CPAs for 2025 and 2026 were approved by the Audit Committee and the Board of Directors on February 21, 2025, and February 11, 2026, respectively. The evaluation was based on the independence statement provided by the certified public accountants, their resumes and the Independence Evaluation Form for CPAs provided by the Company to confirm that the certified public accountants have no financial interests or business relationships with the Company other than the fees for attestation and taxation cases. The primary items for assessing the independence of a CPA are as follows: A. Are the CPAs not serving as directors of the Company or an affiliate? B. Are the CPAs not shareholders of the Company or an affiliate? C. Are the CPAs not paid employees of the Company or an affiliate? D. Are the CPAs not involved in moneylending with the Company? E. Do the CPAs not currently hold, or have they not held within the last two years, any positions as directors or managerial officers of the Company, or positions which may have a significant influence on the audit results? F. Have the CPAs have not provided audit services to the Company for seven consecutive years? G. Have the CPAs complied with independence regulations of the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10? H. Obtained the independence statement issued by the CPA every year In addition to the aforementioned evaluation items, the Company obtained information on the audit quality indicators (AQIs) information provided by the CPAs. The Audit Committee and the Board of Directors utilized quantitative indicators to measure audit quality, including the following five aspects, namely, the indicators of professionalism, quality	

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
			control, independence, supervision, and innovation capabilities. This approach allowed for a more effectively and objective evaluation of the capability and commitment of CPA firms and audit teams. The Company's objective is to strengthen corporate governance and promote sustainable operations.	
4. Does the Company appoint a suitable number of competent personnel and a Corporate Governance Officer responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the Board of Directors and the shareholders' meetings, and producing minutes of Board meetings and shareholders' meetings)?	✓		The Company approved the creation of a Corporate Governance Officer position. This officer will oversee all matters related to corporate governance, working in conjunction with the President's Office and the Financial Accounting Department. The Administrative Support Department, the Human Resources Department, and all other relevant units will also collaborate in this effort. The primary responsibilities of the Corporate Governance Officer will include providing the necessary information to the directors, assisting them in complying with legal requirements, and ensuring that Board meetings and Shareholders' Meetings are conducted in accordance with the law. Implementation status: The Corporate Governance Officer provides information on the training course information for directors and Board meeting or information required by laws and regulations, convenes Board meeting and Shareholders' Meetings in accordance with the law, compiles meeting minutes.	None.
5. Has the Company established communication channels and built a dedicated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers) to respond to material corporate social responsibility issues in a proper manner?	✓		The Company maintains a corporate website in both English and Chinese, providing stakeholders with information on financial operations and corporate governance. To handle external communication matters and make proper use of the Market Observation Post System (MOPS), the Company has a spokesperson and an acting spokesperson. Additionally, the Company provides a public email address and telephone number intended for each stakeholder to contact us through the Company website. We are committed to promptly responding to any questions or suggestions received from the stakeholders, we will reply as soon as possible. (Website: www.esg.anpec.com.twwww.esg.anpec.com.tw Under "Stakeholders" section).	None.

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
6. Has the Company appointed a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has appointed a professional shareholder service agency to deal with shareholder affairs. The details are as follows: Stock agent: Stock Agency Department, Taishin Securities Co., Ltd. Phone: +886-2-25048125 Address: B1, No. 96, Sec. 1, Jianguo N. Rd., Zhongshan Dist., Taipei City Website: www.tssco.com.tw/stocktransfer	None.
7. Information Disclosure (1) Does the Company have a corporate website to disclose both the Company's financial standings and corporate governance status?	✓		(1) The Company has established both Chinese and English corporate websites to disclose financial, business, and corporate governance information.	None.
(2) Does the Company adopt other methods for information disclosure (e.g., establishing an English website, designating specific personnel for information collection and disclosure, implementing a spokesperson system, or uploading investor conferences to the Company website)?	✓		(2) The Company maintains a dedicated website, and designated personnel are responsible for disclosing material information disclosure, and uploading it to both MOPS and the Company website before the deadlines. Additionally, audio-visual files and briefing materials from investor conferences can also be accessed on the Company website. The Company also adheres to regulations by implementing spokesperson and acting spokesperson mechanisms are implemented in accordance with regulations.	None.
(3) Does the Company announce and file annual financial reports within two months after the end of the fiscal year, and announce and file first, second, and third-quarter financial reports as well as monthly operational status ahead of the required deadlines?	✓		(3) The Company has announced and reported annual financial statements within two months after the end of 2025, and announced and reported the financial statements of the first three quarters, as well as monthly operation results, before the prescribed time limit to enable investors to access the Company's financial information in a more timely manner.	None.

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
8. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, directors' and supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer policies, and participation in liability insurance by directors and supervisors)?	✓		(1) The Company purchases liability insurance for its directors, renews the liability insurance every year and reports to the Board of Directors. The cumulative compensation limit for each claim and insurance period is USD 8 million. The important contents of liability insurance for the annual renewal in 2025, such as the insurance amount, insurance coverage, and insurance premium rate, has been reported to the directors at the 10th meeting of 10th Board of Directors on August 8, 2025. (2) Employee rights: The Company complies with the provisions of the Labor Standards Act to protect the rights of the employees, maintains a harmonious labor relationship, and has established an Employee Welfare Committee to handle employee welfare operations, and allocate labor pensions according to law. (3) Employee care: The Company places great emphasis on the value of its employees as the most important assets. To ensure the safety of its workforce, the Company. It has obtained the ISO 14001 environmental management system certification, developed an emergency response plan, and conducts annual fire first aid training every year to effectively manage the risks of occupational accidents. The Company fosters a harmonious work environment through employee self-management and mutual respect among colleagues. Furthermore, the Company has established various rules and regulations have been established to protect the rights of both the Company and its employees. To encourage open communication, an employee complaint mailbox has been established to facilitate the expression of employees' opinions. In addition, through the Employee Welfare Committee and the administrative organization, various welfare subsidies and care can be provided to employees in a timely manner, so that employees don't have to worry about their job security. (4) Investor relations: There is a system of	None.

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
			spokespersons and acting spokespersons, and there are professional stock affairs agencies and stock affairs personnel to deal with shareholders' questions and suggestions. The Company's financial information and other relevant information are immediately announced on MOPS, so that investors are able to obtain relevant information about the Company in real time. (5) Supplier relationship and evaluation: The Company regularly evaluates its suppliers on a regular basis, conducts surveys through supplier questionnaires, and maintains smooth communication to foster positive relationships with them to maintain a good relationship with suppliers. Pursuant to the Regulations Governing the Evaluation of Suppliers, the Company regularly reassesses the evaluation results of qualified suppliers every year. Among them, the part of system evaluation is to conduct corporate social responsibility assessment of suppliers. At present, relevant social responsibility management systems have been established and certified. (6) Stakeholder rights: The Company website has established a dedicated section for stakeholders, and the Company has identified the identities of stakeholders, issues of their concern, communication channels, and response methods. (7) The implementation of the risk management policy and assessment standards: The Company has formulated various internal control and operating regulations in accordance with the law, and has carried out various types of risk management and assessments. (8) Customer policies and their implementation status: The Company regularly surveys customer satisfaction level, and has a customer complaint handling system to maintain a good and stable relationship with its customers. (9) Please refer to pages 54-55 of this annual report for the continuing education and corporate governance training for the Company's directors and managerial officers in 2025.	

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
9. Please explain the improvements made in accordance with the Corporate Governance Evaluation results released by the Taiwan Stock Exchange's Corporate Governance Center, and provide the priorities and plans for improvement with items yet to be improved.	✓		The Company adheres to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and has enhanced its corporate governance status based on the corporate governance evaluation results announced by the competent authority. Additionally, the Company conducts an annual self-evaluation of its corporate governance status every year in accordance with the regulations to ensure continued improvement and compliance. (1) The Company's English and Chinese website has disclosed pertinent information, including finance, business, and corporate governance. Additionally, the professional backgrounds of Board members, as well as the corporate governance structure and functional committee members, have also been made available on the website. In addition, the Company has established ESG websites in both Chinese and English to disclose its performance on environmental, social, and corporate governance matters. The most recent report to the Board of Directors on information security, ethical management, and intellectual property management was presented on November 12, 2025. For the intellectual property management plan linked to operational goals, please refer to: Company Website > Corporate Sustainability > Corporate Governance > Intellectual Property. (https://www.esg.anpec.com.tw/investors/article-detail/Intellectual_Property/) (2) Investor conference held in 2025 were accompanied by post-meeting audiovisual links to enhance transparency in company information disclosure for the benefit of investors. (3) In 2024, the Company revised its procedures for managing related-party transactions and disclosed the written regulations regarding financial and business operations on its corporate website. These regulations include management procedures for transactions such as purchases and sales, and the acquisition or disposal of assets. Significant transactions are required to be approved by the Board of Directors and, where	None.

Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary Description	
			applicable, submitted to the shareholders' meeting for approval or reporting. (4) The Company published its inaugural Sustainability Report in August 2025. The report was prepared in accordance with the Global Reporting Initiative (GRI) Standards. The report also references industry-specific metrics from the Sustainability Accounting Standards Board (SASB) Standards and includes an index mapping SASB metrics to the contents of the report. Following its submission to the Board of Directors on August 8, 2025, the report was uploaded and announced on the Market Observation Post System (MOPS) and the Company's official website. (5) In 2025, an investment of NTD 20 million was made in E.SUN Commercial Bank Sustainability Bond (Bond Name: P14 E.SUN 1A, Code: G102BF). This bond has obtained sustainable development bond qualification recognition from the Taipei Exchange.	

Continuing Education of Directors in 2025

Name/Title	Course	Organizer	Date	Training Hours
SHENG, KANG Director	2025 Taishin-Shin Kong Net Zero Summit Forum	Chinese National Association of Industry and Commerce	2025.08.22	3
	Case Study and Discussion on Corporate Financial Statement Fraud	Securities & Futures Institute (SFI)	2025.09.10	3
LIN, CHUN-LIANG Director	2025 Internal Equity Promotion Seminar for the OTC and Emerging Stock Companies	Taipei Exchange	2025.07.29	3
	2025 Taishin-Shin Kong Net Zero Summit Forum	Chinese National Association of Industry and Commerce	2025.08.22	3
LIN, CHE-MING Director	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange Corporation (TWSE)	2025.07.09	6
HUANG, JIN-HUA Director	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange Corporation (TWSE)	2025.07.09	6
YANG, SEN-LU Director (Representative of Institutional Director)	Industrial Development and Future Opportunities of Generative AI	The Greater China Financial Development Association	2025.10.22	3
	Carbon Pricing and Green Economic Transformation	The Greater China Financial Development Association	2025.10.28	3
HUANG, CHIA-HUNG Director (Representative of Institutional Director)	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange Corporation (TWSE)	2025.07.09	6
CHIANG, CHUN-YEN Independent Director	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange Corporation (TWSE)	2025.07.09	6
CHIEN, CHUAN-SHENG Independent Director	Risk-Oriented Internal Audit Methods and Practices	The Institute of Internal Auditors-Chinese Taiwan	2025.10.21	6
CHIEN, HUI-HUAN Independent Director	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange Corporation (TWSE)	2025.07.09	6
HUANG, KUO-YU Independent Director	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange Corporation (TWSE)	2025.07.09	6

Continuing Education of Managerial Officers in 2025

Name/Title	Course	Organizer	Date	Training Hours
SHENG, KANG President	[MIC Insight] Key Observations from the CES 2025	Market Intelligence & Consulting Institute (MIC)	2025.01.17	3.5
HUANG, KUI-YI Corporate Governance Officer/ Finance and Accounting Supervisor	The Wave of Export Controls under Trump 2.0: Response Strategies for Taiwan's High-Tech Industry in Trade Compliance and U.S. Investment	PricewaterhouseCoopers Taiwan	2025.03.05	3.0
	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Cathay Financial Holdings	2025.07.09	6.0
	2025 Internal Equity Promotion Seminar for the OTC and Emerging Stock Companies	Taipei Exchange (TPEx)	2025.07.24	3.0
	Seminar on "Tax Challenges and Supply Chain Optimization under U.S. Reciprocal Tariff Policies"	Hsinchu Science Park Bureau	2025.07.29	3.0
	Continuing Education Class for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	Accounting Research and Development Foundation	2025.08.21 2025.08.22	12.0
	2025 Briefing Session on IFRS Sustainability Disclosure Standards	Taipei Exchange (TPEx)	2025.10.14	3.0
	Workshop on Sustainability Information Preparation and Filing Practices	Accounting Research and Development Foundation	2025.11.26	6.0

(4) Composition, Responsibility and Operation Status of the Remuneration Committee

A. Information of Remuneration Committee Members

Title	Qualifications / Name	Professional Qualifications and Experience	Independence Criteria	Number of Other Public Companies Where the Individual Concurrently Serves as a Remuneration Committee Member
Independent Director (Convener)	CHIANG, CHUN-YEN	Please refer to Information Disclosure of Professional Qualifications of Directors and Independence Criteria of Independent Directors on pages 21 to 23 of this annual report.		1
Independent Director	CHIEN, CHUAN-SHENG			0
Independent Director	CHIEN, HUI-HUAN			0
Independent Director	HUANG, KUO-YU			0

B. The Remuneration Committee is responsible for reviewing the results of performance evaluation of directors and managerial officers as well as the policies, systems, standards, and structure of remuneration:

The Remuneration Committee Charter of the Company was established on December 28, 2011, and was amended for the second time and approved by the Board of Directors on March 25, 2020. The Remuneration Committee Charter clearly stipulates that the Remuneration Committee shall have the loyalty and shall exercise the due care of a good administrator and faithfully perform the following duties and responsibilities and submit its suggestions to the Board of Directors for discussion.

(A) To establish and review the performance targets of directors and managerial officers of the Company as well as the policies, systems, standards, and structure of remuneration and compensation.

(B) To periodically evaluate whether the Company's directors and managerial officers have reached performance targets, and the content and amount of their individual remuneration are determined.

The Company held two Remuneration Committee meetings in 2025, namely, on May 9, 2025 and November 12, 2025, respectively. The suggestions proposed at the meetings were submitted to the Board of Directors meetings for discussion and later approved by the Board of Directors on May 9, 2025 and November 12, 2025.

In the Remuneration Committee meeting held on May 9, 2025, the Company (1) reviewed the performance targets of directors and managerial officers of the Company as well as the policies, systems, standards, and structure of remuneration and compensation, and (2) evaluated whether the Company's directors and managerial officers have reached performance targets, and the content and amount of their individual remuneration were determined. The proposals were submitted to the Board of Directors for discussion and approval on May 9, 2025; Additionally, the directors' remuneration structure and performance system were revised during the Remuneration Committee meeting on November 12, 2025. The resolutions of the Remuneration Committee and the Board of Directors are in the following pages.

C. Operation Status of the Remuneration Committee:

(A) There are four members in the Remuneration Committee of the Company, all of whom are the independent directors of the Company.

(B) The current term of office: From June 21, 2023 to June 20, 2026, a total of 2 (A) meetings of the Remuneration Committee were held in the most recent year. The attendance of directors was as follows:

<table>
<tr><th>Title</th><th>Name</th><th>Attendance in Person (B)</th><th>Attendance by Proxy</th><th>Ratio of Attendance in Person (%) (B/A)</th><th>Remarks</th></tr>
<tr><td>Convenor</td><td>CHIANG, CHUN-YEN</td><td>2</td><td>0</td><td>100.00</td><td>-</td></tr>
<tr><td>Member</td><td>CHIEN, CHUAN-SHENG</td><td>2</td><td>0</td><td>100.00</td><td>-</td></tr>
<tr><td>Member</td><td>CHIEN, HUI-HUAN</td><td>2</td><td>0</td><td>100.00</td><td>-</td></tr>
<tr><td>Member</td><td>HUANG, KUO-YU</td><td>2</td><td>0</td><td>100.00</td><td>-</td></tr>
<tr><td colspan="6">Other disclosed matters:
1. If the Board of Directors refuses to adopt or amend a recommendation from the Remuneration Committee, the date of the meeting, session, contents of the motions, resolution by the Board of Directors, and the Company’s response to the Remuneration Committee’s opinion (e.g., the circumstances and cause for the difference if the remuneration passed by the Board of Directors exceeds the recommended amount by the Remuneration Committee) shall be specified: None; please refer to the following attached table.
2. If there were resolutions by the Remuneration Committee to which members have dissenting or qualified opinions, and for which there is a record or declaration in writing, the date of the meeting, session, contents of the motions, all members’ opinions, and the response to members’ opinions shall be specified: None; please refer to the following attached table.</td></tr>
</table>

(C) Remuneration Committee’s Opinions or Resolution Results on the Proposals:

<table>
<tr><th>Remuneration Committee</th><th>Contents of Motions and Follow-up</th><th>Dissenting or Reserved Opinions from the Members</th></tr>
<tr><td rowspan="2">4th meeting of the 5th Remuneration Committee 2025.05.09</td><td>Discussed proposals:
1. The remuneration structure, performance system for directors, and its individual payment contents are proposed to be continued.
2. The remuneration structure and performance system for managerial officers are proposed to be continued.
3. The amount of remuneration for individual directors for 2024.
4. The amount of remuneration for individual managerial officers for 2024.
5. Proposed raise for managerial officers for 2025.</td><td>None.</td></tr>
<tr><td colspan="2">Remuneration Committee’s resolution results: This proposal was unanimously approved by all the attending directors.</td></tr>
</table>

<table>
<tr><th>Remuneration Committee</th><th>Contents of Motions and Follow-up</th><th>Dissenting or Reserved Opinions from the Members</th></tr>
<tr><td></td><td colspan="2">Handling of the Remuneration Committee’s opinions by the 9th meeting of the 10th Board of Directors: For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company’s Remuneration Committee, fully explained the discussion and resolutions of the Remuneration Committee, and the Chairman of the Board appointed Independent Director CHIANG, CHUN-YEN-Yen as the chairman for this proposal. Except for Chairman WANG, CHIH-HSIN and Director SHENG, KANG, who recused themselves due to their concurrent roles as managerial officers of the Company, the remaining directors present unanimously voted for the adoption of the proposal.</td></tr>
<tr><td rowspan="3">5th meeting of the 5th Remuneration Committee 2025.11.12</td><td>Discussed proposals:
1. Accounting percentage for employee and director remuneration of the Company for 2026.
2. Amendment to the Company’s director remuneration structure and performance system.
3. Allocation of restricted stock awards to individual managerial officers in 2025.</td><td>None.</td></tr>
<tr><td colspan="2">Remuneration Committee’s resolution results: This proposal was unanimously approved by all the attending directors.</td></tr>
<tr><td colspan="2">Handling of the Remuneration Committee’s opinions by the 13th meeting of the 10th Board of Directors:
For this proposal, Independent Director CHIANG, CHUN-YEN, Chairman of the Company’s Remuneration Committee, fully explained the discussion and resolutions of the Remuneration Committee, and the Chairman of the Board appointed Independent Director CHIANG, CHUN-YEN as the Chairman for this proposal. Except for Director SHENG, KANG, who recused himself due to his concurrent roles as managerial officers of the Company, the remaining present directors unanimously voted for the adoption of the proposal.</td></tr>
</table>

(5) Promotion and Implementation Status of Sustainable Development and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
1. Has the Company established a governance structure to promote sustainable development, and set up a full-time or part-time unit to promote sustainable development? Has the Board of Directors authorized senior management to manage this unit and report to the Board of Directors?	√		(1) The President's Office and representatives from various departments have formed an "ESG Group" of the Company, with the President as the convener of the group to jointly promote issues related to sustainable development. (2) Currently, the Corporate Governance Officer reports the progress of the greenhouse gas inventory and verification to the Board of Directors on a quarterly basis. (3) Following reporting to and approval by the Board of Directors in August 2025, the first Sustainability Report has been published.	None.
2. Does the Company assess ESG risks associated with its operations based on the principle of materiality, and establish relevant risk management policies or strategies?	√		This disclosure covers the performance of sustainable development in major locations in 2025; the boundary of the risk assessment is the Company. The Company follows the internally established ISO-Q01202 "Organizational Context and Risk Management Procedure" to identify and assess environmental, social, and corporate governance (ESG) issues related to operations based on the principle of materiality. By integrating risk management and crisis response into daily operations and decision-making processes, the Company aims to reduce the possibility of potential damages and ensure that operational goals are achieved. Each relevant unit reviews and evaluates internal control systems and operational processes annually based on risk factors and submits the results to the Board of Directors for deliberation.	None.

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td></td><td></td><td></td><td>Based on the assessed risks, relevant risk management policies or strategies are established as follows:
<table>
<tr><th>Material Issues</th><th>Risk Evaluation Item</th><th>Description</th></tr>
<tr><td>Environment</td><td>Environmental impact and management</td><td>Through the implementation of safety management and institutionalized management cycle, the Company has effectively reduced the emission of pollutants and impact on the environment.
The Company has obtained ISO14001 certification and is regularly certified.
A greenhouse gas emissions inventory is conducted annually, and carbon reduction measures are continuously implemented based on the results.</td></tr>
<tr><td>Social</td><td>Occupational safety</td><td>Fire drills and industrial safety education training are held regularly every year to cultivate employees’ ability to respond to emergencies and safety management.</td></tr>
<tr><td></td><td>Product safety</td><td>The products of the Company comply with all laws and regulations, are RoHS compliant, and are free of hazardous substances. The Company has established a customer service hotline and a communication website, and proactively conducts annual customer service satisfaction surveys to enhance our</td></tr>
</table></td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td></td><td>partnership with our customers.</td></tr>
<tr><td rowspan="3">Corporate governance</td><td>Regulatory compliance</td><td>Implementing internal control mechanism to ensure that all employees and operations comply with relevant laws and regulations.
Patent application for the products developed to protect the Company’s rights.</td></tr>
<tr><td>Strengthen the functions of directors</td><td>Planning education and courses on this topic for the directors and providing them with the information on the latest amendments to the regulations when the occasion arises. The Company purchases liability insurance for the directors to protect their rights.</td></tr>
<tr><td>Stakeholder communication</td><td>The Company has implemented various types of communication channels to minimize conflicts and misunderstandings. A stakeholder section has been created on the Company’s website has been set up, and designated contact persons are available to promptly address and manage feedback from various stakeholders.</td></tr>
</table>
</td><td></td></tr>
<tr><td>3. Environmental Issues
(1) Has the Company established environmental</td><td>√</td><td></td><td>(1) The Company has established environmental management systems based on its industry’s characteristics:
The Company has implemented and established an ISO 14001 Environmental Management</td><td>None.</td></tr>
</table>

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td>management systems based on its industry's characteristics?</td><td></td><td></td><td>System and has been certified by a third-party organization. The Company has also been recognized as a green partner by clients, including the "SONY GP" (Sony Green Partner) certification recognized by the Sony system, the "LG GP" (LG Green Partner) certification recognized by the LG system, and the "ASUS GP" (ASUS Green Partner) certification recognized by the ASUS system.
The Company passed the ISO 14001 Environmental Management System certification and obtained the certificate on October 3, 2006. The certification remains valid and was revalidated in August 2024 by the third-party certification body, TUV NORD Taiwan. The certification is valid from August 20, 2024, to August 19, 2027.</td><td></td></tr>
<tr><td>(2) Does the Company endeavor to utilize energy more efficiently and use renewable materials that have low impacts on the environment?</td><td>√</td><td></td><td>(2) The Company has established an ISO "Energy Resource Usage Management Procedure," which applies to all energy resources, including water, electricity, gasoline, auxiliary materials, packaging materials, components, office supplies, and daily necessities. The purpose is to strengthen the management of energy resources, reduce energy consumption, protect the environment, and simultaneously reduce company costs.
Ratio of renewable energy to total energy consumption for the past two years:
<table>
<tr><th>Category</th><th>Item</th><th>2024 Consumption (GJ)</th><th>2025 Consumption (GJ)</th></tr>
<tr><td rowspan="2">Direct Energy (A)</td><td>Gasoline</td><td>15.79</td><td>13.92</td></tr>
<tr><td>Diesel</td><td>0</td><td>3.6</td></tr>
<tr><td>Indirect Energy (B)</td><td>Purchased Electricity</td><td>10,860.83</td><td>12,102.93</td></tr>
</table></td><td>None.</td></tr>
</table>

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>Non-renewable Energy (C)</td><td>(A)+(B)</td><td>10,876.62</td><td>12,120.45</td></tr>
<tr><td>Renewable Energy (D)</td><td>Solar Energy</td><td>0</td><td>0</td></tr>
<tr><td>Total Energy (E)</td><td>(C)+(D)</td><td>10,876.62</td><td>12,120.45</td></tr>
<tr><td>Renewable Energy (%)(F)</td><td>(D)/(E)</td><td>0%</td><td>0%</td></tr>
<tr><td colspan="2">Data Boundary</td><td>The Company</td><td>The Company</td></tr>
<tr><td colspan="2">Verification Status</td><td>None</td><td>None</td></tr>
</table>

● Policies for increasing energy use efficiency of energy use

A. The Company is dedicated to enhancing resource efficiency by utilizing renewable raw materials that have minimal impact on the environment. Additionally, the Company also actively advocates for energy conservation to improve overall energy efficiency and decrease carbon emissions. These efforts are in line with the Company’s objective of achieving energy savings and reducing carbon footprint.

B. To safeguard the environment and promote sustainable development, the Company implements the following environmental policies and consistently strives to improve the effectiveness of our environmental management:

(A) Complying with environmental regulations and customer requirements for prohibited hazardous substances.

(B) Being committed to developing green design products to reduce the impact on the
</td><td></td></tr>
</table>

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			environment. (C) Energy saving and pollution prevention. (D) Promoting the concept of environmental protection and increasing the awareness and ability of employees and suppliers to protect the environment. ● Implementation Status A. The Company prioritizes energy conservation and carbon reduction, and regularly conducts an annual greenhouse gas inventory and tracking to monitor progress. The Company's buildings are all managed through computerized smart monitoring and control systems. We regularly replace outdated lighting fixtures, machinery, and equipment, and maintain our air conditioning system to optimize the temperature of chilled water. By reducing our electricity consumption and greenhouse gas emissions, we fulfill our responsibility as global citizens to protect the environment. B. The Company adheres to all applicable environmental laws and regulations. In addition, it contracts with reputable cleaning companies to ensure that the environment is cleaned and properly dispose of resource waste is disposed of properly on a daily basis. The Company also engages qualified recycling service providers to collect and reuse resources on a regular basis, thereby promoting environmental protection and resource reuse.	
(3) Does the Company evaluate the potential risks and opportunities	√		(3) The Company refers to the IFRS S2 framework to disclose information on governance, strategy, risk management, metrics, and targets related to climate-related risks and opportunities. This includes identifying relevant transition risks and physical risks brought	None.

<table>
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<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td>in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?</td><td></td><td></td><td>about by extreme weather events, as well as a comprehensive assessment of the potential impacts of climate change on the Company's operations and the associated potential risks and opportunities.
For more details on the potential risks and opportunities related to climate change, as well as the evaluation results and corresponding measures, please refer to the climate risk information on pages 85-90 of this annual report.</td><td></td></tr>
<tr><td>(4) Does the Company take inventory of its greenhouse gas emissions, water consumption, and the total weight of waste in the last two years, and formulate policies on energy efficiency and carbon dioxide reduction, greenhouse gas reduction, water reduction, or waste management?</td><td>√</td><td></td><td>(4) The Company's greenhouse gas emissions in the past two years:
<table>
<tr><th>Year</th><th>[Scope 1] Direct Greenhouse Gas Emissions (Metric tons of CO2e)</th><th>[Scope 2] Indirect Energy Greenhouse Gas Emissions (Metric tons of CO2e)</th><th>[Scope 3] Other Indirect Greenhouse Gas Emissions (Metric tons of CO2e)</th><th>Data Boundary</th><th>Verification Status</th><th>Intensity (Metric tons of CO2e/Million revenue) (Note 1)</th></tr>
<tr><td>2025</td><td>341.1992</td><td>1,897.9081</td><td>7,020.5701</td><td>Parent and Subsidiaries in Consolidated Financial Statements</td><td>None</td><td>1.2373</td></tr>
<tr><td>2025</td><td>168.2471</td><td>1,593.5524</td><td>1,269.9974</td><td>The Company</td><td>None</td><td>0.7354</td></tr>
<tr><td>2024</td><td>5.6294</td><td>1,430.0086</td><td>486.3347</td><td>The Company</td><td>None</td><td>0.5657</td></tr>
</table>
Note: Scope 3 activity categories include business travel and employee commuting.</td><td>None.</td></tr>
</table>

<table>
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<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td></td><td></td><td></td><td>Achievement status: In 2025, the Company’s Scope 2 total electricity consumption increased by 11.44% compared to 2024. Due to operational requirements, such as the upgrading of high-power R&D equipment, the reduction target of 1% was not met. Based on consultants’ guidance in 2025, Scope 1 and Scope 3 emissions increased due to the inclusion of other emission sources compared to 2024.

The Company’s water consumption in the past two years:
<table>
<tr><th>Year</th><th>Water Consumption (Metric tons)</th><th>Verification Status</th><th>Data Boundary</th><th>Density (Metric tons/person) (Note 1)</th></tr>
<tr><td>2025</td><td>7,569</td><td>None</td><td>The Company</td><td>26.19</td></tr>
<tr><td>2024</td><td>7,002</td><td>None</td><td>The Company</td><td>23.98</td></tr>
</table>
Achievement status: The Company’s total water consumption in 2025 increased by 8.10% compared to 2024. Due to operational requirements, the operating hours of chillers were increased; therefore, the reduction target of 1% was not met.
Total weight of waste produced by the Company in the past two years (metric tons):
<table>
<tr><th>Item</th><th>Hazardous/ Non-Hazardous</th><th>2024</th><th>2025</th></tr>
<tr><td>Business waste</td><td>Non-hazardous</td><td>0.35</td><td>0.63</td></tr>
<tr><td>Mixed metal scrap</td><td>Hazardous</td><td>1.807</td><td>0</td></tr>
</table></td><td></td></tr>
</table>

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			(table continued below)	

Intensity (Metric tons/person) (Note 1)	0.0074	0.0022
Data Boundary	The Company	The Company
Verification Status	None	None

Achievement Status: The Company's total waste in 2025 decreased compared to 2024, successfully achieving the reduction target of 1%.

Note 1: The average number of employees in 2025 (consolidated): 404; Revenue: NTD 7,483.689 million.
The average number of employees in 2025 (the Company): 289; Revenue: NTD 4,122.753 million.
The average number of employees in 2024 (the Company): 292; Revenue: NTD 3,397.714 million.

● **Reduction Goals, Strategies, and Action Plan of Greenhouse Gas Management**

The Company is an IC design company with no production line, and the main greenhouse gas emissions come from air conditioning and general domestic water. As temperatures rise, we set an annual target of 1% electricity saving or maintaining current levels to reduce carbon emissions and makes the greatest effort to reduce greenhouse gas emissions.

<u>Reduction Goals:</u>

Building on the annual greenhouse gas inventory results, the Company will revise its energy-saving and carbon-reduction strategies. Additionally, we will encourage our employees to implement energy-saving and carbon-reduction practices in their daily lives. The Company expects to reduce carbon emissions by 1% in 2026.

<u>Strategy and Specific Action Plan:</u>

The Company monitors and controls its water and electricity consumption, continuously reviewing and improving its practices to gradually reduce the usage. Efforts to improve

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			environmental energy conservation in the Company's hardware will be strengthened, and the concept of energy conservation and sustainable operation development will be promoted among colleagues is to be promoted internally. A. Cooperating with the Company's ISO 14001 environmental target management plan - save 1% of electricity by 1%, or keep consumption shall stay the same. B. We conduct monthly reviews to identify areas for improvement, and actively promote and propose energy-saving and carbon-reduction projects will be actively promoted and proposed. C. The Company complies with environmental protection laws and regulations and emphasizes the importance of environmental management; waste sorting and resource recycling are implemented, and advertisements to promote energy and carbon saving and water conservation policies are regularly published. D. Old equipment is regularly replaced to improve the efficiency of operations and to implement green philosophy and environmental protection. E. The Company optimizes its energy consumption by turning off a portion of its lighting and air-conditioning during non-business hours. Additionally, the temperature and on-off time of the air conditioners to make the air-conditioning units are carefully controlled to ensure efficient operation. F. Replace low-efficiency lighting fixtures with high-efficiency LED lighting. Gradually replace old ballasts to extend the lifespan of light tubes and achieve energy-saving effects.	

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			G. The nets on the air outlets of the air conditioners in the entire factory are replaced with high-efficiency filtering nets to increase the ventilation efficiency, improve the heat exchange capacity, and reduce the number of start-ups of the air-conditioning compressors. H. The temperature of the chiller is set 1°C higher to reduce the frequent start of the compressor start frequency. I. During non-working days in winter, the ice machine will be turned off and replaced with split air conditioning. ● **Reduction Goals, Strategies, and Action Plan of Water Resource Management** Reduction Goals: The Company expects to achieve a 1% reduction in water consumption in 2026. Strategy and Specific Action Plan: As an IC design company, we do not require large amounts of water. Most of our water usage is for domestic purposes and some plant facilities, such as the kitchen and cooling towers. The plant area only produces domestic sewage, so the risk of water pollution is extremely low. We have implemented strategies, such as setting up a recycling system for watering green plants in the plant area, installing water-saving faucets to flexibly adjust the water flow based on usage, adopting automatic faucets, reducing the number of times water pumps are started, and regularly monitoring water quality and usage. These measures are taken to achieve the goal of water resource protection. ● **Reduction Targets, Strategies, and Action Plan of Waste Management** Reduction Goals:	

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			It is expected to reduce by 1% in 2026. Strategy and Specific Action Plan: Promoting waste reduction and resource recovery and reuse, and signing contracts with qualified vendors pursuant to the "Waste Disposal Control Procedures" to remove waste from the factory when it reaches a certain volume. Waste sorting is strictly implemented, and management and audit by dedicated personnel are conducted. Recycling is implemented to enhance resource reuse. Promoting the recycling of suppliers' packaging materials as they are sent to qualified vendors for recycling. Specific recycling mechanisms are arranged for waste batteries, toners, compact discs, waste materials, packaging materials, pallets, etc.	
4. Social Issues (1) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	√		(1) In compliance with the Labor Standards Act and with reference to international human rights principles (including the "Universal Declaration of Human Rights," the "UN Guiding Principles on Business and Human Rights," the "UN Global Compact," and the "International Labour Organization"), the Company has established a "Human Rights Policy" to protect the legal rights of its employees. The policy was signed by the President, with the Human Resources Department acting as the responsible unit. It applies to the Company's employees, customers, and stakeholders to ensure that daily operations and all commercial activities meet these requirements.	None.

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			We conduct risk identification and assessment of human rights issues through internal questionnaires and employee interviews. The results are then translated into improvement measures, allowing for regular review and updates of risk management and mitigation strategies to facilitate subsequent enhancement and tracking. Furthermore, we regularly arrange employee training and ensure the effectiveness of employee grievance channels to effectively reduce the impact and shock of human rights risks. Our Human Rights Policy and Workplace Diversity and Equality Policy are also available on our official website: (https://www.esg.anpec.com.tw/investors/article-detail/Human_Rights_Policy_and_Diversity) A. Key human rights risk issues: (A) Working Hours (B) Health & Safety (C) Illegal Violence and Anti-harassment (D) Effectiveness of Grievance Mechanisms B. Specific implementation plan: (A) Providing employee pensions in accordance with the regulations. (B) Establishing the Employee Welfare Committee to handle various welfare matters. (C) Holding regular labor-management meetings are held to facilitate communication between employers and employees. (D) The Company's management system governs the appointment, dismissal, compensation, and benefits of employees.	

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			(E) The Company emphasizes labor, business ethics, child labor, labor relations, working hours, and fairness through new employee education and training and the promotion of these concepts in employee handbooks. (F) To maintain gender equality and personal dignity in the workplace, the Company strictly prohibits any acts of sexual harassment. In accordance with the “Gender Equality in Employment Act,” the Company has established the “Workplace Sexual Harassment Prevention Measures, Complaint, and Disciplinary Regulations” and provides channels for filing complaints to protect employee rights. (G) We regularly schedule training on human rights and the prevention of workplace illegal violence, and conduct awareness-raising events for all employees and new recruits to enhance human rights awareness and prevention capabilities. Simultaneously, we implement illegal violence investigations, proactively identify potential hazard factors, and formulate preventive measures accordingly to ensure a safe and respectful work environment. (H) Establishment of employee communication channels: hrm@anpec.com.tw. C. Implementation status in 2025: (A) No complaints. (B) The percentage of full-time employees who received training on human rights and the prevention of workplace illegal harm was 100%.	

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			(C) Employees with between one and two years of service in the current year are granted 8 days of annual paid leave, which is superior to statutory requirements, to encourage employees to take time off and balance their family lives.	
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	√		(2) The Company values employee benefits (including compensation, leaves, and other benefits) and reflects operational performance or results in employee compensation: A. An Employee Welfare Committee has been established to organize various employee activities. B. Employee benefits include: Labor insurance, National Health Insurance, group insurance, labor pension contribution, birthday gift, bonuses for Chinese New Year, Dragon Boat Festival, and Mid-Autumn Festival, wedding and funeral subsidies, hospitalization subsidy, domestic and overseas travel subsidy and year-end dinner and employee lottery, etc. C. To promote a healthy work-life balance and enhance work efficiency, the Company provides employees with more than the minimum required leave by law, helping employee maintain a healthy work-life balance. D. The Company provides an employee cafeteria and coffee bar to take care of employees' nutritional needs. E. The Company provides comprehensive sports and leisure facilities for employees to exercise and maintain their physical and mental health.	None.

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			F. We have established comfortable and private breastfeeding rooms for employees in the office area. In addition to helping mothers breastfeed with peace of mind, we proactively assist employees in applying for Science Park kindergartens and cooperate with qualified childcare centers and nurseries to provide comprehensive childcare resources. This helps employees balance work and family, thus creating a family-friendly workplace. G. The Company provides awards to senior employees to encourage employees who stay with the Company. H. The Company places significant value on the opinions of its employees and regularly conducts surveys to gauge their satisfaction (please refer to pages 150-151). I. Implementation status of retirement plans and education and training (please refer to pages 151-154). J. Establish gender-friendly restrooms that respect diverse communities. Reserved compassionate parking spaces are provided for pregnant employees and those in need of assistance. K. Establish both physical and online library databases to provide employees with diverse channels for acquiring new knowledge. L. The Company recognizes that its employees are its most valuable assets. As such, compensation has been consistently increased each year to reflect the Company's operating performance. This has resulted in fair and appropriate compensation for employees over the years	

<table>
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<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td></td><td></td><td></td><td>Please refer to the following table for the compensation increases for managerial officers and non-managerial officers in 2025:
<table><tr><th>Item</th><th>2025</th></tr><tr><td>Non-Managerial Officers</td><td>3.5 - 4.5%</td></tr><tr><td>Managerial Officers</td><td>3.0 - 3.5%</td></tr></table>
M. Workplace diversity and equality: The promotion, salary, advancement and compensation of the employees are based on their job category, academic experience, professional knowledge and skills, years of experience as professionals, and individual performance, and do not vary due to age, gender, or ethnicity. Efforts toward gender balance are integrated into all human resources practices, with women accounting for an average of 28.5% of all employees and 18.1% of all supervisors in 2025. The Company believes that having more women as supervisors will strengthen the Company’s culture of inclusion, promote gender balance, lead to better decision-making and innovation, and increase employee satisfaction level.</td><td></td></tr>
<tr><td>(3) Does the Company provide a healthy and safe work environment, and does it organize health and safety training on a regular</td><td>√</td><td></td><td>(3) To establish an autonomous safety and health management system, continuously improve safety and health facilities, and internalize safety and health management as part of corporate operations, the Company has formed a TOSHMS promotion team. In addition to safety personnel and relevant managers, the team includes employee representatives appointed by each department. This aims to establish a job safety and health management system that meets the needs of both the organization and employees. Furthermore, it aims to</td><td>None.</td></tr>
</table>

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
basis?			gradually enhance employees' safety and health knowledge and skills during the promotion process, thereby improving the Company's safety culture. The Company aims to achieve: A. The Company has established the basic health information of employees in order to keep track of their health status. Suitable work is assigned to employees based on such information to prevent employees from getting occupational diseases and reduce the occurrence of health problems. B. According to the "Regulations on Labor Health Protection," all new employees are required to undergo general physical examinations, while current employees receive regular health check-ups. The Company's health examination standards exceed the age and examination requirements mandated by laws and regulations. Additionally, we regularly provide safety and health education to our employees. Furthermore, family members of employees are welcome to take advantage of the same physical examination package at their own expense. Our goal is to ensure the health and well-being of our employees and their families. To achieve this, we have established reasonable health management norms for our employees. C. To improve employee health, we perform abnormal risk classification based on medical check-up results and establish a special care list. We provide one-on-one medical consultation services and individual health guidance; the consultation rate reached 100% in 2025. (Please refer to pages 149-150). D. In accordance with the Occupational Safety and Health Act, medical personnel are assigned to handle labor health management, occupational disease prevention, and health promotion. Referring to various guidelines published by the Occupational Safety	

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
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			and Health Administration of the Ministry of Labor, we implement the four major labor health protection plans, promote the concept of a healthy workplace, and conduct workplace health risk assessments. E. To consolidate the workplace safety net, the Company appoints first-aid personnel in accordance with regulations to handle emergency medical matters. First-aid kits are provided and regularly inspected, replaced, and replenished. Furthermore, automated external defibrillators (AEDs) are installed in office buildings, and regular practical training sessions are conducted to enhance emergency rescue capabilities. ■ In 2025, the number of occupational accidents among the Company's employees was 0. The Company continues to pay attention to the safety and health of employees' working environment and regularly carries out relevant education and training. ■ In 2025, the number of fire accidents and no casualties among the Company's employees was 0. The Company has established a fire emergency response team and conducts two emergency response team training sessions each year. Regular employee evacuation drills are also carried out. In accordance with regulations, the Company conducts annual inspections and declarations of fire safety equipment to ensure the safety of all employees.	
(4) Has the Company established effective career development and	√		(4) Based on job category and employee development, the Company provides extensive on-the-job training and diverse learning opportunities, to establish a systematic training framework: management training, professional training, specific personnel professional training, new	None.

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
training plans for its employees?			employee orientation, labor safety and health training, environmental quality training, information security training, and others (including language-related training). This helps employees to enhance their expertise and develop their managerial skills, thus achieving a win-win situation for both employee development and business growth.	
(5) Does the Company comply with relevant regulations and international standards regarding issues such as customer health and safety, right to privacy, and marketing and labeling of its products and services, and has it set up relevant consumer or customer protection policies and complaint procedures?	√		(5) The Company has formulated the "Customer After-Sales Service Management Procedure." To maintain strong client relationships and communication, we conduct regular and irregular meetings and visits, alongside quarterly and monthly performance reviews or audits. Through these initiatives, we aim to build robust partnerships and achieve consistent, collaborative results in aligning short-, medium-, and long-term development goals and social responsibility planning. To provide localized customer service, offices and dedicated service contact points have been established in regions including the Taiwan headquarters, mainland China, the United States, and South Korea. These contact points are responsible for supporting the planning and execution of order transactions, environmental management, social responsibility, and hazardous substance control. They not only provide necessary and sufficient information in real-time to meet clients' requirements but also cooperate with clients' in collecting relevant data for the implementation of corporate social responsibility programs, including necessary activities, surveys, verifications, and audits. In addition to communicating through the contact channels on the Company's website, the Company has established "Customer Complaint Handling Procedures". Relevant departments are required to provide a complete analysis report within 5 working days for standard cases	None.

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
			and 3 working days for urgent cases, or respond according to the analysis timeframe requested by the customer. In 2025, the Company's on-time response rate for customer complaint analysis reports reached 100%.	
(6) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	√		(6) The Company has developed three regulations to guide the evaluation and performance of suppliers, as well as their adherence to corporate social responsibility. These regulations include the "Regulations Governing the Evaluation of Suppliers," "Regulations Governing the Performance Evaluation of Suppliers," and "Code of Conduct of Corporate Social Responsibility for Suppliers." The purpose of these regulations is to establish the selection criteria that prioritize the protection of the environment, human rights, safety, health, and sustainable development. Additionally, the regulations outline the expectations and requirements for suppliers in terms of environmental safety and health risks, prohibition of child labor, labor management, protection of basic labor rights, moral standards, and ethical management. Through supplier selection, auditing, and performance evaluation, the Company will implement the requirements of sustainability in the daily management of the supply chain based on a spirit of cooperation. Starting in 2025, the Company has incorporated ESG factors, including environmental, social, corporate governance, and information security, as well as corporate social responsibility issues like privacy protection into supplier evaluations as important indicators for assessing suppliers. 100% of the partner suppliers of the Company meet the following criteria in 2025:	None.

<table>
<tr><th rowspan="2">Item</th><th colspan="4">Implementation Status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th colspan="2">Summary Description</th></tr>
<tr><td rowspan="5"></td><td rowspan="5"></td><td rowspan="5"></td><td rowspan="3">Supplier Evaluation</td><td>All new suppliers must pass the evaluation conducted by the system and comply with the Code of Conduct of Corporate Social Responsibility for Suppliers.</td><td rowspan="5"></td></tr>
<tr><td>All suppliers must obtain the certifications of ISO9001 quality management system and ISO14001 environmental management system certifications.</td></tr>
<tr><td>All suppliers must sign the Letter of Guarantee for Non-Use of Prohibited/Restricted Substances, fill out the Environmental Management Substance Control Specification Table, and sign the Supplier Self-Declaration Form.</td></tr>
<tr><td>Supplier Appraisal</td><td>For qualified suppliers, supplier appraisal is implemented by the Quality Assurance Department, Production Management Department, and engineering departments every quarter.</td></tr>
<tr><td>Supplier Auditing</td><td>For qualified suppliers, ad hoc system evaluations are arranged every year.</td></tr>
<tr><td>5. Does the Company refer to internationally accepted standards or guidelines for the preparation of reports and</td><td></td><td>√</td><td colspan="2">The Company issued its 2024 Sustainability Report in 2025 in accordance with regulatory requirements and has begun preparing and publishing it annually. The report is prepared with reference to internationally recognized reporting standards or guidelines, enabling stakeholders to gain a clearer understanding of the Company's performance and practices in the areas of</td><td>As described on the left.</td></tr>
</table>

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
prepare reports that disclose non-financial information of the Company, such as sustainability reports? Has a third-party verification or assurance opinion been obtained for the said reports?			Environmental, Social, and Governance. The Company will evaluate whether to obtain assurance or guarantee opinions from a third-party verification entity in accordance with regulatory requirements.	
6. If the Company has established its own Sustainable Development Principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe their implementation and any deviations from these Principles: None.				
7. Other important information for understanding the implementation of sustainable development (e.g., systems, measures, and fulfillment status regarding environmental protection, community involvement, social contribution, social services, public welfare, consumer rights, human rights, safety and health, and other social responsibility activities): (1) To maintain safety and support other social responsibility activities, the Company has established the following measures: A. The Company is committed to creating a positive impact and has established a dedicated sustainability section on its official website. This platform enables the public and stakeholders to access real-time information related to the Company’s sustainability efforts. By encouraging participation and collaboration, the Company hopes to work together through complementarity, co-creation, and collaboration to strive for a better society. (Website: https://www.esg.anpec.com.tw) B. The Company actively supports government employment promotion initiatives and participates in the Ministry of Labor’s employment incentive programs to assist disadvantaged unemployed workers in re-entering the workforce. C. The Company is dedicated to promoting workplace safety and health and was awarded the 2025 Self-Validated Healthy Workplace Promotion Certificate. (2) For the purposes of environmental protection, social care, and employee care, the Company organized the following activities in 2025:				

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary Description</th></tr>
<tr><td colspan="5">A. Social Care
(A) In February, we purchased approximately 300 cookie gift boxes from the Amazing Grace Deaf Bakery, totaling NTD 79,152, to take practical action in supporting employment for the hearing impaired, thus promoting social inclusion and contributing to public welfare.
(B) We purchased grain rice gift boxes totaling NTD 105,376 from the Children Are Us Foundation in March and charity cookie gift boxes totaling NTD 81,056 from the Children Are Us Bakery in May to support and care for vulnerable groups.
(C) In July, together with employees from Anpec, we joined hands to become guardians of life and bring hope through the gift of blood. A total of 140 bags of blood were donated during the Hsinchu event. Blood donation is not only an act of kindness but a responsibility. Every donation can save three lives; every drop carries warmth and hope. “Donate blood, let love flow.” We pass on love to fill society with warmth.
B. Employee Care
(A) We hosted a vision care seminar in May. Eyes are the “windows to the soul”. Protecting your eyes is not just about seeing clearly—it is about guarding your quality of life! Only with bright eyes can one enjoy a wonderful life.
(3) In 2025, the Company invested NTD 20 million in a sustainable development bond issued by E.SUN Bank, recognized by the Taipei Exchange (Bond name: P14 E.SUN Bank 1A, Code: G102BF). The proceeds from this bond are exclusively allocated to support sustainable development investment projects and related lending activities, aiming to assist institutions, enterprises, and individuals in accessing funding that promotes environmental sustainable development.
(4) Please see below for other important information which demonstrates the Company’s operation in sustainable development.</td></tr>
</table>

Other Important Information Which Demonstrates the Company’s Efforts toward Sustainable Development:

Item	Description
Secure Access Control Security	1. There is a 24-hour access control card system in place. 2. Security guards are on guard 24 hours a day, every day, including holidays, at the Company’s entrance to maintain the security of the personnel entering and exiting the Company building. 3. There is a CCTV system to maintain the security of the access control security. 4. The Company maintains a good interactive relationship with the police in case of emergencies.
Equipment Maintenance Inspection	1. Pursuant to the Regulations Governing Public Safety Inspection Attestation and Reporting for Buildings, a professional company is entrusted by the Company to conduct public safety inspection of Company buildings every two years. 2. Pursuant to the provisions of the Fire Services Act, an external company is entrusted by the Company to conduct annual inspection of fire equipment and report the results to the competent authority. 3. Pursuant to the Labor Safety and Health Act, monthly, semi-annual, and annual maintenance and inspection of high and low voltage electrical equipment, elevators, water dispensers, official vehicles, and fire prevention equipment is carried out. 4. The Company regularly implements testing of air, water quality, noise, lighting and other conditions of the operating environment.
Disaster Preparedness and Response	1. The Company has formulated the “Emergency Response Procedures,” “Labor Safety and Health Work Rules,” “Emergency Management Measures for Power Outages,” and “Emergency Management Measures for Water Outages” are formulated to provide clear guidelines for all personnel at every level. These documents outline the specific matters that require attention in emergency situations. 2. Fire safety education and training is conducted regularly every year. 3. Pursuant to the “Occupational Safety and Health Act,” a supervisor of labor safety and health affairs, labor safety and health management personnel, and first-aid personnel have been designated, and training is implemented in accordance with Occupational Safety and Health Education and Training Rules. 4. Pursuant to the provisions of the “Fire Services Act,” fire management personnel have been designated, and they regularly participate in retraining for fire prevention. 5. An emergency response plan was developed in response to the COVID-19 pandemic, an emergency response plan was formulated, and pandemic prevention response measures were implemented in accordance with the pandemic prevention regulations of the Taiwan Centers for Disease Control regulations. To raise awareness among employees, a pandemic prevention campaign was launched, and pandemic prevention materials were provided to them. Additionally, the Company’s factories and premises were disinfected to safeguard the physical and mental well-being of employees.

Item	Description
Contractor Operations	The "Safety and Health Management Guidelines for Contractors" have been established to clearly stipulate the relevant matters to be paid attention to by contractor's personnel.
Work Environment Hygiene	1. The Company prohibits smoking on its premises and regularly cleans and disinfects the office environment in accordance with the regulations. 2. The practice of waste sorting has been implemented, and employees have been educated on the importance of resource recycling. They are encouraged to bring their own eco-friendly tableware as much as possible to work in order to minimize waste and ensure proper sorting.
Energy Conservation and Carbon Reduction, and Greenhouse Gas Reduction	The reduction goals, strategies and specific action plans of greenhouse gas management have been disclosed in the Implementation Status. The actual implementation results of the Company in recent years are as follows: 1. Implementing electronic invoices to practice ESG principles and reduce carbon emissions. 2. When purchasing multi-function printers and their peripheral equipment, priority is given to products with environmental protection or energy-saving labels. 3. When computers are not in use for an extended period of time, the power shall be turned off to reduce the loss of standby power consumption. 4. Paperless data archiving measures are jointly developed by relevant departments. 5. Energy-saving and carbon-reducing slogans are posted beside air conditioners and light switches in office spaces and public areas to remind our colleagues to save energy and reduce carbon. 6. The pantry and parking lot are equipped with motion sensor lights, reducing electricity consumption and promoting energy efficiency and environmental protection. 7. The power of the electric pots and microwaves shall be turned oven off and unplugged after use. 8. It is encouraged that colleagues who want to go to one to three floors up or down take the stairs instead of elevators, which can save electricity and help them keep fit. 9. Based on the season and weather conditions, and its temperature, cooling and heating conditions are set accordingly. 10. The lighting in public areas is controlled using the optimal switch control mode based on seasonal changes.

Implementation of Climate-Related Information

Item	Implementation Status
1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	◆ Governance Level Anpec has established the "Sustainable Development Best Practice Principles," with the Board of Directors serving as the highest governance level. The Board is responsible for supervising and making decisions on climate-related issues to strengthen corporate operational resilience under climate change. ◆ Management Level The President serves as the convener of the ESG Task Force, which includes representatives from the President's Office, management, and various departments. The task force is responsible for promoting and executing matters related to sustainable development. The management unit regularly identifies, assesses, prioritizes, monitors, and tracks climate risks (including physical and transition risks) and opportunities. It formulates measures to respond to extreme weather events and policy changes to ensure effective strategy implementation. ◆ Supervision and Reporting Mechanism The Company conducts an annual greenhouse gas inventory using emissions as a metric and reports the progress of inventory and verification to the Board of Directors on a quarterly basis. Before making major decisions, a climate impact assessment must be performed using both quantitative and qualitative analyses to reduce compliance and operational risks. ◆ Stakeholder Communication and Disclosure The Company discloses information on governance, strategy, risk management, and metrics and targets in accordance with international standards (such as TCFD, ISSB, and IFRS S2). This enhances transparency and ensures compliance with local and international regulations (such as carbon fees and emission trading systems). In addition, through education, training, and communication, the Company ensures internal support for climate strategies and publicly discloses relevant achievements to investors and external stakeholders.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Against the rising global risks of climate change, the Company is deeply aware of the potential major impacts on corporate operations, supply chain stability, and long-term competitiveness. Extreme weather events triggered by climate change may not only affect supply chain operations, equipment utilization, and employee safety but also pose substantial risks to the Company's overall operational stability. To effectively manage these challenges, the Company has identified and disclosed climate-related risks and opportunities, as well as their potential impacts on operational strategies, business models, value chains, and financials (including cash flow and cost of capital), based on the framework of IFRS S2. The Company's core business is IC design and sales, with a value chain spanning raw material supply, processing, logistics, and end-user sales. In recent years, the frequency of extreme weather has increased, and flooding events caused by heavy rainfall have become a significant source of operational risk for the supply chain. Although the Company's operational sites are located in higher-terrain areas with relatively limited direct exposure, the sites of raw material suppliers, foundries, and logistics partners may still face interruptions due to disasters, affecting delivery schedules and supply chain stability. Furthermore, if medium-to-long-term climate policies and carbon pricing mechanisms continue to tighten, including rising carbon fees and increased market demand for low-carbon products, supply chain operating costs will increase, placing transformation pressure on product strategies, manufacturing processes, and cost structures. The Company has completed the identification and assessment of physical climate risks (such as extreme weather and supply chain disruptions) and transition risks (such as policies and regulations, carbon costs, and reputation). It has determined that these relevant risks and opportunities will impact future cash flows,

Item	Implementation Status
	revenue, asset values, operating costs, capital expenditures, and financing capabilities. To ensure corporate resilience, the Company has conducted short-, medium-, and long-term financial impact analyses and formulated corresponding risk management measures and financial planning. At the same time, the Company continues to strive toward a low-carbon transition and the construction of supply chain resilience. The Company also discloses indicators related to greenhouse gas emissions to assist investors in fully evaluating the enterprise's sustainable development capabilities and long-term value. The following is a summary of the climate change-related transition risks, physical risks, potential financial impacts, opportunities brought by climate change, and corresponding response strategies:

Risk/ Opportunity	Climate-Related Events	Potential Financial Impact	Period	Response to the Strategy
Transition Risk	Policies and Regulatory Requirements	• The "Sustainable Development Action Plan for TWSE/TPEx Listed Companies" regulations require the inclusion of costs related to information disclosure. • The government has implemented a carbon pricing mechanism and increased carbon fee policies, resulting in increased operating costs. • The government's "Renewable Energy Regulations" promote green energy policies, but insufficient green energy supply has led to an inability to purchase the required amount of green electricity, affecting relationships with customers.	Short-term/ Ongoing	• Formulate and implement annual energy-saving and carbon-reduction plans while enhancing internal training and advocacy. • Comply with the "Sustainable Development Action Plan for TWSE/TPEx Listed Companies" by adopting IFRS-aligned sustainability-related financial disclosures. • Actively support the FSC's corporate governance initiatives by allocating investment funds to green, impact-driven sustainable financial products.
			Medium, and long term	• Evaluate the implementation of an internal carbon pricing mechanism to concretize carbon reduction performance, thereby facilitating more effective financial assessments and target management. • Establish a comprehensive identification of climate change risks and opportunities and develop strategies to lower climate change risks. • Evaluate the impact of carbon emissions on the Company in advance of government policies, and prepare to achieve the goal of net-zero emissions by 2050.
Transition Risk	Goodwill	• Insufficient climate action and shifting market preferences, along with increasing customer demand for low-carbon and green products, may lead to a decline in the Company's revenue	Medium, and long term	• Continuously develop green products, enhance product performance, and reduce environmental impact.

Item	Implementation Status				
			and goodwill. Failure to transition will affect competitiveness.		
	Physical Risk	Supply Interruption	• Production interruptions at supply chains and foundries caused by climate factors (e.g., flooding), leading to raw material supply disruptions and affecting production schedules. • Supply chain and contract manufacturers may also pass on increased costs from the transition to sustainable energy, leading to higher operating expenses.	Short, medium, and long term	• Actively implement sustainable supply chain management and establish a second supplier mechanism to prevent production disruptions or raw material shortages.
	Physical Risk	Increased severity of extreme weather events (floods, droughts, typhoons, sea level rise)	• May directly or indirectly cause operational disruptions or financial losses, resulting in increased operating costs. • Flooding caused by heavy rainfall or inundation due to rising sea levels may damage facilities and equipment, interrupting operations and leading to revenue decline. • Increased risks of flooding require investment in disaster prevention infrastructure, leading to increased operating costs. • Extreme weather-induced droughts may affect water demand, thereby increasing operational costs.	Short, medium, and long term	• Establish emergency response procedures and install relevant disaster prevention equipment to ensure the normal operation of office equipment and the environment, reducing the probability of operational disruptions and potential losses. • Evaluate the purchase of relevant disaster insurance. • Develop a water management contingency plan and closely monitor water usage at the factory. • Increase the installation of rainwater harvesting and reuse systems. • Regularly promote and raise employee awareness on water conservation.
	Physical Risk	Increase of average temperature	• Due to higher temperatures, the demand for air conditioning increases significantly, leading to higher operational costs.	Short-term/ Immediate	• Replacement of obsolete chillers and air conditioning equipment. • Install heat insulation devices (such as curtains and UV-protective film on windows) in areas with increased sunlight

Item	Implementation Status				
					exposure during the day to reduce indoor temperatures and decrease air conditioning usage.
			• Insufficient electricity, resulting in power outages or power restrictions, has hindered the operation of factory facilities and computer rooms, leading to work suspensions and associated losses.	Short-term/ Immediate	• The uninterruptible power supply (UPS) provides immediate power to equipment during unexpected or planned power outages, and the generator provides power to the computer room
				Medium, and long term	• Evaluate the installation of a solar power generation system on the rooftop of the company-owned plant.
	Climate Opportunities	Resource utilization and efficiency (Renewable Energy)	• Reduce consumption and increase the recycling and reuse rate to lower operational costs.	Short-term	• Include the implementation of various energy conservation measures and the recycling of product packaging materials.
				Medium, and long term	• Continuously conduct greenhouse gas inventories, and plan to participate in the carbon trading market while promoting the use of renewable energy.
	Climate Opportunities	Changes in market preferences	• Develop low-carbon green products that meet customer requirements, and continuously pursue new product development and innovation to drive overall revenue growth.	Ongoing	• In terms of research and development, the Company will continue to advance next-generation technologies to provide more energy-efficient, low-power consumption, and high-performance green products. This will increase product adoption and foster collaboration with customers to jointly build a lower-carbon environment.
	Climate Opportunities	Attract ESG investment	• Attracting ESG investments enhances the Company's reputation and market value.	Ongoing	• Comply with the "Sustainable Development Action Plan for TWSE/TPEx Listed Companies" by adopting IFRS-aligned sustainability-related financial disclosures.
			• Enhance customer trust, increase corporate competitiveness, and drive overall revenue growth.		• Actively support the Financial Supervisory Commission's promotion of corporate governance; in 2025, the Company ranked in the 6%-20% tier in the Corporate Governance Evaluation.
3. Describe the financial impact of extreme weather events and transformative actions.	Same as above				
4. Describe how climate risk identification, assessment, and	Anpec's risk management not only includes contingency plans for risks that may impact financial performance, but also encompasses risk assessments and emergency response plans for natural disasters, environmental factors, and information-related risks. The concept of prevention is deeply embedded in the				

Item	Implementation Status
management processes are integrated into the overall risk management system.	corporate culture to eliminate identifiable and avoidable risks as much as possible, thereby reducing the potential losses from operational disruptions. Facing the occurrence of climate change risks, the Company employs a four-step process to manage climate risks and opportunities, ensuring consistency with financial and operational risks. ◆ Identification: Identify relevant risks and opportunities with reference to the Intergovernmental Panel on Climate Change (IPCC) Assessment Report. ◆ Assessment: Evaluate the opportunities, impacts, and financial shocks generated by climate change on the Company’s overall operations. ◆ Prioritization: Establish a risk matrix to prioritize management based on the level of risk impact and the probability of occurrence. ◆ Monitoring and tracking: Monitor and track carbon emissions and energy use, and report the results to the governance unit. Through relevant departments’ participation and discussion, the identified climate change risks include transition risks (policy and legal, reputation), transition risks (supply disruptions, disasters caused by extreme climate change such as floods, droughts, and sea-level rise, and rising average temperatures), as well as climate opportunities (resource utilization and efficiency, shifts in market preference, attracting ESG investment, etc.). The financial impact, probability, and timeframe of climate change risks on the Company’s overall operations have been evaluated. Based on internal risk assessment statistical results, a risk matrix has been established according to the degree of impact and probability, to prioritize high-impact and high-risk items for management. Response strategies and implementation measures have been proposed for each risk and opportunity, with continuous monitoring, tracking, and review to ensure policy implementation. Improvement results are reported to the President to ensure consistency with financial and operational risks.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	The Company currently has no such internal plans for this year.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	In accordance with the requirements of IFRS S2, the Company discloses cross-industry climate-related metric information as follows: In 2025, the Company’s total greenhouse gas emissions were 3,031.80 tons of CO2e, of which Scope 1 (direct emissions) accounted for 5.55%, Scope 2 (energy indirect emissions) accounted for 52.56%, and Scope 3 (other indirect emissions) accounted for 41.89%. Compared to the baseline year of 2024, overall emissions for Scope 1, Scope 2, and Scope 3 in 2025 increased by 57.74%; the Company expects to achieve a 1% emission reduction target in 2026. Facing transition risks, the Company has formulated greenhouse gas reduction strategies and specific action plans. Simultaneously, the Company has established emission management and tracking mechanisms to regularly review target attainment, allowing for rolling adjustments and continuous refinements. In 2025, the Company did not adopt an internal carbon pricing mechanism as a planning tool. In the future, the Company will continue to monitor domestic and international carbon market prices, market trends, and relevant policies and regulations. Based on the Company’s own emission characteristics, it will evaluate whether to adopt such a mechanism as a reference for carbon reduction management and decision-making.

Item	Implementation Status
	Regarding remuneration policy, the Company is currently based on the existing performance evaluation system and has not yet incorporated performance indicators for climate-related risks and opportunities into the remuneration linkage mechanism. To actively respond to the risks and opportunities brought by climate change, the Company has established relevant climate indicators and emission reduction targets, covering carbon reduction, energy saving, and waste reduction, and regularly reviews changes in significant climate risks and opportunities. Furthermore, the Company has extended the scope of climate risk management to the supply chain, and works with partners to jointly promote environmental sustainability.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company has not yet reached the threshold for carbon fee collection set by the Ministry of Environment; therefore, there are currently no plans to adopt an internal carbon pricing mechanism this year. In the future, the Company will continue to monitor domestic and international carbon market prices, greenhouse gas-related policies and regulations, and market development trends. Combined with the Company's own carbon emission situation, it will evaluate the necessity and feasibility of adopting an internal carbon pricing mechanism.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	Anpec cooperates with the national "2050 Net Zero Emissions" policy. In accordance with the regulations of the competent authorities, it has established a greenhouse gas inventory operation plan and selected 2024 as the inventory baseline year. The scope of the inventory covers the Hsinchu headquarters and the Taipei Office in Taiwan. The Company has established procedures for emission data collection and calculation based on greenhouse gas inventory regulations and internationally recognized inventory principles, to continuously refine data quality based on annual inventory results. As the Company is an IC design house without production lines, the primary greenhouse gas emissions come from Scope 2 indirect emissions from electricity use and Scope 3 other indirect emissions; Scope 1 direct emissions are limited, and the Scope 3 other indirect emission categories mainly include employee commuting and business travel. The Company expects to disclose the 2025 inventory results by the end of August 2026 and will continue to establish complete and consistent emission data management. Anpec will perform rolling reviews of energy-saving and carbon-reduction performance and adjust management strategies based on annual inventory results. It will gradually set phased reduction targets and encourage employees to implement energy-saving measures in daily operations and life to achieve the overall 1% carbon emission reduction target in 2026. In the future, the Company will continue to strengthen its carbon management system, increase the proportion of renewable energy use, and refine inventory processes according to regulatory requirements to enhance transparency and sustainable resilience in carbon management.
9. Greenhouse gas inventory and assurance status (separately fill out in point 1-1 and 1-2 below).	To enhance climate governance capabilities and align with international sustainability standards, the Company has voluntarily adopted the ISO 14064-1 greenhouse gas inventory framework. It has established an organized and systematic greenhouse gas inventory system and set up inventory processes and data management systems based on standard methodologies to ensure the consistency and transparency of greenhouse gas inventory results. Currently, the Company has completed inventory operations for the 2024 baseline year and 2025. It plans to entrust a credible external institution to conduct assurance on the 2026 inventory results in 2027, thereby strengthening inventory quality and gradually enhancing the reliability and completeness of greenhouse gas management.

(6) Implementation of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
1. Establishment of ethical corporate management policies and programs				
(1) Does the Company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethic policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	✓		(1) The Board of Directors has established and approved the "Procedures for Ethical Management and Guidelines for Conduct," which have been established and approved by the Board of Directors and disclosed on the Company's website. These guidelines serve to specify the important points that employees must keep in mind when conducting business. Additionally, the "Work Rules" mandate that all employees conduct the Company's business and comply with honesty and ethics, and in compliance with all applicable laws and regulations. The management shall engage in business activities based on the principles of fairness, honesty, trustworthiness, and transparency, and shall actively implement the management policy of honesty and integrity.	None.
(2) Does the Company have mechanisms in place to assess the risk of unethical conduct, and perform analysis and	✓		(2) New employee training requires all employees to promptly inform the management of any violations of policy and ethics. The Company has established Work Rules and Regulations on Performance Appraisal, which	None.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
assessment of business activities with higher risks of unethical conduct within the scope of business? Does the Company implement programs to prevent unethical conduct accordingly and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?			clearly state the relevant incentives and disciplinary measures.	
(3) Does the Company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	✓		(3) The Work Rules stipulate that any person, who is reported to the management with concrete evidence, of using their position for personal gain or accepting bribes shall be deemed to have violated the labor contract or Work Rules, and the Company may terminate the labor contract after verification of the authenticity of the said accusation.	None.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
2. Ethical Management Practice (1) Does the Company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	✓		(1) The Company has formulated the "Regulations Governing the Evaluation of Suppliers" to evaluate the quality, environmental quality, and corporate social responsibility of suppliers. The Company shall examine the ethics of suppliers' operations in the evaluation process. If a supplier violates its corporate social responsibility policy or lacks ethical management in its operation, and has a significant impact on the environment and society, the Company may terminate or cancel the contract at any time. The Company's Work Rules prohibit employees from offering, accepting, or requesting gifts of value in the course of business.	None.
(2) Has the Company set up a dedicated unit to promote ethical corporate management under the Board of Directors, and does it regularly (at least once a year) report to the Board of Directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	✓		(2) Matters related to corporate ethical management are handled by the Company's administrative and financial units. The Company provides an annual report to the Board of Directors annually on its policy of ethical management policy, outlining plans to prevent unethical practices and monitor the policy's implementation. The most recent report to the Board of Directors was submitted on November 12, 2025.	None.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
(3) Does the Company establish policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?	✓		(3) The “Guidelines for the Adoption of Codes of Ethical Conduct” have been established and approved by the Board of Directors and posted on the Company website to prevent conflicts of interest and avoid opportunities for personal gain. The Company places a strong emphasis on ethical principles. In the event that an employee becomes aware of any violation of laws, regulations, or ethical standards of conduct, they are encouraged to report it to either the Human Resources Department, Legal Office, or directly to the President. The Company offers an official complaint email address (hrm@anpec.com.tw) on its website of the Company for both internal and external parties to report any instances of employees violating laws and regulations or breaching ethical corporate management. All cases are handled confidentially and appropriately. If an investigation confirms unethical conducts, the Company will take action in accordance with the relevant laws and regulations or the Guidelines for Employee Recognition and Discipline.	None.
(4) Does the Company have effective accounting and internal control systems	✓		(4) The Board of Directors has approved the “Procedures for Ethical Management and Guidelines for Conduct.” To ensure efficient and effective	None.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
in place to implement ethical corporate management? Does the internal audit unit devise audit plans based on the results of unethical conduct risk assessments and audit the systems accordingly to prevent unethical conduct, or hire external CPAs to perform the audits?			operations, reliable financial reporting, and compliance with relevant laws and regulations, the Company has implemented an accounting system, internal control system, and related management regulations that align with the principles of ethical corporate management. Additionally, the Company's internal auditors conduct regular audits to ensure compliance across all units of the organization.	
(5) Does the Company provide internal and external ethical corporate management training programs on a regular basis?	✓		(5) The Human Resources Department is responsible for coordinating new employee training during employee orientation. The training program covers a range of topics, including ethical corporate management (covering the prevention of insider trading, codes of ethical conduct, ethical management procedures, and behavioral guidelines), labor safety, environmental quality education, general education on information security and privacy protection, and professional ethics courses on Work Rules. For more information on the training hours for new employees in 2025, please see page 154. In addition, the Company conducted one internal training session on ethical corporate management for all employees this year, with a total of 290 participants and 580 hours of training, achieving a training coverage rate of 100%.	None.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
3. Implementation of Complaint Procedures				
(1) Has the Company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle- blowers?	✓		(1) The Company has set up a mailbox for employees' opinions and an "employee grievance handling system" to provide a channel for employees to voice their opinions in order to strengthen the labor-employee partnership. The procedures for employee opinions and complaints are as follows: If an employee files a complaint verbally, they can discuss with their supervisor directly and seek a solution. If the immediate supervisor cannot effectively solve the problem, the employee may ask the human resources unit to assist in solving the problem, and if still dissatisfied, they can further seek resolution from the senior supervisors. All internal and external personnel may make reports through e-mail provided by the Company's official website (hrm@anpec.com.tw), and reports will be handled by designated personnel based on the contents of the reports. In 2025, the Company received zero reports from the ethical complaint box, and there were no violations of ethical corporate management by employees.	None.
(2) Has the Company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and	✓		(2) All employee issues will be handled with a high degree of confidentiality and timeliness. If an employee feels that their rights have been violated or if they have any other concerns, they can directly submit a written complaint directly to the Human Resources Department in writing through the	None.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
mechanisms ensuring such complaints are handled in a confidential manner?			administrative system. The Human Resources team will collaborate with the supervisor of the relevant department to promptly address the issue or escalate it as necessary. The complainant will be informed of the outcome or status of the situation. All employees of the Company may report any violation or conflict of interest to Human Resources Department, Legal Office, or directly to the President. All employees are responsible for maintaining confidentiality regarding the processes in which they are involved in.	
(3) Has the Company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	✓		(3) The Company will maintain the confidentiality of the complainant to prevent them from being subjected to any misconduct.	None.
4. Strengthening Information Disclosure Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	✓		The "Procedures for Ethical Management and Guidelines for Conduct" have been disclosed on the Company's website. In addition, the Work Rules have also been put on the Company's intranet website to remind employees of the importance of maintaining ethical behaviors at all times.	None.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
5. If the Company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviations between the principles and their implementation: None.				
6. Other important information to facilitate a better understanding of the status of operation of the Company's ethical corporate management policies (e.g., the Company's reviewing and amending of its ethical corporate management best practice principles): Employee Code of Conduct or Ethics: The company's five core values are Integrity (**A**uthentic), Innovation (**N**ovel), Passion (Passion), Execution (**E**xecution), and Customer Orientation (**C**ustomer). Additionally, the Company has employee work regulations and related guidelines, clearly outlining employees' rights, duties, and rewards and penalties. These are disclosed in the Company's announcement area for employees to review and follow.				

(7) Other important information that may be disclosed to enhance understanding of the operation of corporate governance:

A. The Company has established an internal control system, an internal audit system and various management guidelines, and its implementation is subject to random checks by auditors and external professionals (CPAs).

B. The Company has established a corporate website to provide investors with comprehensive information about the Company. In compliance with laws and regulations, significant financial and business information is promptly disclosed in a timely manner on the corporate website or on the MOPS. Additionally, the Company reports on the implementation status of sustainable development in its annual reports, prospectuses, and ESG website.

(8) Implementation Status of the Internal Control System

A. Internal Control Statement: Please refer to the MOPS for the internal control statement announcement. (https://mops.twse.com.tw/mops/#/web/t06sg20)

B. If a CPA has been hired to carry out a special audit of the Internal Control System, the CPA audit report shall be disclosed: None.

(9) Major Resolutions of Shareholders' Meeting and Board Meetings in the Most Recent Year and Up to the Publication Date of the Annual Report

A. Major Resolutions of Shareholders' Meeting

Date of Meeting	Major Resolutions	Implementation Status
2025.06.23	Reported items: • 2024 Business Report • 2024 Audit Committee's Review Report • 2024 directors' remuneration and employees' compensation • 2024 earning distribution of cash dividends • Report on cash distribution from capital surplus	
	Proposals: • 2024 Business Report and Financial Statements • 2024 earnings distribution proposal	• Adopted • August 8, 2025, was set as the ex-dividend record date for the cash dividend, and the cash dividend was paid on August 28, 2025.
	Discussed proposals: • Amendment to the Company's Articles of Incorporation • Issuance of restricted stock awards	• Approved • Approved
	Election items: • By-election of 1 director	• Completed
	Extempore motions: None	

B. Major Resolutions of Board Meetings

Time	Session	Major Resolutions
2025.02.21	8th meeting of the 10th Board of Directors	Discussed proposals: • 2024 directors' remuneration and employees' compensation • 2024 Business Report and Financial Statements • 2024 earnings distribution proposal • Cash distribution from capital surplus • Assessment of effectiveness of internal control system and internal control system statement • Evaluation of independence and suitability of CPAs for 2025 • Review of the appointment and remuneration of the Company's CPAs for 2025 • By-election of 1 director • Convention of the Company's 2025 Annual Shareholders' Meeting
2025.05.09	9th meeting of the 10th Board of Directors	Discussed proposals: • The Company's financial statements for Q1 of 2025 • Issuance of restricted stock awards • Amendment to the Articles of Incorporation and definition of the scope of entry-level employees. • Cancellation of the issued restricted stock awards • Cancellation of the Company's repurchased shares • Proposal for nomination of director candidates • Addition of agenda items for the 2025 Annual Shareholders' Meeting. • Proposal for the appointment of managerial officers. • Proposals from the Company's Remuneration Committee
2025.08.08	10th meeting of the 10th Board of Directors	Discussed proposals: • The Company's financial statements for Q2 of 2025 • The Company's 2024 Sustainability Report. • Application to financial institutions for working capital financing lines
2025.09.18	11th meeting of the 10th Board of Directors	• Establishment of a Deliberation Committee.
2025.09.24	12th meeting of the 10th Board of Directors	• Deliberation on the public tender offer by Yageo Corporation for the Company's common shares.
2025.11.12	13th meeting of the 10th Board of Directors	Discussed proposals: • The Company's financial statements for Q3 of 2025 • The Company's 2026 annual audit plan • Amendments to the "Internal Control Systems" • The Company's 2026 operation plan • Amendments to the "Rules and Procedures for Shareholders' Meeting" • Cancellation of the issued restricted stock awards • Proposals from the Company's Remuneration Committee

Time	Session	Major Resolutions
		• Issuance of restricted stock awards
2026.02.11	14th meeting of the 10th Board of Directors	Discussed proposals: • 2025 directors' remuneration and employees' compensation • 2025 Business Report and Financial Statements • 2025 earnings distribution proposal • Cash distribution from capital surplus • Assessment of effectiveness of internal control system and internal control system statement • Evaluation of independence and suitability of CPAs for 2026 • Review of the appointment and remuneration of the Company's CPAs for 2026 • Amendment to the "Internal Control System" and evaluation of the scope of entry-level employees. • Issuance of restricted stock awards • Proposals from the Company's Remuneration Committee • Re-election of 9 directors (including 3 independent directors). • Convention of the Company's 2026 Annual Shareholders' Meeting

(10) Any Dissenting Opinion Expressed by a Director or Supervisor with Respect to a Major Resolution Passed by the Board of Directors in the Most Recent Year and Up to the Publication Date of the Annual Report, Where Said Dissenting Opinion Has Been Recorded or Prepared as a Written Declaration, and Its Main Content: None.

3. Information on CPA Professional Fees

Unit: NTD thousands

Accounting Firm	Names of CPAs	Audit Period	Audit Fee	Non-audit Fee	Total	Remarks
Pricewaterhouse Coopers Taiwan	LI, TIEN-YI	2025.01.01 - 2025.12.31	3,120	1,360	4,480	Non-audit fees: Consulting services and business registration, tax attestation, and business tax audit fees.
	SHU-CHIEN PAI	2025.01.01 - 2025.12.31				

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

(2) If the audit fee has decreased by 10% or more from the previous fiscal year, the amount, percentage, and reasons for the decrease shall be disclosed: None.

4. Information on Replacement of CPAs

(1) Information on the Former CPAs

<table>
<tr><td>Date of Replacement</td><td colspan="5">2026.02.11</td></tr>
<tr><td>Reasons for and remarks regarding replacement</td><td colspan="5">Internal rotation within the firm for which the CPAs work</td></tr>
<tr><td rowspan="3">Indicate whether the Company or the CPAs voluntarily ended the engagement or declined further engagement</td><td colspan="3">Parties
Situation</td><td>CPAs</td><td>Appointor</td></tr>
<tr><td colspan="3">Proactively ended the engagement</td><td>N/A</td><td>N/A</td></tr>
<tr><td colspan="3">No longer accepting (continued) engagement</td><td>N/A</td><td>N/A</td></tr>
<tr><td>Issued an audit report expressing other than an unqualified opinion within the last two years and reasons</td><td colspan="5">None</td></tr>
<tr><td rowspan="6">Any disagreement with the issuer</td><td rowspan="4">Yes</td><td></td><td colspan="3">Accounting principles or practices</td></tr>
<tr><td></td><td colspan="3">Disclosure of annual financial statements</td></tr>
<tr><td></td><td colspan="3">Scope of audit or procedures</td></tr>
<tr><td></td><td colspan="3">Others</td></tr>
<tr><td>None</td><td colspan="4">✓</td></tr>
<tr><td colspan="5">Description: None</td></tr>
<tr><td>Other disclosed matters (Disclosures required under Article 10, Subparagraph 6, Item 1-4 to 1-7 of these Rules)</td><td colspan="5">None</td></tr>
</table>

(2) Information of Successor CPAs

Accounting Firm	PricewaterhouseCoopers Taiwan
Names of CPAs	SHU-CHIEN PAI; HSIN-YI TSAI
Date of engagement	2026.02.11
Matters and results of consultation on the accounting treatment or accounting principles for specific transactions and on the possible issuance of financial statements prior to the appointment	None
Successor CPAs' written opinion on the disagreement with the former CPAs' opinions	None

(3) Letter from the former CPAs in response to the items stipulated in Sub-subparagraphs 1 and 2-3, Subparagraph 6, Article 10 of the Regulations: Not applicable.

5. The Company's Chairman, President, or Any Managerial Officer in Charge of Finance or Accounting Matters in the Most Recent Year Holding a Position at the Company's CPA Accounting Firm or at an Affiliated Enterprise of Such Accounting Firm: None.

6. Any Transfer of Equity Interests and/or Pledge of or Changes in Equity Interests by a Director, Supervisor, Managerial Officer, or Shareholder with a Stake of More than 10% in the Most Recent Year and Up to the Publication Date of the Annual Report
   (1) Equity transfer: Please refer to the MOPS > Single Company > Equity Changes/Securities Issuance > Equity Transfer Data Query > Post-filing Statement of Insider Shareholding Changes: https://mops.twse.com.tw/mops/#/web/query6_1
   (2) Changes in pledged equity: Please refer to MOPS > Single Company > Equity Changes/Securities Issuance > Insider Pledges/Release of Pledges > Insider Pledge/Release Announcement: https://mopsov.twse.com.tw/mops/web/STAMAK03_1.
   (3) Counterparties to share transfers or share pledges who are related parties: None.

7. Information on Relationships among the Company's Top 10 Shareholders by Shareholding

April 28, 2026 (Unit: Share; %)

Name	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top 10 Shareholders, or Spouses or Relatives Within the Second Degree of Kinship		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
YAGEO Corporation	16,738,837	22.13	–	–	–	–	–	–	–
Representative:CHEN TIE-MIN	0	–	–	–	–	–	–	–	–
LIN, CHE-MING	1,501,312	1.98	72,000	0.10	–	–	–	–	–
Guo Xin Investment Co., Ltd.	1,333,000	1.76	–	–	–	–	–	–	–
Representative:CHEN TIE-MIN	0	–	–	–	–	–	–	–	–
Tong Hsing Electronic Industries, Ltd.	1,317,000	1.74	–	–	–	–	–	–	–
Representative:CHEN TIE-MIN	0	–	–	–	–	–	–	–	–
Sinopower Semiconductor Inc.	1,265,088	1.67	–	–	–	–	–	–	–
Representative: SHIUE ,TIAN-FURE	12,000	0.02	–	–	–	–	–	–	–
CTBC Bank as custodian for Anpec Electronics Corp. Restricted Stock Trust Account for Employees with Voting and Dividend Rights	1,051,000	1.39	–	–	–	–	–	–	–
SHENG, KANG	996,958	1.32	12,499	0.02	–	–	–	–	–

Name	Shareholding		Shareholding of Spouse and Minor Children		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top 10 Shareholders, or Spouses or Relatives Within the Second Degree of Kinship		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Kaimei Electronic Corp.	948,000	1.25	–	–	–	–	–	–	–
Representative: LU, SHAO-PING	0	–	–	–	–	–	–	–	–
Ralec Electronic Corporation	935,000	1.24	–	–	–	–	–	–	–
Representative: LIU, WEN-LIANG	0	–	–	–	–	–	–	–	–
Standard Chartered International Commercial Bank Business Department is entrusted with the custody of Advanced Starlight Fund Company's series of funds, specifically the Advanced Comprehensive International Equity Index Fund investment Fund	905,000	1.20	–	–	–	–	–	–	–

8. Total Number of Shares and Total Equity Stake Held in any Single Enterprise by the Company, Its Directors and Supervisors, Managerial Officers, and Any Companies Controlled Either Directly or Indirectly by the Company

March 31, 2026 (Unit: Share; %)

Investee Enterprises (Note)	Investment by the Company		Investment in Directly or Indirectly Controlled Businesses by Directors, Supervisors, Managerial Officers, and the Company		Total Ownership	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
ANPEC International Holding Ltd.	3,000,500	100.00	-	-	3,000,500	100.00
SUPEC International Holding Ltd.	-	-	10,001,667	100.00	10,001,667	100.00
Sinopower Semiconductor Inc.	15,965,615	42.62	22,700	0.06	15,988,315	42.68
SUPEC (Suzhou) Co., Ltd.	-	-	-	100.00	-	100.00

Note: Investments by the Company accounted for using the equity method.

Chapter 3 Capital Overview

1. Capital and Shares

(1) Sources of Capital

A. Formation of Capital

March 31, 2026 (Unit: thousand shares; NTD thousands)

Year/ Month	Par Value per Share	Authorized Capital		Paid- in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increase by Assets Other than Cash	Others
2021.03	10	180,000	1,800,000	73,798	737,985	Issuance of restricted stock awards	—	2021.03.31 Zhu Shang Zi No. 1100008752
2021.08	10	180,000	1,800,000	73,785	737,845	Cancellation of restricted stock awards for capital reduction	—	2021.08.19 Zhu Shang Zi No. 1100023768
2021.11	10	180,000	1,800,000	74,113	741,125	Cancellation of restricted stock awards for capital reduction/Issuance of restricted stock awards	—	2021.11.25 Zhu Shang Zi No. 1100034815
2022.03	10	180,000	1,800,000	74,076	740,755	Cancellation of restricted stock awards for capital reduction	—	2022.03.29 Zhu Shang Zi No. 1110009450
2022.05	10	180,000	1,800,000	74,073	740,725	Cancellation of restricted stock awards for capital reduction	—	2022.05.18 Zhu Shang Zi No. 1110015514
2022.11	10	180,000	1,800,000	74,070	740,695	Cancellation of restricted stock awards for capital reduction	—	2022.11.15 Zhu Shang Zi No. 1110036520
2023.03	10	180,000	1,800,000	74,068	740,675	Cancellation of restricted stock awards for capital reduction	—	2023.03.03 Zhu Shang Zi No. 1120006579
2023.08	10	180,000	1,800,000	74,646	746,455	Cancellation of restricted stock awards for capital reduction/Issuance of restricted stock awards	—	2023.08.23 Zhu Shang Zi No. 1120027907
2023.11	10	180,000	1,800,000	74,642	746,415	Cancellation of restricted stock awards for capital reduction	—	2023.11.22 Zhu Shang Zi No. 1120038600
2024.03	10	180,000	1,800,000	75,050	750,495	Issuance of restricted stock awards	—	2024.03.14 Zhu Shang Zi No. 1130007415
2024.08	10	180,000	1,800,000	75,019	750,185	Cancellation of restricted stock awards for capital reduction	—	2024.08.15 Zhu Shang Zi No. 1130026167
2024.11	10	180,000	1,800,000	75,149	751,485	Issuance of restricted stock awards	—	2024.11.20 Zhu Shang Zi No. 1130037169
2025.05	10	180,000	1,800,000	74,657	746,570	Cancellation of treasury stock and issuance of restricted stock awards	—	2025.05.23 Zhu-Shang-Zi No. 1140015975
2025.12	10	180,000	1,800,000	75,276	752,760	Cancellation of restricted stock awards for capital reduction/Issuance of restricted stock awards	—	2025.12.01 Zhu-Shang-Zi No. 1140037575
2026.03	10	180,000	1,800,000	75,637	756,370	Issuance of restricted stock awards	—	2026.03.10 Zhu-Shang-Zi No. 1150006884

B. Type of Stock

Unit: Shares

Type of Stock	Authorized Capital (Shares)			Remarks
	Issued Shares (Note)	Un-issued Shares	Total	
Registered Common Stock	75,637,000	104,363,000	180,000,000	Over the counter

Note: Data is based on the latest Change Registration Form information as of the printing date.

C. Information on Shelf Registration: Not applicable.

(2) List of Major Shareholders

Shareholders Owning 5% or More of the Outstanding Shares of the Company or withe Shareholding Stake in Top 10 List:

April 28, 2026

Ranking	Name of major shareholders	Shareholding (shares)	Percentage (%)
1	YAGEO Corporation	16,738,837	22.13
2	LIN, CHE-MING	1,501,312	1.98
3	Guo Xin Investment Co., Ltd.	1,333,000	1.76
4	Tong Hsing Electronic Industries, Ltd.	1,317,000	1.74
5	Sinopower Semiconductor Inc.	1,265,088	1.67
6	CTBC Bank as custodian for Anpec Electronics Corp. Restricted Stock Trust Account for Employees with Voting and Dividend Rights	1,051,000	1.39
7	SHENG, KANG	996,958	1.32
8	Kaimei Electronic Corp.	948,000	1.25
9	Ralec Electronic Corporation	935,000	1.24
10	Standard Chartered International Commercial Bank Business Department is entrusted with the custody of Advanced Starlight Fund Company's series of funds, specifically the Advanced Comprehensive International Equity Index Fund investment Fund	905,000	1.20

(3) Dividend Policy and Implementation Status

A. Dividend Policy

According to the Company's Articles of Incorporation, 10% of current year's earnings, if any, after paying all taxes and dues and covering prior years' losses, shall be appropriated as legal reserve. After that, special reserve shall be set appropriated or reversed in accordance with the related laws or the regulations when needed. The remaining earnings shall be proposed as the dividend or bonus distribution by the Board of Directors and resolved by the shareholders.

In accordance with the Article 240 of the Company Act, the Company authorizes the board of directors to distribute all or part of dividends and bonuses in cash with the presence of more than 2/3 of the directors and a resolution approved by more than half of the directors present. It shall be reported to the shareholders' meeting, and the rules regarding the resolution by the shareholders' meeting in this article of incorporation do not apply.

Based on the considerations of the environment and stage of growth of the Company, the response to future capital needs and long-term financial plan, and shareholders' needs for cash inflow, the Company shall appropriate and distribute dividends to shareholders from the distributable earnings, where the cash dividends must not be less than 10% of the total dividends. However, the type and ratio of this earnings distribution can be adjusted by the resolution of the shareholders' meeting according to the actual profit and capital situation of the year.

The Company's dividend policy is determined by the Board of Directors based on the Company's operating conditions, capital needs, capital expenditure budget, changes in the overall internal and external environment, and taking into account shareholders' interests. Unless there are special circumstances, the dividend distribution policy should not be lower than 50% of the current year's after-tax surplus, and the proportion of cash dividend distribution shall not be lower than 10% of total dividends.

B. Distribution of Dividends Resolved by the Board of Directors

On February 11, 2026, the Board of Directors resolved to distribute cash dividends from the earnings of 2025 as shown in the table below; the Chairman is authorized to set another date as the record date of dividend distribution.

2025 Earnings Distribution Proposal

Unit: NTD

Distributed Item	Amount
Dividend distribution to shareholders - cash (NTD 10.2 per share)	767,815,200

Distribution of Capital Surplus in Cash to Shareholders for 2025

Unit: NTD

Distributed Item	Amount
Dividend distribution to shareholders - cash (NTD 0.8 per share)	60,220,800

(4) Impact of the proposed bonus share issuance at this shareholders' meeting on the Company's operating performance and earnings per share:

Not applicable as there is not any stock dividend distribution.

(5) Employee and Director Remuneration

A. Percentage or scope of employee and director remuneration in the Articles of Incorporation:

According to Article 31 of the Company's Articles of Incorporation, 10% to 25% of the profit for the current year shall be distributed as employee compensation. No less than 5% of the total employee compensation shall be allocated to entry-level employees. Director remuneration shall not exceed 3% of the profit for the current year. However, any remaining accumulated losses of the company shall be made up first.

Employee compensation may be in stock or cash, and the recipients of stock or cash may include employees of affiliated companies who meet certain conditions. The annual profit referred to in Paragraph 1 refers to the annual profit before tax deducting the distribution of employee compensation and directors' remuneration. The distribution of employee compensation and directors' remuneration shall be implemented with the presence of more than 2/3 of the directors in the board meeting and a resolution approved by more than half of the directors present, and it shall be reported to the shareholders' meeting.

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

(A) The estimates are based on historical percentage for distribution.

(B) There was no distribution of employee compensation in stock during the year.

(C) The Company has adopted the International Financial Reporting Standards (IFRSs) since 2013.

C. Distribution of Remuneration Approved in the Board of Directors Meeting:

(A) The amount of employee compensation and director remuneration distributed in cash or stock; if there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed: On February 11, 2026, the Board of Directors of the Company resolved to distribute NTD 180,480,340 to employees and NTD 26,737,828 to directors for the year 2025, and there was no difference between the amount distributed and the estimated amount.

(B) The amount of employee compensation distributed in stock and its percentage to the total amount of net income after tax and total employee compensation in the parent company only or individual financial statements for the period: There was no distribution of employee compensation in stock during the year.

(C) The Company's estimated earnings per share after the distribution of employee and director remuneration: NTD 13.04.

D. Actual distribution of remuneration to employees and directors in the previous year:

Unit: NTD

Distributed Item	Actual Distributed Amount	Amount Resolved by the Board of Directors	Reasons for Difference
1. Employee compensation:			
(1) Employee compensation in cash	137,188,686	137,188,686	—
(2) Employee compensation in stock	0	0	—
2. Director remuneration	20,324,251	20,324,251	—

(6) Share Repurchases

None.

2. Issuance of Corporate Bonds

None.

3. Issuance of Preferred Shares

None.

4. Issuance of Global Depository Receipts

None.

5. Issuance of Employee Stock Options

None.

6. Issuance of Employee Restricted Stock Awards

(1) Disclosure of restricted stock awards for employees with unvested conditions up to the publication date of the annual report and impact on shareholders' equity:

March 31, 2026

Type of Restricted Stock Awards	2023 Employee Restricted Stock Awards		
	First Issuance	Second Issuance	Third Issuance
Effective Registration Date and total Number of Units	July 18, 2023 Jin Guan Zheng Fa Zi No. 1120348510 / 1,200,000 shares		
Date of Issuance	August 15, 2023	March 6, 2024	November 12, 2024
Number of Restricted Stock Awards Issued	579,000 shares	408,000 shares	130,000 shares
Number of Restricted Stock Awards Available for Issuance	0 shares (Note 1)		
Issued Price	NTD 0 (Note 2)		
Ratio of Number Employee Restricted Stock Awards Issued to the Total Number of Issued Shares (Note 3)	0.77%	0.54%	0.17%
Vesting Conditions of Restricted Stock Awards	1. Employees who remain employed and meet the performance requirements set by the Company after being issued restricted stock award new shares can achieve the following vesting ratios: (1) Employees who remain employed with the Company for one year from the issuance date and receive an excellent performance evaluation in the year of the issuance date will receive 50% vesting of the newly issued restricted stock award new shares. (2) Employees who remain with the Company for two years from the issuance and who receive an excellent performance evaluation in the year of the issuance date will receive 50% vesting of the newly issued restricted stock award new shares. 2. After being issued restricted stock award new shares but before meeting the vesting conditions, if employees violate labor contracts, company rules, or contractual agreements with the Company, the Company has the right to recover and cancel the shares without compensation.		
Restricted Rights of Restricted Stock Awards	1. The restricted stock award new shares issued under this measure will be held in a stock trust on behalf of the employees. Upon the issuance of shares, the employees' rights with respect to the shares will be subject to the following restrictions until the vesting conditions are met: (1) Upon issuance of new shares and prior to meeting the vesting conditions, employees are not allowed to sell, collateralize, transfer, gift, pledge, or dispose of the restricted stock award new shares in any other way except in the case of inheritance.		

Type of Restricted Stock Awards	2023 Employee Restricted Stock Awards		
	First Issuance	Second Issuance	Third Issuance
	(2) The right to attend, propose, speak, and vote at the shareholders' meeting shall be exercised by the custodian of the trust based on applicable provisions. 2. In addition to the restrictions imposed by the trust agreement in the preceding paragraph, prior to meeting the vesting conditions, the other rights of the restricted stock award new shares issued under this measure, including but not limited to dividends, bonuses, statutory surplus reserves, capital reserves, the right to subscribe to cash increases in capital, and voting rights, are the same as the issued common shares of the Company.		
Custody of Restricted Stock Awards	After an employee is issued restricted stock award new shares, the Company will record the number of shares issued to the employee on the Company's shareholder register and deliver the shares to the employee through book-entry transfer or by issuing new share certificates. The shares will be held in trust according to the trust agreement terms during the vesting period.		
Handling Methods of Employees Who Fail to Meet the Vesting Conditions after Being Allotted or Subscribing New Shares	If an employee fails to meet the vesting conditions or if a succession occurs, the employee shall be treated in the following manner: 1. Resignation (voluntary/ retirement/ dismissal/ termination): Restricted stock award new shares that have not met the vesting conditions shall be deemed as not meeting the vesting conditions as of the resignation effective date. The Company shall recover and cancel the shares without compensation in accordance with applicable provisions. 2. General death: Restricted stock award new shares that have not met the vested conditions shall be deemed as not meeting the conditions on the day of death. The Company shall recover and cancel the shares without compensation in accordance with applicable provisions. 3. Disability or death caused by an occupational accident: (1) Employees who become disabled due to occupational accidents and must resign due to being unable to continue employment may claim the restricted stock award new shares that have not met the vesting conditions within one month from the date of resignation. (2) The legal heirs of employees who are deceased due to occupational accidents may, within one year of death, claim the restricted stock award new shares that have not met the vesting conditions. 4. Leave without pay: Restricted stock award new shares that have not met the vesting conditions shall be reinstated upon the resumption of work, but the vesting period shall be deferred by the duration of the leave without pay period. After the deferral, if the vesting condition is met, the stock transfer will be postponed to the next business day if it falls on a holiday. 5. Transfer: If an employee requests transfer to an affiliate or another company (excluding subsidiaries), their restricted stock award shares shall be handled in the same		

Type of Restricted Stock Awards	2023 Employee Restricted Stock Awards		
	First Issuance	Second Issuance	Third Issuance
	manner as stated in the first paragraph under "Resignation." However, if an employee is transferred to an affiliate or another company by the Company for operational needs, the restricted stock award shares issued shall not be affected by the transfer. 6. Employees or their legal heirs should receive shares in accordance with the trust agreement for those who have met the vesting conditions or have suffered disability or death due to occupational accidents.		
Retrieved or Purchased Shares of Restricted Stock Awards	29,500 shares	18,000 shares	0 shares
Number of Shares of New Restricted Employee Shares Already Released from Restrictions	549,500 shares	390,000 shares	65,000 shares
Number of Unvested New Restricted Shares	0 shares	0 shares	65,000 shares
Ratio of Unvested Restricted Stock Awards Shares to the Total Number of Issued Shares (Note 3) (%)	0%	0%	0.09%
Impact on Shareholders' Equity	The dilution of EPS is limited; therefore, there is no significant impact on shareholders' equity.		

Note 1: 83,000 shares of the 2023 restricted stock awards remained unissued and became invalid.

Note 2: The par value per share is NTD 10 and is issued at NTD 0, i.e., no cash consideration and allotted to employees without compensation.

Note 3: The total number of issued shares is the number of shares registered with the Ministry of Economic Affairs.

March 31, 2026

Type of Restricted Stock Awards	2025 Employee Restricted Stock Awards	
	First Issuance	Second Issuance
Effective Registration Date and Total Number of Units	July 15, 2025 Jin Guan Zheng Fa Zi No. 1140350327 / 1,200,000 shares	
Date of Issuance	November 18, 2025	March 2, 2026
Number of Restricted Stock Awards Issued	625,000 shares	361,000 shares
Number of Restricted Stock Awards Available for Issuance	214,000 shares	
Issued Price	NTD 0 (Note1)	
Ratio of Number Employee Restricted Stock Awards Issued to the Total Number	0.83%	0.48%

<table>
<tr><td rowspan="2">Type of Restricted Stock Awards</td><td colspan="2">2025 Employee Restricted Stock Awards</td></tr>
<tr><td>First Issuance</td><td>Second Issuance</td></tr>
<tr><td>of Issued Shares (Note 2)</td><td></td><td></td></tr>
<tr><td>Vesting Conditions of Restricted Stock Awards</td><td colspan="2">1. Employees who remain employed and meet the performance requirements set by the Company after being issued restricted stock award new shares can achieve the following vesting ratios:
(1) Employees who remain employed with the Company for one year from the issuance date and receive an excellent performance evaluation during this period will receive 50% vesting of the newly issued restricted stock award new shares.
(2) Employees who remain employed with the Company for two years from the issuance date and receive an excellent performance evaluation during this period will receive 50% vesting of the newly issued restricted stock award new shares.
(3) If an employee fails to meet the Company's required performance target within the year preceding the aforementioned vesting schedule, the Company reserved the right to recover and cancel the shares without compensation. However, for employees who are not directors or managerial officers, the Chairman may approve full or partial vesting or deferral.
2. After being issued restricted stock award new shares but before meeting the vesting conditions, if employees violate labor contracts, company rules, or contractual agreements with the Company, the Company has the right to recover and cancel the shares without compensation.</td></tr>
<tr><td>Restricted Rights of Restricted Stock Awards</td><td colspan="2">1. The restricted stock award new shares issued under this measure will be held in a stock trust on behalf of the employees. Upon the issuance of shares, the employees' rights with respect to the shares will be subject to the following restrictions until the vesting conditions are met:
(1) Upon issuance of new shares and prior to meeting the vesting conditions, employees are not allowed to sell, collateralize, transfer, gift, pledge, or dispose of the restricted stock award new shares in any other way except in the case of inheritance.
(2) The right to attend, propose, speak, and vote at the shareholders' meeting shall be exercised by the custodian of the trust based on applicable provisions.
2. In addition to the restrictions imposed by the trust agreement in the preceding paragraph, prior to meeting the vesting conditions, the other rights of the restricted stock award new shares issued under this measure, including but not limited to dividends, bonuses, statutory surplus reserves, capital reserves, the right to subscribe to cash increases in capital, and voting rights, are the same as the issued common shares of the Company.</td></tr>
<tr><td>Custody of Restricted Stock Awards</td><td colspan="2">After an employee is issued restricted stock award new shares, the Company will record the number of shares issued to the employee on the Company's shareholder register and deliver the shares to the employee through book-entry transfer or by issuing new share certificates. The shares will be held in trust</td></tr>
</table>

<table>
<tr><th rowspan="2">Type of Restricted Stock Awards</th><th colspan="2">2025 Employee Restricted Stock Awards</th></tr>
<tr><th>First Issuance</th><th>Second Issuance</th></tr>
<tr><td></td><td colspan="2">according to the trust agreement terms during the vesting period.</td></tr>
<tr><td>Handling Methods of Employees Who Fail to Meet the Vesting Conditions after Being Allotted or Subscribing New Shares</td><td colspan="2">If an employee fails to meet the vesting conditions or if a succession occurs, the employee shall be treated in the following manner:
1. Resignation (voluntary/ retirement/ dismissal/ termination):
Restricted stock award new shares that have not met the vesting conditions shall be deemed as not meeting the vesting conditions as of the resignation effective date. The Company shall recover and cancel the shares without compensation in accordance with applicable provisions.
2. General death:
Restricted stock award new shares that have not met the vested conditions shall be deemed as not meeting the conditions on the day of death. The Company shall recover and cancel the shares without compensation in accordance with applicable provisions.
3. Disability or death caused by an occupational accident:
(1) Employees who become disabled due to occupational accidents and must resign due to being unable to continue employment may claim the restricted stock award new shares that have not met the vesting conditions within one month from the date of resignation.
(2) The legal heirs of employees who are deceased due to occupational accidents may, within one year of death, claim the restricted stock award new shares that have not met the vesting conditions.
4. Leave without pay:
Restricted stock award new shares that have not met the vesting conditions shall be reinstated upon the resumption of work, but the vesting period shall be deferred by the duration of the leave without pay period. After the deferral, if the vesting condition is met, the stock transfer will be postponed to the next business day if it falls on a holiday.
5. Transfer:
If an employee requests transfer to an affiliate or another company (excluding subsidiaries), their restricted stock award shares shall be handled in the same manner as stated in the first paragraph under “Resignation.” However, if an employee is transferred to an affiliate or another company by the Company for operational needs, the restricted stock award shares issued shall not be affected by the transfer.
6. Employees or their legal heirs should receive shares in accordance with the trust agreement for those who have met the vesting conditions or have suffered disability or death due to occupational accidents.</td></tr>
<tr><td>Retrieved or Purchased Shares of Restricted Stock Awards</td><td>0 shares</td><td>0 shares</td></tr>
<tr><td>Number of Shares of New Restricted Employee Shares Already Released from</td><td>0 shares</td><td>0 shares</td></tr>
</table>

Type of Restricted Stock Awards	2025 Employee Restricted Stock Awards	
	First Issuance	Second Issuance
Restrictions		
Number of unvested new restricted shares	625,000 shares	361,000 shares
Ratio of unvested restricted stock awards shares to the total number of issued shares (Note 2) (%)	0.83%	0.48%
Impact on Shareholders' Equity	The dilution of EPS is limited; therefore, there is no significant impact on shareholders' equity.	

Note 1: The par value per share is NTD 10 and is issued at NTD 0, i.e., no cash consideration and allotted to employees without compensation.

Note 2: The total number of issued shares is the number of shares registered with the Ministry of Economic Affairs.

(2) Names and Acquisition Status of Managerial Officers Who Have Acquired New Restricted Employee Shares and of Employees Who Rank among the Top 10 in the Number of New Restricted Employee Shares Acquired

March 31, 2026

	Title	Name	Number of New Restricted Employee Shares Acquired	Ratio of Number of New Restricted Employee Shares Acquired to the Total Number of Issued Shares (Note 2)	Restricted Rights Lifted				Restricted Rights Not Lifted			
					Number of Shares with Restricted Rights Lifted	Issued Price	Par Value	Ratio of number of shares with restricted rights lifted to the total number of issued shares (Note 2)	Number of unvested shares	Issued Price	Par Value	Ratio of Number of Shares with Restricted Rights Not Lifted to the Total Number of Issued Shares (Note 2)
Managerial Officers	Chairman and CEO	WANG, CHIH-HSIN	208,000	0.27	42,000	NTD 0 per share	NTD 10 per share	0.05	166,000	NTD 0 per share	NTD 10 per share	0.22
	President	SHENG, KANG										
	Deputy Head of Division	HUANG, KUI-YI										

	Title	Name	Number of New Restricted Employee Shares Acquired	Ratio of Number of New Restricted Employee Shares Acquired to the Total Number of Issued Shares (Note 2)	Restricted Rights Lifted				Restricted Rights Not Lifted			
					Number of Shares with Restricted Rights Lifted	Issued Price	Par Value	Ratio of number of shares with restricted rights lifted to the total number of issued shares (Note 2)	Number of unvested shares	Issued Price	Par Value	Ratio of Number of Shares with Restricted Rights Not Lifted to the Total Number of Issued Shares (Note 2)
Employee (Note 1)	Senior Head of Division	KAO, MENG-FEI	253,000	0.33	21,000	NTD 0 per share	NTD 10 per share	0.03	232,000	NTD 0 per share	NTD 10 per share	0.30
	Senior Head of Division	CHEN, CHIH-YUAN										
	Head of Division	LAI, PO-CHUNG										
	Head of Division	PAN, HUNG-KUN										
	Deputy Head of Division	CHANG, TIEN-TSAI										
	Deputy Head of Division	XIE, HUI-MEI										
	Deputy Head of Division	CHEN, KUN-MIN										
	Deputy Head of Division	SU, CHIH-HENG										
	Senior Manager	TSAI, MING-JUNG										
	Manager	CHEN, FU-CHUAN										

Note 1: The top ten employees who have acquired new restricted employee shares means employees other than managerial officers.

Note 2: The total number of issued shares is the number of shares registered with the Ministry of Economic Affairs.

7. Issuance of New Shares in Connection with Mergers or Acquisitions or with Acquisitions of Shares of Other Companies

   None.

8. Implementation of the Company's Capital Allocation Plans

   For the period as of the quarter preceding the date of publication of the annual report, with respect to each uncompleted public issue or private placement of securities, and to such issues and placements that were completed in the most recent three years but have not yet fully yielded the planned benefits: None.

Chapter 4 Operational Highlights

1. Business Activities

(1) Scope of Business

A. Major Lines of Business of the Company

(A) CC01080 Electronics Components Manufacturing

Research, development, production, manufacturing and sale of the following products:

a. Semiconductor power IC and modules.
b. Semiconductor power components and modules.
c. Intelligent power IC and modules.
d. Wireless and network communication IC.
e. Photoelectric driver IC.

(B) Consulting on the above-mentioned businesses.

B. Proportions of Different Lines of Business in 2025

Products	Proportion (%)
Power conversion and management ICs	26.04
Amplifier and Driver IC	29.05
Discrete power components	44.91
Total	100.00

C. Current Products and Services of the Company

(A) Power conversion and management ICs

(B) Amplifier and Driver IC

(C) Discrete power components

(D) Consultation on commissioned technology development

D. New Products to Be Developed

(A) Power management IC (PMIC)

The Company plans to develop a comprehensive solution for memory modules and next-generation server memory modules, gradually expanding application coverage. For PC and server applications, the Company continues to develop next-generation power management solutions for NB/DT motherboards, as well as battery management and charging solutions, high-power conversion products, and polyphase core power solutions to continuously enhance product value. For security control image recognition applications, the Company works with clients to develop highly integrated and high-power PMIC customized solutions to improve system performance and simplify clients' system design. For storage applications, the Company works with clients to develop next-generation customized power management solutions to strengthen client relationships. For network communication devices, the Company continues to participate in original manufacturer reference designs and develops next-generation low-noise power management solutions to enhance the breadth of the product line. For automotive electronics applications, the Company is working with leading chip clients to develop supporting PMIC reference designs so that the Company can gradually enter the field of automotive electronics.

(B) Motor Driver and Control ICs

The Company continues to deepen its presence in the laptop cooling fan driver field, and actively launches driver solutions with low noise, low power consumption, and high output efficiency to meet the increasing performance and energy efficiency demands of high-end cooling modules. Meanwhile, to strengthen cooperation with global brand clients, the Company is promoting the development of customized application-specific ICs to enhance product differentiation and market competitiveness.

In response to the stringent requirements for high stability and intelligent control in AI computing and high-performance computing equipment, the Company continues to invest R&D resources into next-generation constant speed and intelligent control architectures, highly integrated high-current drivers, and high-efficiency, low-power motor driver technologies. These technologies have been widely applied across diverse markets, including high-end AI laptops, gaming laptops, high-performance gaming devices, charging piles, energy conversion equipment, networking equipment, data center server power supplies, and high-reliability automotive electronics. These products and technologies launched not only improve product suitability and system integration for clients but also assist in reducing overall costs during development, mass production, and maintenance phases. Furthermore, the Company is developing programmable intelligent high-power driver platforms. Through hardware-software integration, we enable clients to design, tune, and subsequently maintain product parameters with greater efficiency, thereby shortening product development cycles and reducing technical burdens.

In emerging applications, following the rapid growth of home appliance automation and robotics, the Company is expanding into high-end motor drivers, including brushless DC (BLDC) motor drivers, stepper motor drivers, and servo motor control systems. Related products will be applied to white goods, cleaning robots, AI service robots, and other motor control-related industries. This strategy is expected to further expand the breadth of the Company's product portfolio and strengthen its market position in the smart home and intelligent machine sectors.

(C) Audio Amplifier ICs

Continuously developing low-noise, low-distortion, high-efficiency audio amplification and driver products, and collaborating with specific customers to develop customized product solutions to enhance system audio performance, assisting customers in strengthening the competitiveness of their end products.

(D) Discrete Power Component and Integrated Driver IC Products

The Company focuses on the development of high-power semiconductor product lines, and aims to provide products with performance, quality, and service comparable to international majors. We provide more professional services to personal computer and consumer application clients while developing new market segments. The Company will also focus on the development of high-density unit cells and new technology platforms. For low- and medium-voltage products, the development target is the characteristics of ultra-low ON-resistance and extremely low gate charge. For high-voltage products, the Company gives priority to super-contact technology platforms. The existing low-voltage (≦40V) product line will continue to expand. In addition to adding power device products, DrMOS products with integrated driver ICs have been introduced to meet the needs of high-end models for computer applications (such as commercial laptops, servers, and HPC applications). The mid-voltage (40V to 250V) product line will enhance performance through new technologies to meet the demands of industrial applications, motor drives, and power supplies. For the high voltage (>250V) product line, the Company will extend the voltage operation range to 800V or more and enhance the development of technologies for component performance enhancement.

For wide band-gap semiconductors (e.g., SiC and GaN), the Company will also simultaneously arrange resources for the development of such products. After the platform is completed, the Company will come up with the source of performance growth for power semiconductors in the next stage.

(2) Industry Overview

A. Current Status and Development

(A) IC Products

In 2025, the global semiconductor industry recovery continues, with the market size expected to grow by 12% to 15%, reaching approximately USD 650 billion to USD 680 billion. The core momentum comes from the expansion of AI and high-performance computing (HPC) infrastructure. Meanwhile, automotive electronics benefit from increased electric vehicle penetration and ADAS upgrades, while industrial automation drives demand for analog and power components through the energy transition and 5G/6G construction. However, the year 2026 will bring growth challenges. As various countries promote the development of domestic production capacity, regional overcapacity may occur. Furthermore, massive expansion of mature process capacity in mainland China is intensifying price competition. Global revenue growth is expected to slow to 5% to 9% as the industry enters a structural transformation period. Although Taiwan maintains its lead in advanced processes, it must cautiously navigate market uncertainties brought by geopolitics and supply chain restructuring.

In the hardware equipment market, the notebook (NB) market returned to stability in 2025, with shipments projected to reach 170 to 180 million units, representing a growth rate of approximately 3% to 5%. This recovery was primarily catalyzed by the Windows 11 replacement wave and the emergence of AI PCs, which bolstered demand for commercial models. The server market exhibited a unique phenomenon where revenue growth outpaced shipment increases. Although total shipments saw a modest year-on-year (YoY) increase of only 2% to 5%, high-unit-price AI servers accounted for over 20% of the market, becoming the core force reshaping the industry. The memory and storage markets also demonstrated structural divergence. Led by HBM, the DRAM market achieved a YoY growth of 20% to 30%, though capacity expansion remained constrained by the transition to advanced processes. Meanwhile, the storage market was driven by PCIe 5.0 SSDs and AI data pipelines, with semiconductor storage growing by over 25% YoY—reflecting a high market focus on optimizing data management performance and cost efficiency.

The AI market enters a mature phase in 2025 after explosive growth, with the driving force shifting from infrastructure construction to practical application and monetization. The global AI market is expected to exceed USD 300 billion, maintaining a high growth rate of 35% to 40%. While the growth of the infrastructure layer (chips and servers) has returned from triple-digits to 30%–50%, the AI application and service layer demonstrates the strongest potential. The rapid rise of AI penetration in enterprise software has driven a YoY growth rate exceeding 40% in this sector. This marks the diffusion of AI technology from the cloud to the edge, where foundational model giants and vertical-specific refined models coexist. The focus of market competition has shifted from computing power reserves to the ability to provide stable, reliable, and commercially valuable solutions.

Looking ahead, the semiconductor industry will continue to digest overinvestment and inventory risks, with core growth engines in AI ubiquity, automotive intelligence, and energy transition. While the pace of growth may stabilize in 2026, the technology arms race in advanced processes and packaging will persist, serving as the key driver for mid-to-high single-digit market growth. Companies must manage cost bottlenecks and power stability within a complex geopolitical environment. Specifically, under the challenges of technology export controls and capacity fragmentation, companies that successfully transform cutting-edge technology into affordable commercial value will stand out. In summary, 2025 and 2026 represent a convergence of technology democratization and industrial qualitative change, with an impact that will profoundly permeate all levels of the global economy and society.

(B) Power MOSFET and Integrated Driver IC Products

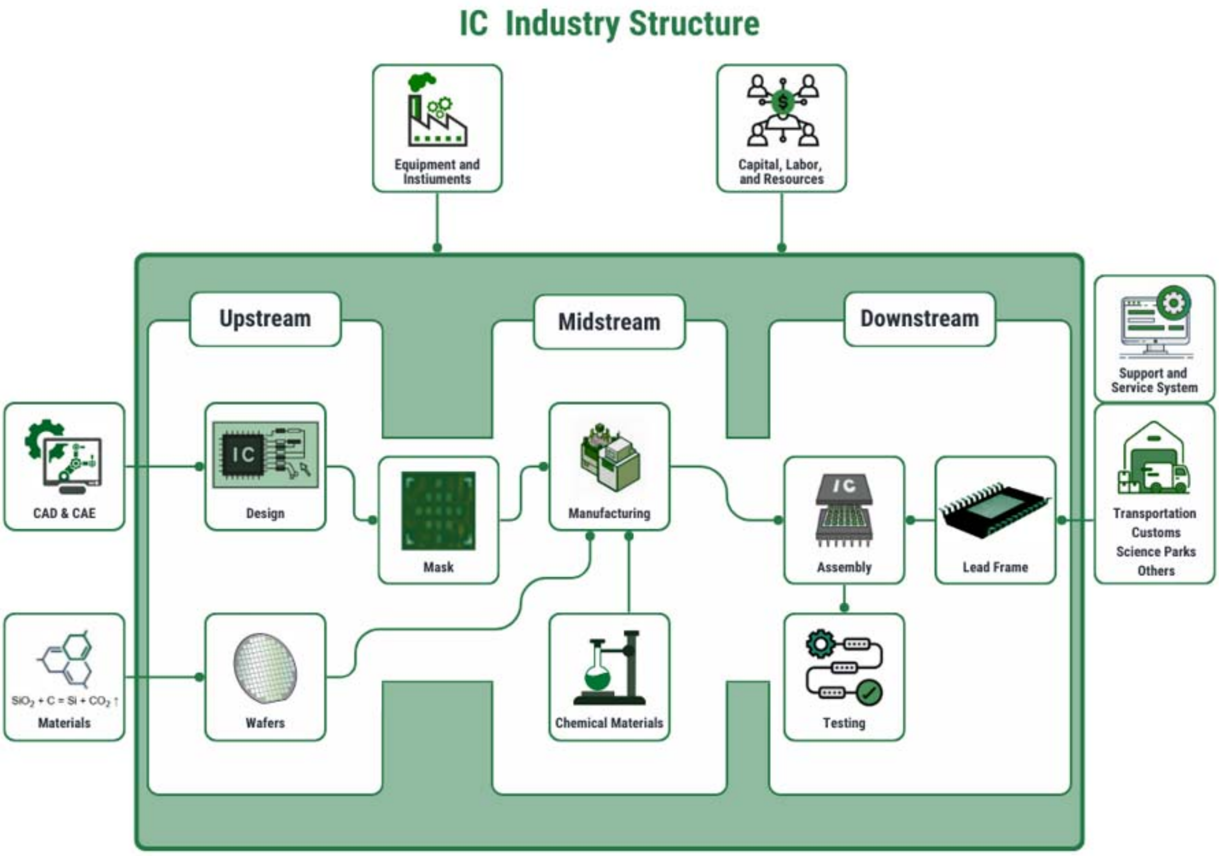
The power semiconductor component industry is a niche industry in the global semiconductor market, accounting for roughly 3-5% of the total semiconductor market. The global semiconductor market is entering a phase of historic growth. According to WSTS's projections, global semiconductor output will reach USD 772 billion in 2025, a record high with a 22% YoY increase; among this, logic ICs and memory show the strongest demand, driven by the rapid growth of AI and data center applications. In 2026, the market is expected to surpass USD 975 billion, approaching the USD 1 trillion milestone with a growth rate exceeding 25%. The discrete device market is valued at USD 30.9 billion in 2025 and will grow by 8.2% to reach USD 33.4 billion in 2026. Furthermore, according to Research Nester's estimates, sales of MOSFET power transistors are projected to exceed USD 8.85 billion in 2025 and are expected to reach USD 16.93 billion by 2035, with a compound annual growth rate (CAGR) of 6.7%.

MOSFET is the largest market for power semiconductor components. It has excellent stability and is suitable for AC/DC converters, DC/DC converters, power stages, etc. As a result, it is often used in industrial, automotive, consumer electronics, communications, computing, and other fields. The power semiconductor components will be mostly used in industrial fields, including motor control, rail transit, wireless power supply, energy control, and smart grids, accounting for more than 30% in the long run; such components used in auto applications also exceed 30%. The market of high-voltage MOSFETs will gradually increase with the development of new energy vehicles/electric vehicles.

B. Relationships Among the Upstream, Midstream, and Downstream Sectors

(A) IC Products

The IC design industry is at the front end of the IC industry system (see figure below) and has no relationship with the upstream sector, while its downstream industries are foundry, IC process, packaging and professional testing. The IC industry in Taiwan is different from that in other countries, where major foreign companies cover everything from design, manufacturing, packaging and testing. In Taiwan, there are individual companies involved in each production process, with a clear vertical division of labor and expertise. The structure of the IC industry is presented as follows:



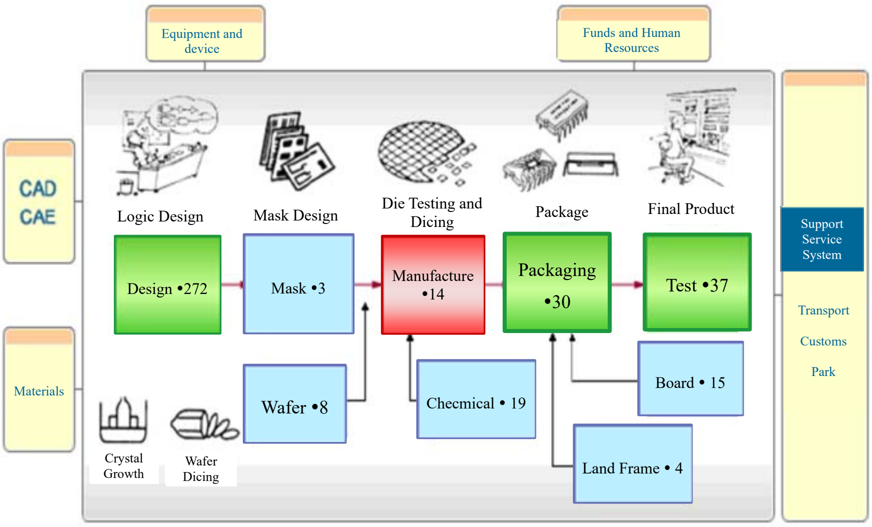
(B) Power MOSFET and Integrated Driver IC Products

Component design for power semiconductors belongs to the midstream sector in the semiconductor industry and plays a role in the midstream sector within the supply chain of the electronics industry. On the other hand, the upstream sector is made up of wafer fabs and packaging and test houses, while the downstream sector serves system vendors (end clients).

The Company either develops and designs its MOSFET product line or is commissioned by clients to design related products. After completing the layout design required in the manufacturing process, semi-finished wafers are produced through mask making and wafer foundries, and then sent to packaging plants for cutting and packaging after frontend testing. Lastly, the wafers are sent to professional testing plants for backend testing before the manufacture of such products is deemed completed. The downstream sector in the power semiconductor field encompasses various industries, including IT, telecommunication, consumer electronics, industrial control equipment, automotive, and medical devices. Almost all upstream raw materials are developed and produced by major international and domestic manufacturers, ensuring a sufficient supply. The applications of the downstream industry are extensive, and the upstream and downstream industrial ecosystem is well-developed. Due to the maturity of the semiconductor industry and Taiwan’s status as a major global manufacturer of hardware, a strong environment for the domestic semiconductor design industry has been fostered. This has also solidified the continuous growth trend for the power semiconductor component industry.

Power semiconductor components share similar production processes with general ICs. However, power semiconductor components differ from ICs in terms of technology platform development and work in a significantly distinct way than ICs. For general ICs, standard manufacturing processes are provided by fabs, while IC design companies design circuits and layouts according to these manufacturing processes. Therefore, different IC design companies are able to design products with distinct features based on the same standard manufacturing processes to meet various application requirements. On the other hand, the manufacturing processes for power semiconductors have to be jointly developed by product design companies and wafer fabs, and also adjusted simultaneously in consideration of the use of substrates and EPIs with different specifications in such products due to different hipot requirements. When fabs do not have the relevant manufacturing processes, the basic manufacturing processes have to be provided by product design companies, and then implemented by fabs before carrying out calibration based on output results. After the manufacturing processes are confirmed, design companies will initiate component design and product development based on the manufacturing processes they have developed. In general, process development and component design must be coordinated and carried out simultaneously. Therefore, in actual applications, the parameters of each supplier's products may vary slightly due to different production processes (or production sites), and the applicability of the applications needs to be confirmed once again. The relationships among the industries to which MOSFETs belong in the upstream, midstream, and downstream sectors are illustrated as follows:

Source: Industrial Economics and Knowledge Center (IEK), Industrial Technology Research Institute



a Services in the upstream sector:

(a) Wafer foundry:

The manufacturing process involves the repeated use of various process technologies, such as lithography, etching, oxidation, and diffusion, to create the designed circuit pattern on the silicon wafer layer by layer.

(b) Wafer packaging and finished product testing:

This process belongs to the back-end operations and involves packaging and testing the product based on its electrical characteristics and application requirements. The objective is to safeguard the chip, complete the necessary pins, and ensure that the product's quality is optimal.

b Services in the midstream sector:

(a) R&D, outsourcing management, and sales:

The Company belongs to the midstream sector in the supply chain of the electronics industry. Its primary role is to develop and design products, finalize the layout design of the necessary power semiconductor components, and manufacture the products through upstream wafer foundries, packaging, and testing factories. Manufactured products (finished products) are sold through channel agents or by the Company itself.

c Services in the downstream sector:

(a) Supply power semiconductor components to computer system manufacturers, brand manufacturers, and communication manufacturers (i.e., end clients).

(b) Agents/distributors: Manufactured products (finished products) are sold to end clients through agents/distributors.

C. Product Development Trends and Competition

(A) Product development trends:

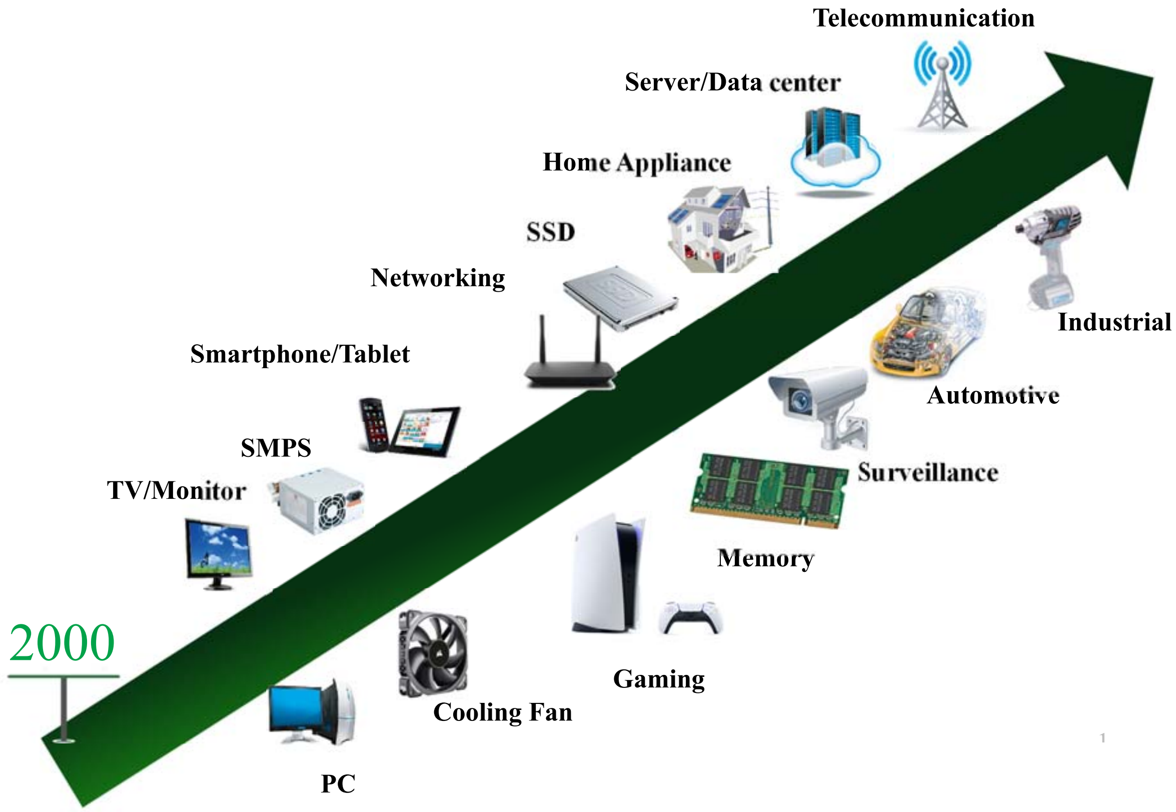
a. IC Products

The Company is engaged in the design, testing, production, and sale of integrated circuits for power management, power drive, and sensors. We focus on developing technologies related to power management, motor control and drive, and audio amplification. The Company's applications are highly diversified, spanning personal computers, servers, network communication, storage devices, random access memory, industrial, automotive, security monitoring, TVs and monitors, telecommunication devices, and game consoles.

In the development of power management, power drive, and sensing ICs, technological trends are moving comprehensively toward "high integration" and "intelligent performance optimization". As power demands from servers and HPC surge, and as AI gradually diffuses to the edge, power management chips are evolving toward high power density to maintain superior conversion efficiency and reduce energy consumption under extreme loads through advanced processes and packaging technologies. Motor and fan drive technologies focus on "ultra-quiet operation" and "precision control," with digital programmable solutions leveraged to achieve fine-tuned motor speed regulation and vibration suppression, thus meeting the stringent cooling requirements of AI PCs and data centers. In the field of audio amplification, the embedding of more complex intelligent logic into the chip side continues to be required for end-products, while improvements are required in the response speed and signal-to-noise ratio of audio amplifiers to achieve a perfect balance between miniaturization and high performance.

Viewed from market trends, the urgent global demand for automation, digitalization, and energy transition is driving the Company's products across diverse, high-growth sectors. In 2025 and 2026, the personal computer market will return to a growth trajectory led by commercial models, following the Windows 11 replacement wave and the popularization of AI PCs. The server market will benefit from the explosion of generative AI, thus driving a significant expansion in capital expenditure for HPC infrastructure. Regarding storage devices, the demand from AI data centers for high-speed enterprise-grade SSDs is rising, promoting capacity upgrades and interface updates. Meanwhile, the memory market is experiencing structural divergence driven by strong demand for HBM and DDR5, securing profitability for high-end applications. In the networking field, the evolution of WiFi 7/8 specifications and the construction of 5G/6G infrastructure are driving shipments of core transmission chips, while security monitoring is combined with edge AI computing to increase the penetration rate of intelligent identification sensors. Finally, in the industrial and automotive markets, the automation wave of Industry 4.0 and the enhanced intelligence of EV ADAS systems continue to drive demand for high-quality power management and high-voltage power components, assisting clients in optimizing energy management and system stability in complex applications.

Product Development Timeline at Anpec Electronics:



b. Power MOSFET and Integrated Driver IC Products

(a) Technology trends: Commitment to the development of high-efficiency, energy-saving and carbon-reducing products

Due to the rapid development of various information and portable products, there is a growing need to improve product efficiency, save energy consumption, and prolong battery life. As a result, the technology trend is moving towards the development of power semiconductor components with ultra-low on-resistance and optimized switching parameter characteristics. This will enable us to provide the most suitable products for various power application requirements. At present, the Company is focusing on the development of various technologies for power semiconductor devices, including low-, medium-, and high-voltage trench power MOSFETs, higher-voltage IGBTs, as well as various protection and integrated products. The Company is also working on product technologies that integrate both driver circuits and power components. With power components made from emerging materials (e.g., SiC and GaN) becoming a hot topic in recent times, teams at the Company's subsidiaries will also devote some resources to the development of power components, with a view to not only providing clients with a more complete selection of solutions, but also satisfying the needs of various power applications.

(b) Market trends: Component integration and package size reduction

Under the dual requirements of the advancement of 5G+AI technology and energy conservation and carbon reduction, there has been a significant increase in the specifications for power components. At the same time, with the trend of slim and lightweight design, the requirements for the size reduction of new generation products and integration and packaging have become more stringent. Consequently, integrated driver IC products are poised to become a prevailing trend. Coordinating design conflicts under various requirements is a challenge in product definition. Furthermore, integration technologies, including the integration of MOSFETs with Schottky and protection diodes, and the integration of driver circuits with power components, will enable significant savings in PCB design space. While reducing the footprint, it is essential to improve heat dissipation and power efficiency to avoid issues; thus, performance enhancement and size reduction remain the mainstream of the market. Thus, major manufacturers, including TI, Infineon (merged with IR), On Semi (merged with Fairchild), Vishay, and Renesas, have already launched related solutions to capture market share. The Company will gradually join the ranks of suppliers, provide products of the same level, and take over the existing market share of international major manufacturers with more complete design services.

(B) Competition:

a. IC Products

Facing intense competition in the global semiconductor market and supply chain restructuring under geopolitics, the Company has built a high entry barrier through technological leadership, long-term partnerships with clients, rapid response, and higher flexibility. We shorten the cycle from R&D to mass production by continuously expanding our high-end analog, digital, and power IP databases. Leveraging our cross-domain integrated technologies, we deliver high-performance solutions that outperform the benchmarks of Tier-1 international competitors. In terms of strategic market presence, the Company not only pursues the breadth of product lines but also deeply penetrates high-entry-barrier applications such as enterprise-grade and automotive-grade sectors. Through flexible capacity planning and zero-defect quality management, we strengthen strategic cooperation with first-tier global clients. Facing future challenges in the industry, we will continue to take customized development as a driving force to enhance brand value and market penetration, assisting clients in maximizing system performance in ever-changing end-application scenarios and solidifying their market leadership positions.

b. Power MOSFET and Integrated Driver IC Products

Due to the trend of low prices, miniaturization, light weight, and energy efficiency in electronic products, there is an increasing demand for power components with specific specifications and sizes. Therefore, integrated components (including MOSFETs alone, the integration of MOSFETs and Schottky diodes, and the integration of driver circuits and power components) can achieve better performance in the optimization of various applications. The Company has successively launched a series of related products, which can be used in clients' models of all levels, thus becoming the best manufacturer in Taiwan with such specifications. The Company's integrated components have also been recognized and used by clients. The Company is steadily enhancing its product technology level, as well as strengthen cooperation and technical service support with clients while developing emerging niche products and markets and continuously boosting its operational efficiency to increase revenue.

(3) Technology and R&D Overview

A. R&D Expense Invested in the Most Recent Year and Up to the Publication Date of the Annual Report

Unit: NTD thousands

Item	2025	2026 Q1
R&D expenses	734,404	195,273

B. Successfully Developed Technologies or Products

Having been engaging in the development and design of analog ICs since its founding more than 28 years ago, the Company has successfully developed over 1,842 products, which are detailed as follows:

(A) PMIC product line: A total of 580 products have been developed, including PWM ICs, linear regulator ICs, and others.

(B) Amplifier and driver IC product line: A total of 262 products have been developed, including Audio Amplifier ICs, Hall Effect ICs, and Motor Driver ICs.

(C) Discrete power component product line: A total of over 1,000 MOSFET products have been developed.

(D) The Company has filed a total of 1,267 patent applications, of which 1,016 have been approved and 251 are currently being processed.

(4) Long- and Short-term Business Development Plans

A. Short-term Plans

(A) IC Products

Regarding short-term business development, the Company will comprehensively promote new products as its core growth engine, while actively expanding market penetration and accelerating the capture of key markets and major shares. Through the optimization of product portfolios and pricing strategies, we will continue to consistently enhance the overall gross margin levels of each product line. To further strengthen market response speed and competitive advantage, the Company will deepen strategic partnerships with brand clients, while strengthening direct interaction and real-time communication to stay closely aligned with market trends and changes in end-demand as crucial bases for product and business development decisions. At the client management level, the Company will continue to focus on and deeply cultivate Tier-1 brand clients. We are actively identifying high-value-added and long-term collaboration opportunities to expand both the depth of cooperation and the scope of horizontal applications, thereby significantly increasing the revenue scale and stickiness of individual clients. As the Company’s market position steadily rises and brand visibility continues to expand, the Company will also increase resource investment to actively develop diverse regional markets and diversify revenue sources.

In terms of product strategy, the Company will accelerate the design-in and mass production processes of next-generation products within existing application fields, striving to obtain more landmark design wins and consolidate its market-leading advantage. Meanwhile, in emerging application fields, the Company will proactively promote innovative products and complete reference design solutions. By strengthening technical services, project support, and on-site collaboration, we will significantly shorten clients' implementation timelines and accelerate the launch and mass production of new projects for first-tier brand clients. The Company will simultaneously expand its reach to other potential client groups to rapidly enlarge the market base and penetration rate, further increasing overall market share. Regarding product portfolio strategy, the Company will continue to drive the development of derivative products across various application fields, while systematically expanding both the breadth and depth of product lines to comprehensively enhance market coverage, product competitiveness, and medium-to-long-term growth momentum.

(B) Power MOSFET and Integrated Driver IC Products

In terms of business development, the Company not only actively maintains its growth in the motherboard and notebook computer component businesses, but also speeds up its diversification into industrial microcomputer controllers, DC brushless motor controllers, power supplies, lithium battery applications, and electric vehicles, which is the Company's business development direction at the present stage, in order to solidify and expand its own brand. In addition, the Company is actively cooperating with major international manufacturers to continuously reduce production costs with superior economies of scale, so as to provide clients with products and services with the lowest cost, the best quality and the fastest service.

a. Increase the market share of existing products:

The Company continues to innovate and develop new technologies, and has been cultivating expertise in existing basic fields for many years. This includes a focus on new products of low-voltage and medium-voltage MOSFETs, as well as active efforts to collaborate with existing customers. We aim to satisfy more diverse client needs and provide superior customer service, thereby increasing the market share of the Company's products.

b. Expand into overseas markets outside Taiwan in a move towards the goal of "internationalization":

The Company will continue to engage in product development and design as well as global expansion with customer needs as the starting point in order to align itself to the future strategic development of global PC and consumer electronics makers and grow in tandem with them. With mainland China becoming a market with the highest growth in the world in recent years, the Company is also actively expanding its presence in the consumer market in mainland China to seize a multitude of business opportunities in this region. For example, the Company's products are applied in: DC brushless motor controllers, automotive voltage regulators, inverters, network communication products, consumer products, lithium battery protection for electric bicycles, etc.

B. Long-term Plans

(A) IC Products

a. Enhance the technology level, innovation capability, and product coverage of main product lines to increase the added value of the Company's new products and increase the level of customer satisfaction.
b. Strengthen the management and establishment of sales channels.
c. Strengthen the matching and integration of existing product lines to increase the added value of new products.
d. Adjust product strategies and resource allocation to improve the success rate of new products.
e. Strengthen mixed-signal design capabilities to provide more efficient solutions to the clients.
f. Continuously develop IP and product lines in different fields of technology for existing applications and channels to enhance product line ranges and single-client product line coverage.
g. Expand new application areas and cooperate with research institutions to develop and commercialize the core technologies required to become a growth engine for the Company's expansion into non-PC fields.
h. Continuously expand into the European, US, Japanese and Korean markets and acquire first-tier brand clients to enhance the Company's product customization capabilities and market share.
i. Develop product lines for automotive, server and industrial applications, and plan to introduce related quality management systems.
j. Strengthen the Company's R&D and production management quality system to achieve the highest design and production quality requirements in the industry.
k. Build technology-oriented new product lines and technical teams to develop new high-value application markets.
l. Strengthen the Company's business and technical service capacity at all locations and add new service locations to meet clients' needs swiftly.
m. Continuously build and improve information systems to enhance the Company's overall operational efficiency and management capabilities.

(B) Power MOSFET and Integrated Driver IC Products

The future of the electronics industry will be shaped by the growing adoption of generative AI (GenAI). What began in recent years with the surge in the AI server market is now gradually expanding into consumer electronics, driven by the increasing number of AI applications. This trend is expected to accelerate the upgrade cycle across all electronic products. In addition to continuously improving its competitive edge, the Company will also strive to intensify its efforts in market diversification. At present, not only is the Company specialized in motherboards, graphics cards, servers, and laptop products, but has also successfully stepped into the field of industrial control applications, such as brushless DC motor controllers, inverters, power supplies, power batteries, networking communication, and electric vehicle-related products. At the same time, in the application of new technologies such as 5G communication, high-speed computing applications, and robot-related motor drives, the Company will also pay attention to developing trends and stay up to date at all times. The expansion of product lines and the demonstration of technical expertise will lead the Company into a new era.

a. The Company is committed to developing products which are highly efficient in energy conversion, energy saving, and carbon reduction. With system features moving towards a lightweight, thin, short, and miniature design, the space available for heat dissipation in consumer electronics will become smaller. As a result, low-power loss solutions will become increasingly important. In addition, the requirement that power consumption must be in line with environmental protection will also become a development trend in the future. In line with market trends, the Company is actively developing low-conduction resistance series components to improve energy conversion efficiency and achieve energy-saving and carbon-reduction goals. The products include new low-voltage and medium-voltage MOSFET components, which are used in electric vehicles, desktop computers, notebook computers, smartphones batteries, and high-efficiency power supplies (Switching Power Supplies), among others. The Company's low on-resistance MOSFET series products are expected to continue growing significantly.
b. The Company continues to enhance its brand value to meet clients' all-round needs. Continuous improvement in quality, development, and promotion of high-value-added products are necessary to strengthen market competitiveness.

c. The Company continues to develop new process technologies and products with new specifications, in order to expand product application areas and reach new customers. For wide band-gap semiconductors (e.g., SiC and GaN), the Company will also simultaneously arrange resources for the development of such products. After the platform is completed, the Company will come up with the source of performance growth for power semiconductors in the next stage.

2. Overview of the Market, Production, and Sales

(1) Market Analysis

A. Major Products

The Company's products are mainly power conversion and management ICs, amplifier and driver ICs, and discrete power components, which account for 26.04%, 29.05%, and 44.91% of its overall sales in 2025, respectively.

B. Sales Regions for Major Products in the Last Three Fiscal Years

Unit: NTD thousands; %

Year / Item	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
Domestic Sales	1,351,113	24.95	1,381,542	22.69	1,963,780	26.24
Export Sales	4,065,137	75.05	4,707,962	77.31	5,519,909	73.76
Total	5,416,250	100.00	6,089,504	100.00	7,483,689	100.00

Note: The Company's primary export region is Asia.

C. Market Share

In 2025, TWSE/TPEx-listed analog IC companies recorded a total revenue of approximately NTD 60 billion. Therefore, the Company's consolidated net revenue, which totaled NTD 7.48 billion, accounted for around 12% of the aforesaid total in 2025.

D. Future Market Supply, Demand, Growth Potential, and Competitive Niches

(A) Future Market Supply, Demand, and Growth Potential

a. Active IC Application Market

The electronics and semiconductor industry is a crucial pillar of the global economy. In recent years, with the development of emerging applications such as 5G, artificial intelligence, Internet of Things, data centers, and electric vehicles, the market demand for semiconductors has continued to grow. According to market research institutions, the global semiconductor market is estimated to reach USD 800 billion in 2025, with a compound annual growth rate of approximately 20%. The strongest demand comes from applications such as automotive semiconductors, 5G communication semiconductors, and AI data center semiconductors. In terms of supply, in 2025, with the slowdown in global terminal demand and inventory adjustments, the severe shortage of semiconductor production capacity during the pandemic is no longer seen, and the capacity utilization rates from packaging and testing factories to wafer fabs have all declined. Some wafer foundries expanded their capacity during the pandemic, and this newly added capacity is now successively entering the production phase. Looking ahead, 2026 is expected to be a pivotal year in which the global semiconductor industry faces a growth test and structural transformation after the strong recovery of 2024–2025. The market will be supported by a few strong growth drivers while needing to digest overinvestment and inventory risks in certain sectors. In the advanced process segment, the supply is expected to remain tight due to the development of various emerging applications; in the mature process segment, due to economic slowdown, inflation, increased geopolitical risks, weak consumer electronics demand, and capacity expansion, wafer prices are expected to remain flat or gradually decline. On the chip supply front, the Company has long focused on high-value and high-end application areas, facing competition primarily from European and American IDM giants. The Company will enhance its innovation and advanced technical capabilities, and strengthen the breadth of its product line. Through comprehensive and customized services, it aims to gain the trust of its brand and top-tier customers, laying the foundation for the Company's next stage of growth.

b. Power MOSFET Market and Integrated Driver IC Products

Power MOSFETs are mainly low-, medium-, and high-voltage discrete power components. The purpose of these products is to handle greater operating power in a smaller package size. The Company's overseas competitors in this market include Infineon (which has merged with International Rectifier), On Semi (which has merged with Fairchild), Vishay, and AOS. In addition to the continuing trend of replacing foreign companies in the PC market, the Company is also expanding into higher-voltage product lines in order to seize more business opportunities arising from emerging high-efficiency specifications in the end market.

The Company will not only focus on the development of technologies for its established product lines, with the near-term goal of improving the technical specifications of its product lines to be comparable to those of major overseas manufacturers, but also place an emphasis on various services for its products (including technical services, comprehensive supply, quality, delivery, and pricing), in hopes of enhancing the added value of clients' products. Owing to its ongoing focus on R&D in products, the Company owns one of the most widely distributed product lines of power MOSFETs among similar companies in Taiwan, covering a wide range of applications in the process. Despite the fact that its current revenue is still primarily contributed by computer-related applications, the Company has developed new products in other application areas and obtained certification from some customers through a series of efforts made over the years, which are anticipated to contribute gradually to its revenue in the future. On the subject of marketing strategy, the Company has a competitive edge as it is able to provide target clients with total solutions thanks to the wide range of applications its products can offer. Furthermore, the Company's products in existing computer applications have earned recognition from primary clients in terms of technology, speed, and quality, which will substantially increase the market share of its products in such applications. The Company is also capable of capturing the key moment of new demand in the future and seizing growth opportunities through which the Company can create a win-win scenario with clients. As for the development trend of products, the Company will provide products with higher integration, higher efficiency, and updated functions in line with the development needs of end products in various applications.

(B) Competitive Niches:

a. Professional and stable management team and sound financial status:

The Company's management team has accumulated many years of technologies and experience. The members of its management team are all senior professionals within the industry, and they possess the knowledge of key technologies for various products and have the ability to conduct research and develop new products by themselves. Therefore, they can fully grasp the changes in the entire market and maintain the Company's competitive edge, which makes the Company a leading manufacturer in the industry. The Company attaches importance to enhancing clients' value and streamlining its operations. With the organization growing to be more mature, the Company continues to accumulate working capital. Aside from greatly reducing operational risks, the Company also sees mergers and acquisitions as a possible option for corporate growth.

b. Steadily improving brand image and market position

After years of hard work and transformation, the Company has gradually emerged in the first-tier and high-end markets. The Company continues to focus on value enhancement, including product and technology innovation, flexible response speed, comprehensive service, highest quality, and continuous improvement of processes and organizations. Supplemented by endorsements from first-tier suppliers and clients, the Company's brand has gradually earned recognition from an increasing number of first-tier international clients, thus enabling the Company to get hold of broader cooperation opportunities of higher value. In terms of supplier development, new suppliers have a higher willingness to cooperate with the Company and gradually turn such a willingness into partnership.

c. Market monopoly and long-term partnerships with clients

The Company's core competency lies in the market influence, built upon an exceptional technical premium. Leveraging extensive development results across various technical fields, the Company has secured dominant or highly concentrated leading positions in multiple application markets. Simultaneously, the Company has established profound strategic symbiotic relationships with global first-tier leading clients. Through early collaborative development and high-level technical integration, the supply relationship has been transformed into a long-term partnership. This model not only secures order visibility but also significantly raises the competitive threshold, ensuring that the Company can expand its footprint in high-end application areas in synchronization with its clients.

d. Innovative product planning capabilities and solid high-end technology development capabilities:

As the Company continues to move towards high-value areas, the organization continues to bolster its product planning and innovation capabilities, and is able to respond more accurately to clients' multi-faceted needs. After years of accumulation of R&D processes and systems, along with continuous breakthroughs in the development of high-end technologies, the Company's overall structure and capabilities are quite suitable for high-end technologies, as well as highly complex and highly integrated applications and market segments.

e. Good and stable relationship with upstream manufacturers:

Due to fierce market competition and the rapidly changing technology environment, the Company takes advantage of the professional division of labor in the global semiconductor industry to maintain long-term cooperation with wafer foundries and packaging facilities or establish strategic alliances by various means such as technical cooperation, in hopes of strengthening its ability to absorb the impact of environmental changes. Therefore, the Company takes into account factors, such as process technology, quality yield, equipment capacity, delivery speed, and price, when selecting the appropriate manufacturers. Thanks to its endeavor to maintain a good relationship with manufacturers via long-term cooperation, the Company has been able to manufacture competitive products of high quality.

f. Fast service and stable high quality:

Thanks to its special design capabilities in the manufacturing processes for power components, the Company not only offers timely technical support in collaboration with chip manufacturers to provide end clients with a wide range of power components and stable, high-quality products, but also speeds up the development of new products so that customers can receive comprehensive services from the Company. The Company emphasizes the concept of “one-stop shopping,” which serves as a total solution that helps clients complete the entire process “from the generation of design concept to mass production” in the shortest possible time.

g. Integrated information management system:

The Company continues to establish a more complete information system, which enables informatization and digitization to penetrate into all functional units across the Company, improves information integration and analysis to shorten operating time, and continuously enhances the Company’s general operating efficiency. This system has become an indispensable and fundamental capability for the Company to move towards the high-end market. At the same time, the Company continues to build connections with systems developed by major clients and suppliers, which enables the Company to not only provide services in real time, but also reduce inventories and lower costs, in order to ensure the effective use of limited operational resources.

E. Favorable and Unfavorable Factors of Development Prospects

(A) Favorable factors

a. Continuous expansion of the overall market

With the rapid development of application fields such as high-performance computing, data centers, artificial intelligence, automotive electronics, the Internet of Things, cloud computing, edge computing, and image recognition, the demand for core technologies such as high-performance power management, motor drive, and thermal management continues to rise. At the same time, the global emphasis on energy conservation and carbon reduction, along with first-line customers' pursuit of product differentiation and market leadership, has driven the demand for high-end customized solutions. On the other hand, next-generation component specifications continue to evolve, with innovations such as faster memory, larger capacity storage modules, higher bandwidth wireless communication, more powerful battery management, and greater energy efficiency. Additionally, end systems are integrating more functional modules, increasing the demand for highly integrated solutions. These trends provide a broad range of application scenarios for the Company's development. Leveraging its strong foundation in high-end technology R&D, the Company is capitalizing on market trends, expanding its application scope, and providing more complete solutions to customers. The Company will continue to invest in R&D, focus on emerging application areas, and actively expand overseas markets, aiming to become a global supplier in high-performance power and motor management solutions.

b. High-quality and high-efficiency manufacturing supply chain

In order to effectively improve its competitiveness and provide better services to clients, the Company has commissioned ISO-certified first-tier manufacturers to manufacture, assemble, and test all its products, except for product design. By contracting with first-tier manufacturers, the Company can streamline production management and improve quality, so that the Company can focus on the development of innovative products and the acquisition of high-end clients. Effective integration with both the upstream and downstream sectors, lower production costs, and higher yields also enable the Company to meet product quality, delivery, and service requirements.

c. Continuous elevation of the Company's brand and market position

After years of hard work, the Company has gradually gained a leading market position in the application areas for each product line. Following the success of earning trust from brand clients, the Company has been able to strengthen cooperation with them in the areas of technology and marketing on an ongoing basis and get in touch with different business units of the same clients while reaching out to other first-tier clients in the market as well. Having built its market reputation accumulated over the years, the Company is able to accelerate the promotion of new applications and products. Coupled with the Company's development strategies for new product lines, the Company will be able to effectively enter the supply chains of high-end clients and continue to increase its value. As market applications and product lines continue to grow, the Company will be able to grasp more opportunities for cross-product line solutions and cross-line integration, which presents a clear niche for the Company to continuously increase its value.

d. Independent R&D capabilities

The Company's core technologies for each product line, which have been accumulated by its self-nurtured R&D engineering and technical marketing teams, are promoted to the market and developed successfully through years of cooperation with first-tier clients. While the Company's internal chip technology and clients' system application know-how complement each other, the Company has developed a unique advantage through long-term cooperation and development with clients. In addition to accumulating strengths in IC circuit and architecture design and expanding the design team, the Company has also ramped up efforts to develop professional talents and teams in wafer fabrication, component technology, and packaging technology, in hopes of bringing synergy to one another in wafer fabrication, packaging engineering, and chip design, and eventually creating greater advantages and differences among each other. With a complete database of high-end IP circuits and a solid R&D system and R&D processes, the ability to continuously improve the speed of high-end product development is one of the Company's most important competitive advantages. On the other hand, the Company also steps up cooperation with its subsidiary, Sinopower Semiconductor Inc., on the development of high-power products to create group synergy.

e. Growing demand in Power MOSFET and Integrated Driver IC Products

While the product market changes with economic conditions and demand, the specifications, requirements, and market for discrete power components definitely present a long-term growth trend driven by global trends in energy conservation and carbon reduction, 5G and AIoT, and electric vehicles. Therefore, the Company will undoubtedly be able to experience gradual growth with this trend as long as it focuses on bolstering its foundations such as improving product specifications and prices and reinforcing the concept of customer service.

(B) Unfavorable factors

a. The risk of geopolitical conflicts has led to increasingly complex planning of wafer production capacity.

Countermeasures:

(a) Strengthen supplier partnerships to obtain additional production capacity support.
(b) Accelerate the conversion of manufacturing processes.
(c) Proactively seek other qualified suppliers.
(d) Engage in strategic procurement.
(e) Adjust and optimize the Company's client and product composition.

b. Shortage of local R&D and design talents

Countermeasures:

(a) Engage in cooperative education with educational institutions to develop related talents.
(b) Nurture the Company's own R&D talents.
(c) Raising compensation and benefits to strengthen employee loyalty and reduce turnover.
(d) Strengthen cooperation with academic, research institutions and third parties within the industry to accelerate the development of products and technology using external resources.
(e) Acquire appropriate target companies or technology teams to bolster R&D capabilities.

c. Competition from overseas manufacturers

Countermeasures:

(a) Strengthen the Company's R&D capabilities and continuously launch new products to diversify its product mix.
(b) Strengthen cooperation with first-tier system vendors and primary

chip manufacturers in Taiwan and abroad to develop customized chips and next-generation solutions.

(c) Develop new processes or products in collaboration with local R&D institutions to enhance product competitiveness.

(d) Endeavor to engage in production rationalization with a view to reducing costs and ultimately boosting competitiveness.

(e) Realize the Company's advantage in terms of flexibility, speed, and service, as well stay ahead and lead the market with technological innovation and customized services.

(2) Functions of Main Products and Their Manufacturing Processes

A. Important Functions of Main Products

Item	Main Product Category	Important Use or Function
1	Power management IC (PMIC)	Highly integrated multi-channel PMICs provide all the power supply and power driver-related functions required by the entire system. It is mainly used in various products, such as PCs, smart phones, tablets, network communication equipment, embedded systems, game consoles, and solid-state disks.
2	Switching PMIC	It is the main component that provides stable DC power in electronic systems and it is used to adjust voltage appropriately so that electronic systems have a proper and stable power source. It is mainly applied in motherboards, laptops, TVs, and mobile phones.
3	Linear regulator IC	It extends battery life and possesses several characteristics such as low in/out voltage difference and low power consumption. Not only does it provide stable voltage output but also improves system reliability. It is mainly used in digital signal processors, personal digital assistants, laptop, and desktop computers.
4	Audio Amplifier ICs	It serves as a headphone or speaker driving stereo sound with 2W-20W output power per channel, which can lower cost, save components and space on the circuit boards, and reduce design time. Equipped with dual bridge audio amplifiers, it is mainly used in laptop or desktop computers, and audio equipment in TVs.
5	Battery charging management IC	It is used in terminal devices with batteries such as mobile phones, tablets, and laptops. Related ICs manage battery status, charging current, voltage, temperature, as well as communication and interaction with external transformers or power supplies.
6	Hall-effect sensor driver IC and motor driver IC	They are used for sensing changes in magnetic field to send motor fan control signals, so that motor fans can run continuously and steadily. They are mainly used in electronic products with fans.
7	Trench power MOSFET and its integrated products	a. Power source for motherboards and graphics cards in desktop PCs and workstations. b. Power source for laptops and tablets. c. Power source for LCD TVs and computer monitors. d. Power applications for power supplies and uninterruptible power supply systems.

Item	Main Product Category	Important Use or Function
		e. Various fan cooling applications. f. Power applications for various power supply products and lithium battery charging and discharging. g. Power control for video converters, switches and routers in network communication applications. h. Power applications for electronic equipment in vehicles. i. High-current switch and high-power voltage conversion are the application markets for power MOSFETs in a wide range of electronic products.
8	LCD TV backlight control ICs	Increasing emphasis is placed on high-dynamic-range (HDR) specifications in LCD TVs. This controller can drive a total of 16 LED backlight areas independently. It is also scalable as multiple controllers can be connected in series to reach more backlight areas, so as to obtain finer and high contrast image quality.
9	High efficiency VCSEL drivers and receivers	The driver drives laser light while the sensor receives the refraction of laser waves, which can be used in products with 2D/3D facial recognition such as handheld devices, laptops, and home security systems.
10	Micro-electromechanical micro speaker driver control IC	This speaker is a speaker unit made by micro-electromechanical process, and it is presented with capacitive loading. This is completely different from the traditional coil driver speaker in terms of structure and driving method. Its small size is a major feature of this product, which is very suitable for in-ear headphones.

B. Manufacturing Processes for Main Products

(A) Product Development Process

Propose recommendations for new product development

↓

Feasibility assessment

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IC circuit design

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IC layout

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Photomask/chip production

↓

In-house product verification

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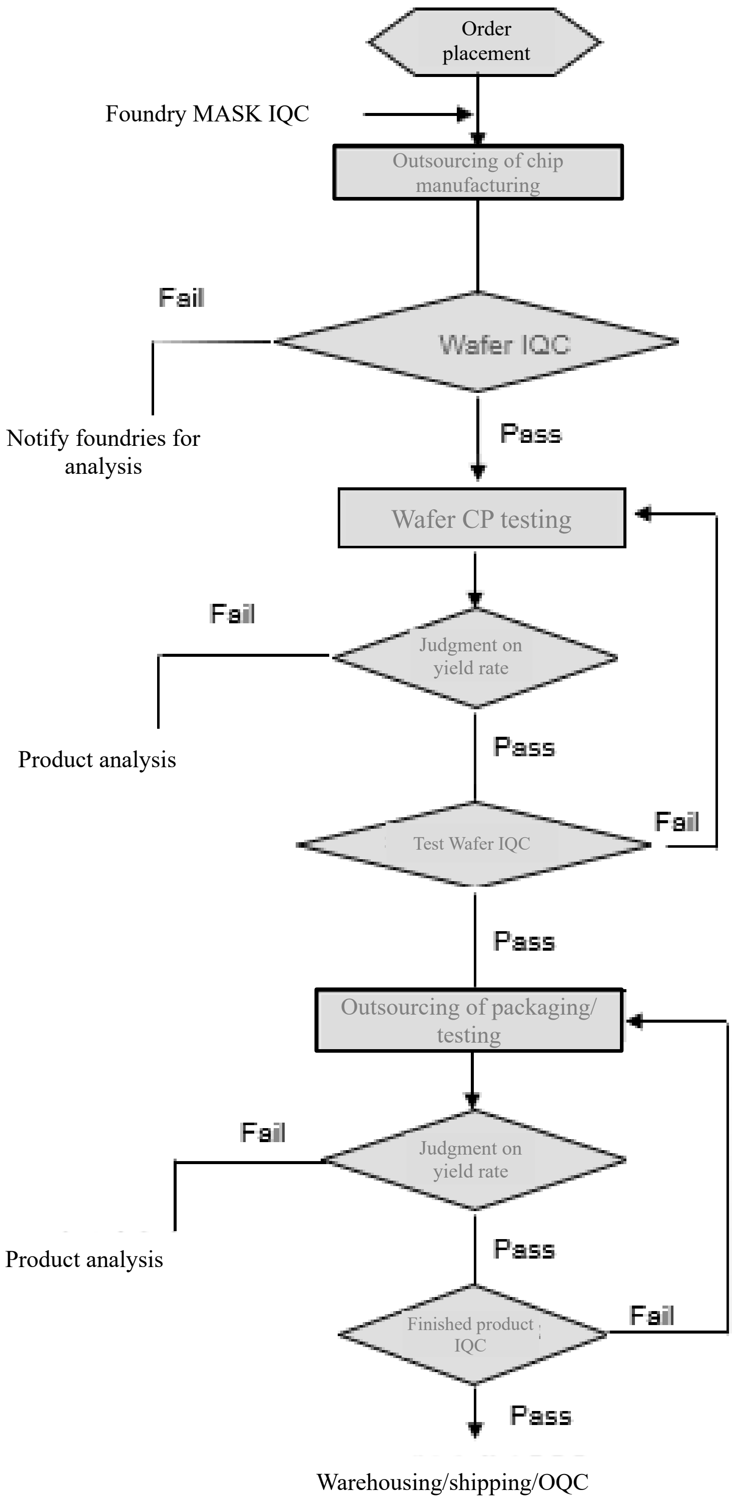
Product verification done by clients

↓

Mass production

(B) IC Production Flow Chart



* Place orders based on business needs
* Production by qualified foundries
* Inspection by foundries after completion
* Review inspection reports from fabs
* Inspection of wafer appearance
* Defective product analysis and notification to the fab
* Chip probing by qualified testing houses
* Inspection by testing houses
* Analyze the reasons and propose improvements when the yield rate is not up to standard
* Check wafer appearance after chip probing
* Commission qualified packaging/testing houses
* Analyze the reasons and propose improvements when the yield rate is not up to standard
* Inspect incoming finished products, move qualified batches into inventory and shipment, and return unqualified batches for packaging/processing by testing houses
* Conduct QA inspection of quantity, appearance and related documents before shipment

Description: Qualified vendors must pass the ISO 9001 and ISO 14001 certifications, as well as Anpec's quality system and reliability evaluation process.

C. Supply of Main Raw Materials

Suppliers of the Company's main raw materials are all well-known domestic and foreign manufacturers with sufficient production capacity and their products are of good quality.

D. Major Suppliers (Clients) Who Have Accounted for at Least 10% of Net Purchases (Sales) in Any of the Last Two Years, Their Purchases (Sales) Amount and Proportion, and Reasons for Increase or Decrease.

(A) Major Suppliers Who Have Accounted for at Least 10% of Net Purchases in Any of the Last Two Years and Their Purchases Amount and Proportion:

Unit: NTD thousands

Ranking	2024				2025				Reasons for Changes in the Last Two Fiscal Years
	Name	Amount	Proportion to Annual Net Purchase (%)	Relationship with Issuer	Name	Amount	Proportion to Annual Net Purchase (%)	Relationship with Issuer	
1	B	621,325	33.19	—	C	953,687	37.61	—	Due to differences in product production combinations.
2	C	597,956	31.95	—	B	772,123	30.45	—	
3	A	250,617	13.39	—	A	252,279	9.95	—	
4	G	161,038	8.60	—	G	187,319	7.39	—	
	Others	240,920	12.87	—	Others	370,645	14.60	—	
	Net Purchase	1,871,856	100.00	—	Net Purchase	2,536,053	100.00	—	

Note 1: List all suppliers accounting for 10 percent or more of the Company's total procurement amount in the 2 most recent fiscal years and the amounts bought from each and the percentage of total procurement accounted for by each. If the Company is prohibited by contract from revealing the name of a supplier, or a trading counterparty is an individual person who is not a related party, it may use a code in place of the actual name.

Note 2: If, up to the date of publication of the annual report for a TWSE or TPEx listed or Emerging Stock company, there is any financial data audited and attested or reviewed by a CPA for the most recent period, it shall also be disclosed.

(B) Major Clients Who Have Accounted for at Least 10% of Net Sales in Any of the Last Two Years and Their Sales Amount and Proportion:

Unit: NTD thousands

Ranking	2024				2025				Reasons for Changes in the Last Two Fiscal Years
	Client	Amount	Percentage (%)	Relationship with Issuer	Client	Amount	Percentage (%)	Relationship with Issuer	
1	Company A	819,040	13.45	–	Company A	928,245	12.40	-	Mainly due to changes in the end-product market and differences in the product portfolios purchased by clients.
2	Company B	685,456	11.26	–	Company B	635,392	8.49	-	
	Others	4,585,008	75.29	–	Others	5,920,052	79.11	–	
	Net Sales	6,089,504	100.00	–	Net Sales	7,483,689	100.00	–	

Note 1: List all customers accounting for 10 percent or more of the Company's total sales amount in the 2 most recent fiscal years and the amounts sold to each and the percentage of total sales accounted for by each. If the Company is prohibited by contract from revealing the name of a customer, or a trading counterparty is an individual person who is not a related party, it may use a code in place of the actual name.

Note 2: If, up to the date of publication of the annual report for a TWSE or TPEx listed or Emerging Stock company, there is any financial data audited and attested or reviewed by a CPA for the most recent period, it shall also be disclosed.

3. Information on Employees for the Most Recent Two Years and Up to the Publication Date of the Annual Report

Year		2024	2025	As of March 31, 2026
Number of Employees (persons)	Sales personnel	138	138	142
	Management personnel	40	42	41
	R&D personnel	143	146	147
	Production personnel	78	76	76
	Total	399	402	406
Average Age		41.0	41.4	41.5
Average years of service		10.2	9.0	9.1
Distribution by education level (%)	Ph.D.	0.8	0.8	0.7
	Master's degree	40.9	41.5	40
	Bachelor's degree	54.1	53.7	55.4
	Senior high school	4.2	4.0	3.9
	Below senior high school	0	0	0

4. Environmental Protection Expenditure

Any losses suffered by the Company in the most recent year and up to the publication date of the annual report due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in the environmental inspection, the disposition dates, disposition reference numbers, the articles of law violated, the contents of law violated, and the content of the dispositions), and an estimate of possible expenses that could be incurred currently and in the future and countermeasures being or to be taken shall be disclosed:

(1) The Company is a professional analog IC design company with no factory; therefore, there are no aforementioned losses.

(2) In the most recent year and up to the publication date of the annual report, the Company has not been affected by the European Union's directive of Restriction of the Use of Hazardous Substance (ROHS), halogen free (HF) regulations, Registration, Evaluation, and Authorization of Chemicals (REACH) policies, and environmental protection regulations in clients' countries.

5. Labor Relations

(1) Employee Benefit Plans, Continuing Education, Training, and Retirement Systems and the Their Implementation Status, Labor-Management Agreements, and Measures for Safeguarding Employees' Rights and Interests

A. Employee Welfare

(A) In accordance with the Enforcement Rules of the Employee Welfare Fund Act, the Company has established an Employee Welfare Committee. Based on regulations, both the Company and employees contribute to the welfare fund, which is managed and used at the committee's sole discretion.

(B) Employee benefits include: Labor insurance, National Health Insurance, group insurance, labor pension contribution, birthday gift, bonuses for Lunar New Year, Dragon Boat Festival, and Mid-Autumn Festival, marriage and funeral subsidies for employees and their dependents, employee hospitalization consolation grant, domestic and overseas travel subsidy, year-end dinners, and employee lottery.

a. Insurance and health care: All employees of the Company are covered by both the labor insurance and national health insurance pursuant to the law, and are entitled to insurance benefits according to the relevant laws and regulations. In addition, the Company also takes out group insurance for employees, including life insurance, injury insurance, accidental medical care, hospitalization insurance, cancer insurance, in order to provide employees with better protection. Dependents (i.e., spouse and children of the employees) can participate in group insurance at their own expense.

b. Employee travel: According to the Regulations on Travel Subsidy, employees can participate in domestic and overseas travel trips either on their own or in groups, and the subsidy period and amount for these trips are determined based on the Company's annual budget. The Company also organizes domestic and overseas travel activities to help employees relieve stress and improve work efficiency, thereby uniting all employees.

c. Club activities: In order to enhance employees' emotional, physical, and mental health, employees can participate in clubs of their own interest, such as badminton club, basketball club, dance club, cardio boxing club, yoga club, and outdoor walking club, etc. Employees are entitled to subsidies for various club activities.

d. Diverse activities: Organizing social welfare activities, life talks, year-end dinners and various holiday celebrations.

e. Affiliated stores: The Company has signed contracts for employee discounts with a number of stores that provide food, clothing, housing, transportation, education and entertainment, so that employees can enjoy a convenient life.

(C) With the aim of encouraging employees to take an appropriate amount of rest, the Company provides more days off than those stipulated in the laws and regulations, so that employees can relax their body and mind and then improve their work efficiency, thereby achieving work-life balance.

(D) In addition to the institutionalized year-end bonus, the Company distributes employee compensation annually based on its profit performance. Additionally, the Company may issue incentive bonuses depending on operational conditions to reward employees.

(E) The Company has an employee cafeteria and a coffee bar that provide breakfast, lunch, dinner, various Western-style meals, juice, and coffee. Employees are not only given subsidies for lunch, but can also enjoy free dinner when they are required to work overtime. The meal options are diverse, including noodles, buffets, fruit meals, and healthy meals, to take care of employees' daily dietary needs.

(F) The Company provides comprehensive sports and leisure facilities such as gymnasium, badminton court, basketball court, rhythm classroom, table tennis tables, basketball machines, and foosball tables, for employees to exercise and maintain their physical and mental health.

(G) We have established comfortable and private breastfeeding rooms for employees in the office area. In addition to helping mothers breastfeed with peace of mind, we proactively assist employees in applying for Science Park kindergartens and cooperate with qualified childcare centers and nurseries to provide comprehensive childcare resources. This helps employees balance work and family, thus creating a family-friendly workplace.

(H) Establish gender-friendly restrooms that respect diverse communities and provide a friendly, convenient, and private environment for using the facilities. This ensures that individuals of all genders can use the restrooms comfortably and without barriers.

(I) Reserved compassionate parking spaces are provided for pregnant employees and those in need of assistance. These spaces are located near the elevators, reducing the walking distance.

(J) (The Company provides awards to senior employees (who have completed 5 and 10 years of service) and trophies to encourage employees who stay with the Company.

(K) Health Promotion Programs

a. Health examination and management: The Company endeavors to safeguard employees' health so that their work and life at the Company will not be affected by health problems. The Company has established the basic health information of employees in order to keep track of their health status. Suitable work is assigned to employees based on such information to prevent employees from getting occupational diseases and reduce the occurrence of health problems. According to the "Regulations Governing Labor Health Protection," new employees are subject to general physical examinations, while current employees are subject to regular health examinations that are better than the limitations on age and examination items stipulated in the relevant laws and regulations. In addition, dependents are allowed to enjoy the same preferential examinations at their own expense, so as to protect the health of both employees and their families, thereby establishing a set of reasonable employee health management standards. Aside from items that are better than the limitations stipulated in the relevant laws and regulations, self-funded examination items are also offered to provide employees with different choices. After analyzing the medical examination results, the Company organizes health promotion activities.

b. Physician consultation services: Medical personnel grade risks based on physical examination results, while referencing chronic disease risk factors, such as blood pressure, blood count, blood sugar, blood lipids, urinalysis, liver function, and kidney function. In line with our internal labor health protection plan, we establish a special care list and proactively invite employees to health consultations with one-on-one counseling and personalized health guidance.

c. Health seminars: Health seminars are held to strengthen employees' health concepts.

d. Providing healthy and energy-boosting meals: Dietitians are in charge of planning and preparing such meals, which feature mixed grains, low-fat meat, and a low amount of oil when cooking, with the amount of calories clearly marked on them, in order to facilitate self-health management among employees.

e. Sports club activities (i.e., aerobics, dance, yoga, and various ball games): Weekly club activities are carried out to help employees strengthen physical fitness, burn body fat, and relieve physical and mental stress.

f. Health and psychological counseling mailbox and hotline: The Company assists employees in dealing with various psychological and health problems, as well as addressing the problems and troubles they face.

(L) Conduct regular employee satisfaction surveys

a. The Company places significant value on the opinions of its employees and regularly conducts surveys to gauge their satisfaction. The results of these surveys are reported to the relevant supervisors during their meetings. This information serves as a foundation for the personal development of employees and the improvement of supervisors' leadership styles, ultimately enhancing the effectiveness of the Company's management.

b. An employee opinion survey covers a variety of topics including job satisfaction, salary and benefits, employee development, communication and teamwork, leadership and management of direct supervisors, and company management policies and goals.

Based on the statistical analysis reports, the Company continuously refines relevant systems and management practices to promote steady corporate growth and practice the philosophy of sustainable management.

c. A random sample of 60 employees is selected each quarter for the satisfaction survey. In 2025, a total of 240 employees participated in the satisfaction survey, accounting for 83.3% of all employees.

d. The satisfaction survey ratings range from 1 to 5 points: Strongly Agree (5 points), Agree (4 points), Neutral (3 points), Disagree (2 points), and Strongly Disagree (1 point). If an employee rates an option as Neutral (3 points) or below, they are asked to provide relevant suggestions and thoughts. HR will then conduct interviews with these employees, compile the interview records, categorize the feedback, and forward it to the respective responsible units for handling. Progress will be tracked, and the final results will be communicated to the interviewed employees.

e. In 2025, the target satisfaction score for each quarter was set to be ≧ 4.2. The scores for all quarters throughout the year exceeded this target.

(M) A physical and online library database has been established to provide employees with more diverse channels to acquire new knowledge. This not only helps employees enhance their professional capabilities but also encourages sharing and exchanging information with internal colleagues, fostering a win-win situation for both employee development and company growth.

B. Continuing education and training system and its implementation

Based on job category and employee development, the Company provides extensive on-the-job training and diverse learning opportunities, to establish a systematic training framework: management training, professional training, specific personnel professional training, new employee orientation, labor safety and health training, environmental quality training, information security training, and others (including language-related training). This helps employees to enhance their expertise and develop their managerial skills, thus achieving a win-win situation for both employee development and business growth.

Annual plan: At the end of each year, the Company prepares an annual education and training plan, and conducts a training history analysis based on the Company's core values, with the aim of establishing a positive working atmosphere, improving employees' management skills and professional skills, thereby boosting the Company's overall competitiveness.

Teaching methods: To continuously strengthen the Company's overall R&D capacity and enhance employees' professional capabilities, the Company plans and assigns employees to participate in professional skill training both domestically and abroad every year. This enables them to keep abreast of the latest R&D technologies and industry trends in real-time, effectively enhancing the Company's technical R&D capabilities. Furthermore, regarding management capacity building, the Company regularly invites external professional instructors to offer onsite training. Systematic management training helps employees strengthen core competencies such as leadership, communication skills, and teamwork. Through the aforementioned training measures, the Company not only helps enhance employees' professional skills but also effectively fosters the overall competitiveness of both the Company and its staff.

Training framework: A systematic training framework is established based on job categories and employee development, and comprises the following categories of training:

(A) Business management training

Employees are trained to develop a full range of business management skills and improve the organization's performance in business management. Such training covers various areas, including project management, performance management, business analysis, and leadership.

(B) Professional training

Different functional departments establish professional competence training for their respective department based on different expertise and needs, such as IC circuit design, IC circuit analysis, and instrument operation.

(C) Training for specific professional personnel

Employees who are required to possess the relevant licenses pursuant to laws and regulations to perform their job duties shall receive professional education and training and obtain the relevant licenses in various professions, such as internal auditors, instrument calibration management personnel, labor safety and health management personnel, special operation supervisors, fire prevention management personnel, and first aid personnel.

(D) Labor safety and health training

According to the Occupational Safety and Health Education and Training Rules, the Enforcement Rules of Fire Services Act, and the Military Duty Support and Civil Defense Team Organization Training Exercise Regulations, general workers shall receive at least three hours of on-the-job safety and health training every three years and firefighting team personnel should train at least four hours of fire extinguisher, reporting, and evacuation training every six months. Civil defense personnel are provided with more than 4 hours of annual training each year.

(E) Environmental quality training

Quality assurance outsourcing, inspection personnel, and material control management personnel are all required to undergo professional training on environmental quality.

(F) New employee training

Newly hired employees are required to undergo new employee training for new employees, which covers a host of topics including corporate spirit and culture, introduction to the Company and HR rules and regulations, human rights policy, prevention of workplace sexual harassment (including complaint and disciplinary procedures), written statements on the prevention of illegal violence in the workplace, the Procedures for Ethical Management and Guidelines for Conduct, general labor safety and health education and training, the ISO 9001/ISO 14001 Environmental Quality Management Systems standards, and professional training at each department, in order for them to integrate into the Company, showcase their capabilities and talents, and develop themselves at the Company.

(G) Information security training

Enhance the information security awareness, knowledge, and skills of the Company's general employees and dedicated IT personnel, enabling them to identify potential risks and take appropriate measures to protect corporate information assets and ensure business confidentiality, integrity, and availability. This includes activities such as dissemination of information security and privacy protection policies, an introduction to the Cyber Security Management Act, sharing of personal data leak cases, and social engineering protection awareness. The Company specifically includes privacy policy dissemination in the orientation training for new employees and arranges reinforcement courses for colleagues who fail phishing tests to enhance personal data protection awareness. In 2025, a total of 26 colleagues received training, with total course hours reaching 47 hours and a post-training test passing rate of 100%.

(H) Others

Training courses which are not part of the aforementioned training categories are categorized as others, such as language courses, general studies courses, and health seminars.

Course evaluation: In order to effectively utilize training resources, different types of post-training evaluations must be conducted in accordance with supervisor’s demand and course requirements after training is completed, in order to confirm the effectiveness of the courses and knowledge transfer, thereby effectively carrying out knowledge management.

In 2025, the Company spent NTD 240,000 on education and training, and conducted a total of 104 training classes, which saw the participation of 1,882 people over 4,095.5 training hours in total.

Item	Total Number of Classes	Total Participants	Total Training Hours	Total Cost (NTD)
1. Business management training	7	408	860	40,175
2. Professional training	37	155	826.5	165,311
3. Training for specific professional personnel	12	16	81.5	31,980
4. Labor safety and health training	8	1,018	1,788.5	2,000
5. Environmental quality training	15	170	349	0
6. New employee training	18	18	72	0
7. Information security training	6	26	47	0
8. Others	1	71	71	0
Total	104	1,882	4,095.5	239,466

C. Retirement System and Its Implementation Status

(A) Retirement System:

In accordance with the Labor Standards Act, the Company has established a defined benefit pension plan under the "Anpec Electronics Corporation Labor Retirement Regulations" for all regular employees prior to the implementation of the Labor Pension Act on July 1, 2005, and for employees who choose to be subjected to the Labor Standards Act after the implementation of the Labor Pension Act.

Old system: Pursuant to the relevant laws and regulations, a monthly pension reserve of 2% of the total remuneration paid is set aside by the Company and deposited into a pension fund account opened with the Bank of Taiwan.

New system: The Company has established a defined contribution pension plan in accordance with the Labor Pension Act and contributes 6% of the remuneration to the employees' personal accounts at the Bureau of Labor Insurance each month.

(B) Implementation Status:

Old system: As of March 31, 2026, the balance of the labor pension fund deposited in the Bank of Taiwan is NTD 41,872 thousand, and 10 people at the Company applied for the lump-sum payment of retirement benefits under the old system this year; 22 employees are currently covered by the pension system stipulated in the Labor Standards Act (old system).

New system: The Company has, in accordance with regulations, made monthly contributions equivalent to 6% of monthly wages to the individual labor pension accounts at the Bureau of Labor Insurance.

D. Labor-Management Agreements

(A) The Company regards its employees as its most valuable assets and values the development of its employees. Therefore, the Company maintains smooth promotion channels that are fair, just, and open.

(B) The Company communicates with employees regularly through labor-management meetings to reach a consensus on issues related to labor-management interaction.

(C) Employees can express their personal opinions through suggestion mailboxes or letters, or directly speak to their supervisors to achieve two-way communication and facilitate harmonious labor relations.

E. Employee Rights Protection Measures

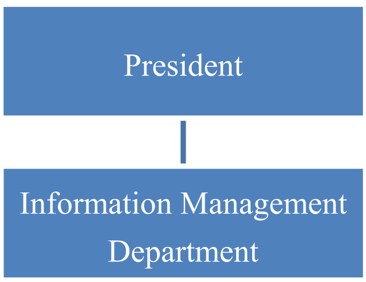
With a commitment to upholding the spirit of sharing the fruits of its operations, the Company has not only set up the Employee Welfare Committee to coordinate the allocation and use of the employee welfare fund, but also establishes two-way communication between labor and management representatives based on a mutually agreed business philosophy through labor-management meetings in order to provide a high-quality working environment at the Company.

(2) The Company has not suffered any losses due to labor disputes in the most recent year and up to the publication date of the annual report. With the Company's good labor relations, it is very unlikely that any labor disputes will arise in the future.

6. Cyber Security Management

(1) Cyber Security Risk Management Framework

In order to implement the cyber security strategy set by the enterprise cyber security organization and ensure internal compliance with relevant information security guidelines, procedures and regulations, the President serves as the head of the organization and the management representative, and the Information Management Department is responsible for overseeing and implementing cyber security policies, disseminating cyber security information, raising employees' awareness of cyber security, and collecting and improving the performance and effectiveness of the organization's cyber security management system, technologies, products or procedures. The Auditing Office conducts cyber security inspections on the Company's internal control system every year, evaluates the effectiveness of internal controls in the Company's relevant operations, and regularly reports to the Board of Directors every year.



(2) Cyber Security Policy

A. Enterprise Cyber Security Management Strategies

(A) Maintain the sustainable operation of each cyber system

(B) Maintain the security of the physical environment

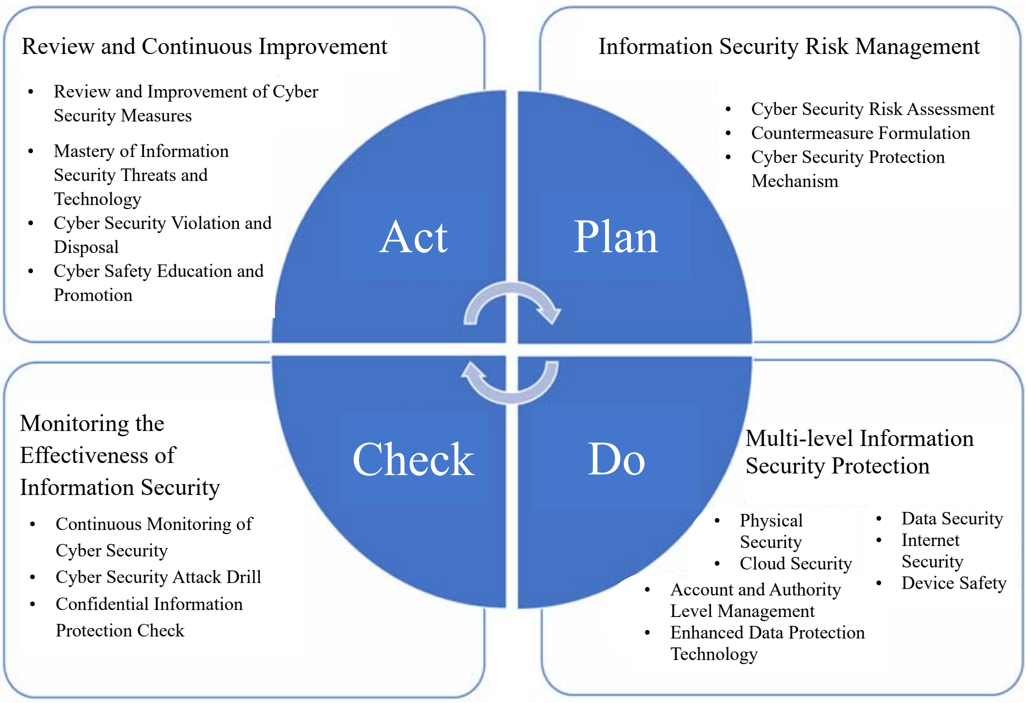
(C) Preventing hackers and various viruses from invading and damaging data and systems

(D) Prevent leakage of sensitive information

(E) Prevent intentionally improper and unlawful use

B. Enterprise Cyber Security Risk Management and Continuous Improvement Framework

Organizational operation mode - Plan-Do-Check-Act (PDCA) cycle management to ensure the achievement of objectives and continuous improvement.



C. Specific Management Plan

Physical Security	• Implement access control for server rooms • Dual-loop uninterruptible power supply (UPS) setup and protection to prevent damages caused by power outages or other power anomalies.
Device Security	• Develop endpoint anti-virus measures by computer type • Strengthen detection of malware behavior • URL filtering protection • Threat Detection and Response Services
Network Security	• Bolster network firewall and network control to prevent the spread of viruses into experiment areas and office areas • Incorporate an advanced threat protection (ATP) system. • Automate user threat reports • Implementation of system host vulnerability scanning and website penetration testing to actively evaluate the security of the organizational infrastructure or systems, and complete patching.
Cloud Protection	• URL filtering to protect against attachments containing unknown malware and viruses. • Protect against email spoofing and phishing emails
Data Security	• Incorporate a remote backup system to copy all data to a remote site on a daily basis and generate reports automatically • Incorporate a data leak protection system to prevent data leaks and automate the warning function • Implementing a data encryption protection system to safeguard important information and prevent potential data leaks
Education and Awareness	• Enhance employees' vigilance against email and social engineering attacks and perform phishing email protection and detection • Regularly disseminate information concerning cyber security to increase cyber security awareness • New employee information security policy and social engineering attack cybersecurity education training

D. Resources Invested in Cyber Security Management

Corporate Cyber Security Measures and Implementation Results in 2025

(A) Advanced threat protection (ATP): Average daily blockage of 22 intrusion attacks.

(B) Education and awareness-raising program: Regular quarterly case sharing and monthly information security general training for new employees.

(C) Off-site backup system: Critical databases are backed up at least 4 times daily with daily off-site differential replication; data integrity is verified through restoration tests every month.

(D) Disaster recovery drill plan: Simulated scenario—ERP system service interruption caused by an operating system anomaly; the recovery drill took a total of 45 minutes.

(E) Data loss prevention (DLP) system: Proactive notification and blocking of critical document leaks.

(F) Cloud email fraud and phishing protection system: Average monthly effective interception of 625 threats including viruses, malware, and phishing emails.

(G) Implementation of system host vulnerability scanning and website penetration testing to actively evaluate the security of the organizational infrastructure or systems, and complete patching.

(H) Achieved a Grade A rating in SecurityScorecard's cybersecurity risk monitoring.

(I) Social engineering phishing drill plan: Total of 291 recipients; the target social engineering click rate shall be below 10%.
Subject: Office 365 account verification. Clicks: 3; click rate: 1.03%
Subject: Apple account frozen. Clicks: 7; click rate: 2.41%
Training and assessment participants: 10; completion score: 100

(J) Implementation of privacy protection technical strategies: In alignment with the Company's privacy policy, a DLP mechanism has been operated to perform automated detection and protection of personal data in transit to implement personal data protection policies through technical means.

(3) Information Security Risks and Response Measures
In order to strengthen information security, the Company identifies information security risk items, proposes response measures, and reviews their effectiveness on a regular basis.

Information Security Risk Identified	Impact Assessment	Response Measures	Effectiveness Management
Password protection for personal computer accounts	Financial and business secrets may be intentionally stolen.	Power-on password for personal computers should be changed periodically.	Password should be changed regularly and in accordance with the complexity requirements.

Information Security Risk Identified	Impact Assessment	Response Measures	Effectiveness Management
Computer virus protection	Computer viruses, ransomware, Trojan horses, and mining programs.	Strengthen endpoint protection, import behavior monitoring, and use applications to control protection system.	Strengthen the security of systems and data based on type of endpoint.
Network management security	Network stability, deliberate attacks, and traffic isolation.	Firmware is regularly updated and the Intrusion Prevention System (IPS) and MDR threat detection and response system are introduced.	When abnormal network packets or behaviors are detected, the system sends an alert notification and takes the necessary measures immediately.
Information security	Unauthorized access to information systems.	The authorization process is established in response to job requirements.	The application is submitted electronically and access opened after securing approval from the supervisor and the responsible unit.
Internet behavior security	Malware, phishing, command and control servers for zombie computers, and other inappropriate transmission behaviors.	We have implemented an advanced threat protection system and conduct annual email social engineering drills.	Proactively block zero-day vulnerability attacks and issue warnings of inappropriate transmission behaviors.
Information system service operation	Hackers may attempt to interfere with the operations of the Company by releasing computer viruses, destructive software, or ransomware into the Company's network systems.	Establish recovery time objective (RTO) and recovery point objective (RPO) for core businesses.	Establish appropriate backup mechanisms and redundancy plans, and regularly test the correctness of the recovered data.

(4) Material Information Security Incidents: There were no material information security incidents resulting in business impairment in the most recent year and up to the publication date of the annual report.

7. Important Contracts

Nature of Contract	Parties	Period	Major Content	Restrictive Covenants
Lease contract	Kang Hsuan Educational Publish Corp.	2024.06.01 - 2025.05.31 2025.03.01 - 2026.05.31	Lease of Taipei office (including parking spaces)	None
Lease contract	Hsinchu Science Park Administration	2024.01.01 - 2043.12.31	Lease of land for self-built offices in Hsinchu Science Park	None
Comprehensive financing contract	Land Bank of Taiwan	2024.08.14 - 2025.08.14 2025.10.15 - 2026.10.15	Short-term comprehensive line of credit	None
Comprehensive financing contract	Taiwan Cooperative Bank	2025.01.06 - 2026.01.06 2026.03.05 - 2027.02.16	Short-term comprehensive line of credit	None
Comprehensive financing contract	Mega International Commercial Bank	2025.01.14 - 2026.01.13 2026.01.14 - 2027.01.13	Short-term comprehensive line of credit	None
Comprehensive financing contract	E.SUN Commercial Bank	2024.09.12 - 2025.09.12 2025.09.05 - 2026.09.05	Short-term comprehensive line of credit	None

Chapter 5 Review and Analysis of the Company's Financial Position, Financial Performance, and Risks

1. Financial Position

Unit: NTD thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Current assets	5,305,293	4,558,717	746,576	16.38
Property, plant and equipment	781,530	763,829	17,701	2.32
Intangible assets	35,726	44,818	(9,092)	(20.29)
Other assets	664,821	698,460	(33,639)	(4.82)
Total assets	6,787,370	6,065,824	721,546	11.90
Current liabilities	1,636,437	1,336,346	300,091	22.46
Non-current liabilities	191,318	205,005	(13,687)	(6.68)
Total liabilities	1,827,755	1,541,351	286,404	18.58
Equity attributable to shareholders of the parent company	3,939,459	3,590,691	348,768	9.71
Capital stock	752,760	751,485	1,275	0.17
Capital surplus	972,420	902,302	70,118	7.77
Retained earnings	2,416,175	2,060,553	355,622	17.26
Other equity interest	(147,570)	(65,975)	(81,595)	123.68
Treasury stock	(54,326)	(57,674)	3,348	(5.81)
Non-controlling interests	1,020,156	933,782	86,374	9.25
Total shareholders' equity	4,959,615	4,524,473	435,142	9.62

(1) Explanation and analysis of changes with an increase or decrease exceeding 20%:

A. Decrease in intangible assets: Mainly due to the amortization of major software.

B. Increase in current liabilities: Mainly due to an increase in accounts payable by nearly 22% compared to the previous period, a 34% growth in pre-tax profit, and a corresponding increase in expenses for employee and director remuneration.

C. Increase in other equity: Mainly due to the issuance of restricted stock awards.

(2) Impact: No significant impact.

(3) Future response plans: Not applicable.

2. Financial Performance

(1) Comparison and Analysis of Financial Performance

Unit: NTD thousands

Item \ Year	2025	2024	Difference	
			Increase (Decrease)	Percentage (%)
Operating revenue	7,483,689	6,089,504	1,394,185	22.90
Gross profit	2,695,023	2,164,270	530,753	24.52
Operating gain	1,288,385	902,327	386,058	42.79
Non-operating income and expenses	103,597	139,224	(35,627)	(25.59)
Pre-tax income from continuing operations	1,391,982	1,041,551	350,431	33.65
Net Profit for the Year	1,148,531	846,467	302,064	35.69
Other comprehensive loss and gain (net, after tax)	1,827	7,642	(5,815)	(76.09)
Total comprehensive income for the year	1,150,358	854,109	296,249	34.69
Net income attributable to owners of the parent company	951,236	720,093	231,143	32.10
Net income attributable to non-controlling interests	197,295	126,374	70,921	56.12
Comprehensive income attributable to owners of the parent company	953,063	727,735	225,328	30.96
Comprehensive income attributable to non-controlling interest	197,295	126,374	70,921	56.12
Earnings per share	13.04	9.89	3.15	31.85

(2) Explanation and analysis of changes with an increase or decrease exceeding 20%:

A. Growth in operating revenue / gross profit/ operating income (loss)/ pre-tax income from continuing operations/ net profit for the year/ total comprehensive income for the year/ net income attributable to owners of the parent company/ net income attributable to non-controlling interests/ comprehensive income attributable to owners of the parent company/ comprehensive income attributable to non-controlling interest/ earnings per share and other indicators grew compared to the same period: Mainly due to the growth in operating revenue.

B. The decrease in non-operating income and expenses compared to the same period is mainly due to a decrease in foreign exchange gains compared to the same period.

C. Other comprehensive income (net of tax) for the current period decreased compared to the same period last year, primarily due to the decrease in the remeasurement of defined benefit plans and the exchange differences arising from the translation of financial statements of foreign operations.

(3) Expected sales quantity and its basis, the possible impact on the Company's future financial operations, and response plan: The Company's sales forecast is based on industry trends and market demand and is set to achieve stable and optimal sales figures. Furthermore, the Company remains committed to technological innovation, quality improvement, and reducing production costs, with the aim of maximizing profits. In terms of the Company's finances, long-term funds are mainly used to support capital expenditures and business activities. Hence, there is no major impact in relation to insufficient funds.

3. Cash Flow

(1) Analysis for Changes in Cash Flow in the Most Recent Year:

Item \ Year	2025	2024	Percentage of Increase (Decrease) (%)
Cash flow ratio (%)	93.72	96.13	(2.50)
Cash flow adequacy ratio (%)	116.23	115.91	0.28
Cash reinvestment ratio (%)	16.74	17.53	(4.51)
Note on percentage of increase or decrease Decrease in cash flow ratio: Mainly due to the increase in current liabilities. Decrease in cash reinvestment ratio: Mainly due to the increase in property, plant, and equipment and other non-current assets.			

(2) Analysis of Cash Flow Changes for the Upcoming Year:

Unit: NTD thousands

Cash balance, beginning of year A	Estimated annual net cash flow from operating activities B	Estimated annual net cash outflow from investing and financing activities C	Estimated cash surplus (deficit) amount A+B-C	Remedial measures for estimated cash deficit	
				Investment plan	Financial plan
2,617,134	1,283,063	1,156,850	2,743,347	—	—

A. Analysis of cash flow changes for the upcoming year

(A) Operating activities: Mainly due to estimated cash inflows from operating profits in 2026 and cash outflows related to raw material procurement.

(B) Investment activities: Mainly cash outflows for the purchase of equipment and masks.

(C) Financing activities: Mainly due to cash outflows from the payment of cash dividends to shareholders.

B. Remedial measures for estimated cash deficit and liquidity analysis: Not applicable.

4. Effect Upon Financial Operations of Any Major Capital Expenditures in the Most Recent Year

(1) Use of major capital expenditures and sources of funds: Not applicable.

(2) Expected benefits from the major capital expenditures: Not applicable.

5. The Company's Investment Policy for the Most Recent Year, the Main Reasons for the Profits/ Losses Generated Thereby, the Plan for Improving Investment Profitability, and Investment Plans for the Coming Year

The Company primarily engages in long-term strategic investments in areas related to its main businesses in line with its business strategies. The Company's investments accounted for using the equity method are consolidated entities reported in its financial statements, with only a small proportion of its investments involving consolidated entities that are not reported in its financial statements. In the future, the Company will continue to prudently evaluate its investment plans based on the principle of long-term strategic investment. In the future, the Company will continue to prudently evaluate its investment plans based on the principle of long-term strategic investment.

6. Risk Analysis and Assessment in the Most Recent Year and Up to the Publication Date of the Annual Report

(1) Effects of interest and exchange rate fluctuations and changes in the inflation rate on the Company's profit or loss and response measures to be taken in the future

A. Effects on the Company's profits or losses

Item	2025 (NTD thousands; %)
Net interest income (expenses)	43,018
Net exchange (loss) gain	46,081
Ratio of net interest income (expenses) to revenue	0.57
Ratio of net interest income (expenses) to net profit before tax	3.09
Ratio of net exchange (loss) gain to revenue	0.62
Ratio of net exchange (loss) gain to net profit before tax	3.31

(A) Interest rate fluctuations

Interest rate risk is mainly caused by fluctuations in market interest rates. The Group's interest rate risk mainly comes from financial investments, which are primarily affected by interest rate fluctuations (such as interest rate hikes or cuts). Interest rate fluctuations will affect the Company's interest income from time deposits and bonds with repurchase agreements, income from the fair value of money market funds, and interest expenses that must be paid for long and short-term borrowings.

The Group's financial assets with interest rate risk as of December 31, 2025 were mainly time deposits denominated in New Taiwan dollar and foreign currencies, and money market fund investments. Since the Group still possesses sufficient funds, interest rate fluctuations had no significant impact on the Group's profits.

(B) Exchange rate fluctuations

The Group primarily focuses on exports, and its foreign exchange risk is mainly related to operating activities. To mitigate the impact of exchange rate fluctuations, the Group carefully considers exchange rate movements during procurement and order-taking processes. Additionally, the Group continuously monitors gains and losses from foreign currency exposure to avoid negatively affecting profitability. In addition to adopting natural hedging through accounts receivable and payable, the Group also engages in spot foreign exchange transactions and forward foreign exchange operations to hedge against potential exchange rate risks. As of December 31, 2025, the Group recognized a total amount of NTD 16,286 thousand in unrealized exchange gains from monetary items significantly affected by exchange rate fluctuations.

(C) Inflation

According to statistics from the Directorate-General of Budget, Accounting and Statistics, the average annual growth rate of the Consumer Price Index (CPI) for 2025 was 1.66%, marking a five-year low. Compared to the inflation range of approximately 1.8% to 2.7% in major global economies during the same period, the price increase in Taiwan remains relatively moderate. Looking ahead to 2026, as overall inflationary pressures ease, prices are expected to continue a trend of slow deceleration. However, factors such as climate change, labor market shortages, geopolitical risks, and uncertainties in global trade policies may still cause increased inflation volatility and push up cost pressures. According to the latest forecast from the Chung-Hua Institution for Economic Research, the annual CPI growth rate for 2026 is expected to be approximately 1.66%, indicating that Taiwan's inflation will remain within a controllable range.

The Group will continue to closely monitor domestic and international price fluctuations, and pay particular attention to the potential impact of inflation on raw material procurement costs, processing fees, and overall production costs. We will adjust product prices, procurement strategies, and operational guidelines based on actual conditions to mitigate the impact of inflation on operational performance. Overall, under the established management mechanisms and flexible adjustment strategies, the impact of inflation on the Group's revenue and profit is expected to be controllable and will not cause significant adverse effects.

B. Response measures to be taken in the future

(A) Response measures against interest rate fluctuations

The Group's main capital allocation comprises time deposits, bonds with repurchase agreements and money market funds, which are safe and stable. Thanks to its good relationship with correspondent banks, coupled with its robust financial position and good credit record, the Group has also been able to obtain better interest rates. Therefore, interest rate fluctuations are not expected to have a significant impact on the Group's overall operations in the future.

(B) Response measures against exchange rate fluctuations

As the Group's sales primarily comprise export sales that are mainly quoted in U.S. dollars, the Group adopts a natural hedging method by offsetting income and expenses in its foreign currency position, which is also supplemented by hedging measures that include spot and forward foreign exchange transactions. Therefore, the Group has reduced exchange rate risk to a relatively low level. Furthermore, the Group regularly assesses its hedge position in net foreign currency assets on a weekly basis and report it to the management for the purpose of making timely adjustments to its foreign currency position. In the future, the Finance Department will continue to keep in close contact with the foreign exchange department at various financial institutions to obtain information on exchange rate forecasts at all times and keep close tabs on trends and changes in international exchange rates, with a view to not only actively responding to the negative effects of exchange rate fluctuations, but also reducing the adverse impact of exchange rate fluctuations on the Group's profit and loss.

(C) Response measures against inflation

The Company pays close attention to market commodity price fluctuations and maintains positive interaction with suppliers. Moving forward, we will continue to monitor inflationary trends regarding cost control and price quoting to mitigate the impact on the Group.

(2) The Company's Policy Regarding High-Risk Investments, Highly Leveraged Investments, Loans to Other Parties, Endorsements, Guarantees, and Derivatives Transactions in the Most Recent Year, the Main Reasons for the Profits/Losses Generated Therefrom, and Response Measures to Be Taken in the Future

A. The Group's financial management is consistently guided by the principles of conservatism and stability. We do not engage in high-risk or high-leverage investments, nor do we provide loans to others or act as a guarantor for endorsements/guarantees. Comprehensive policies and internal control procedures have been established for lending funds to others, providing endorsements/guarantees, and engaging in derivative commodity transactions.

B. In an effort to avoid risks arising from exchange rate fluctuations in the future, one of the Group's hedging strategies is to carry out spot foreign exchange transactions and presale of forward exchange contracts when engaging in derivatives trading, in which all gains and losses arising therefrom will be offset against exchange gains and losses denominated in foreign currencies. This strategy will not cause significant gains or losses due to its hedging nature. In the future, the Finance Department will continue to keep in close contact with the foreign exchange department at various financial institutions to collect information on exchange rate forecasts at all times and keep close tabs on trends and changes in international exchange rates, with a view to addressing the impact of exchange rate fluctuations in a proactive manner.

(3) Future R&D Projects and Estimated R&D Expense

Item	R&D Project	Main Applications	Estimated Time for Mass Production
1	Highly integrated power management units	Computer-related and handheld products	2026 (ongoing development of new product series)
2	Development of system-on-chip related high-power power management solutions	Computers and servers	
3	Complete solutions for	Computer-related and	

Item	R&D Project	Main Applications	Estimated Time for Mass Production
	battery charging management	handheld products	
4	High power density power conversion ICs	Computers	
5	High-power and high-efficiency Class D digital audio amplifier ICs	Computers, TVs, and audio equipment	
6	Development of full digital power solutions	Computers and servers	
7	MCU-based/MCU-like-based servomotor control ICs	Motor control	
8	Three-phase DC fan motor driver ICs	Computers, servers, and cooling fans for communication equipment	
9	Programmable fan motor driver ICs	Computers, servers, and cooling fans for industrial or communication equipment	
10	Automotive fan control ICs	Automotive applications	
11	New product development plan for automotive specifications-compliant power MOSFETs	Automotive electronics power-related applications	
12	New product development plan for the third-generation high-performance split-gate power MOSFETs and specification refinement and product expansion of integrated driver ICs and components.	Computers, laptops, servers, and related applications	
13	Product development plan for miniaturized wafer-level assembly CSP power MOSFETs	Lithium battery protection for consumer products and related applications	
14	Product development plan for	Power supplies, charging	

Item	R&D Project	Main Applications	Estimated Time for Mass Production
	second-generation high-voltage super junction power MOSFETs	devices, and LED lighting-related applications	
15	Development plan for components of wide-band-gap semiconductors (e.g., SiC and GaN)	Charging piles, fast-charging power supplies, and high-power power supplies	
16	Product development plan for high-current IGBTs	Motors and home major appliances applications	
17	Product development of power MOSFETs for integrated driver ICs	Computer-related servers	
18	LCD TV backlight control ICs	LCD TVs	
19	High efficiency VCSEL drivers and receivers	Handheld devices, laptops, and home security devices	
20	PMIC for DDR5	Laptops, desktops, and servers	
21	Micromotor speaker driver ICs	Small applications such as in-ear headphones	

The Company expects that the relevant expenses required for research and development plans in 2026 will account for about 12.5% of the annual revenue.

(4) Effects of Changes in Local and Overseas Policies and Regulations Relating to the Company's Financial Operations in the Most Recent Year and Corresponding Response Measures

The Company not only keeps track of policy development trends and changes in laws and regulations both in Taiwan and abroad, but also keeps close tabs on changes in the market environment and take the necessary measures to comply with the current requirements of relevant laws and regulations and meet its operational needs.

(5) Effects of Technological Changes (Including Cyber Security Risks) and Industry Changes on the Company's Financial and Sales Operations in the Most Recent Year and Corresponding Response Measures

With industrial technology rapidly moving towards energy-saving and high-efficiency applications in response to demand for green energy over the years, not only has the Company's product development plans moved in the same direction, but the Company's development of various product lines will also be aimed at this goal in the future while investments in new products and collaboration in supply chains are also oriented towards this direction. Having set the principle of prioritizing the development and sale of high-margin product lines, the Company will actively develop products and expand into different markets. Therefore, the Company is expected to be in a more robust financial position both at present and in the future.

For more details on the impact of cyber security risks on the Company's financial operations and the corresponding response measures, please refer to 6. Cyber Security Management (pages 156-160) in Chapter 4 Operational Highlights in this annual report.

(6) Effects of Changes in Corporate Image on the Company's Crisis Management in the Most Recent Year and Corresponding Response Measures

The Company has been providing customers with a diverse range of products and complete after-sales service based on its business philosophy comprising five core values, namely "Authentic," "Novel," "Passion," "Execution," and "Customer," since its incorporation. Furthermore, corporate image is founded primarily on integrity; the Company's culture upholds the principle of not pursuing illegal gains. Consequently, integrity has become the fundamental essence of our corporate governance. Therefore, integrity has become the essence of corporate governance at the Company. Following the Company's endeavor to build a fresh image with its high-tech R&D team based on the principle of integrity, the Company have always been committed to promoting social economy, improving environmental prosperity, reducing unemployment, and protecting employee welfare while strictly observing various laws and regulations promulgated by competent authorities. Should the Company experience changes in corporate image or encounter corporate crises in the future, the Company will immediately set up an emergency response team to draw up comprehensive countermeasures. The Company has so far maintained a good corporate image. No significant changes that lead to crisis management have been reported at the Company in the most recent year.

(7) Expected Benefits and Potential Risks from Mergers and Acquisitions, and Corresponding Response Measures: None.

(8) Expected Benefits and Potential Risks from Factory Expansions, and Corresponding Response Measures: None.

(9) Risks Associated with Concentration of Purchases or Sales of Goods, and Corresponding Response Measures:

A. In terms of sales strategies, the Company operates in a wide range of markets and avoids selling its products to a single customer or selling only a single product. Therefore, there is no risk of concentration of sales in a single customer or a single market, resulting in an excessively high proportion of sales.

B. In order to avoid risks related to wafer production capacity, the Company has diversified its sources of wafer procurement. As the Company has extended its procurement of process wafers from local manufacturers to overseas ones, the quality and sources of materials supplied to the Company are relatively stable and reliable.

C. In order to diversify backend packaging and testing risks, the Company has maintained long-term collaboration with a host of local and foreign packaging and testing vendors to ensure the quality of materials and the availability of production capacity.

(10) The impact, risk, and response measures regarding the large-scale transfer or change of equity by directors, supervisors, or major shareholders with a shareholding exceeding 10%: Yageo Corporation acquired common shares of the Company through a public tender offer during 2025. As of the publication date of the annual report, its shareholding ratio has exceeded 20%, making it the Company's new largest institutional shareholder.

A. Impact: The long-term shareholding of a large institutional shareholder helps stabilize the Company's equity structure, as well as its supply chain resources and cost advantages, thereby strengthening financial resilience and risk-resistance capabilities.

B. Risk: If structural changes occur between management rights and ownership, there may be initial challenges in aligning organizational culture and the pace of decision-making.

C. Response measures: The management team has established a regular communication platform with the major shareholder to ensure the consistency and continuity of the Company's long-term strategies and to maintain the maximum interest of all shareholders.

(11) Effects of Changes in Management Rights on the Company, as well as Corresponding Risks and Response Measures: None.

(12) Disclosure of issues in dispute, the monetary amount of claims, filing date, counterparties, and status of any litigation or non-contentious cases in the most recent year and up to the publication date of the annual report where the Company

and/or any of its directors, supervisors, president, de facto person in charge, major shareholders with a shareholding ratio of 10% or above, or affiliates are involved in pending litigation, legal proceedings or administrative proceedings, or a final judgment or ruling which may have a material adverse effect on the shareholders' equity or price of securities:

A. Significant litigation, non-contentious cases or administrative proceedings currently pending against the Company: None.

B. The Company and/or any of its directors, president, de facto person in charge, major shareholders with a shareholding ratio of 10% or above, or affiliated companies involving in pending litigation, non-contentious cases or administrative proceedings, or a final judgment or ruling: None.

(13) Other Important Risks and Corresponding Response Measures: None.

7. Other Important Matters

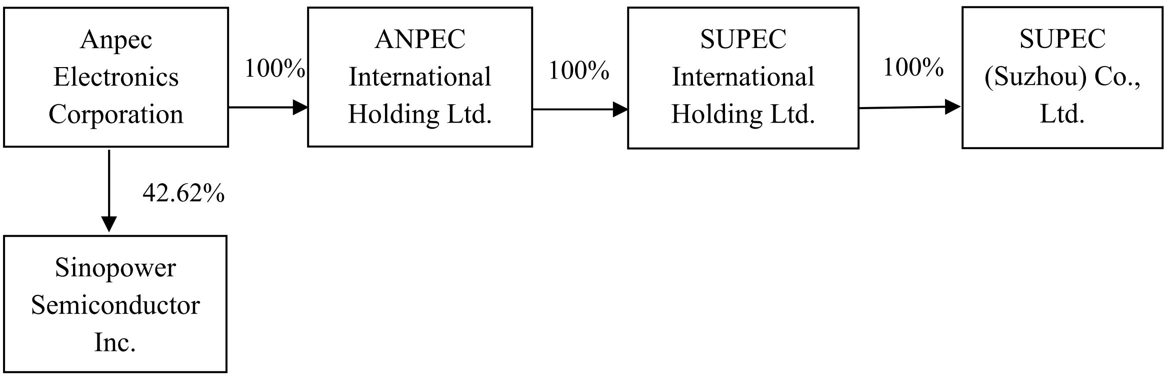
None.

Chapter 6 Special Disclosures

1. Information on the Company's Affiliates

(1) Consolidated Business Report (December 31, 2025):

A. Organization Chart of the Affiliates



B. Basic Information on Affiliates

Unit: NTD

Name of Affiliate	Date of Incorporation	Address	Paid-in capital	Principal Business or Products Manufactured
ANPEC International Holding Ltd.	2002.04.03	BVI	USD3,000,500	Investment business
SUPEC International Holding Ltd.	2002.10.14	Mauritius	USD3,000,500.1	Investment business
SUPEC (Suzhou) Co., Ltd.	2002.12.09	Suzhou, China	USD3,000,000	International trade in parts and components for keyboards, mice, computers, color monitors, color projectors, toys, and musical instruments, and consulting services
Sinopower Semiconductor Inc.	2008.08.14	Taiwan	NTD374,613,000	Research, design, manufacture and sale of power ICs, high-voltage integrated circuits and its modules

C. Existence of controlling and subordinate relations in accordance with Article 369-3 of the Company Act: None.

D. Industries covered by the overall businesses of affiliates: Please refer to Item 2.

E. Information on Directors, Supervisors, and Presidents at Affiliates

Unit: Shares

Name of Affiliate	Title	Name or Representative	Shares Held	
			Shares	Shareholding ratio
ANPEC International Holding Ltd.	Chairman	Anpec Electronics Corporation Representative: WANG, CHIH-HSIN	3,000,500	100%
SUPEC International Holding Ltd.	Chairman	ANPEC International Holding Ltd. Representative: HUANG, KUI-YI	10,001,667	100%
SUPEC (Suzhou) Co., Ltd.	Chairman Director Director	SUPEC International Holding Ltd. Representative: SHENG, KANG Representative: WANG, CHIH-HSIN Representative: HUNG, HAO-TSUNG	Note	100%
Sinopower Semiconductor Inc.	Chairman Director Director	Anpec Electronics Corporation Representative: SHIUE ,TIAN-FURE Representative: WANG, CHIH-HSIN Representative: LIN, CHUN-LIANG	15,965,615 753,036 5,500 0	42.62% 2.01% 0.01% 0%
	Independent Director	WENG, SHENG-HSIEN	0	0%
	Independent Director	YANG, KAI-CHARN	0	0%
	Independent Director	CHIANG, CHUN-YEN	0	0%
	Independent Director	WANG, CHAO-JEN	0	0%

Note: SUPEC (Suzhou) Co., Ltd. is a limited company.

F. Overview of the Operations of Affiliates

Unit: NTD thousands

Name of Affiliate	Paid-in Capital	Total Assets	Total liabilities	Net Worth	Operating revenue	Operating (Loss) Profit	Net Profit (Loss) After Tax	Earnings (Loss) Per Share After Tax (NTD)
ANPEC International Holding Ltd.	98,998	46,157	16	46,141	-	-	901	0.30
SUPEC International Holding Ltd.	98,998	46,162	16	46,146	-	-	901	0.09
SUPEC (Suzhou) Co., Ltd.	98,993	47,060	2,480	44,580	34,063	684	889	-
Sinopower Semiconductor Inc.	374,613	2,757,989	704,326	2,053,663	3,401,493	373,563	354,432	9.52

Note: The U.S. dollar to New Taiwan dollar exchange rate was USD 1 to NTD 31.42 for the asset and liability account and USD 1 to NTD 30.95 for the profit and loss account.

(2) Consolidated financial statements of affiliated companies: Please refer to the financial reports on the Market Observation Post System (https://mopsov.twse.com.tw/mops/web/t57sb01_q10).
(3) Affiliation Report: Not applicable

2. Private Placement of Securities in the Most Recent Year and Up to the Publication Date of the Annual Report
   None.

3. Other Supplementary Information
   None.

Chapter 7 Situations Listed in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act Which Might Materially Affect Shareholders' Equity or the Price of the Company's Securities Occurring in the Most Recent Year and Up to the Publication Date of the Annual Report Shall Be Specified: None.

Anpec Electronics Corporation

Representative: WANG, CHIH HSIN