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YFC-BONEAGLE ELECTRIC CO., LTD.

2025 Annual Report

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This annual report is available at the following websites

Taiwan Stock Exchange Market Observation Post System: <https://mops.twse.com.tw>

Company Website: <https://www.cables.com.tw>



YFC-BONEAGLE ELECTRIC CO., LTD.

Yeh, Chun-Rong

Chairman

1. Spokesperson

Name : Connie Tsai
Title : General Manager
Tel. : +886-3-477-8846
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2. Deputy Spokesperson

Name : May Lai
Title : Senior Manager
Tel. : +886-3-477-8846
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3. Head Office, Branches and Plants:

Head Office

Add. : No. 12-9, Ln. 130, Sec. 2, Zhongshan E. Rd., Xinwu Dist., Taoyuan City, Taiwan (R.O.C.)
Tel. : +886-3-477-8846

Xinwu Plant

Add. : No. 12-9, Ln. 130, Sec. 2, Zhongshan E. Rd., Xinwu Dist., Taoyuan City, Taiwan (R.O.C.)
Tel. : +886-3-477-8846

4. Share Transfer & Shareholders Services Agent:

Name : SinoPac Securities Corporation
Add. : 3F., No.17, Bo'ai Rd., Zhongzheng Dist., Taipei City, Taiwan (R.O.C.)
Website : <http://securities.sinopac.com>
Tel. : +886-2-2381-6288

5. Independent Auditors

CPA Firm : KPMG
Name : Hsieh, Chiu-Hua & Lee, Fang Yi
Add. : 68F, No.7, Sec. 5, Xinyi Road, Xinyi Dist., Taipei City, Taiwan (R.O.C.)
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6. Overseas Securities Exchange Market: Not applicable.

7. Corporate Website

<http://www.cables.com.tw>

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A. Letter to Shareholders

I. Performance for 2025

1. 2025 Financial Summary

The consolidated operating revenue of YFC-BONEAGLE ELECTRIC CO., LTD. for 2025 was NT\$8,362,383 thousand, representing a decrease of NT\$1,737,290 thousand (17.20%) compared to the 2024 consolidated operating revenue of NT\$10,099,673 thousand.

The consolidated gross margin for 2025 was 29.04%, an increase of 2.8 percentage points from the 26.24% recorded in 2024. Consolidated net income for 2025 was NT\$118,527 thousand, a decrease of NT\$17,384 thousand compared to the 2024 net income of NT\$135,911 thousand. Basic earnings per share (EPS) for 2025 was NT\$0.81, a decrease of NT\$0.12 from the NT\$0.93 reported in 2024. While the strategic adjustment of our product structure significantly boosted the consolidated gross margin, the overall profitability still experienced a slight year-on-year decline. This was primarily attributed to customers delaying orders in response to U.S. tariffs, which resulted in the 17.20% YoY decrease in revenue.

2. Budget Execution: The company did not publicly disclose financial forecasts for the year 2025, hence no analysis is provided.

3. Analysis of Receipts, Expenditures and Profitability

Unit: NT\$ thousand			
Category	Title	2025	2024
Receipts & Expenditures	Net operating revenue	8,362,383	10,099,673
	Gross profit from operations	2,387,223	2,650,628
	Net income (loss) before tax	128,858	195,308
	Net income (loss) after tax	118,527	135,911
Profitability	ROA (%)	2.65	2.94
	ROE (%)	3.66	4.27
	Operating income to paid-in capital (%)	14.61	22.48
	Net income before tax to paid-in capital (%)	8.80	13.34
	Net income margin (%)	1.42	1.35
	EPS (NT\$)	0.81	0.93

4. R&D

i. Power Cord and Power Cable:

Globally, there is a pursuit of "energy conservation and carbon reduction" to minimize environmental impact. This not only helps mitigate global warming but also enhances energy efficiency, reduces costs, and promotes sustainable development. By 2025, plans are in place to build a "green factory" in the Philippines, aligning with the global trend of energy conservation and carbon reduction, and to secure carbon credits. The goals are: (1) green manufacturing, (2) utilizing renewable energy, and (3) implementing a carbon credit management strategy. Through these methods, the company can collectively reduce carbon emissions and contribute to the sustainable development of the Earth.

In response to the U.S.-China trade war, the company is relocating its production facilities from China to the Philippines. The Company has met the supply requirements for the U.S. market in 2025. To sustain stable profitability, the Company will further enhance its management systems and material sourcing strategies, ensuring an uninterrupted supply chain for the future. Simultaneously, there will be a focus on developing new niche market products, with robust management and logistical support as the key to success.

ii. Lan Cable:

PoE (Power over Ethernet) technology enables the simultaneous transmission of data and electrical power over a standard LAN cable. This technology effectively streamlines network infrastructure and reduces installation costs. It is extensively integrated into the Company's core product offerings, including networking equipment, surveillance systems, and smart building solutions.

The market size of PoE (Power over Ethernet) has been growing steadily in recent years, primarily driven by the increasing demand for smart cities, IoT (Internet of Things) devices, and enterprise network infrastructure.

According to market research reports, the PoE market is projected to expand at a stable CAGR (compound annual growth rate) in the coming years, covering applications such as IP cameras, wireless access points, VoIP

phones, and other devices requiring power over Ethernet. With continuous technological advancements and enhanced standards such as IEEE 802.3bt (60W-90W), the application scenarios and market potential of PoE will further expand. In response to the increasing market application demands, there is a growing need for longer-distance (150-200M) PoE with higher power transmission. YFC will continue to develop PoE LAN cables that meet market demands for longer distances (150-200M) and high-power transmission.

The company will invest in new equipment (physical foaming machines) to enhance the electrical characteristics of cables, thereby increasing cable transmission rates (40G-100G network systems); and will continue to collaborate with internationally renowned raw material manufacturers (Formosa Plastics) to develop physical foaming high-frequency low-dielectric transmission cable materials. In response to climate change, the company will further invest in developing products that can be installed and wired under harsh weather conditions with low temperatures and UV resistance.

iii. New Energy Wire Harness:

New energy wire harnesses are primarily applied in solar power stations (PV DC Harness), battery energy storage systems (BESS), electric vehicles (EV High Voltage Harness), charging piles, wind power, and hydrogen energy equipment. With the accelerated development of new energy, wire harnesses have become a safety-critical material and a core element for cost control.

YFC-BONEAGLE ELECTRIC CO., LTD. (YFC) provides highly weather-resistant, high-current, and long-life connection solutions for solar power systems. In terms of automotive wire harnesses, the company possesses mature production technology and capabilities. Currently, YFC has obtained certification from new energy customers and has officially entered the mass production stage.

iv. Robotics Wire Harness:

Wire harnesses for robotics and industrial automation are no longer limited to basic power and simple signal transmission; they now integrate Ethernet, control bus, and high-speed data transmission functions.

YFC-BONEAGLE ELECTRIC CO., LTD. (YFC) provides customized wire harness solutions for automation equipment, robotics, and new energy machinery. These solutions integrate Ethernet networks and offer features such as anti-interference, high drag-chain flexibility (exceeding 1 million cycles), wear resistance, and harsh weather endurance. Currently, the company has successfully onboarded new customers, and new product development has entered the mass production stage.

II. Summary of 2026 Business Plan

1. Short-term Business Development Plan:

- i. Actively expand the group's external customer base, focusing on key customers for technical services, fostering deep cooperation, and expanding the product line.
- ii. Continue expanding industrial cables, robotics, and automation-related wiring solutions, meeting customers' expectations for one-stop ordering by providing a diverse range of cables and wire harnesses, and participating in renowned industry exhibitions in Europe and the US to enhance brand visibility and market exposure..
- iii. In response to the smart manufacturing trend, develop the industrial-grade network patch cord market to differentiate from the existing mid-to-low-end consumer market and traditional distribution channels.
- iv. Strengthen the focus on the European and Japanese industrial and smart production equipment markets, increasing the development and sales of industrial cables.
- v. Enhance the production efficiency of the Philippine plant, shorten product lead times, and respond to Trump's Tariff 2.0 by increasing the plant's capacity to supply North American customers and markets beyond North America.
- vi. Expanding industrial control cable production lines at the Philippines plant to support U.S. customers.

2. Long-term Business Development Plan:

- i. Continue collaborating with the group's sub-brand, Prime, to develop new products.
- ii. Continued collaboration with a key third-party client to expand wire and cable product lines. This client has maintained a gross margin of over 30% for years. In 2025, due to tariff impacts, they progressively shifted orders from competitors to

our Philippines plant and are continuously introducing new products. Sales revenue from this client in 2025 grew by 89% compared to 2024.

- iii. Leveraging Florida-based offices of Latin American companies to strengthen market promotion in South America. Given that several Latin American countries maintain representative offices in Florida due to its geographical advantage, we will utilize this channel to enhance our outreach.
 - iv. Diversifying product lines at the Philippines plant in response to "Trump Tariffs 2.0" and the resulting fragmentation of global procurement markets. Beyond power cords and network patch cords, we are adding production lines for industrial control cables, micro-coaxial wires (ultra-fine wires), and other specialized products.
 - v. Continue developing high-frequency automotive transmission cables for hybrid and pure electric smart vehicles.
 - vi. Continuous development of Cross-linked Polyethylene (XLPE) cables. This aims to capture "box-wire" customers transitioning toward construction applications, while also meeting the requirements of industrial automation equipment clients.
 - vii. Collaborate with factories to source environmentally friendly production and packaging materials, proactively promoting ESG-compliant solutions to customers.
 - viii. U.S. manufacturing or TAA (Trade Agreements Act) compliance may become a new market in the future, prompting the search for qualified suppliers for strategic sales partnerships.
3. Impact by the external competitive environment, regulatory changes, and the overall business climate:
- i. Geopolitical Impacts:

Looking ahead to 2026, the global economic and trade landscape has entered a "period of deepened supply chain restructuring following the imposition of U.S. tariffs." As U.S. tariffs worldwide become increasingly finalized, and in response to the long-term, institutionalized risks of tariff fluctuations, the company continues to prioritize the allocation of U.S. market orders to the ASEAN region while actively expanding our non-U.S. customer base.

 - a. Comprehensive Capacity Upgrade to Capture the U.S. Market:

Looking ahead to 2026, the company will establish our self-owned factory in the Philippines as our core strategic hub. By leveraging capacity expansion,

in-house production, and the Group's integrated sales advantages, we are fully committed to penetrating and capturing a larger share of the U.S. market. While effectively bypassing high tariffs, we aim to secure orders from leading U.S.-based clients, transforming our Philippine production base into the most powerful engine for the Group's revenue growth.

b. Integrating the ASEAN "Friend-shoring" Ecosystem:

The company is not only actively expanding its pool of qualified suppliers in Vietnam and Thailand but is also elevating these collaborations from simple outsourcing to "strategic partnerships" to bolster supply chain resilience.

Through the deep integration of our self-owned capacity in the Philippines with the external ASEAN supply chain, YFC-BONEAGLE ELECTRIC CO., LTD. has established a highly adaptive global operating model. This not only significantly mitigates the uncertainties brought by geopolitics but also enables us to broaden our customer base, ensuring the Group can deliver exceptional business performance throughout the highly volatile year of 2026.

ii. Sustainability and Carbon Reduction Initiatives

The company has established the Sustainable Development Committee: Responsible for supervising the cross-functional implementation task force directed by the Management Center, and fully implementing goals related to environmental, social, and corporate governance (ESG). While pursuing business growth, we are committed to fulfilling corporate responsibility and achieving long-term sustainability.

To meet customer expectations for carbon reduction management and in response to the global goal of net-zero emissions by 2050, the company has completed a baseline greenhouse gas (GHG) emissions inventory and set reduction targets. Future efforts will include optimizing production management, implementing energy-saving and carbon-reduction measures, and planning for the use of renewable energy. Through full-process management, we aim to improve energy and resource efficiency, enhance market competitiveness, and reduce the company's carbon footprint.

We sincerely thank all our shareholders for your longstanding support and encouragement. The entire YFC group management team and staff will continue to give their utmost efforts to achieve greater success.

Wishing all our shareholders good health and prosperity!

Sincerely,

Chairman : Yeh Chun Rong

B. Corporate Governance Report

I. Profiles of Directors, President, Vice Presidents, Senior Managers and Department Heads

1. Directors
- i. Information of Directors

2026.4.11

Title	Name	Nationality/ Place of Registration	Gender & Age	Date of Election	Term (Years)	Date First Elected	Shareholding when elected		Current Shareholding		Spouse and Minors' Current Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Spouse or relative holding a position as Key Manager, Director or Supervisor			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	Good Win Investment Co., Ltd.	R.O.C.	-	2025.06.20	3	2022.06.21	8,020,359	5.48%	8,020,359	5.48%	-	-	-	-	-	-	-	-	-	None
	Representative: Yeh, Chun-Rong	R.O.C.	Male 71~80	2025.06.20	3	2016.06.22	575,260	0.39%	575,260	0.39%	305,117	0.21%	-	-	Education Entrepreneur Management Advanced Program by NCCU EMBA Association Experience Chairman, YFC BonEagle Electric Co., Ltd.	1. President of YFC-BonEagle Electric (B. V.I.) Co., Ltd. / Premium-Line KSI GmbH / YFC-BonEagle Holdings (CAYMANS) Co., Ltd / Europower International Limited / Universal Network Corporation / Premium Line Asia Ltd. / Dongguan YFC BonEagle Electronic Technology Co., Ltd./ Good Win Investment Co., Ltd	Director	Yeh, Chia-Yi	Father & Daughter	None
Vice Chairman	Great King Investment Development Ltd.	R.O.C.	-	2025.06.20	3	2022.06.21	2,388,556	1.63%	2,388,556	1.63%	-	-	-	-	-	-	-	-	-	None
	Representative: Lin, Shen-Fu	R.O.C.	Male 71~80	2025.06.20	3	2016.06.22	630,167	0.43%	630,167	0.43%	151,343	0.10%	-	-	Education National Taipei University, EMBA Experience 1. Vice Chairman, YFC BonEagle Electric Co., Ltd. 2. Lecturer, Taiwan Academy of Banking and Finance 3. Associate Professor, Asia Eastern University of Science and Technology	1. YFC Vice President 2. Chairman of Bestlink Netware Inc. / UNC Investment & Development, Inc. / Monoprice Holdings, Inc. / Monoprice, Inc. / Prime Wire& Cable, Inc./Wuxi Universal Network Corporation / Great King Investment Development Ltd. 3. Director of Dongguan YFC BonEagle Electronic Technology Co., Ltd. / 4. Independent Director of ACON Holding Inc.	-	-	-	None

Title	Name	Nationality/ Place of Registration	Gender & Age	Date of Election	Term (Years)	Date First Elected	Shareholding when elected		Current Shareholding		Spouse and Minors' Current Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Spouse or relative holding a position as Key Manager, Director or Supervisor			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	Chang, Lung-Kwang	R.O.C.	Male 71~80	2025.06.20	3	1994.09.01	3,094,503	2.11%	3,094,503	2.11%	2,009,041	1.37%	-	-	Education Bachelor in Mechanical Engineering, National Cheng Kung University Experience Chairman of Dorris-Mic International Company Ltd.	1. Director of Dongguan YFC BonEagle Electronic Technology Co., Ltd. / Wuxi Universal Network Corporation/ Prime Wire & Cable, Inc.	-	-	-	None
Director	Yeh, Shou-Wen	R.O.C.	Male 51~60	2025.06.20	3	2022.06.21	314,809	0.21%	314,809	0.21%	68,813	0.05%	-	-	Education Taibei Senior High School Experience 1. Office Staff, Taipei City Government 2. Consultant, Care360Tek Co., Ltd.	1. Consultant, Fabulous Trade Co., Ltd. 2. Supervisor, Chemsearch Technology Co., Ltd.	-	-	-	None
Director	Yu Yao Investment Co., Ltd.	R.O.C.	-	2022.06.21	3	2022.06.21	5,506,000	4.17%	5,702,470	3.89%	-	-	-	-	-	-	-	-	-	Term ended: June 20, 2025
	Representative: Yeh, Chia-Yi	R.O.C.	Female 41-50	2022.06.21	3	2022.06.21	426,654	0.32%	563,654	0.38%	-	-	-	-	Education Dowling College, Finance Major Experience Chief Administrative Officer, VA&G Bioscience Inc.	1. Finance Manager, Jie-Shou Investment Co., Ltd. 2. Representative, Di-Mi-Te Co., Ltd.	Chairman	Chun-Rong, Yeh	Father & Daughter	
Director	He Ding Investment Co., Ltd.	R.O.C.	-	2022.06.21	3	2022.06.21	3,416,776	2.59%	3,509,407	2.40%	-	-	-	-	-	-	-	-	-	Term ended: June 20, 2025
	Representative: Cheng, Po-Yuan	R.O.C.	Male 31~40	2024.10.23	3	2024.10.23	40,426	0.03%	65,000	0.04%	64,000	0.04%	-	-	Education Graduate Institute of Materials Science and Engineering, National Central University Experience Director of Advanced Process, United Microelectronics Corporation	President of He Ding Investment Co., Ltd.	-	-	-	
Independent Director	Chen, Chao-Ting	R.O.C.	Male 51~60	2025.06.20	3	2019.06.18	-	-	-	-	-	-	-	-	Education National Central University, MBA Experience CPA, Top New & Co., CPAs Firm	1. CPA of Cheng-Xin CPA Firm 2. Director, Xi-Le-Jian Management Consultants Co., Ltd. 3. Independent Director, Sunplus Innovation Technology Inc. 4. Member of YFC Audit Committee and Remuneration Committee.	-	-	-	None

Title	Name	Nationality/ Place of Registration	Gender & Age	Date of Election	Term (Years)	Date First Elected	Shareholding when elected		Current Shareholding		Spouse and Minors' Current Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Spouse or relative holding a position as Key Manager, Director or Supervisor			Note
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director	Wen, Hui-Mei	R.O.C	Female 51~60	2025.06.20	3	2025.06.20	-	-	-	-	-	-	-	-	Education McGeorge School of Law, UOP, USA Experience Managing Partner of Sun &Lin Law Office	Attorney-at-Law for Prospect Hospitality Co., Ltd.; Member of the Audit Committee and the Remuneration Committee of the Company.				Term Started: June 20, 2025
Independent Director	Yuan, Min-Jen	R.O.C.	Male 61~70	2025.06.20	3	2025.06.20	-	-	-	-	-	-	-	-	Education Master of Industrial Management from National Taiwan Institute of Technology Experience Consultant of Clean Electronics Development Association	President of Huaxin Tonglin Business Management Consulting Co., Ltd.; Member of the Audit Committee and the Remuneration Committee of the Company.				Term Started: June 20, 2025
Independent Director	Lee, Han-Tzong	R.O.C.	Male 71~80	2022.06.21	3	2002.05.20	354,959	0.27%	390,088	0.27%	47,709	0.03%	-	-	Education University of South Australia, Business Management PhD Experience Manager, ITRI Information and Communications Research Laboratories Assistant Professor, Minghsin University of Science and Technology, BA Dept.	1. Supervisor, Lightwave Link, Inc. 2. Managing Supervisor, Association of Digital Technology Innovation and Development 3. Convener of YFC Audit Committee and Remuneration Committee.	-	-	-	Term ended: June 20, 2025
Independent Director	Lin, Tzeng-Show	R.O.C.	Male 71~80	2022.06.21	3	2019.06.18	-	-	-	-	-	-	-	-	Education National Taipei University of Technology, MBM Experience Executive Director & President, Taiwan Business Bank	Member of YFC Audit Committee and Remuneration Committee.	-	-	-	Term ended: June 20, 2025

Note: Where the chairman and the president, or person of an equivalent post (the highest-level officer) of a company are the same person, spouses, or first-degree relatives, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., method of increase the number of independent directors with a majority of the directors not serving as an employee or officer): None

ii. Major Shareholders List:

2026.4.30

Name of Corporate Shareholder (note1)	Major Shareholders of the Corporate Shareholder (note2)	Shareholding Ratio
Good Win Investment Co., Ltd.	Yeh, Chia-Yi	28.75%
	Yeh, Chia-Lun	28.75%
	Yeh, Chia-Hao	32.50%
	Chang, Hsiu-E	6.25%
	Yeh, Chun Rong	3.75%
Great King Investment Development Ltd.	Lin, Shen-Fu	32.00%
	Lin, Feng-Shih	29.43%
	Lin, Rong-Yi	38.57%

Note 1: If the director is a representative of a corporate shareholder, the name of the corporate shareholder should be provided.

Note 2: If any of the 10 largest shareholders is a corporate shareholder, the name of the corporate shareholder and the holding percentage of each shall be stated. If the major shareholder is a legal entity, Table 2 should be filled in: N/A

Note 3: If a corporate shareholder is not a corporate organization, the name of the shareholder and shareholding ratio disclosed in the preceding paragraph shall be the name of the contributor or donor and their contribution or donation ratio: N/A

iii. Table 2 for major corporate shareholders of the Company's corporate shareholders: N/A

iv. Professional Qualifications and Independence State of Directors:

Name \ Criteria		Professional Qualifications & Experiences	State of Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Chairman	Good Win Investment Co., Ltd. Representative: Chun-Rong Yeh	1. Currently Serving as the Chairman and President of YFC. 2. With more than five years of required working experience in commerce, law, finance, accounting, or other fields necessary for the business of the Company. Demonstrates capabilities in an international perspective, operations management, leadership, and decision-making. 3. Not under any circumstances set in Article 30 of the Company Act.	None of the circumstances set forth in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act exist	0

Vice Chairman	Great King Investment Development Ltd. Representative: Lin, Shen-Fu	1. Currently Serving as the Vice Chairman and VP of YFC. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in international perspective, operations management, leadership and decision-making. 3. Not under any circumstances set in Article 30 of the Company Act.	None of the Directors are spouses or within the second degree of kinship to one another, and there are no circumstances as specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	1
Director	Chang, Lung-Kwang	1. Current Director. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in industry management, marketing, operational judgment, and decision-making. 3. Not under any circumstances set in Article 30 of the Company Act.	None of the Directors are spouses or within the second degree of kinship to one another, and there are no circumstances as specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	0
Director	Yeh, Shou-Wen	1. Current Director. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in industry management, marketing, marketing, and crisis handling 3. Not under any circumstances set in Article 30 of the Company Act	None of the Directors are spouses or within the second degree of kinship to one another, and there are no circumstances as specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	0

Director	Yu Yao Investment Co., Ltd Representative: Yeh, Chia-Yi	1. Current Director. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in operational judgment and decision-making. 3. Not under any circumstances set in Article 30 of the Company Act.	None of the circumstances set forth in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act exist	0
Director	He Ding Investment Co., Ltd. Representative: Cheng, Po-Yuan-	1. Current Director. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in operations management, decision-making, marketing and experience in legal affairs. 3. Not under any circumstances set in Article 30 of the Company Act.	None of the Directors are spouses or within the second degree of kinship to one another, and there are no circumstances as specified in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.	0
Independent Director	Lee, Han-Tzong	1. Education and experiences are stated in the pages before 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in industry and operations management. 3. Not under any circumstances set in Article 30 of the Company Act.	The independent directors satisfy the independence requirements set forth in Items 1 through 9, Article 3 of the 'Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies'.	0

Independent Director	Lin, Tzeng-Show	1. Education and experiences are stated in the pages before. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in operations management, leadership, and decision-making. Not under any circumstances set in Article 30 of the Company Act.	The independent directors satisfy the independence requirements set forth in Items 1 through 9, Article 3 of the 'Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies'.	0
Independent Director	Chen, Chao-Ting	1. Education and experiences are stated in the pages before. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates professional capabilities in regulatory compliance, as well as financial and accounting analysis. 3. Not under any circumstances set in Article 30 of the Company Act.	The independent directors satisfy the independence requirements set forth in Items 1 through 9, Article 3 of the 'Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies'.	1
Independent Director	Wen, Hui-Mei	1. Education and experiences are stated in the pages before. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in operations management, leadership, and decision-making. Not under any circumstances set in Article 30 of the Company Act.	The independent directors satisfy the independence requirements set forth in Items 1 through 9, Article 3 of the 'Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies'.	0

Independent Director	Yuan, Min-Juan	1. Master of Industrial Management from National Taiwan Institute of Technology; President of Huaxin Tonglin Business Management Consulting Co., Ltd. 2. With more than five years of required working experience in commerce, law, finance, accounting, or profession necessary for the business of the Company. Demonstrates capabilities in operations management, leadership, and decision-making. Not under any circumstances set in Article 30 of the Company Act.	The independent directors satisfy the independence requirements set forth in Items 1 through 9, Article 3 of the 'Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies'.	0
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Note: The Company conducted a re-election of the Board of Directors at the Shareholders' Meeting on June 20, 2025. Ms. Chia-Yi Yeh (representative of Yu Yao Investment Co., Ltd.), Mr. Po-Yuan Cheng (representative of He Ding Investment Co., Ltd.), and Independent Directors Mr. Han-Tzong Lee and Mr. Tseng-Show Lin retired; Ms. Hui-Mei Wen and Mr. Ming-Juan Yuan were newly elected as Independent Directors.

v. Diversity and Independence of the Board of Directors:

- a. Diversity of the Board of Directors: The Board of Directors of the Company abides by the Articles of Incorporation, Rules for the Election of Directors, and Best Practice Principles of Corporate Governance.

① Board structure:

In accordance with the Articles of Incorporation, the Company has a total of seven directors. The candidate nomination system is adopted, and directors are elected from a list of candidates at the shareholders' meeting. The Board is required to have a minimum of three independent directors, representing at least 1/5 of the total Board members. These independent directors are also appointed to form the Audit Committee, with the objective of assisting the Board in decision-making.

② Composition of the Board Members:

The composition of the Board of Directors should consider diversity. It is recommended that directors who also serve as company officers should not exceed one-third of the total number of board members. Furthermore, an appropriate diversity policy should be formulated based on the Company's business operations, operating dynamics, and development needs. This policy should include, but not be limited to, the following two general standards:

- ◆ Basic requirements and values: Gender, age, nationality, and culture.
- ◆ Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

③ Execution of the Board Diversity Objectives: Considering the concepts of the Board member's diversity, the objectives include:

- ◆ To include at least one female director and progressively work toward increasing the proportion of female board members to 30%.
- ◆ The number of directors who concurrently serve as managerial officers does not exceed 1/3 of the Board.
- ◆ No more than two directors are a spouse or relatives within the second degree of kinship to any other directors.
- ◆ At least two independent directors shall serve no more than three consecutive terms.

The current (12th) Board of Directors comprises seven directors, including one female director and three independent directors. There are two directors who hold concurrent positions as managerial officers of the Company, and no directors who are spouses or have direct kinship relations with each other. Regarding the three independent directors, all their terms do not exceed three terms. The directors are thoroughly evaluated and elected based on the principles of board diversity,

taking into consideration their professional backgrounds and skills in various areas such as operations management, leadership, decision-making, financial analysis, and marketing. Additionally, they possess the qualifications to lead, make informed decisions, and have ample industry knowledge and experience. This demonstrates that the Company has given careful thought to the requirements, implemented the concept effectively, and successfully achieved its diversity objectives.

- b. Independence of the Board: The Company has three independent directors, accounting for 42.85% of the Board. All of the directors (including the independent directors) meet the criteria for independence and do not fall under any of the circumstances outlined in Paragraphs 3 and 4, Article 26-3 of the Securities and Exchange Act.

2. Information on president, vice presidents, executives, and heads of departments and branches

2026.4.11 unit: share, %

Title	Name	Gender	Nationality	Date of Appointment	Current Shareholding		Spouse and Minor Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Company officers who are spouses or relatives within the 2nd degree of kinship			Note
					Shares	%	Shares	%	Shares	%			Tile	Name	Relationship	
President	Yeh Chun-Rong (Andrew Yeh)	Male	R.O.C.	2016.06.22	575,260	0.39%	305,117	0.21%	–	–	Education Entrepreneur Management Advanced Program by NCCU EMBA Association Experience Chairman of YFC BonEagle Electric Co., Ltd.	1. Chairman of the Company/ YFC-BonEagle Electric (BVI.) Co., Ltd. / Premium-Line KSI GmbH / YFC-BonEagle Holdings (CAYMANS) Co., Ltd / Europower International Limited / Universal Network Corporation / Max Synergy Limited / Premium Line Asia Ltd. / Dongguan YFC BonEagle Electronic Technology Co., Ltd./ Good Win Investment Co., Ltd	Senior Manager	Glen Yeh	Father & Son	
													Senior Manage	Jerry Yeh	Father & Son	
Vice President	Lin, Shen-Fu (Grow Lin)	Male	R.O.C.	2016.06.22	630,167	0.43%	151,343	0.10%	–	–	Education National Taipei University, EMBA Experience 1. Vice Chairman, YFC BonEagle Electric Co., Ltd. 2. Lecturer, Taiwan Academy of Banking and Finance 3. Associate Professor, Asia Eastern University of Science and Technology	1. Vice chairman of the Company 2. Chairman of Bestlink Netware Inc. / UNC Investment & Development, Inc. / Monoprice Holdings, Inc. / Monoprice, Inc. / Chenzhou YFC BonEagle Electronic Co., Ltd. / Wuxi Universal Network Corporation / YFC International Trading (Wuxi) Co., Ltd./ Prime Wire & Cable, Inc. 3. Director of Prime Wire & Cable, Inc. / Dongguan YFC BonEagle Electronic Technology Co., Ltd. 4. Independent Director of ACON Holding Inc.	None	None	None	

Title	Name	Gender	Nationality	Date of Appointment	Current Shareholding		Spouse and Minor Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Company officers who are spouses or relatives within the 2nd degree of kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
General Manager	Connie Tsai	Female	R.O.C	2023.08.03	795,046	0.54%	58,000	0.04%	—	—	Education National Taiwan University, EMBA Experience 1. Horwath Chien Hsing CPAs 2. CFO & Vice President of YFC BonEagle Electric Co., Ltd.	Director of Monoprice Holdings, Inc. / Monoprice, Inc./ YFC-BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION/ YFC-BONEAGLE INTERNATIONAL, INC., YFC DEVELOPMENT CORPORATION	None	None	None	
CTO	Eddy Ku	Male	R.O.C.	1989.05.07	1,177,694	0.80%	8,933	0.01%	—	—	Education National Chin-Yi University of Technology, BEE Experience Director of China Wire & Cable Co., Ltd.	1. Chairman of YFC-BonEagle Electronic Technology Phils. Corporation / YFC-BonEagle International, Inc. / YFC Development Corporation	None	None	None	
Deputy General Manager	John Hsieh	Male	R.O.C.	2002.12.01	666,917	0.46%	—	—	—	—	Education Georgia State University, Master of Science in Finance Experience 1. Section Chief, Longchen Paper & Packaging Co., Ltd. 2. Associate Director of YFC BonEagle Electric Co., Ltd.	1. President of Prime Wire & Cable, Inc. 2. Director of Monoprice Holdings, Inc. 3. Director & President of Monoprice, Inc.	None	None	None	Retired in Jan. 2025
Deputy General Manager	Jack Lee	Male	R.O.C.	2012.02.13	54,234	0.04%	—	—	—	—	Education: Department of Business Administration, Tunghai University Experience: Sales Senior Manager, Wei-Chin Enterprise Co., Ltd.	N/A	None	None	None	
Associate Director	Fred Shan	Male	R.O.C.	2013.12.25	333,201	0.23%	13,000	0.01%	—	—	Education Mechanical Engineering, National Chiao Tung University Experience Section Chief of Production Planning at Chin Chung Motor Industry Co., Ltd.	N/A	None	None	None	
Associate Director	Glen Yeh	Male	R.O.C.	2020.05.26	1,575,601	1.08%	—	—	—	—	Education	N/A	President	Andrew Yeh	Father & Son	

Title	Name	Gender	Nationality	Date of Appointment	Current Shareholding		Spouse and Minor Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Company officers who are spouses or relatives within the 2nd degree of kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
											California State University Fullerton. MSA Experience 1. Manager, KPMG Taiwan 2. Assistant Manager, KGI Securities Co. Ltd.,		Senior Manager	Jerry Yeh	Brothers	
Associate Director	Anderson Huang	Male	R.O.C.	2020.05.26	134,413	0.09%	—	—	—	—	Education Yuan Ze University, CSE Master's degree Experience 1. IT Manager, Tai-Saw Technology Co., Ltd. 2. Senior Manager, YFC BonEagle Electric Co., Ltd.	N/A	None	None	None	Resigned in Sept. 2025
Associate Director	Wallis Gan	Female	Malaysia	2023.08.25	0	0%	0	0%	—	—	Education National Sun Yat-Sen University, Business Management Experience 1. Sales Manager of Mavin technology INC. 2. Sales Senior Manager of YFC BonEagle Electric Co. Ltd.	N/A	None	None	None	Resigned in July. 2025
Associate Director	Wang, Sheng - Wun(Wap Wang)	Male	R.O.C	2023.08.11	40,000	0.03%	0	0%	—	—	Education Accounting, Tamkang University Experience 1. Assistant Manager of KPMG Taiwan 2. Senior Manager of YFC BonEgles Co., Ltd.	N/A	None	None	None	
Associate Director	Robin Kuo	Male	R.O.C	2024.07.11	80,000	0.05%	0	0%	—	—	Education 1. Department of Mechanical Engineering, WuFeng University 2. MBA Executive Program, Sun Yat-sen University (Guangzhou) Experience 1. Director of Procurement Development, Primax Electronics Ltd. 2. Director of Supply Chain Management,	N/A	None	None	None	

Title	Name	Gender	Nationality	Date of Appointment	Current Shareholding		Spouse and Minor Shareholding		Shareholding by Proxy		Education & Experience	Concurrent Positions	Company officers who are spouses or relatives within the 2nd degree of kinship			Note
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
											Merry Electronics Co., Ltd.					
Associate Director	Jerry Yeh	Male	R.O.C	2024.07.11	254,222	0.17%	0	0%	-	-	Education Department of International Business, Kainan University Experience General Manager of Jingzhou Wuhan Jie Rui Hao Educational Technology Co., Ltd.	N/A	President	Andrew Yeh	Father & Son	
													Senior Manager	Glen Yeh	Brothers	

Note: Where the president or person of an equivalent post (the highest-level officer) of a company are the same person as the chairman of the Board of Directors, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures (such as adding more independent directors and having more than half of the directors who are neither employees nor officers) adopted in response thereto: None

II. Compensation Paid to Directors, President, and Vice Presidents in the Most Recent Year

1. Compensation to general directors and independent directors

2025.12.31; Unit: NT\$ thousand / thousand shares

Title	Name	Director Compensation								Total(A+B+C+D) & Ratio to Net Income (Loss) (%)		Compensation Received as an Employee								Total(A+B+C+D+E+ F+G) & Ratio to Net Income (Loss) (%)		Compensation received from investees other than subsidiaries or parent company
		Remuneration (A)		Retirement pension (B)		Bonus (C)		Expenses for Services Rendered (D)				Salary and Allowance (E)		Pension (F)		Employee Bonus(G)						
		The Company	All Consolidat ed Entities	The Company	All Consolidat ed Entities	The Company	All Consolidat ed Entities	The Company	All Consolidat ed Entities	The Company	All Consolidat ed Entities	The Company	All Consolidat ed Entities	The Company	All Consolidat ed Entities	The Company		All Consolidated Entities		The Company	All Consolidate d Entities	
																Cash	Stock	Cash	Stock			
Chairman	Good Win Investment Co., Ltd. Representative: Yeh, Chun-Rong (Andrew Yeh)	90	90	0	0	3,000	3,000	1,452	1,452	4,542 3.83%	4,542 3.83%	8,163	9,856	0	0	2,300	0	2,300	0	15,005 12.66%	16,698 14.09%	None
Vice Chairman	Great King Investment Development Ltd. Representative: Lin, Shen-Fu (Grow Lin)																					
Director	Chang, Lung-Kwang																					
Director	Yeh, Shou-Wen																					
Director	Yu Yao Investment Co., Ltd. Representative: Yeh, Chia-Yi																					
Director	He Ding Investment Co., Ltd. Representative: Cheng, Po-Yuan																					
Independent Director	Chen, Chao-Ting	1,600	1,600	0	0	0	0	150	150	1,750 1.48%	1,750 1.48%	0	0	0	0	0	0	0	0	1,750 1.48%	1,750 1.48%	None
Independent Director	Wen, Hui-Mei																					
Independent Director	Yuan, Min-Jen																					
Independent Director	Lee, Han-Tzong																					
Independent Director	Lin, Tzeng-Show																					

Note1: The Company adopts a fixed compensation policy for independent directors, who do not participate in the distribution of directors' remuneration. The compensation they receive is determined based on their level of involvement in the Company's operations and the value of their contributions, with reference to commonly accepted standards in both domestic and international industries.

Note2: In addition to the disclosures in the above table, please indicate whether any directors received compensation in the most recent year for providing services to any entities included in the financial statements (e.g., serving as consultants who are not employees of the parent company, subsidiaries, or investees included in the financial reports): No such situation occurred.

Note3: The Company conducted a re-election of the Board of Directors at the Shareholders' Meeting on June 20, 2025.

Ms. Chia-Yi Yeh, representative of Yu Yao Investment Co., Ltd., Mr. Po-Yuan Cheng, representative of Ho Ting Investment Co., Ltd., Mr. Han-Tzong Li and Mr. Tseng-Shou Lin, Independent Directors had stepped down

Newly Elected Independent Directors: Ms. Hui-Mei Wen and Mr. Ming-Jen Yuan

Table of Remuneration Ranges

Range of Remuneration for President and Vice Presidents	Name			
	Total amount of first four remuneration items(A+B+C+D)		Total amount of first seven remuneration items (A+B+C+D+E+F+G)	
	The Company	All Consolidated Entities	The Company	All Consolidated Entities
Under NT\$1,000,000	Good Win Investment Co., Ltd.	Good Win Investment Co., Ltd.	Good Win Investment Co., Ltd.	Good Win Investment Co., Ltd.
	Great King Investment Development Ltd.	Great King Investment Development Ltd.	Great King Investment Development Ltd.	Great King Investment Development Ltd.
	Andrew Yeh	Andrew Yeh	Yu Yao Investment Co., Ltd.	Yu Yao Investment Co., Ltd.
	Grow Lin	Grow Lin	He Ding Investment Co., Ltd	He Ding Investment Co., Ltd
	Yu Yao Investment Co., Ltd.	Yu Yao Investment Co., Ltd.	Yeh, Chia-Yi	Yeh, Chia-Yi
	He Ding Investment Co., Ltd	He Ding Investment Co., Ltd	Cheng, Po-Yuan	Cheng, Po-Yuan
	Yeh, Chia-Yi	Yeh, Chia-Yi	Chang, Lung-Kwang	Chang, Lung-Kwang
	Cheng, Po-Yuan	Cheng, Po-Yuan	Yeh, Shou-Wen	Yeh, Shou-Wen
	Chang, Lung-Kwang	Chang, Lung-Kwang	Lee, Han-Tzong	Lee, Han-Tzong
	Yeh, Shou-Wen	Yeh, Shou-Wen	Chen, Chao-Ting	Chen, Chao-Ting
	Lee, Han-Tzong	Lee, Han-Tzong	Lin, Tzeng-Show	Lin, Tzeng-Show
	Chen, Chao-Ting	Chen, Chao-Ting	Wen, Hui-Mei	Wen, Hui-Mei
	Lin, Tzeng-Show	Lin, Tzeng-Show	Yuan, Ming-Jen	Yuan, Ming-Jen
	Wen, Hui-Mei	Wen, Hui-Mei		
	Yuan, Ming-Jen	Yuan, Ming-Jen		
NT\$1,000,000 ~ Under NT\$2,000,000	None	None	None	None

NT\$2,000,000 ~ Under NT\$3,500,000	None	None	None	None
NT\$3,500,000 ~ Under NT\$5,000,000	None	None	Andrew Yeh Grow Lin	Andrew Yeh Grow Lin
NT\$5,000,000 ~ Under NT\$10,000,000	None	None	None	None
NT\$10,000,000 ~ Under NT\$15,000,000	None	None	None	None
NT\$15,000,000 ~ Under NT\$30,000,000	None	None	None	None
NT\$30,000,000 ~ Under NT\$50,000,000	None	None	None	None
NT\$50,000,000 ~ Under NT\$100,000,000	None	None	None	None
NT\$100,000,000 & above	None	None	None	None
Total	11	11	11	11

2. Remuneration of President and Vice Presidents

2025.12.31; Unit: thousands NTD/ thousand share

Title	Name	Salary (A)		Pension (B)		Bonus and Special Allowance (C)		Employee Bonus (D)				Total(A+B+C+D) & Ratio to Net Income (%)		Remuneration received from investees other than subsidiaries or parent company
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities		The Company	All Consolidated Entities	
								Cash Bonus	Stock Bonus	Cash Bonus	Stock Bonus			
President	Andrew Yeh	15,377	17,070	274	274	0	0	4,430	0	4,430	0	20,081 16.94%	21,744 18.37%	N/A
Executive Vice President	Grow Lin													
General Manager	Connie Tsai													
CTO	Eddy Ku													
Vice President	Jack Lee													

Table of Remuneration Ranges

Range of Remuneration for President and Vice Presidents	Name	
	The Company	All Consolidated Entities
Under NT\$1,000,000	-	-
NT\$1,000,000 ~ Under NT\$2,000,000	-	-
NT\$2,000,000 ~ Under NT\$3,500,000	Eddy Ku; Jack Lee	Eddy Ku; Jack Lee
NT\$3,500,000 ~ Under NT\$5,000,000	Andrew Yeh; Grow Lin; Connie Tsai	Andrew Yeh; Grow Lin; Connie Tsai
NT\$5,000,000 ~ Under NT\$10,000,000	-	-
NT\$10,000,000 ~ Under NT\$15,000,000	-	-
NT\$15,000,000 ~ Under NT\$30,000,000	-	-
NT\$30,000,000 ~ Under NT\$50,000,000	-	-
NT\$50,000,000 ~ Under NT\$100,000,000	-	-
NT\$100,000,000 & above	-	-
Total	5	5

3. Names of managerial officers receiving employee compensation and details of the allocation

Unit: NT\$K

Title	Name	Stock Bonus	Cash Bonus	Total	Ratio of Total to Net Income (Loss) (%)	
					The Company	All Consolidated Entities
President	Andrew Yeh	0	6,818	6,818	5.75%	5.75%
Vice President	Grow Lin					
General Manager	Connie Tsai					
CTO	Eddy Ku					
Deputy General Manager	Jack Lee					
Associate Director	Fred Shan					
Associate Director	Glen Yeh					
Associate Director	Robin Kuo					
Associate Director	Jerry Yeh					
Associate Director, Accounting	Wap Wang					

Note 1: Individual names and positions should be disclosed, but profit distribution can be aggregated.

Note 2: Fill in the amount of employee remuneration (including stocks and cash) approved by the board of directors for the most recent fiscal year. If it cannot be estimated, the proposed distribution amount for this year shall be calculated based on the proportion of actual distribution amount last year. Net profit after tax refers to the net profit after tax for the most recent fiscal year; if the International Financial Reporting Standards are adopted, net profit after tax refers to the net profit after tax in the individual or separate financial statements for the most recent fiscal year.

Note 3: The scope of application of executives is defined in accordance with the letter issued by the Financial Supervisory Commission on March 27, 2003, No. 0920001301, as follows:

- 1. President and equivalent positions
- 2. Vice President and equivalent positions
- 3. Associate Director and equivalent positions
- 4. Finance Manager
- 5. Accounting Manager
- 6. Others who have management affairs and signing authority for the company

Note 4: If directors, general managers, and deputy general managers receive employee remuneration (including stocks and cash), in addition to filling in Table 1-2, they should also fill in this table.

4. Analysis of the total remuneration paid to directors, presidents, and vice presidents as a percentage of the net income after tax in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance:

i. Remuneration to directors, presidents, and vice presidents and in proportion to the net income after tax are analyzed as follows:

	Net Income After Tax	Remuneration to directors, presidents and vice presidents (NT\$K)		Ratio of the total amount to net income (Loss) after tax (%)	
		The Company	All Consolidated Entities	The Company	All Consolidated Entities
2024	135,911	26,093	32,426	19.20%	23.86%
2025	118,527	26,373	28,066	22.25%	23.68%

The Company's net income (loss) after tax for fiscal years 2025 and 2024 amounted to NT\$118,527,000 and NT\$135,911,000, respectively. The remuneration paid to directors, the president, and vice presidents accounted for 22.25% and 19.20% of net income (loss) after tax, respectively. According to the consolidated financial statements, the total remuneration paid by all entities to directors, the president, and vice presidents accounted for 23.68% and 23.86% of net income (loss) after tax, respectively. The remuneration policy for directors, the President, and Vice Presidents remained consistent across both years.

ii. The remuneration policy, standard, package, procedure of determination, connection with business performance and future risk:

- a. The Company offers the directors remuneration and a fixed monthly transportation allowance. Pursuant to the Articles of Incorporation, no more than 4% of profits shall be allocated as director’s remuneration when the Company makes profits. The independent directors shall not participate in the distribution of remuneration to the directors. The profit referred to in the preceding paragraph shall mean the earnings before tax prior to deduction of employees’ and directors’ remuneration. The

Board of Directors is authorized to determine the remuneration or salary for the directors, considering the extent and value of the services provided for the management of the Corporation and the standards of the industry. The remuneration standards for the directors are regularly assessed in accordance with the “Management Procedures for Remuneration to Directors and Senior Officers” and the “Rules for Performance Evaluation of Board of Directors.” The relevant performance evaluation and remuneration distribution are reviewed by the Remuneration Committee and reported to the Board of Directors for resolution.

- b. Remuneration paid to the management includes salary, allowances and bonuses, as well as 6% of the Company’s annual profit as remuneration to the officers as set forth in the Articles of Incorporation. Remuneration is determined based on the scope of each officer’s responsibility, their achievement rate of the Company’s overall operational objectives (such as the Company’s revenue, net profit before tax and net profit after tax), academic background and experience, with reference to the salary level of similar positions in the industry. The remuneration standards for the officers are regularly assessed by the Remuneration Committee in accordance with the Company’s “Procedures for Evaluation of the Board of Directors” and the annual distribution of remuneration to the officers is reviewed to be submitted to the meeting of the Board of Directors for resolution.
- c. The Company’s remuneration paid to the officers includes employee stock bonuses, which are long-term bonuses managed by a trust account. The basis for distribution is linked with the individual’s performance in an effort to retain outstanding management talent. As the actual value of officers is related to the Company’s future stock price, we hope to share and prosper with them to jointly bear the future business risks.

III. Implementation of Corporate Governance

1. Operations of the Board of Directors:

The Board of Directors convened 6 meetings in 2025(A), the attendance of directors is as follows:

Title	Name (Note 1)	Attendance in Person (B)	By Proxy	Attendance Rate (%) (B/A) (Note 2)	Remarks
Chairman	Good Win Investment Co., Ltd. Representative: Yeh, Chun-Rong	4	2	67%	2025.6.20 Re-elected
Vice Chairman	Great King Investment Development Ltd. Representative: Lin, Shen Fu	6	0	100%	2025.6.20 Re-elected
Director	Chang, Lung-Kwang	6	0	100%	2025.6.20 Re-elected
Director	Yeh, Shou-Wen	6	0	100%	2025.6.20 Re-elected
Director	Yu Yao Investment Co., Ltd. Representative: Yeh, Chia-Yi	2	0	100%	2025.6.20 Stepped down
Director	He Ding Investment Co., Ltd. Representative: Cheng, Po-Yuan	2	0	100%	2025.6.20 Stepped down
Independent Director	Chen, Chao-Ting	6	0	100%	-
Independent Director	Wen, Hui-Mei	4	0	100%	2025.6.20 Newly Elected
Independent Director	Yuan, Ming-Jen	3	0	75%	2025.6.20 Newly Elected
Independent Director	Lee, Han-Tzong	2	0	100%	2025.6.20 Newly Elected
Independent Director	Lin, Tzeng-Show	2	0	100%	2025.6.20 Newly Elected

Other matters that are required to be disclosed:

- i. In the event of either of the following situations, dates, sessions, contents of motion, opinions from all independent directors, and the Company’s responses should be specified:
 - a. Issues specified in Article 14-3 of the Securities and Exchange Act: As the Company has an Audit Committee in place, matters listed in Article 14-3 do not apply pursuant to Article 14-5 of the Securities and Exchange Act. For more details on the Audit Committee, please refer to page 33 to 36.
 - b. Other matters involving objections or reservations expressed by independent directors that were recorded or stated in writing require a resolution by the Board of Directors: None.
- ii. Recusal of directors from motions involving their interests should be documented, including the names of the directors, the content of the motions, the reasons for recusal, and their participation in voting:

The 17th Meeting of the 11th Board of Directors on May 7, 2025

Proposal: Review of the qualifications of independent director candidates.

Conflict of Interest Recusal: Independent Director Mr. Chao-Ting Chen.

Reasons for Recusal and Voting Participation: Except for Independent Director Mr. Chao-Ting Chen, who recused himself due to personal interest and did not participate in the discussion or voting, the proposal was unanimously approved as submitted by the remaining attending directors upon consultation by the Chairman.
- iii. Information on the evaluation cycle and period, evaluation scope, method and evaluation content of the Board self-evaluation:

Please refer to the following section for 2025 The Board of Directors Evaluation and Implementation
- iv. Objectives to enhance the Board functions in the current and the most recent year (e.g., forming an audit committee, improving information transparency etc.), and the evaluation of the implementation:

a. Improvement of Information Transparency:

The Company has formulated its Rules of Procedure for Board of Directors Meeting pursuant to the Regulations Governing Procedure for Board of Directors Meetings of Public Companies. As well as this, the Company also reports on the attendance of the Board of Directors at the Board meeting on the MOPS and discloses major resolutions made by the Board at the Corporate Governance section on the Company's website. To establish a management mechanism for material inside information to prevent improper leakage of information, while ensuring the consistency and accuracy of information released to the public, the Company has also formulated its Procedures for Handling Material Inside Information and Prevention of Insider Trading and Procedures Governing the Trading Halt and Resumption which are internally announced and implemented. An internal control system has been incorporated at the same time to implement the principle of fairness in information symmetry.

b. Publicization of Corporate Governance Laws and Regulations:

To increase the familiarity of the board with the securities acts, we continue to strengthen the promotion of corporate governance-related laws and regulations. In addition to providing information on the latest regulatory changes, the directors also proactively take part in corporate governance-related seminars and conventions organized by the competent authorities. Moreover, further education courses on corporate governance regulations are arranged on a regular basis to improve the efficiency of the promotion, further achieving the objective of a robust corporate governance structure. In 2025, the directors completed 66 hours of further education.

c. An audit committee was formed , which are assisting the Board in performing duties and supervisory responsibilities as well as enhancing the functions of the Board.

d. During the selection and tenure of independent directors, the company reviews their qualifications to ensure compliance with regulations and annually assesses their suitability. The corporate governance officer reports to the board of directors regarding the suitability of independent directors.

e. The Company has a Remuneration Committee in place and is responsible for carrying out recommendations, evaluating and supervising the Company's remuneration policy as a whole, setting remuneration standards for directors and officers, and employee remuneration distribution. In the future, the Company will continue to review the improvement of relevant systems to strengthen the remuneration system.

Note: (1) If there is a director who resigns before the end of the year, the resignation date shall be indicated in the remark's column. The actual attendance rate (%) is calculated based on the number of board meetings held during each director's term of office and their actual attendance.

(2) If there was a re-election of directors before the end of the year, the new and outgoing directors shall be filled in the form and specify if the director is newly elected to office or re-elected for a second term of office, and the date of the election. The actual attendance rate (%) is calculated based on the number of board meetings held during each director's term and their actual attendance.

2. The Board of Directors Evaluation and Implementation

i. The Company’s 2025 Board evaluation implementation status is as follows:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Aspect
Annual	2025.01.01 ~ 2025.12.31	The Board of Directors as a whole	Internal self-evaluation by the Board of Directors, self-assessment by directors (on themselves or peers) and functional committees. Scoring criteria for each aspect evaluation is rated on a 5-point scale: Very satisfied (Strongly agree)/ Satisfied (Agree)/ Neither satisfied nor dissatisfied (Neutral)/ Dissatisfied (Disagree)/ Very dissatisfied (Strongly disagree). The results of the Board	1. Involvement in the Company’s operation 2. Enhancement of the quality of the Board’s decision-making 3. Board composition and structure. 4. Election and continuing knowledge development of the directors 5. Internal controls
		Individual Directors		1. Alignment of the Company’s objectives and tasks 2. Awareness of the duties of a director 3. Involvement in the Company’s operation 4. Internal relationship management and communication 5. Director’s professionalism and continuing knowledge development 6. Internal controls
		Functional Committees (Remuneration Committee and Audit Committee)	Evaluation for the year ended December 31, 2025 have been disclosed on the Company’s website.	1. Involvement in the Company’s operation 2. Awareness of the functional committees’ duties 3. Improvement of the decision-making quality of the functional committees 4. Composition and selection of functional committee members 5. Internal controls

ii. External evaluation is carried out every 3 years.

External evaluation is carried out every 3 years. The Board was under evaluation in 2025 by the Taiwan Investor Relations Institute	2024.10.01 ~ 2025.09.30	The Board of Directors as a whole	1. Survey and Questionnaire 2. On-site Evaluation The external performance evaluation results of the Board of Directors for 2025 have been disclosed on the Company’s website.	1.The survey was divided into five major aspects: Board composition and professional development, Board decision quality, Board operational efficiency, internal control and risk management, Board participation in corporate social responsibility. 2.On-site evaluation targets: The Company’s chairman, independent director (convener of the Audit Committee) and the Independent Director.
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3. Composition, Duties, and Operation of the Audit Committee

The Audit Committee convened 5 meetings in the company in 2025(A), the attendance of independent directors are as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) (B/A)	Remarks
Independent Director (convener)	Chen, Chao-Ting	5	0	100%	2025.6.20 Re-Elected
Independent Director	Wen, Hui-Mei	3	0	100%	2025.6.20 Newly Elected
Independent Director	Yuan, Ming-Juan	3	0	100%	2025.6.20 Newly Elected
Independent Director	Lee, Han-Tzong	2	0	100%	2025.6.20 Newly Elected
Independent Director	Lin, Tzeng-Show	2	0	100%	2025.6.20 Newly Elected

Other matters that are required to be disclosed:

- i. If any of the following circumstances occur concerning the operations of the Audit Committee, the dates of meetings, sessions, contents of motion, resolutions of the Audit Committee and the Company’s responses to its opinions should be specified:

a. Matters referred to in Article 14-5 of the Securities and Exchange Act:

Meeting Date & Session	Contents, Resolutions and the Company's Response to the Opinions	Objections, Reservations, or Major Recommendations by Independent Directors	Resolution Result	Company's Response to Audit Committee's Opinion
2 nd Term 14 th Meeting 2025.3.14	(1) Internal Audit Report by the Chief Internal Auditor (2) Declaration of Internal Control System for the Year 2024 (3) Assessment of the Independence and Competency of the Certifying CPA (4) The Company's 2024 Business Report and Standalone & Consolidated Financial Statements (5) Proposal for Lending Funds to the Vietnamese Subsidiary, YUE FONG COMPANY LIMITED (6) Assessment of whether to reclassify accounts receivable overdue for more than three months as "Loaning of Funds" in cases where the amount is material. (7) Proposal for the formulation of the Company's "Risk Management Policies and Procedures."	None	Approved by all attending committee members. The proposal was adopted as submitted.	None
2 nd Term 15 th Meeting 2024.5.7	(1) Internal Audit Report by the Chief Internal Auditor (2) Consolidated Financial Statements for the First Quarter of 2025 (3) The 2024 Earnings Distribution proposal of the Company. (4) Defining the scope of the Company's entry-level employees. (5) Amendments to certain articles of the Company's "Articles of Incorporation." (6) Provision of Endorsements/Guarantees for the great-grandchild company, WUXI UNIVERSAL NETWORK CORPORATION., and the subsidiary, YFC-EUROPOWER INTERNATIONAL CO., LTD..	None	Approved by all attending committee members. The proposal was adopted as submitted.	None
3 rd Term 1 st Meeting 2025.7.17	(1) The loaning of funds from the grandchild company, EUROPOWER INTERNATIONAL LIMITED (hereinafter referred to as "EUROPOWER"), to the Company. (2) Provision of endorsements/guarantees for the Company's subsidiary, YFC-EUROPOWER INTERNATIONAL CO., LTD..	None	Approved by all attending committee members. The proposal was adopted as submitted.	None
3 rd Term 2 nd Meeting 2025.8.11	(1) Internal Audit Report presented by the Internal Audit Officer. (2) The Consolidated Financial Report for the second quarter of 2025. (3) The loaning of funds from the grandchild company, EUROPOWER INTERNATIONAL LIMITED, to the Company. (4) Assessment of whether to reclassify accounts receivable overdue for more than three months as "Loaning of Funds" in cases where the amount is material. (5) Provision of endorsements/guarantees for the Company's great-grandchild company, YFC-Boneagle Electronic Technology PHIL. Corp.			
3 rd Term 3 rd Meeting 2025.11.11	(1) Internal Audit Report by the Chief Internal Auditor (2) The Company's Financial Statements for the Third Quarter of 2025 (3) The 2026 Annual Audit Plan of the Company. (4) Amendments to certain articles of the Company's "Internal Control System" and "Implementation Rules for Internal Audit. "Proposal for New Plant Construction in the Philippines (5) The loaning of funds from the grandchild company, EUROPOWER INTERNATIONAL LIMITED, to the Company (6) Application for the extension of maturing loans regarding the loaning of funds from the subsidiary, YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD., to the Company and others. (7) Assessment of whether to reclassify accounts receivable overdue for more than three months as "Loaning of Funds" in cases where the amount is material.	None	Approved by all attending committee members. The proposal was adopted as submitted.	None

	(8) Provision of endorsements/guarantees by the subsidiary, UNC INVESTMENT & DEVELOPMENT, INC., for the grandchild company, MONOPRICE, INC.			
	(9) Provision of endorsements/guarantees for the Company's great-grandchild company, WUXI UNIVERSAL NETWORK CORPORATION.			

- b. Other matters which were not approved by the Audit Committee but has been adopted with the approval of two-thirds or more of all board directors: None.
- ii. Recusal of independent directors from motions involving their interests should be documented, including their names, the content of the motions, the reasons for recusal, and their participation in voting: None.
- iii. Communications between the independent directors, Chief Internal Auditor and CPAs (e.g., material matters, methods and results of communications on the Company's finance and operations, etc.):
- a. Independent Directors and Chief Internal Auditor may communicate via telephone or email as needed during normal times; in case of momentous issues, a meeting may be called at any time. The communication channel is seamless. The Chief Internal Auditor submits a monthly audit work progress report and deficiency tracking report of the previous month to the independent directors for review. Questions raised regarding the reports by independent directors are subsequently replied and improvements and tracking are conducted according to the recommendations of the independent directors. And quarterly reports on the internal audit execution status of the company are submitted to the independent directors. Past communications in the most recent year or during the current year up to the date of publication of the annual report are summarized as follows:

Date	Key Points of Communications	Opinions and Recommendations of Independent Directors
2025.03.14	- Report on implementation of internal audits. - Discussion of the evaluation of the effectiveness of the FY2024 internal control system.	None
2025.05.07	Report on implementation of internal audits.	None
2025.08.11	Report on the implementation of internal audit operations	None
2025.11.11	- Report on the Implementation of Internal Audit Operations - Discussion on the Audit Plan for 2026 - Discussion on the Company's "Internal Control System" and "Implementation Rules for Internal Audit.	None
2026.03.13	- Report on the Implementation of Internal Audit Operations - Discussion on the Effectiveness Assessment of the Internal Control System for 2025 and the Internal Control System Declaration	None

- b. The independent directors of the company and the auditor communicate through meetings, and the auditor reports to the independent directors at least once a year. The report includes the audit or review status of financial statements, significant issues such as accounting estimates, the impact of revisions to CPA's regularly and related securities and tax regulations, and corresponding measures. The recent communication status is as follows:

Date	Key Points of Communications	Opinions and Recommendations of Independent Directors
2025.03.14	- Audit Findings and Results of the Consolidated and Standalone Financial Statements for 2024, Including Key Audit Matters - Impact of Important Regulatory Updates on the Company and Corresponding Measures - Corporate Governance Advocacy and Communication with the Corporate Governance Unit	None
2026.03.13	- Audit findings, results and KAMs of the FY2025 consolidated and parent-company-only financial reports - Impact and countermeasures of important regulatory updates on the Company - Corporate governance promotion and communication with the dedicated division	None

iv. Responsibilities of the Audit Committee:

- a. Establish or revise the Internal Control System in accordance with the provisions stipulated in Article 14-1 of the Securities and Exchange Act
- b. Evaluation of the effectiveness of the Internal Control System.
- c. In accordance with the provisions of Article 36-1 of the Securities and Exchange Act, formulate or amend the procedures for acquiring or disposing of assets, engaging in derivatives transactions, making loans to others, endorsing or providing guarantees for others, and procedure for major financial operations.
- d. Matters involving directors' interest.
- e. Transactions of major assets or derivatives.
- f. Major loans or provision of endorsement/guarantee.
- g. Raising, issuance or private placement of marketable securities of an equity nature.
- h. Appointment, dismissal or remuneration of CPAs.
- i. Appoint and dismissal of heads of finance and accounting or Chief Internal Auditor
- j. Annual financial report or 6-month financial report.
- k. Other significant matters are required by the Company or competent authorities.

4. Enforcement of Corporate Governance and Reasons for Discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company has formulated its “Corporate Governance Best-Practice Principles” which are disclosed on the Company’s website and the MOPS.	No discrepancy
2. Shareholding structure & shareholders’ rights				
(1) Has the company formulated internal procedures regulated to handle shareholders’ proposals, doubts, disputes, and litigation matters and have the procedures been implemented accordingly?	✓		(1) In addition to engaging a stock agent, the Company’s internal procedures also specify the responsibilities of related departments for assisting in the handling of suggestions, questions, disputes, and litigation matters of shareholders as well investor relations (spokesperson and deputy spokespersons), and stock and legal affairs. There is a stakeholder’s section and contact methods on the Company’s website for suggestions or questions of shareholders.	No discrepancy
(2) Does the company possess a list of the company’s major shareholders and a list of the ultimate controllers of its major shareholders?	✓		(2) The Company has set up dedicated personnel to keep a close eye on the shareholdings of directors, officers and major shareholders holding 5% or more of the shares.	No discrepancy
(3) Has the company established and implemented the risk control and firewall mechanisms between the affiliates?	✓		(3) For managing affiliates, the Company has formulated the Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises, Procedures for Subsidiary Monitoring, and rules for internal controls and internal audits. The authority division for management of subsidiaries is carried out in accordance with the Procedures and any dealings or transactions are handled in accordance with applicable laws and regulations. The implementation is regularly monitored by the auditors in order to establish an appropriate risk control mechanism and firewall mechanism.	No discrepancy
(4) Has the company set up internal regulations to prohibit internal personnel from utilizing the undisclosed information to trade securities?	✓		(4) The Company has formulated the Procedures for Handling Material Inside Information and Prevention of Insider Trading to prohibit insiders from using the information not available in the market to obtain improper benefits for themselves or others. Each year, we promote these Procedures, which are disclosed on the intranet for officers and employees. We also inform insiders and employees from time to time of material information that they should pay attention to. On July 17, 2025 and November 11, 2025, violations of reporting changes for insider ownership and common patterns and explanations of short-term trading rights were promoted; a seminar on insider ownership held by the TPEX in 2025 was also held, totaling 20 participants and 23 hours.	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
			Through promoting the relevant laws and regulations that specify that directors, officers and employees shall not make a profit from information that is not publicly available in the market, while also regulating the Company's insiders and employees who have access to material insider information, we ensure that regulations are followed, and confidentiality mechanism practiced. Article 11 of the Company's "Corporate Governance Best-Practice Principles" sets forth stock trading control measures from the date of the Company's financial report or relevant performance contents, including (but not limited to) that directors may not trade their shares during the trading closure period of 30 days prior to the annual financial report announcement and 15 days prior to the quarterly financial report announcement. The Company sends an email reminder prior to the trading closure period as stated above.	
3. Composition and duties of the Board of Directors (1) Has the board formulated a diversity policy and specific management objectives, and have they been implemented?	✓		(1) The Board of Directors of the Company abide by the Articles of Incorporation, the Procedures for Election of Directors, and the Corporate Governance Best-Practice Principles. a. Board structure: In accordance with the Articles of Incorporation, the Company has 7 directors who are elected under the nomination system from a list of candidates by directors at the shareholders' meeting. Among all directors, the number of independent directors shall not be less than 3 and not less than 1/5 of the number of directors. Moreover, the Audit Committee is composed of all independent directors who assist the Board of Directors in decision-making b. Composition of the Board members: The policy on diversity is formulated by considering the requirements of the Company's operations and development in accordance with the Corporate Governance Best-Practice Principles. The composition of the Board of Directors is subject to the professional backgrounds, industry experience, gender and age of the members. c. Execution of the objectives of diversity of the Board of Directors: (1) Increasing the proportion of female board members to 30%. (2) The number of directors who concurrently serve as the Company's officers does not exceed 1/3 of the total number of directors. (3) No more than two directors are a relative within the second degree of kinship of another. (4) Independent directors shall serve no more than three consecutive terms. The current Board of Directors is composed of 7 directors, including one female director and three independent directors. There are 2 directors concurrently serving as key officers of the Company and there are not directors who are of second-degree relatives to each other. All of the 3 independent directors has not served for over three terms and will be subject to re-election at	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
			the 2025 Annual General Shareholders' Meeting. The professional background and capabilities of directors include business management, leadership and decision-making, financial accounting, and marketing. All company directors have the ability to lead and make decisions, equipped industry-related knowledge and experience. Due to the nature of the industry, there has historically been a limited pool of female candidates for senior positions, resulting in a lack of female representation on the Board. The Company is committed to gradually working toward a target of 30% female representation on the Board of Directors. To achieve this, we will focus on developing internal female executives, reserving independent director seats specifically for qualified female professionals, and actively seeking suitable female board candidates. The concepts of diversity have been fully considered and implemented, with the objectives of diversity achieved. For the implementation of the diversity policy of the Board members in 2025, please refer to Note 1.	
(2) Apart from the remuneration committee and audit committee, has the company voluntarily established other functional committees?	✓		(2) In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, the Company established a Sustainable Development Committee in November 2025 by resolution of the Board of Directors to strengthen the promotion of sustainable development.	No significant discrepancy
(3) Has the company established Regulations Governing the Board Performance Evaluation and its evaluation methods, and does the company conduct a performance evaluation each year, submit the performance evaluation results to the board of directors and use them as reference in determining remuneration for individual directors, and nomination for reappointment?	✓		(3) The Company has established its Regulations Governing the Board Performance Evaluation. Each year, a regular evaluation on the performance of the Board of Directors, Board members as well as each functional committee and review of the effectiveness of the Board of Directors are carried out. The evaluation results are submitted to the Board of Directors to be used as a reference basis to determine each individual director's remuneration and nomination for reappointment. The results for the 2025 performance evaluation of the Board of Directors have been reported at the meeting of the Board of Directors on March 13, 2026.	No discrepancy
(4) Does the company regularly assess the independence of its CPAs?	✓		(4) The Company's Audit Committee evaluates the independence and suitability of the CPAs once a year. The evaluation is performed based on the criteria set out in Note 2 with reference to the audit quality indicators (AQIs) disclosure framework released by the FSC with respect to 13 indicators in 5 major aspects, including professionalism, independence, quality control, supervision, and innovation. The accountants issue a statement on the roles, responsibilities and independence of CPAs. The evaluation results for the most recent fiscal year were submitted to the Audit Committee for discussion on March 13, 2026 and reported to the Board of Directors for resolution	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
			on the same date.	
4. Has the company designated an appropriate number of personnel that specialize in corporate governance affairs (including but not limited to providing directors with the information needed and assist directors in complying with the laws and regulations to perform their duties, convention of board meetings and shareholders' meetings, preparation of board meeting and shareholders' meeting minutes)?	✓		General Manager Connie Tsai was appointed by the Board of Directors to concurrently serve as the Chief of Corporate Governance. She has long-standing experience in accounting, finance, and shareholder affairs in publicly listed companies. She supervises the shareholder services staff within the Financial Accounting Department in handling corporate governance-related matters. Her primary responsibilities include organizing Board and Shareholders' Meetings in accordance with the law, providing directors with the information necessary to perform their duties, collecting and managing updates on legal and regulatory developments relevant to the Company's operations, and assisting directors with regulatory compliance, onboarding, and continuing education. The scope of authority and the execution and training records of the Chief of Corporate Governance for 2025 have been disclosed on the Company's official website	No discrepancy
5. Has the company established channels for communication with the stakeholders (including but not limited to shareholders, employees, customers and suppliers), and set up a section for stakeholders on the official website of the Company with a proper response to the concerns of the stakeholders on issues related to corporate social responsibility?	✓		The Company has a spokesperson system in place as well as a stakeholders section on its website to promptly respond to stakeholders (suppliers, customers, employees, investors/shareholders and community/non-profit organizations) regarding CSR issues of important companies. The channels for communication with the stakeholders are smooth.	No discrepancy
6. Does the company engage a professional stock transfer agency to handle affairs related to shareholders' meetings?	✓		The Company engaged SinoPac Securities as its professional stock transfer agency to handle affairs related to shareholders' meetings.	No discrepancy
7. Information disclosure (1) Does the company have a website set up where its financial business, and corporate governance information is disclosed?	✓		(1) The Company discloses information regarding its finance, operations, and the enforcement of corporate governance in both Mandarin and English on YFC Group website (https://www.cables.com.tw/index.html), which is regularly updated for investors.	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
(2) Has the company adopted other information disclosure methods (e.g. establishing an English website, designating a responsible person for collecting and disclosing information of the Company, substantiating the spokesman system, and upload the procedure of investors conference on its website)?	✓		(2) The Company has set up dedicated personnel responsible for disclosing the Company's financial business information on the MOPS and its website. The Company also facilities a spokesperson system, and information of the Company is released to the public by the spokesperson. Moreover, information on the investors conference is also available on the Company's website at the section dedicated to the investors in accordance with the requirements.	No discrepancy
(3) Has the company published and reported its annual financial report within two months after the end of a fiscal year, and published and reported its financial reports for the first, second, and third quarters, as well as its operating status for each month before the specified deadline?	✓		(3) In accordance with the requirements, the Company has published its financial reports for the first, second, and third quarters, as well as its operating status for each month. Depending on the Company's situation, the feasibility of early announcement will be assessed	No significant discrepancy
8. Is there any important information (including but not limited to employee rights and benefits, employee care, investor relations, supplier relations, stakeholder rights, further education of the directors and supervisors, risk management policy and risk assessment implementation, customer policy implementation, and the purchase of liability insurance for the company's directors and supervisors) that is helpful in understanding the corporate governance operation of the company?	✓		(1) Employee rights and interests and employee care: At YFC, we have established our "Personnel Management Regulations," served as a basis for the management of attendance, employee benefits and business trips and leave. The Personnel Management Regulations were formulated in accordance with the Labor Standards Act with reference to industry and social order, protecting the legal rights and interests of employees. Our employees are covered by labor and health insurance and employee group insurance. We also provide employee health examinations, year-end bonuses and remuneration. Furthermore, an Employee Welfare Committee has been set up responsible for coordinating various benefits of employees, including gifts or money for three major festivals, birthdays, and subsidies for weddings, funerals, childbirth and injuries, as well travel and gathering, providing all-round care for employees. (2) Investor relations: It is the Company's ongoing objective to protect the rights and interests of shareholders. To do this, we publish material financial and business information of the Company on the Market Observation Post System (MOPS) in accordance with the regulations. At the same time, we have set up a spokesperson system in place and engaged SinoPac Securities to handle affairs related to stock affairs. The relevant information is disclosed on the company website, providing investors	No discrepancy

Evaluation Items	Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy
	Yes	No	Summary	
			with a channel for consultation and exchange of opinions. (3) Supplier relations and stakeholder rights: Based on the concept of co-prosperity and co-existence, we maintain sound and interactive relationships with suppliers and stakeholders. Moreover, we provide effective communication channels and information conveyance while adhering to the principle of good faith, establishing long-term cooperation and economic operation mode as a direction for development. (4) Further education of directors: The directors take part in corporate governance and professional knowledge courses each year under the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies” and obtain certificates. For further education of the directors in 2025, please refer to Note 3. (5) Risk management policy and risk assessment implementation status: The Company has established risk management policies and procedures. For major operational decisions and proposals—such as investments, endorsements and guarantees, loans of funds, transactions involving derivative financial instruments, and bank financing—relevant departments are responsible for conducting evaluations and analyses. Execution of such matters is carried out in accordance with the resolutions of the Board of Directors. In addition, the Audit Office formulates an annual audit plan based on risk assessment results and ensures its effective implementation to reinforce supervisory mechanisms and strengthen risk management and control. (6) Customer policy implementation: Adhering to the principle that customers come first, we maintain sound relationships with our customers in a bid to create maximum company profits and share a win-win situation with customers. (7) The Company’s directors and senior management are covered by liability insurance. An insurance policy was taken out in August 2025 and was reported at the meeting of the Board of Directors.	
9. Please explain the improvements made, based on the latest Corporate Governance Evaluation results published by TWSE Corporate Governance Center, and propose priorities for enhancement matters and measures for any issues that are to be improved.				
The Company’s evaluation results for 2025 were 21–35% ahead of all evaluated companies. The improvements made in 2025 and the priorities and measures for improvement in 2026 are summarized as follows:				
Improvements Made in 2025				
Indicator Category	No.	Indicator Contents	Continuous improvement	

Evaluation Items		Enforcement Status			Discrepancy between the corporate governance principles implemented by the Company and the Principles, and the reason for the discrepancy	
		Yes	No	Summary		
	Promoting Sustainable Development	4.17	Does the corporate website, annual report, or sustainability report disclose the established supplier management policies that require suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor human rights, and explain the implementation status?	Continuously strengthening the management of suppliers.		
Improvement Priorities and Measures for 2026						
	Protecting Shareholder Rights and Interests and Treating Shareholders Equitably	1.5	Has the company formulated concrete measures to enhance corporate value, submitted them to the Board of Directors, and disclosed the relevant information in the "Corporate Value Enhancement Plan" section on the Market Observation Post System (MOPS)?	The corporate value enhancement plan has been formulated and submitted to the Board of Directors, and the relevant information has been disclosed on the Market Observation Post System (MOPS).		
	Commitment to sustainable development	4.12	Has the Company established water reduction or other waste management policies, including reduction targets, implementation measures, and achievement status?	To ensure compliance and effective promotion, the Company has established a policy for reducing water consumption and managing other types of waste.		
.....						

Note 1: Implementation of the diversity policy of 2025 Board members.

Title	Name	Basic Composition							Core Competency/Professional Expertise						
		Nationality	Gender	Concurrent Positions in the Company	Age				Independent Directors Tenure (Terms & Years)	Business Management	Leadership & Decision Making	Risk Management	Industry Knowledge	Finance & Accounting	Marketing
					36 ½ 50	51 ½ 60	61 ½ 70	71 ½ 80							
Chairman	Yeh, Chun-Rong (Andrew Yeh)	R.O.C.	Male	✓				✓		✓	✓	✓	✓	✓	✓
Vice Chairman	Lin, Shen-Fu (Grow Lin)	R.O.C.	Male	✓				✓		✓	✓	✓	✓	✓	✓
Director	Chang, Lung-Kwang	R.O.C.	Male					✓		✓	✓	✓	✓		✓
Director	Yeh, Shou-Wen	R.O.C.	Male			✓				✓	✓	✓			✓
Independent Director	Chen, Chao-Ting	R.O.C.	Male				✓		2nd terms / 6 years	✓	✓	✓	✓	✓	✓
Independent Director	Wen, Hui-Mei	R.O.C.	Female			✓			1st term / newly elected	✓	✓	✓		✓	✓
Independent Director	Yuan, Ming-Juan	R.O.C.	Male				✓		1st term / newly elected	✓	✓	✓		✓	✓

Note 2: Assessment criteria of CPA’s independence

Assessment	Assessment Result (Y/N)	Independence (Y/N)
1. Is the individual not an employee of the Company or any of its affiliates.	N	Y
2. Not a director of the Company or any of its affiliates (this restriction does not apply to independent directors of the Company or its parent company, or of a subsidiary in which the Company directly or indirectly holds more than 50% of the voting rights).	N	Y
3. An individual shareholder is not considered as such if they hold shares, either individually or collectively with their spouse, minor children, or under others' names, that account for 1% or more of the total number of issued shares of the Company or rank within the top 10 in terms of holdings.	N	Y
4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of an officer under the preceding three subparagraphs.	N	Y
5. Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings.	N	Y
6. Not a director, supervisor, officer, or shareholder holding more than 5% of a specified company or institution that has financial or business relationships with the Company.	N	Y
7. Is the individual not a spouse or a relative within the second degree of kinship of any other director.	N	Y
8. Does not meet any of the circumstances stated in Article 30 of the Company Act.	N	Y
9. Not elected as a government, legal person or its representative in accordance with Article 27 of the Company Act	N	Y

10. Did not serve as a director or officer or pose material effect on audits in the most recent years.	N	Y
11. May not involve in the management functions of the decisions made by the Company.	N	Y

Note 3: 2025 Further Education of the Directors:

Title	Name	Date	Organizer	Course Name	Hours
Chairman	Good Win Investment Co., Ltd. Yeh, Chun-Rong (Andrew Yeh)	2025.8.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.12.8	Securities and Futures Institute	Analysis of Fraud Tactics and Introduction to Money Laundering Regulations and Case Studies (Including Insider Trading Prevention)	3
Vice Chairman	Great King Investment Development Ltd. Lin, Shen-Fu (Grow Lin)	2025.8.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.10.16	Financial Supervisory Commission (FSC)	The 15th Taipei Corporate Governance Forum	3
		2025.12.8	Securities and Futures Institute	Analysis of Fraud Tactics and Introduction to Money Laundering Regulations and Case Studies (Including Insider Trading Prevention)	3
Director	Chang, Lung-Kwang	2025.8.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.12.8	Securities and Futures Institute	Analysis of Fraud Tactics and Introduction to Money Laundering Regulations and Case Studies (Including Insider Trading Prevention)	3
Director	Yeh, Shou-Wen	2025.8.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.12.8	Securities and Futures Institute	Analysis of Fraud Tactics and Introduction to Money Laundering Regulations and Case Studies (Including Insider Trading Prevention)	3
Independent Director	Chen, Chao-Ting	2025.3.27	National Federation of Certified Public Accountants Associations of the R.O.C. (NFCPAA)	Emerging Financial Crime Trends in Anti-Money Laundering: Case Studies and Preventive Strategies	3
		2025.7.16	National Federation of Certified Public Accountants Associations of the R.O.C. (NFCPAA)	Legal Liabilities Regarding Greenwashing in Sustainability Reports	3
		2025.8.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.12.8	Securities and Futures Institute	Analysis of Fraud Tactics and Introduction to Money Laundering Regulations and Case Studies (Including Insider Trading Prevention)	3
Independent Director	Wen, Hui Mei	2025.8.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.9.30	Taiwan Corporate Governance Association	Corporate Innovation, Growth, and AI	3
		2025.11.4	Taiwan Corporate Governance Association	Major Material Information Disclosure and Directors' Legal Liabilities: A Perspective from Judicial Practice	3
		2025.12.8	Securities and Futures Institute	Analysis of Fraud Tactics and Introduction to Money Laundering Regulations and Case Studies (Including Insider Trading Prevention)	3
Independent	Yuan, Ming-Juan	2025.7.29	TPEX	2025 Seminar on Equity Compliance for Insiders of Listed and Emerging Companies	3
		2025.8.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3

Title	Name	Date	Organizer	Course Name	Hours
Director		2025.8.13	Securities and Futures Institute	Reviewing Financial Reports for Directors and Supervisors Without Finance or Accounting Backgrounds	3
		2025.12.8	Securities and Futures Institute	Analysis of Fraud Tactics and Introduction to Money Laundering Regulations and Case Studies (Including Insider Trading Prevention)	3

5. Operations of the Compensation Committee:

The Company's Board of Directors resolved to establish a Remuneration Committee on December 30, 2011. The Remuneration Committee is responsible for evaluating the remuneration to the Company's directors and officers and providing a basis for the Board of Directors to evaluate the performance and determine the remuneration of the directors and officers. The composition, duties and its state of operation of the Remuneration Committee are as follows:

i. Information on members of the Remuneration Committee (6th term)

2025.12.31

Identity	Criteria		State of independence	Number of serving members of the Remuneration Committees of other public companies
	Name	Professional qualifications and experience		
Independent Director (Convener)	Chen, Chao-Ting	M.S. in Management, National Central University; qualified accountant; CPA at Sheng-Xing CPAs, Xi-Le-Jian Management Consultants Co., Ltd.; Independent Director, Sunplus Innovation Technology Inc.; Member of the Company's Audit Committee and Remuneration Committee; with more than 5 years of required working experience in commerce, law, finance, accounting or other fields required by the business of the Company.	The independence of the Company's directors is judged based on the actual situation and the directors are independent (please refer to the following table for description of independence criteria)	1
Independent Director	Wen, Hui-Mei	Graduated from McGeorge School of Law, UOP, USA, with BAR, and serving as Attorney-at-Law for Prospect Hospitality Co., Ltd; member of the Company's Audit Committee and Remuneration Committee; with more than 5 years of required working experience in commerce, law, finance, accounting or other fields required by the business of the Company.		None
Independent Director	Yuan, Ming-Juan	Master of Industrial Management from National Taiwan Institute of Technology; President of Huaxin Tonglin Business Management Consulting Co., Ltd.; member of the Company's Audit Committee and Remuneration Committee; with more than 5 years of required working experience in commerce, law, finance, accounting or other fields required by the business of the Company.		None

ii. Responsibilities of the Remuneration Committee:

The Committee shall exercise duty of care of a good manager and faithfully perform the following duties:

- Establish and regularly review the policy, system, standards and structure of the performance evaluation and remuneration of the directors and officers.

b. Periodically evaluate the remuneration to the Company’s directors and officers.

iii. Information on how the Remuneration Committee is operated

a. The Company’s Remuneration Committee consist of three members.

b. Term of this Remuneration Committee: From June 20, 2025 to June 19, 2028. The Audit Committee had two meetings in 2025. The attendance of the Remuneration Committee members is as follows:

Title	Name	Actual attendance (B)	By proxy	Actual attendance rate (B/A) (Note)	Remark
Convener	Chen, Chao-Ting	2	0	100%	Re-elected on 2025.6.20
Convener	Lee, Han-Tzong	1	0	100%	Stepped down on 2025.6.20
Member	Lin, Tzeng-Show	1	0	100%	Stepped down on 2025.6.20
Member	Wen, Hui-Mei	1	0	100%	Newly elected on 2025.6.20
Member	Yuan, Ming-Juan	1	0	100%	Newly elected on 2025.6.20

Other information required:

1. If the Board declines to adopt or modify a recommendation from the remuneration committee, the date, session, topic discussed and the resolution of the board meeting and handling of the resolution of the remuneration committee shall be specified (if the remuneration package approved by the Board is better than the recommendation made by the committee, please specify the discrepancy and its reason): None.
2. As to the resolution of the remuneration committee, if a member expresses any objection or reservation, either by recorded statement or in writing, the date, session and topic discussed of the committee meeting, all members’ opinions and handling of members’ opinions shall be specified: None.
3. Matters discussed by the Remuneration Committee, resolution results and how the Company responded to the opinions of the members for the most recent year:

Date & Session	Content of the motion	Resolution result	Company’s Response to the Opinions
2025.05.07 5th term 7th meeting	(1) FY2025 Remuneration Committee Work Plan	Passed by all attendants	None
	(2) Review of the 2024 employees' and directors' compensation distribution.	Passed by all attendants	None
2025.09.30 6th term 1st meeting	(1) The 2024 directors' compensation distribution proposal.	Passed by all attendants	None
	(2) The 2024 employees' compensation distribution for managers.	Passed by all attendants	None
	(3) Amendments to the Company's "Remuneration Management Measures for Directors and Senior Management."	Passed by all attendants	None

	(4) Review of various remuneration items to be implemented in 2026.	Passed by all attendants	None
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Note 1: If a member of the Remuneration Committee resigned from office prior to the end of the fiscal year, the resignation date should be specified. The attendance (or attend as observer) rate shall be calculated on the basis of the number of sessions held in such period and the number of meetings actually attended by that member.

Note 2: If there was an election of new members for the Remuneration Committee before the end of the fiscal year, fill in the information on the former and the new members, and specify if the member is newly elected to office or re-elected for a second term of office, and the date of the election. The percentage of actual (proxy) attendance (%) will be calculated based on the number Remuneration Committee meetings held during active duty and the number of actual (proxy) attendance.

6. State of the promotion of sustainable development operations and any difference from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such difference

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy						
	Yes	No	Summary							
I. Has the company established a governance structure to promote sustainable development and set up a special unit to promote sustainable development which is authorized by the board of directors to be handled by senior management and supervised by the board of directors?	✓		To strengthen Board functions, enhance corporate governance, and fulfill corporate social responsibility, the Company has established a Sustainable Development Committee. The Vice Chairman serves as the Chairperson, and the General Manager serves as the Vice Chairperson. Under the Committee, four working groups have been established: Operations Management, Sustainability Management, Product Safety, and Social Prosperity. These groups integrate communication to collectively review sustainability issues, formulate strategic policies, and plan as well as execute annual programs related to sustainable development. The Committee convenes at least once a year and submits relevant proposals to the Board of Directors. The Committee reports its annual implementation status to the Board once a year; the 2025 implementation status was reported to the Board on November 11, 2025. Board members review various progress updates, including annual carbon reduction targets, current greenhouse gas inventory status, the preparation progress of the sustainability report, stakeholder communication effectiveness, and the implementation status of information security drills, thereby ensuring that all sustainability initiatives are executed according to plan.	No difference						
II. Has the company conducted risk assessments of environmental, social and corporate governance issues pertaining to company operation in accordance with the materiality principle and established the relevant risk management policy or strategy?	✓		The Company has established the "Risk Management Policies and Procedures," approved by the Board of Directors, to serve as the highest guiding principle for the Company's risk management. The policy aims to strengthen corporate governance and effectively implement a robust risk management mechanism. In accordance with overall operational policies, it establishes mechanisms for risk identification, measurement, monitoring, and control. Within the scope of tolerable risk, the objective is to prevent potential losses, protect the interests of employees, shareholders, and customers, increase corporate value, and achieve the goal of rationalizing risks and rewards. The implementation status regarding financial, strategic and operational, raw material price and supply chain, occupational safety, information security, and legal risks faced by the Company and its subsidiaries was reported to the Board on November 11, 2025. Please refer to the Company's website for further details. The Company and its subsidiaries' risk identification and management implementation status have been reported to and reviewed by the Board of Directors on November 11, 2025. The relevant risk assessment items are detailed in the table below (for more information, please refer to the Company's website). <table><tr><th>Dimension</th><th>Risk Item</th><th>Improvement or Preventive Management Measures</th></tr><tr><td>Environmental</td><td>Occupational Safety</td><td>1. File building safety declarations in accordance with the law, perform daily workplace safety patrols, and convene occupational safety meetings quarterly.</td></tr></table>	Dimension	Risk Item	Improvement or Preventive Management Measures	Environmental	Occupational Safety	1. File building safety declarations in accordance with the law, perform daily workplace safety patrols, and convene occupational safety meetings quarterly.	No difference
Dimension	Risk Item	Improvement or Preventive Management Measures								
Environmental	Occupational Safety	1. File building safety declarations in accordance with the law, perform daily workplace safety patrols, and convene occupational safety meetings quarterly.								

Promotion of sustainable development	Implementation status					Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary			
					2. Conduct annual fire drills and occupational safety training.	
			Social	Employees and Customers	1. Occupational Health: Implement management controls and establish a safe environment to mitigate the risk of occupational injuries or diseases. 2. Privacy Protection: Establish personal data protection regulations to ensure the security of employee and customer data.	
			Corporate Governance	Supply Chain Management	1. Procurement Strategy: Develop diversified material sources to reduce single-source dependency, and accelerate the testing of alternative materials. 2. Supply Risk: Increase stock levels for critical spare parts and develop new domestic and international suppliers to address shortage risks caused by war.	
				Financial Control	1. Market Risk: Utilize financial instruments to adjust interest rates, and employ natural hedging or real-time exchange rates to mitigate foreign exchange losses. 2. Credit Protection: Increase collateral requirements for domestic sales, and raise accounts receivable insurance coverage for export sales. 3. Endorsements and Guarantees: Targets are strictly limited to 100%-owned subsidiaries.	
				Strategy, Information Security, and Legal	1. Operational Supervision: Reinvestment projects are subject to Board review; do not engage in high-risk or high-leverage projects. 2. Cybersecurity Resilience: Allocate dedicated personnel, establish backup equipment, and conduct comprehensive reviews of firewall rules. 3. Compliance Awareness: Closely monitor regulatory amendments, incorporate mandatory clauses into contracts, and conduct legal compliance training.	
III. Environment Issue (I) Does the company have an appropriate environmental management system established in accordance with its industrial characteristics?	✓		(I) To keep up with international trends, the Company has gradually facilitated its business groups according to the characteristics of the industry. Given the effort, the Company has been certified by ISO 9001, ISO 14001, IATF 16949, IECQ, UL, USB, MHL, and RoHS. The product manufacturing process and the use of raw materials meet the standards in a bid to mitigate the negative impact on the environment. For the certifications obtained by			No difference

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy																																																									
	Yes	No	Summary																																																										
(II) Is the company committed to enhancing the utilization efficiency of resources and using renewable materials that have low impact on the environment?	✓		the Group and expiration dates of these certifications, please see the Company's website. On top of that, the latest validity period of ISO14001(obtained by Wuxi Universal Network Corporation) certificate is from 2023/5/29 to 2026/5/21. (II) The Company actively utilizes natural water resources by storing them for fire safety and irrigation purposes. Recycled plastic materials are used in packaging pallets for goods storage and transportation. To improve energy efficiency, the Company has upgraded its lighting system to high-efficiency LED fixtures and optimized production equipment, such as installing variable frequency drives (VFDs) on water pumps and replacing power transformers with low-energy consumption models. In addition, the Company continues to promote digitalization to reduce paper usage and enforces waste segregation policies. Recyclable resources are sorted and reused to protect the environment and enhance resource utilization efficiency.	No difference																																																									
(III) Does the company assess the present and future potential risk and opportunities of climate change and adopt countermeasures related to climate issues?	✓		(III) The global climate is affected by the greenhouse effect, gradually posing potential risks on the sustainable management of companies. The Company will continue to keep a close eye on the relevant issues and comply with the government's energy-saving and GHG reduction polices so as to respond to the possible impact.	No difference																																																									
(IV) Has the company prepared statistics on greenhouse gas emissions, water consumption and total volume of waste for the past two years, and formulated policies for to save energy saving and reduce carbon, greenhouse gas, water use, or other waste management?	✓		(IV) The Company conducts monthly and annual statistical analyses on water and electricity consumption in relation to production volumes, comparing data with the previous month and the same period of the prior year. In 2025, greenhouse gas (GHG) inventories were carried out at the Company's facilities in Taiwan, Dongguan, Wuxi, and the Philippines. The inventory covers Scope 1 (direct emissions), Scope 2 (energy indirect emissions), and Scope 3 (other indirect emissions). These figures are internally managed and have not been externally verified. Emissions were calculated based on emission factors and mass balance coefficients published by the Ministry of Environment and other regional authorities. The carbon emissions (in metric tons of CO₂e) for each facility are as follows: <table border="1"> <thead> <tr> <th>Plant</th><th>Scope</th><th>2025</th><th>2024</th><th>YoY change</th></tr> </thead> <tbody> <tr> <td rowspan="3">TW</td><td>Scope 1</td><td>29.023</td><td>29.223</td><td>(0.68)%</td></tr> <tr> <td>Scope 2</td><td>1,392.937</td><td>1,722.108</td><td>(19.11)%</td></tr> <tr> <td>Scope 3</td><td>8,645.746</td><td>10,413.694</td><td>(16.98)%</td></tr> <tr> <td rowspan="3">Dongguan</td><td>Scope 1</td><td>1.912</td><td>4.072</td><td>(53.05)%</td></tr> <tr> <td>Scope 2</td><td>921.417</td><td>1,058.218</td><td>(12.93)%</td></tr> <tr> <td>Scope 3</td><td>5,060.709</td><td>7,200.157</td><td>(29.71)%</td></tr> <tr> <td rowspan="3">WUXI</td><td>Scope 1</td><td>68.697</td><td>122.010</td><td>(43.70)%</td></tr> <tr> <td>Scope 2</td><td>2,654.366</td><td>3,330.762</td><td>(20.31)%</td></tr> <tr> <td>Scope 3</td><td>34,540.043</td><td>47,343.590</td><td>(27.04)%</td></tr> <tr> <td rowspan="3">Phillippines</td><td>Scope 1</td><td>169.279</td><td>180.709</td><td>(19.52)%</td></tr> <tr> <td>Scope 2</td><td>2,771.399</td><td>3,064.523</td><td>(9.57)%</td></tr> <tr> <td>Scope 3</td><td>43,004.047</td><td>42,653.171</td><td>0.80%</td></tr> </tbody> </table> In 2025, the Company conducted a greenhouse gas (GHG) inventory at its facilities in Taiwan, Dongguan, Wuxi, and the Philippines. The inventory included Scope 2 emissions, which refer to indirect GHG	Plant	Scope	2025	2024	YoY change	TW	Scope 1	29.023	29.223	(0.68)%	Scope 2	1,392.937	1,722.108	(19.11)%	Scope 3	8,645.746	10,413.694	(16.98)%	Dongguan	Scope 1	1.912	4.072	(53.05)%	Scope 2	921.417	1,058.218	(12.93)%	Scope 3	5,060.709	7,200.157	(29.71)%	WUXI	Scope 1	68.697	122.010	(43.70)%	Scope 2	2,654.366	3,330.762	(20.31)%	Scope 3	34,540.043	47,343.590	(27.04)%	Phillippines	Scope 1	169.279	180.709	(19.52)%	Scope 2	2,771.399	3,064.523	(9.57)%	Scope 3	43,004.047	42,653.171	0.80%	No difference
Plant	Scope	2025	2024	YoY change																																																									
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Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy																																								
	Yes	No	Summary																																									
			emissions resulting from the consumption of purchased electricity, heat, or steam. These figures are part of the Company’s internal management data and have not been externally verified. The emissions were calculated based on annual electricity emission factors published by the Ministry of Environment and regional energy authorities. The Scope 2 electricity-related carbon emissions are as follows: Taiwan <table><tr><th>Year</th><th>2025</th><th>2024</th><th>YoY change</th></tr><tr><td>Electricity Consumption (kWh)</td><td>2,938,685</td><td>3,633,139</td><td>(19.11)%</td></tr><tr><td>Carbon Emissions (t Co2e)</td><td>1,392.937</td><td>1,722.108</td><td>(19.11)%</td></tr></table> Dongguan <table><tr><th>Year</th><th>2025</th><th>2024</th><th>YoY change</th></tr><tr><td>Electricity Consumption (kWh)</td><td>1, 717, 140</td><td>1, 972, 080</td><td>(12. 93)%</td></tr><tr><td>Carbon Emission (t Co2e)</td><td>921, 417</td><td>1, 058. 218</td><td>(12. 93)%</td></tr></table> Wuxi <table><tr><th>Year</th><th>2025</th><th>2024</th><th>YoY change</th></tr><tr><td>Electricity Consumptions (kWh)</td><td>4,946,638</td><td>6,207,160</td><td>(20.31)%</td></tr><tr><td>Carbon Emission (t Co2e)</td><td>2,654.366</td><td>3,330.762</td><td>(20.31)%</td></tr></table> Philippines <table><tr><th>Year</th><th>2025</th><th>2024</th><th>YoY change</th></tr></table>	Year	2025	2024	YoY change	Electricity Consumption (kWh)	2,938,685	3,633,139	(19.11)%	Carbon Emissions (t Co2e)	1,392.937	1,722.108	(19.11)%	Year	2025	2024	YoY change	Electricity Consumption (kWh)	1, 717, 140	1, 972, 080	(12. 93)%	Carbon Emission (t Co2e)	921, 417	1, 058. 218	(12. 93)%	Year	2025	2024	YoY change	Electricity Consumptions (kWh)	4,946,638	6,207,160	(20.31)%	Carbon Emission (t Co2e)	2,654.366	3,330.762	(20.31)%	Year	2025	2024	YoY change	
Year	2025	2024	YoY change																																									
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Year	2025	2024	YoY change																																									

Promotion of sustainable development	Implementation status						Difference from the Principles and the reasons for discrepancy		
	Yes	No	Summary						
				Electricity Consumption (kWh)	3,599,220	4,302,897	(16.35)%		
				Carbon Emissions (t Co2e)	2,771,399	3,064.523	(9.57)%		
			Based on the annual water emission factors published by the Taiwan Water Corporation and regional water supply authorities, the Company has estimated its water-related carbon emissions. These figures are internally managed and have not been externally verified. The Scope 2 water-related carbon emissions data are as follows:						
			Taiwan						
			Year	2025	2024	YoY change			
			Water consumption (cubic meters)	3,567	4,401	(18.95)%			
			Carbon emissions (t Co2e)	0.557	0.686	(18.80)%			
			Dongguan						
			Year	2025	2024	YoY change			
			Water consumption (cubic meters)	3,216	2,978	7.99%			
			Carbon emissions (t Co2e)	5.950	5.509	8.01%			
			Wuxi						
			Year	2025	2024	YoY change			
			Water consumption	21,160	24,990	(15.33)%			

Promotion of sustainable development	Implementation status						Difference from the Principles and the reasons for discrepancy		
	Yes	No	Summary						
				(cubic meters)					
				Carbon emissions (t Co2e)	39.146	46.232	(15.33)%		
			Philippines						
				Year	2025	2024	YoY change		
				Water consumption (cubic meters)	9,636	8,773	9.84%		
				Carbon emissions (t Co2e)	1.503	1.369	9.79%		
			The Company’s waste management practices are carried out in accordance with the regulations of the Resource Circulation Administration of the Ministry of Environment, as well as regional industrial waste reporting and management procedures. Both general and hazardous waste is properly handled through certified third-party waste treatment and recycling contractors. Recyclable materials are reused through resource circulation processes to reduce environmental impact.						
			Statistical data from each facility over the past two years are summarized in the table below:						
			Taiwan						
				Year	2025	2024	YoY change		
				Hazardous Waste	0	0	0%		
				General Waste	171.934	200.107	(14.08)%		
				Total	171.934	200.107	(14.08)%		

Promotion of sustainable development	Implementation status							Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary					
				Year	2025	2024	YoY change	
				Recycling	129.377	159.302	(18.79)%	
				Incineration	42.557	40.805	4.29%	
				Total	171.934	200.107	(14.08)%	
				Dongguan				
				Year	2025	2024	YoY change	
				Hazardous Waste	0	0	0%	
				General Waste	8.783	30.870	(71.55)%	
				Total	8.783	30.870	(71.55)%	
				Year	2025	2024	YoY change	
				Recycle Treatment	8.783	26.170	(66.44)%	
				Landfill Treatment	0.000	4.700	(100.00%)	
Total	8.783	30.870	(71.55)%					

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy			
	Yes	No	Summary				
			Wuxi				
			Year		2025	2024	YoY change
			Hazardous Waste		0.000	28.000	(100.00)%
			General Waste		214.858	318.021	(32.44)%
			Total		214.858	346.021	(37.91)%
			Year		2025	2024	YoY change
			Recycle Treatment		214.858	344.881	(37.70)%
			Incineration		0.000	1.140	(100.00)%
			Total		214.858	346.021	(37.91)%
			Philippines				
			Year		2025	2024	YoY change
			Hazardous Waste		0.000	1.112	(100.00)%
			General Waste		631.399	820.892	(23.08)%

Promotion of sustainable development	Implementation status				Difference from the Principles and the reasons for discrepancy																								
	Yes	No	Summary																										
			<table><tr><td>Total</td><td>631.399</td><td>822.004</td><td>(23.19)%</td></tr><tr><td colspan="4"></td></tr><tr><td>Year</td><td>2025</td><td>2024</td><td>YoY change</td></tr><tr><td>Recycling Treatment</td><td>443.899</td><td>502.854</td><td>(11.72)%</td></tr><tr><td>Landfill Treatment</td><td>187.500</td><td>319.150</td><td>(41.25)%</td></tr><tr><td>Total</td><td>631.399</td><td>822.004</td><td>(23.19)%</td></tr></table>		Total	631.399	822.004	(23.19)%					Year	2025	2024	YoY change	Recycling Treatment	443.899	502.854	(11.72)%	Landfill Treatment	187.500	319.150	(41.25)%	Total	631.399	822.004	(23.19)%	
Total	631.399	822.004	(23.19)%																										
Year	2025	2024	YoY change																										
Recycling Treatment	443.899	502.854	(11.72)%																										
Landfill Treatment	187.500	319.150	(41.25)%																										
Total	631.399	822.004	(23.19)%																										
			The Company will continue to implement relevant energy conservation, greenhouse gas reduction, and carbon reduction measures: 1. The production cooling water is recycled to achieve minimum water consumption, promoting the concept of water conservation. 2. Old power systems and wiring were replaced, reducing power consumption. 3. The indoor air conditioning temperature is set at 26 degrees or higher and air conditioning is checked after work to ensure it is turned off. 4. Fully use energy-saving lights, develop the habit of turning off the lights after use, turn off the lights during lunch break and after work. 5. Make good use of the email ERP process, electronic document and signature system, scanned archives are used for data storage, recycled paper is reused for photocopying documents, reducing the use of paper and toner. 6. Garbage is properly recycled, reducing the amount of garbage. 7. Enforced water control to avoid unnecessary pipeline leaks. 8. Improvements to production equipment have been implemented, such as installing variable frequency drives (VFDs) on water pumps and replacing power transformers with energy-efficient models, in order to enhance energy efficiency.																										
IV. Social issues																													
(I) Does the company have relevant management policies and procedures established in accordance with applicable laws, regulations, and international human rights conventions?	✓		(I) The Company recognizes and supports international human rights conventions, including the Universal Declaration of Human Rights, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization conventions. The Company has established a “Sustainable Development Code of Practice” to comply with relevant labor laws and uphold international		No difference																								

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary	
			human rights principles such as gender equality, the right to work, and non-discrimination. The Company adheres to universally recognized labor and human rights principles, including freedom of association, the right to collective bargaining, care for disadvantaged groups, prohibition of child labor, elimination of all forms of forced labor, and eradication of employment and occupational discrimination. The Company ensures that its human resources policies are free from differential treatment based on gender, race, socioeconomic status, age, marital or family status. This is to guarantee fairness and equality in recruitment, employment terms, compensation, benefits, training, performance evaluation, and promotion opportunities. The Company provides an effective and appropriate grievance mechanism to address any violations of labor rights, ensuring equality and transparency throughout the process. Grievance channels are designed to be simple, convenient, and accessible. All complaints are handled by designated personnel who conduct due diligence investigations, and the confidentiality of whistleblowers is strictly protected. If a complaint is verified, the Company commits to protecting the whistleblower from any form of retaliation. There were no human rights violations recorded by the Company in 2025.	
(II) Has the company established and implemented reasonable measures for employee benefits (including: remuneration, holidays and other benefits) that appropriately reflects the business performance or achievements in the employee remuneration?	✓		(II) The Company establishes employee compensation and benefit measures in accordance with the Labor Standards Act and relevant regulations. Employee remuneration and bonuses are determined based on the Company's operational results and performance evaluations. The Company's Articles of Incorporation also explicitly state that if the Company makes a profit in a fiscal year, no less than 6% shall be allocated as employee remuneration, with no less than 10% of that portion distributed to grassroots employees. The distribution shall be resolved by the Board of Directors and paid in either stock or cash. The recipients of such distribution also include employees of subsidiaries in which the Company directly or indirectly holds 50% or more of the shares. However, if the Company still has accumulated losses, the profit shall first be used to offset the losses.	No difference
(III) Has the company provided employees with a safe and healthy work environment and regularly provided safety and health education to employees?	✓		(III) The health of our employees is top priority. To maintain the work environment and the physical and mental health of employees, the Company have established an Occupational Safety and Health Committee, and formulated it's own "Safety and Health Work Rules," Firefighting Protection Plan and Protective Gear Management Rules, which all employees are required to comply with to effectively prevent occupational disasters. In doing this, the Company ensures that the safety and health of our employees are not affected by hazards arising from various types of machinery and equipment and dangerous factors. The machinery and equipment at the workplace undergo maintenance and inspection on a periodic basis in accordance with ISO 9001 management process. The company can ensure their normal operation and prevent work accidents. To provide a safe workplace to ensure the safety and health of employees, the following items are provided: 1. Employees are covered by labor, health and group insurance. 2. The Company provides annual employee health checkups, on-site medical consultation services that exceed regulatory requirements, and organizes health seminars on an irregular basis. 3. Smoking is prohibited across the plant and the quality of drinking water is regularly inspected. 4. Education and training on worker safety and health, disaster prevention training, and firefighting safety seminars and exercises are regularly arranged. 5. Annual inspection and maintenance of firefighting facilities. 6. Professional technicians are engaged each month for the inspection of electrical and mechanical equipment. 7. A safe workplace is provided in accordance with the Rules for Labor Safety and Health Facilities.	No difference

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy				
	Yes	No	Summary					
			8. Employees are with healthy and hygienic food and beverages. No fire incidents occurred at the Company in 2025. Regarding occupational accidents, one incident occurred involving a general injury resulting from an employee's traffic accident during a commute, involving 2 injured person and representing 1.61% of the total workforce. In response, the Company has strengthened relevant occupational safety and health education and training to prevent the recurrence of similar hazards, and remains committed to continuously monitoring the safety of both employees and the environment.					
(IV) Has the company established an effective career development training program for its employees?	✓		(IV) The Company encourages employees to take on further education. Through a variety of internal and external training, we can strengthen the professional functions, knowledge, and skills of employees, further boosting their career development capabilities. At the same time, the Company also promotes employees with outstanding performance frequently.	No difference				
(V) Does the company comply with laws and international standards with respect to customer health, safety and privacy, marketing and labeling in all products and services offered, and have the company implemented consumer protection policies and complaint procedures?	✓		(V) The Company complies with strict quality management systems and product-related regulations to ensure that products meet customer needs and the standards of the countries or regions where they are sold. In addition, the Company's products are covered by liability insurance to protect the rights of customers and consumers. The Company also has a customer complaint handling process in place for any related issues, and there are channels for customer suggestions and complaints in the stakeholders' section of the website. These matters are handled appropriately based on the principle of good faith.	No difference				
(VI) Has the company implemented a supplier management policy that regulates suppliers’ conduct with respect to environmental protection, occupational safety and health or work rights/human rights issues, and does the company track suppliers’ performance on a regular basis?	✓		(VI) The Company has established a Supplier Code of Conduct, which includes commitments to integrity, the prohibition of environmentally hazardous substances, and the non-use of conflict minerals. This Code serves as a fundamental criterion for supplier selection and outlines expectations regarding the use of non-hazardous substances, environmental and occupational safety risk management, labor and human rights, and the maintenance of a healthy working environment. The Company has planned and implemented a supply chain management procedure to evaluate suppliers on aspects related to human rights, environmental protection, occupational safety and health, and management systems. This allows the Company to monitor the degree to which suppliers implement and manage their environmental, health, and safety responsibilities. In 2025, 100% of the Company’s contracted suppliers complied with the following criteria: <table><tr><td>Supplier Evaluation</td><td>Both existing and new suppliers have passed the supplier evaluation/assessment and comply with the Supplier Code of Conduct.</td></tr><tr><td>Supplier Audit</td><td>Supplier self-evaluations and audits are conducted based on the evaluation criteria stipulated in the Procurement Management Regulations and the Supplier Environmental Management Audit Checklist. Based on the evaluation results, the Company tracks and follows up on deficiencies for improvement, or may reduce order volumes where appropriate, in order to jointly enhance quality and strengthen environmental, health, and safety (EHS) performance</td></tr></table>	Supplier Evaluation	Both existing and new suppliers have passed the supplier evaluation/assessment and comply with the Supplier Code of Conduct.	Supplier Audit	Supplier self-evaluations and audits are conducted based on the evaluation criteria stipulated in the Procurement Management Regulations and the Supplier Environmental Management Audit Checklist. Based on the evaluation results, the Company tracks and follows up on deficiencies for improvement, or may reduce order volumes where appropriate, in order to jointly enhance quality and strengthen environmental, health, and safety (EHS) performance	No difference
Supplier Evaluation	Both existing and new suppliers have passed the supplier evaluation/assessment and comply with the Supplier Code of Conduct.							
Supplier Audit	Supplier self-evaluations and audits are conducted based on the evaluation criteria stipulated in the Procurement Management Regulations and the Supplier Environmental Management Audit Checklist. Based on the evaluation results, the Company tracks and follows up on deficiencies for improvement, or may reduce order volumes where appropriate, in order to jointly enhance quality and strengthen environmental, health, and safety (EHS) performance							

Promotion of sustainable development	Implementation status			Difference from the Principles and the reasons for discrepancy
	Yes	No	Summary	
V. Does the company prepared a sustainability report or a report on non-financial information with reference to internationally accepted standards or guidelines? Are these reports supported by the assurance or opinion of a third-party verification entity?	✓		The Company prepared the 2025 Sustainability Report by referencing internationally accepted reporting standards, approved by the Board of Directors and disclosed it on the Company's website and the Market Observation Post System (MOPS).	No difference
VI. If the company has formulated its own Sustainable Development Best-Practice Principles in accordance with the “Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies,” please describe the differences between its operation and the principles: To accommodate Letter Jin-Guan-Zheng-Fa-Zi No.1100375814 dated on November 25, 2021, by the FSC, the Company amended some provisions of its “Corporate Social Responsibility Best-Principles” which have been renamed “Sustainable Development Best-Principles.” The actual practices of the “Sustainable Development Best-Practice Principles” are not significantly different from the “Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies.”				
VII. Other important information to help understand the promotion of sustainable development implementation: (I) For the 2026 and 2025 Annual General Meetings of Shareholders, the Company ordered soap strings and eco-friendly, non-toxic tableware from the Genesis Social Welfare Foundation and the Taiwan Foundation for the Blind as shareholder mementos. These items are manufactured by excellent local Taiwanese producers. This initiative supports social welfare organizations while protecting shareholder interests, aligning perfectly with modern environmental principles and health trends. The Company will continue to actively fulfill its corporate social responsibility. (II) The company occasionally participates in social welfare activities. For instance, to promote exchange and service among Taiwanese businesses, we sponsor the operational funds of the Chinese Management Association and the Cross-Strait Economic, Trade and Cultural Exchange Association. Additionally, we provide scholarships for underprivileged students and financial aid for natural disasters, such as the Hualien Guangfu windstorm. The Company will deepen our focus on various aspects covering occupational safety, employee health, rights promotion, business ethics compliance, intellectual property rights and protection of trade secrets.				

Implementation of Climate-Related Information

Item	Implementation Status			
1. Oversight and governance of climate-related risks and opportunities by the Board and management.	The Board has authorized Sustainable Development Committee to include the oversight and governance of climate-related risks and opportunities into the Company's ESG management. (A Greenhouse Gas (GHG) Inventory and Reduction Task Force has been established to promote inventory tasks and report progress periodically to management and the Board.)			
2. How identified climate risks and opportunities affect the business, strategy, and finances (short, medium, and long term).	The Company identifies the following potential impacts:			
	Category	Item Description	Impact Horizon	Impact on Business, Strategy, and Finance
	Physical Risk	Extreme weather events (e.g., severe typhoons, torrential rain, droughts)	Short to Medium Term	May lead to damage to production facilities or operational disruptions (e.g., suspension of operations at domestic and overseas sites), resulting in reduced production capacity and increased repair costs; disruptions in supply chain logistics will drive up freight charges and material procurement costs.
	Transition Risk	Regulatory and policy changes (e.g., carbon fees, tightening emission standards)	Medium to Long Term	Following the implementation of the Climate Change Response Act and international carbon border taxes, operational costs and tax expenses may increase. Failure to meet regulatory carbon reduction requirements could result in compliance fines or damage to brand reputation.
3. Financial impacts of extreme weather events and transition actions.	Climate Opportunity	Resource efficiency and products/services	Short, Medium, to Long Term	Developing energy-saving, low-carbon products (e.g., energy-efficient servers, high-performance components) can enhance market competitiveness, attract orders from green clients, and boost long-term revenue growth.
	(1) Extreme weather events may lead to the following financial consequences: a. Asset loss (equipment/inventory damage): Extreme events such as floods, storms, and droughts may cause significant damage to a company's production facilities, equipment, and inventory. b. Operational disruption: These events can disrupt production, supply chains, and logistics, thereby affecting the upstream supply and downstream sales of products. c. Increased regulatory compliance costs: In response to climate change, governments may implement stricter environmental regulations, leading to increased compliance costs for enterprises. (2) Taking proactive transition actions to mitigate climate risks can yield the following financial advantages: a. Improved Energy Efficiency: Implementing measures such as adopting renewable energy can reduce a company's energy costs and enhance its overall competitiveness. b. Green Product Development: This can strengthen the corporate brand image and increase market competitiveness. Furthermore, green products may qualify for government subsidies or financial incentives aimed at supporting enterprises that actively reduce carbon emissions			

4. Integration of climate risk identification, assessment, and management into the overall risk management system.	The Management Department identifies potential financial impacts from policies, technology, market, reputation, and physical risks. Results are reviewed with management periodically to ensure they reflect current conditions and to develop improvement plans.																																										
5. Scenario analysis used to assess resilience against climate change.	The Company has not yet utilized scenario analysis to assess climate change resilience.																																										
6. Transition plans for managing climate risks, including metrics and targets.	The Company has not yet established a formal transition plan for climate-related risk management.																																										
7. Basis for internal carbon pricing, if used as a planning tool.	The Company does not currently use internal carbon pricing as a planning tool.																																										
8. Climate-related targets (activities covered, GHG scope, timeline, and progress).	Using 2023 GHG emissions as the baseline, the Company’s goal is a 1% annual reduction in greenhouse gas emissions.																																										
9. GHG inventory, assurance, reduction targets, strategies, and concrete action plans.	(I) Summary of Greenhouse Gas Inventory Information The Company adopts the ISO 14064-1:2018 standard and utilizes the operational control approach for consolidated disclosures. The greenhouse gas (GHG) emissions and intensity for the most recent two fiscal years are as follows: <table><tr><th colspan="2">Year</th><th colspan="2">2025</th><th colspan="2">2024</th></tr><tr><th colspan="2">Item (Unit)</th><th>Emissions (Metric Tons of CO2e)</th><th>Intensity (Metric Tons of CO2 / NT\$ Million Revenue)</th><th>Emissions (Metric Tons of CO2e)</th><th>Intensity (Metric Tons of CO2 / NT\$ Million)</th></tr><tr><td>Taiwan Plant</td><td>Scope 1</td><td>29. 023</td><td rowspan="6">NA</td><td>29. 223</td><td rowspan="6">NA</td></tr><tr><td>Scope 1</td><td>Scope 2</td><td>1, 392. 937</td><td>1, 722. 108</td></tr><tr><td>Scope 2</td><td>Subtotal</td><td>1, 421. 960</td><td>1, 751. 331</td></tr><tr><td rowspan="3">Subsidiaries in Consolidated Financial Reports (Dongguan, Wuxi, and Philippines Plants)</td><td>Scope 1</td><td>239. 888</td><td>336. 422</td></tr><tr><td>Scope 2</td><td>6, 347. 182</td><td>7, 453. 503</td></tr><tr><td>Subtotal</td><td>6, 587. 070</td><td>7, 789. 925</td></tr><tr><td colspan="2">Total</td><td>8, 009. 030</td><td>1. 735</td><td>9, 541. 256</td><td>1. 845</td></tr></table> (II) GHG Management Strategies, Carbon Reduction Plans, and Implementation Status The Company has implemented GHG inventory operations across the parent company and its subsidiaries in phases since 2023, executing various carbon reduction strategies based on the inventory results:	Year		2025		2024		Item (Unit)		Emissions (Metric Tons of CO2e)	Intensity (Metric Tons of CO2 / NT\$ Million Revenue)	Emissions (Metric Tons of CO2e)	Intensity (Metric Tons of CO2 / NT\$ Million)	Taiwan Plant	Scope 1	29. 023	NA	29. 223	NA	Scope 1	Scope 2	1, 392. 937	1, 722. 108	Scope 2	Subtotal	1, 421. 960	1, 751. 331	Subsidiaries in Consolidated Financial Reports (Dongguan, Wuxi, and Philippines Plants)	Scope 1	239. 888	336. 422	Scope 2	6, 347. 182	7, 453. 503	Subtotal	6, 587. 070	7, 789. 925	Total		8, 009. 030	1. 735	9, 541. 256	1. 845
Year		2025		2024																																							
Item (Unit)		Emissions (Metric Tons of CO2e)	Intensity (Metric Tons of CO2 / NT\$ Million Revenue)	Emissions (Metric Tons of CO2e)	Intensity (Metric Tons of CO2 / NT\$ Million)																																						
Taiwan Plant	Scope 1	29. 023	NA	29. 223	NA																																						
Scope 1	Scope 2	1, 392. 937		1, 722. 108																																							
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Total		8, 009. 030	1. 735	9, 541. 256	1. 845																																						

	1. GHG Management Strategies (1) Risk and Opportunity Identification: Identify the Company's short-, medium-, and long-term climate change risks and opportunities, evaluate their impacts on corporate operations and business, and formulate corresponding management strategies accordingly. (2) Efficiency Improvement Initiatives: Continuously plan annual energy-saving and carbon-reduction initiatives, establish specific control targets, and actively enhance energy efficiency. 2. Carbon Reduction Plans and Implementation Status (1) Carbon Management Mechanism: In 2023, the Taiwan and Wuxi plants obtained third-party ISO 14064-1 verification statements. In 2025, internal self-inventories were further completed for the Taiwan, Wuxi, Dongguan, and Philippines plants. Starting from 2026, assurance and disclosure operations for designated business units will be completed in compliance with competent authority regulations. (2) Reduction Target Setting: Using the emissions from each business unit's initial inventory year as the baseline year, a quantitative target has been set to achieve an annual reduction of 1%. (3) Specific Energy-Saving and Carbon-Reduction Measures: A. Equipment and Lighting: Prioritize the replacement of lighting with LED fixtures, incorporate energy consumption metrics into the evaluation for phasing out obsolete equipment, and install variable frequency drives (VFDs) to enhance energy efficiency. B. Resource Circulation: Utilize closed-loop recycling systems for industrial cooling water to minimize water consumption; standardize indoor air-conditioning temperatures at 26°C or higher. C. Renewable Energy: Evaluate the feasibility of installing solar photovoltaic (PV) power generation facilities across existing industrial campuses and new production facilities. D. Full Employee Engagement: Cultivate energy-saving habits—such as water conservation and turning off unused lights—through company-wide internal emails and promotional slogans.
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7. State of ethical corporate management and any difference from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies and reasons there of:

Item	State of implementation			Difference from the Principles and the reason for discrepancy
	Yes	No	Summary	
I. Establishment of the ethical corporate management policy and action plans				

Item	State of implementation			Difference from the Principles and the reason for discrepancy
	Yes	No	Summary	
(I) Has the company established an ethical corporate management policy approved by the board of directors? Does the policy clearly specify in its rules and external documents the ethical corporate management policies, and the commitment of the board of directors and the senior management to proactively implement the management policy?	✓		(I) We have formulated the “Ethical Corporate Management Principles” and “Procedures for Ethical Management and Guidelines for Conduct,” which are approved by the Board of Director and available on the MOPS and company website. All directors and senior officers have signed the “Declaration of Compliance with the Ethical Corporate Management Policy” as the highest principle of ethical management. The Company is committed to facilitating ethical corporate management to build a good corporate governance and risk control mechanism.	No difference
(II) Has the company established a risk assessment mechanism against unethical acts, analyzed and assessed business activities within their business scope regularly that are at a higher risk of being involved in unethical acts, and established prevention programs covering at least the preventive measures specified in Paragraph 2, Article 7 “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		(II) The Company has established an evaluation mechanism in its “Ethical Corporate Management Principles” for the risk of ethical conduct. On a regular basis, the Company analyzes and evaluates operating activities withing its business scope with higher risk of unethical conduct. The results of the analysis and evaluation will be used to formulate prevention plans which are periodically reviewed for their appropriateness and effectiveness. To ensure that employees comply with the law and occupational ethics regulations in the course of performing their duties; while adhering to the principle of good faith, the Company has formulated the “Guidelines for the Adoption of Codes of Ethical Conduct for Employees” for compliance. All new employees have signed the “Terms and Conditions of Employee Service,” which covers prevention measures set forth in Paragraph 2 of Article 7 of the “Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies.”	No difference
(III) Has the company clearly provided the operating procedures, conduct guidelines, disciplines for violations and a grievance system in its program to prevent unethical acts and have these been implemented, and has the formally disclosed program been regularly reviewed and amended?	✓		(III) In the process of formulating a prevention plan, the Company analyzes and evaluates operating activities withing its business scope with higher risk of unethical conduct and enhances the related prevention measures. The prevention measures established are as follows: 1. Offering or receiving a bribe. 2. Offering illegal political contributions. 3. Improper charitable donations or sponsorships. 4. Offering or accepting unreasonable gifts, hospitality or other improper benefits. 5. Infringement of trade secrets, trademarks, patents, copyrights and other intellectual property rights. 6. Engaging in unfair competitive practices. 7. The products and services developed, procured, manufactured, provided or sold directly or indirectly harm the rights, health and safety of consumers or other interested parties.	No difference
II. Implementation of ethical corporate management				
(I) Has the company evaluated the integrity of all counterparties it has business relationships with? Are there any integrity clauses in the agreements entered into with business partners?	✓		(I) Prior to doing business, the Company verifies the authenticity of suppliers and customers on the website of Department of Commerce, MOEA as well as various channels (e.g. credit check) for any breach of integrity records. The Company maintains the principle of good faith with its suppliers and customers to ensure fairness, impartiality and transparency in business dealings. If a counterparty is found to be involved in unethical conduct, the transaction will be immediately and strictly controlled. At the same time, the Company will learn the Company’s exposure to the risk and carefully evaluate whether to terminate the transaction.	No difference
(II) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and has such unit reported to the Board of Directors its execution in terms of ethical management policy and preventive programs against unethical conducts and the supervision status on a regular basis (at least once a year)?	✓		(II) The General Management Division is responsible for formulating the Ethical Corporate Management Policy and prevention plans as well as the supervision of their implementation. The Audit Unit is responsible for auditing the state of the Company’s implementation of ethical corporate management. The implementation is reported regularly each year (at least on time a year) at the Board of Directors meeting, and the 2025 report was made on November 11, 2025.	No difference

Item	State of implementation			Difference from the Principles and the reason for discrepancy
	Yes	No	Summary	
(III) Has the company formulated a policy that prevents conflicts of interest and a channel that facilitates the reporting of conflicts of interests?	✓		(III) The Company's "Ethical Corporate Management Principles" and the "Rules of Procedure for Board of Directors Meetings" set forth the recusal system for directors. Directors or their proxies must recuse themselves from any motion that they have a conflict of interest in and shall explain to the Board of Directors the reason. They shall not participate in the discussion or vote.	No difference
(IV) Has the company established an effective accounting system and internal control system in order to implement ethical management, and proposed relevant audit plans according to the assessment results of the risks of unethical conducts, and reviewed the compliance of the prevention of unethical conducts, or entrusted an accountant to carry out the review?	✓		(IV) In an effort to implement ethical corporate management, we have established an effective accounting system and internal control system. According to the risk assessment, the internal audit unit lists high-risk operations as the focus of the annual audit plan in order to strengthen the prevention measures. The actual implementation situation is periodically submitted to the Audit Committee and the Board of Directors and is reported to the competent authorities in accordance with the regulations.	No difference
(V) Does the company organize internal or external training on a regular basis to maintain ethical management?	✓		(V) The Company has established the "Ethical Management Best Practice Principles" and the "Procedures for Ethical Management and Guidelines for Conduct." In addition to disclosing these policies on the corporate website, the Company actively promotes the prevention of unethical behavior through orientation training for new hires—where internal regulations are introduced and "Employee Service Terms" are signed—as well as regularly scheduled internal and external training sessions for employees and insiders on relevant topics.	No difference
III. State of operations of the company's reporting system				
(I) Has the company set up a specific reporting and incentive system, and established a channel to facilitate grievances and assigned dedicated personnel to receive grievances?	✓		(I) The Company has set up a specific reporting and incentive system in its "Procedures for Ethical Management and Guidelines for Conduct." If a violation of ethical corporate management is discovered, the employee shall take the initiative and reports the matter to the independent directors, officers, Chief Internal Auditor or other appropriate personnel. There is a dedicated channel set up on the Company's website for the report of unlawful or unethical conduct.	No difference
(II) Has the company implemented any standard operating procedures and/or subsequent measures after carrying out an investigation or confidentiality measures for handling grievances filed?	✓		(II) The acceptance, investigation process and results as well as document records and storage for cases reported are handled in accordance with the internal handling process and are kept confidential.	No difference
(III) Has the company taken appropriate measures to protect the whistleblower from mistreatment as a result of whistleblowing?	✓		(III) The Company provides legitimate reporting channels and keeps the identity of the whistleblower as well as the contents of the case confidential, protecting the whistleblower from mistreatment.	No difference
IV. Information disclosure strengthening Has the company disclosed the content of its ethical corporate management Best-Practice principles and the results of implementation on its official website and MOPS?	✓		The "Ethical Corporate Management Principles" and the "Procedures for Ethical Management and Guidelines for Conduct" are disclosed on the Company's website and MOPS. Furthermore, we adhere to ethical corporate management principles in promoting corporate governance information to ensure shareholder interests.	No difference
V. If the company has formulated its own Ethical Corporate Management Best-Practice Principles in accordance with the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies," please describe the differences between its operation and the Principles: There are no differences between the contents of the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and the Company's "Ethical Corporate Management Principles" and "Procedures for Ethical Management and Guidelines for Conduct."				
VI. Any other important information that may help understanding the performance of ethical corporate management better (e.g. review of an amendment to its Ethical Corporate Management Best-Practice Principles): The Company's "Ethical Corporate Management Principles" and "Procedures for Ethical Management and Guidelines for Conduct" have been formulated and amended as required by the competent authority. The ethical corporate management-related regulations are reviewed and amended according to the Company's actual operation. The amendments made have been reported at the shareholders' meeting on June 18, 2021.				

8. Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance:

Further training of the Company's officers and Chief Internal Auditor in 2025:

Title	Name	Date	Organizer	Course Title	Hours
Chairman	Andrew Yeh	2025.08.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.12.08	Securities and Futures Institute	Analysis of Fraud Tactics, Introduction to Anti-Money Laundering Laws/Cases, and Insider Trading Prevention	3
Vice Chairman	Grow Lin	2025.08.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.10.16	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	6
		2025.12.08	Securities and Futures Institute	Analysis of Fraud Tactics, Introduction to Anti-Money Laundering Laws/Cases, and Insider Trading Prevention	3
General Manager & Corporate Governance Officer	Connie Tsai	2025.06.30	Taipei Exchange	Investor Relations Management Sharing Seminar	3
		2025.08.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.12.08	Securities and Futures Institute	Analysis of Fraud Tactics, Introduction to Anti-Money Laundering Laws/Cases, and Insider Trading Prevention	3
		2025.12.11	Securities and Futures Institute	Dual-Axis Transformation for Organizational Resilience: AI Governance and Sustainability Governance	3
Chief Technology Officer	Eddie Ku	2025.02.04~ 2025.02.05	Building Industry Consulting Service International	Telecommunications Distribution Methods for Internal Building Structures	6
		2025.12.08	Securities and Futures Institute	Analysis of Fraud Tactics, Introduction to Anti-Money Laundering Laws/Cases, and Insider Trading Prevention	3
Accounting Officer	Wap Wang	2025.08.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.09.25~ 2025.09.26	Accounting Research and Development Foundation	Continuing Education Course for Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	12
		2025.12.08	Securities and Futures Institute	Analysis of Fraud Tactics, Introduction to Anti-Money Laundering Laws/Cases, and Insider Trading Prevention	3
Chief Internal Auditor	Happy Chen	2025.08.11	Securities and Futures Institute	Practice of Corporate Integrity Management and Forensic Accounting for Fraud Prevention	3
		2025.10.21	The Institute of Internal Auditors-Chinese Taiwan	Production Cycle Practice and Audit Key Points	6
		2025.12.08	Securities and Futures Institute	Analysis of Fraud Tactics, Introduction to Anti-Money Laundering Laws/Cases, and Insider Trading Prevention	3
		2025.12.09	The Institute of Internal Auditors-Chinese Taiwan	Seminar on "Sustainability Information Management" and Internal Control/Audit Practice	6
Information Security Officer	Vicent Chien	2025.11.21	Digiwin Soft Co., Ltd.	Comprehensive Analysis of Information Security and Compliance for Listed Companies: Implementation from Operations to Technology	6
		2025.12.08	Securities and Futures Institute	Analysis of Fraud Tactics, Introduction to Anti-Money Laundering Laws/Cases, and Insider Trading Prevention	3
		2025.12.29	Taiwan Academy of Banking and Finance	E-Course: Impact of AI on Information Security and Response Strategies	2

9. Implementation of the Internal Control System

i. Statement of Internal Control:

(The Statement applies to all regulatory compliance)

YFC-BonEagle Electric Co., Ltd.

Statement of Internal Control System

Date: March 13, 2026

The Company declares the following concerning its internal control system during the fiscal year 2025, based on the findings of a self-assessment:

- I. The Company acknowledges that the establishment, implementation and maintenance of the internal control system are the responsibilities of the Board of Directors and Managers of the Company. Therefore, the Company has established the aforementioned system. Its objectives are to provide reasonable assurance for the effectiveness and efficiency of its operations (including profitability, performance, and the guarantee of assets safety), reliable, timely and transparent reporting, and conformity to applicable rules, regulations, and laws.
- II. The internal control system has its inherent limitations. Regardless of how exhaustive the design is, an effective internal control system can only provide reasonable assurance for the achievement of the aforementioned three objectives. Further, due to changes in the environment or circumstances, the effectiveness of the internal control system may vary accordingly. Nevertheless, the Company's internal control system has set up a self-supervision mechanism. Once a deficiency has been identified, the Company will take immediate remedial actions.
- III. In accordance with the determining criteria for the effectiveness of the internal control system prescribed in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereafter the "Regulations"), the Company evaluated the effectiveness of the design and execution for its internal control system. The determining criteria of the internal

control system prescribed in the “Regulations” are based on the process of management control, dividing the internal control system into five composite factors: 1. Control of the environment, 2. Risk evaluation, 3. Control of operations, 4. Information and communication, and 5. Supervision. The composition of each element also includes several items. Please refer to the “Regulations” for the aforesaid items.

- IV. The Company has adopted the aforementioned determining criteria of the internal control system to evaluate the effectiveness of design and execution for its own internal control system.
- V. Based on the evaluation result of the preceding paragraph, the Company believes that its internal control system (including the supervision and management of its subsidiaries) as of December 31, 2025, including understanding the achievement for the objectives of effectiveness and efficiency of its operations, reliability, timeliness and transparency of its reporting and compliance with the applicable law and regulations, was effective in design and execution, and can be reasonably assured of the achievement of the aforementioned objectives.
- VI. This Statement will serve as the main content of the Company’s annual report and prospectus and will be made available to the public. If the aforesaid public content has any illegal events including falseness or concealment, it shall be liable to the legal liabilities stipulated in Article 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. The Statement has been passed by the Board of Directors Meeting of the Company held on March 13, 2026, where none of the 7 attending directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

YFC-BonEagle Electric Co., Ltd.
(affixed with Company Chop)

Andrew Yeh

Chairman

(Representative of Good Win
Investment Co., Ltd.)

Grow Lin

Managerial officer

Note 1: Any significant deficiencies in the design and implementation of the internal control system of a public company for the year should be explained after the 4th paragraph in the Statement of Internal Control System. Significant deficiencies identified by self-inspection and the actions taken for improvement before the balance sheet date and the improvement status shall be specified.

Note 2: The date of the statement is the “fiscal year-end date.”

- ii. CPA audit report, where a CPA was engaged to carry out a special audit of the internal control system: None.

10. In the most recent year and up to the date of publication of the annual report, important resolutions were adopted at the shareholders’ meeting or board of directors meeting:

Shareholders’ meeting

Date	Important Resolution
2025.06.20	(1) Ratifying the 2024 Business Report and Financial Statements.
	(2) Ratification of the 2024 earnings distribution of NT\$102,523,848 in cash dividends to shareholders, at NT\$ 0.7 per share. Resolution: The ex-dividend date was set on August 12, 2025 and distribution was made on September 5, 2025.
	(3) Amendments to the Company's "Articles of Incorporation."
	(4) Election of the 12th Board of Directors. Seven directors were elected, including four Directors: Andrew Yeh (Representative of Good Win Investment Co., Ltd.), Grow Lin (Representative of Great King Investment Development Ltd), Chang, Lung-Kwang, and Yeh, Shou-Wen; and three Independent Directors:

	Chen, Chao-Ting, Wen, Hui-Mei, and Yuan, Ming-Juan. Implementation status: The change of registration was approved by the Ministry of Economic Affairs (MOEA) per Letter Jing-Shou-Shang-Zi No. 11430107270 dated September 9, 2025.
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Board of Directors

Meeting Date	Summary of Important Proposals	Resolutions
2025.03.14 11th Term, 16th Meeting	(1) Assessment of independence/competence and reappointment of the CPA. (2) 2024 Business Report, Consolidated and Individual Financial Reports. (3) Issuance of the 2024 Internal Control System Statement. (4) Date, venue, and agenda for the 2025 AGM. (5) Period and place for shareholder proposals. (6) Board re-election and nomination process. (7) Formulation of "Risk Management Policies and Procedures." (8) Loaning of funds to Vietnam subsidiary YUE FONG COMPANY LIMITED (9) Assessment of reclassifying material overdue AR for more than three months as "Loaning of Funds." (10) Application for bank credit lines.	Approved unanimously by all attending directors; (2) to be submitted to the 2025 AGM.
2025.05.07 11th Term, 17th Meeting	(1) 2025 Q1 Consolidated Financial Report. (2) 2024 compensation distribution for employees and directors. (3) 2024 earnings distribution. (4) Review of Director/Independent Director candidates. (5) Stipulation of Scope of entry-level employees. (6) Amendments to "Articles of Incorporation." (7) Application for bank credit lines.	Approved unanimously by all attending directors Note: One director recused from voting on item (4) due to conflict of interest; (2): To be reported on the 2025 AGM. (3): To be Admitted on the 2025 AGM (4): To be elected on the 2025 AGM (6): To be discussed on the 2025AGM
2025.06.20 12th Term, 1st Meeting	(1) Election of Chairman and Vice Chairman. (2) Appointment of the 6th Remuneration Committee members.	Item (1): Yeh, Chun-Rong (Andrew Yeh) elected as Chairman; Lin, Shen-Fu (Grow Lin) elected as Vice Chairman. Item (2): 3 Independent Directors appointed as the 6 th term Remuneration Committee members with unanimous approval by all attending directors.
2025.07.17 12th Term, 2nd Meeting	(1) Setting the record date for cash dividends. (2) Loaning of funds from grandchild company EUROPOWER INTERNATIONAL LIMITED to the Company. (3) Application for bank credit lines.	Approved unanimously by all attending directors.

2025.08.11 12th Term, 3rd Meeting	(1) 2025 Q2 Consolidated Financial Report. (2) 2024 Sustainability Report. (3) Modification of credit limit and extension of maturing loans from grandchild company EUROPOWER INTERNATIONAL LIMITED. (4) Assessment of reclassifying material overdue AR for more than three months as "Loaning of Funds." (5) Application for bank credit lines.	Approved unanimously by all attending directors.
2025.11.11 12th Term, 4th Meeting	(1) Change of the Company's Chief Information Security Officer (CISO). (2) 2025 Q3 Consolidated Financial Report. (3) 2026 Audit Plan. (4) Amendments to "Internal Control System" and "Implementation Rules for Internal Audit." (5) Amendments to Remuneration Management Measures. (6) Establishment of the Sustainable Development Committee and its Charter. (7) Appointment of the members of the Sustainable Development Committee. (8) The loaning of funds from the grandchild company, EUROPOWER INTERNATIONAL LIMITED, to the Company. (9) Application for the extension of maturing loans regarding the loaning of funds from the subsidiary, YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD., to the Company and its subsidiaries. (10) Assessment of reclassifying material overdue AR for more than three months as "Loaning of Funds." (11) Provision of endorsements/guarantees by the subsidiary, UNC INVESTMENT & DEVELOPMENT, INC., for the grandchild company, MONOPRICE, INC. (12) Application for bank credit lines.	Approved unanimously by all attending directors.

2026.03.13 12th Term, 5th Meeting	(1) Issuance of the 2025 Internal Control System Statement. (2) Assessment of independence and competence and the reappointment of the Certified Public Accountants (CPA). (3) The 2025 Business Report, Consolidated Financial Report, and Individual Financial Report. (4) The 2025 compensation distribution for employees and directors. (5) The 2025 earnings distribution. (6) Setting the date, venue, and agenda for the 2026 Annual General Meeting (AGM). (7) The period and place for receiving shareholder proposals. (8) Amendments to the "Internal Control System" and "Implementation Rules for Internal Audit" regarding the salary cycle. (9) Adjustment to the scope of "entry-level employees" of the Company. (10) Amendments to the "Management Procedures for Sustainability Information." (11) Formulation of the "Risk Management Policies and Procedures." (12) Loaning of funds from the subsidiary UNC to PRIME. (13) Loaning of funds from the Company to the Vietnam subsidiary, YUE FONG COMPANY LIMITED. (14) Assessment of whether to reclassify accounts receivable overdue for more than three months as "Loaning of Funds" in cases where the amount is material. (15) Application for bank credit lines.	Approved unanimously by all attending directors; (3): To be Admitted on the 2026 AGM (4): To be Reported on the 2026 AGM (5): To be Reported on the 2026 AGM (10): to be reported on the 2026 AGM.
2026.04.10 12th Term, 6th Meeting	(1) Proposal for the issuance of the 10th domestic secured convertible bonds (2) Proposal for the change of the Company's Chief Financial Officer (CFO)	Approved unanimously by all attending directors

11. In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director has expressed a dissenting opinion with respect to an important resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration: None.

IV. CPA Fee Information

Information on the professional fees of the attesting CPAs

Unit: NT\$K

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Note
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KPMG Taiwan	Hsieh Chiu-Hua Lee Fang-Yi	2025.1.1 - 2025.12.31	5,970	2,588	8,558	note
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Note: Non-audit fees primarily consist of NT\$1,328 thousand for transfer pricing analysis, NT\$1,150 thousand for financial statement English translation, and NT\$80 thousand for CFC financial reporting.

V. Replacement of CPA

None

VI. Chairman, President, or Manager in Charge of Finance or Accounting has Served at its CPA Firm or Affiliate of the Firm in the Past Year

None

VII. Share Transfer and Pledge Status by Directors, Executives, and Shareholders with 10% Shareholdings or More of the Past Year and up to the Annual Report Publication Date

1. Change in equity by a director, officer, or major shareholder

As of the end of fiscal year 2025 and up to April 30, 2026, all changes in shareholding and pledge of shares by the Company's directors, managerial officers, and major shareholders have been duly reported in accordance with applicable regulations.

Relevant information is available on the Market Observation Post System (MOPS) under: (Profiles>search for 6220> Insiders' holding, pledging and transfer of shares> Ex-post Filing of Insiders Shareholding Change)

<https://emops.twse.com.tw/server-java/t58query#9>

2. Information on the transfer of the shares of counterparties by a director, officer and major shareholder of the equity transfer are related parties: None

3. Information on the transfer of the shares of counterparties by a director, officer and major shareholder of the equity pledge are related parties: None.

VIII. Relationship Among the Top 10 Shareholders and their Spouses or Relatives within the Second Degree of Kinship

April 11, 2026

Name	Shareholding		Shares held by spouses and minor children		Total shareholding in the name of others		Among the company's 10 largest shareholders, any spouse or relative within the second degree of kinship of another, their titles, names and relationships.		Remark
	Shares	Share-holding Ratio	Shares	Share-holding Ratio	Shares	Ratio	Name	Relationship	
Good Win Investment Co., Ltd. (Responsible Person: Andrew Yeh)	8,020,359	5.48%	0	0%	0	0%	—	—	—
	575,260	0.39%	305,117	0.21%	0	0%	Lun-Hao Investment Co., Ltd. Responsible Person: Chang, Hsiu-E	Spouse	
							Yu Yao Investment Co., Ltd. Responsible Person: Chang, Chu-Tzu	Affinal relationship	
Yeh,Tzuen-Yi	6,924,000	4.73%	0	0%	0	0%	—	—	—
Yu Yao Investment Co., Ltd. (Responsible Person.: Chang, Chu-Tzu)	5,702,470	3.89%	0	0%	0	0%	—	—	—
	4,271,306	2.92%	0	0%	0	0%	Lun-Hao Investment Co., Ltd. Responsible Person: Chang, Hsiu-E	Sister	
							Good Win Investment Co., Ltd. Responsible Person: Andrew Yeh	Affinal relationship	
Chen, Han-Cian	5,588,397	3.82%	0	0%	0	0%	—	—	—
Wang, Po-Wen	5,059,000	3.45%	0	0%	0	0%	—	—	—
Chang, Chu-Tzu	4,271,306	2.92%	0	0%	0	0%	Lun-Hao Investment Co., Ltd. Responsible Person: Chang, Hsiu-E	Sisters	—
							Good Win Investment Co., Ltd. Responsible Person: Andrew Yeh	Affinal relationship	
Guang-Gu Investment Co., Ltd. (Responsible Person: Lin, Feng Shih)	4,205,344	2.87%	0	0%	0	0%	—	—	—
	883	0.00%	0	0%	0	0%	—	—	—
He Ding Investment Co., Ltd. (Responsible Person: Lin, Szu-Yi)	3,509,407	2.40%	0	0%	0	0%	—	—	—
	53,222	0.04%	81,766	0.06%	0	0%	—	—	—
Lun-Hao Investment Co., Ltd. (Responsible Person: Chang, Hsiu-E)	3,475,846	2.37%	0	0%	0	0%	—	—	—
	305,117	0.21%	575,260	0.39%	0	0%	Good Win Investment Co., Ltd. Responsible Person: Andrew Yeh	Spouse	—
							Yu Yao Investment Co., Ltd. Responsible Person: Chang, Chu-Tzu	Mother & Daughter	—
Liu, Chao-Ping	3,115,000	2.13%	0	0%	0	0%	—	—	—

Note 1: List the top 10 shareholders. If they are corporate shareholders, list the names of the corporate shareholders and their representatives separately.

Note 2: The calculation of the percentage of shareholding refers to the calculation of the percentage of shareholding in the name of the shareholder themselves, spouse, minor children or of another party.

Note 3: The shareholders for disclosure shall include corporate shareholders and natural people, with the relationships between the shareholders disclosed as required by the Criteria for the Compilation of Financial Statements by Securities Issuers.

IX. Number of Shares and Aggregate Shareholding Ratio of the Same Investee Held by the Company, its Directors, Executives, and Enterprises it Controls Directly or Indirectly

December 31, 2025; Unit: thousand shares

Investment Business	Investment by the Company		Investment by directors, supervisors, officers and any companies controlled either directly or indirectly by the company		Comprehensive Investment	
	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio
YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.	53,906	100%	0	0%	53,906	100%
BESTLINK NETWARE, INC.	1,000	100%	0	0%	1,000	100%
UNC INVESTMENT & DEVELOPMENT, INC.	50	100%	0	0%	50	100%
PREMIUM-LINE KSI GMBH	0	100%	0	0%	0	100%
MONOPRICE HOLDINGS, INC.	100	100%	0	0%	100	100%
PREMIUM-LINE SYSTEMS GMBH	0	100%	0	0%	0	100%
YUE FONG COMPANY LIMITED	0	100%	0	0%	100	100%

Investment Business	Investment by the Company		Investment by directors, supervisors, officers and any companies controlled either directly or indirectly by the company		Comprehensive Investment	
	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio
YFC-EUROPOWER INTERNATIONAL CO., LTD.	50	100%	0	0%	50	100%
EUROPOWER INTERNATIONAL LIMITED	0	0%	4,890	100%	4,890	100%
YFC-BONEAGLE HOLDINGS (CAYMANS) CO., LTD.	0	0%	22,807	100%	22,807	100%
UNIVERSAL NETWORK CORPORATION	0	0%	20,000	100%	20,000	100%
PREMIUM LINE ASIA LTD.	0	0%	50	100%	50	100%
YFC-BONEAGLE INTERNATIONAL, INC.	0	0%	653	100%	653	100%
YFC DEVELOPMENT CORPORATION	0	0%	75	100%	75	100%
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION	0	0%	200	100%	200	100%
BESZIN CORPORATION INC.	0	0%	1,000	100%	1,000	100%
MONOPRICE, INC.	0	0%	500	100%	500	100%
PRIME WIRE & CABLE, INC.	0	0%	15,500	100%	15,500	100%
DONGGUAN YFC	0	0%	0	100%	0	100%
WUXI UNIVERSAL NETWORK CORPORATION	0	0%	0	100%	0	100%

C. Capital Overview

I. Capital and Shares

1. Source of capital stock
 - i. Process of capital stock formation

Unit: NT\$K; thousand shares

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
1983.09	10	1,200	12,000	1,200	12,000	Founding capital stock of NT\$12,000 thousand.	None	Established on 1983.09.03
1990.08	10	2,950	29,500	2,950	29,500	Capital increase of NT\$17,500 thousand in cash	None	1990.08.20 79 Jian-San-Yi-Zi No.281607
1996.07	10	4,200	42,000	4,200	42,000	Capital increase of NT\$12,500 thousand in cash	None	1996.07.10 85 Jian-San-Geng-Zi No.196527
1997.11	10	6,000	60,000	6,000	60,000	Capital increase of NT\$18,000 thousand in cash	None	1997.11.25 86 Jian-San-Geng-Zi No.268062

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
1998.12	10	7,050	70,500	7,050	70,500	Capital increase of NT\$10,500 thousand from earnings	None	1998.12.21 87 Jian-San-Ding-Zi No.279244
1999.12	10	14,778	147,780	14,778	147,780	Capital increase of NT\$66,000 thousand from earnings; Capital increase of NT\$11,280 thousand from earnings	None	1999.12.24 Jin(088)-Shan No.146370
2000.09	10	19,908	199,080	19,908	199,080	Capital increase of NT\$27,064 thousand from earnings; Capital increase of NT\$24,236 thousand from earnings	None	2000.09.14 Jin(089)-Shan No.133753
2001.08	10	70,000	700,000	35,000	350,000	Capital increase of NT\$96,322 thousand from earnings; Capital increase of NT\$54,598 thousand from earnings	None	2001.08.30 Jin(090)-Shan No.09001339750
2002.10	10	70,000	700,000	41,951	419,513	Capital increase of NT\$69,513 thousand from earnings	None	2002.10.08 Jing-Shou-Shang-Zi No.09101415110
2003.07	10	70,000	700,000	46,398	463,978	Capital increase of NT\$44,465 thousand from earnings	None	2003.07.23 Jing-Shou-Zhong-Zi No.0923241355
2005.10	10	62,677	626,774	48,974	489,744	Corporate bonds converted into common stock of NT\$25,766 thousand	None	2005.10.26 Jing-Shou-Zhong-Zi No.09433065460
2006.01	10	62,677	626,774	49,054	490,543	Corporate bonds converted into common stock of NT\$799 thousand	None	2006.01.17 Jing-Shou-Zhong-Zi No.09531580520
2006.07	10	62,677	626,774	53,573	535,725	Capital increase of NT\$41,595 thousand from earnings and additional paid-in capital; corporate bonds converted to common stock and employee warrants converted into common stock of NT\$3,687 thousand	None	2006.07.24 Jing-Shou-Shang-Zi No.09501155830
2006.11	10	150,000	1,500,000	72,960	729,601	Capital increase of NT\$130,000 thousand from private placement; corporate bonds converted to common stock of NT\$58,206 thousand and employee warrants converted into	None	2006.11.13 Jing-Shou-Shang-Zi No.09501252010

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
						common stock of NT\$5,670 thousand		
2007.01	10	150,000	1,500,000	75,166	751,662	Corporate bonds converted to common stock of NT\$18,961 thousand and employee warrants converted into common stock of NT\$3,100 thousand	None	2007.01.10 Jing-Shou-Shang-Zi No.09601012650
2007.04	10	150,000	1,500,000	75,394	753,947	Employee warrants converted into common stock of NT\$2,285 thousand	None	2007.04.19 Jing-Shou-Shang-Zi No.09601078150
2007.07	10	150,000	1,500,000	75,474	754,746	Employee warrants converted into common stock of NT\$800 thousand	None	2007.07.17 Jing-Shou-Shang-Zi No.09601168690
2007.09	10	150,000	1,500,000	82,786	827,863	Earnings and employee bonus transferred to capital of NT\$73,116 thousand.	None	2007.09.29 Jing-Shou-Shang-Zi No.09601239070
2007.10	10	150,000	1,500,000	102,821	1,028,213	Capital increase of NT\$200,000 thousand in cash and employee warrants converted into common stock of NT\$350 thousand	None	2007.10.05 Jing-Shou-Shang-Zi No.09601241530
2008.01	10	150,000	1,500,000	102,841	1,028,413	Employee warrants converted into common stock of NT\$200 thousand	None	2008.01.17 Jing-Shou-Shang-Zi No.09701011370
2008.04	10	150,000	1,500,000	100,841	1,008,413	Cancellation of treasury stock to reduce capital of common stock of NT\$20,000 thousand	None	2008.04.15 Jing-Shou-Shang-Zi No.0970108610
2008.09	10	150,000	1,500,000	97,835	978,353	Cancellation of treasury stock to reduce capital of common stock of NT\$30,060 thousand	None	2008.09.08 Jing-Shou-Shang-Zi No.09701228380
2008.10	10	150,000	1,500,000	103,260	1,032,604	Earnings and employee bonus transferred to capital of NT\$54,251 thousand.	None	2008.10.17 Jing-Shou-Shang-Zi No.09701263270
2008.12	10	150,000	1,500,000	98,326	983,264	Cancellation of treasury stock to reduce capital of common stock of NT\$49,340 thousand	None	2008.12.19 Jing-Shou-Shang-Zi No.09701319950
2009.06	10	150,000	1,500,000	97,143	971,434	Cancellation of treasury stock to reduce capital of common stock of	None	2009.06.30 Jing-Shou-Shang-Zi

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
						NT\$11,830 thousand		No.09801135650
2009.09	10	150,000	1,500,000	102,001	1,020,006	Capital increase of NT\$48,572 thousand from additional paid-in capital	None	2009.09.18 Jing-Shou-Shang-Zi No.09801216370
2010.04	10	150,000	1,500,000	109,916	1,099,164	Corporate bonds converted to common stock of NT\$79,158 thousand	None	2010.04.15 Jing-Shou-Shang-Zi No.09901074980
2010.07	10	150,000	1,500,000	110,910	1,109,100	Corporate bonds converted into common stock of NT\$9,936 thousand	None	2010.07.06 Jing-Shou-Shang-Zi No.09901142950
2010.09	10	150,000	1,500,000	113,489	1,134,898	Earnings and employee bonus transferred to capital of NT\$25,798 thousand.	None	2010.09.16 Jing-Shou-Shang-Zi No.09901211460
2010.10	10	150,000	1,500,000	114,127	1,141,279	Corporate bonds converted into common stock of NT\$6,381 thousand	None	2010.10.22 Jing-Shou-Shang-Zi No.09901239330
2011.01	10	150,000	1,500,000	114,145	1,141,458	Corporate bonds converted into common stock of NT\$179 thousand	None	2011.01.24 Jing-Shou-Shang-Zi No.10001011340
2011.04	10	150,000	1,500,000	114,413	1,144,130	Corporate bonds converted into common stock of NT\$2,671 thousand	None	2011.04.12 Jing-Shou-Shang-Zi No.10001070260
2011.10	10	150,000	1,500,000	116,054	1,160,548	Corporate bonds converted into common stock of NT\$16,417 thousand	None	2011.10.24 Jing-Shou-Shang-Zi No.10001244210
2012.05	10	150,000	1,500,000	113,608	1,136,088	Cancellation of treasury stock to reduce capital of common stock of NT\$24,460 thousand	None	2012.05.07 Jing-Shou-Shang-Zi No.10101081920
2013.01	10	150,000	1,500,000	110,829	1,108,298	Cancellation of treasury stock to reduce capital of common stock of NT\$27,790 thousand	None	2013.01.10 Jing-Shou-Shang-Zi No.10201005430
2014.05	10	150,000	1,500,000	114,388	1,143,885	Corporate bonds converted into common stock of NT\$35,587 thousand	None	2014.05.22 Jing-Shou-Shang-Zi No.10301094510
2014.12	10	150,000	1,500,000	114,513	1,145,136	Corporate bonds converted into common stock of NT\$1,251 thousand	None	2014.12.10 Jing-Shou-Shang No.10301249210

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
2015.02	10	150,000	1,500,000	128,332	1,283,321	Corporate bonds converted into common stock of NT\$138,185 thousand	None	2015.02.02 Jing-Shou-Shang No.10401015430
2015.05	10	150,000	1,500,000	130,814	1,308,146	Corporate bonds converted into common stock of NT\$24,825 thousand	None	2015.05.26 Jing-Shou-Shang No.10401096890
2015.09	10	150,000	1,500,000	130,935	1,309,346	Corporate bonds converted into common stock of NT\$1,200 thousand	None	2015.09.02 Jing-Shou-Shang No.10401185100
2015.12	10	150,000	1,500,000	130,990	1,309,901	Corporate bonds converted into common stock of NT\$1,745 thousand; cancellation of treasury stock to reduce capital of common stock of NT\$1,190 thousand	None	2015.12.14 Jing-Shou-Shang No.10401267480
2016.01	10	150,000	1,500,000	132,533	1,325,329	Corporate bonds converted into common stock of NT\$15,428 thousand	None	2016.01.26 Jing-Shou-Shang No.10501017100
2016.06	10	150,000	1,500,000	127,197	1,271,966	Corporate bonds converted into common stock of NT\$6,377 thousand; cancellation of treasury stock to reduce capital of common stock of NT\$59,740 thousand	None	2016.06.01 Jing-Shou-Shang No.10501114760
2016.08	10	150,000	1,500,000	123,827	1,238,268	Corporate bonds converted into common stock of NT\$6,302 thousand; cancellation of treasury stock to reduce capital of common stock of NT\$40,000 thousand	None	2016.08.24 Jing-Shou-Shang No.10501210790
2016.12	10	150,000	1,500,000	123,860	1,238,602	Corporate bonds converted into common stock of NT\$334 thousand	None	2016.12.01 Jing-Shou-Shang No.10501278420
2017.02	10	150,000	1,500,000	124,554	1,245,544	Corporate bonds converted into common stock of NT\$6,942 thousand	None	2017.02.08 Jing-Shou-Shang No.10601015910
2020.11	10	180,000	1,800,000	131,046	1,310,466	Corporate bonds converted into common	None	2020.11.13 Jing-Shou-Shang

Year & Month	Issue Price	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount	Shares	Amount	Source of Capital Stock	Offset by any Property Other than Cash	Capital Increase Approval Date and Letter Number
						stock of NT\$64,921 thousand		No.10901208940
2021.02	10	180,000	1,800,000	131,504	1,315,036	Corporate bonds converted into common stock of NT\$4,570 thousand	None	2021.02.02 Jing-Shou-Shang No.11001018750
2021.05	10	180,000	1,800,000	131,972	1,319,723	Corporate bonds converted into common stock of NT\$4,687 thousand	None	2021.06.07 Jing-Shou-Shang No.11001092540
2022.09	10	180,000	1,800,000	139,472	1,394,724	Capital increase of NT\$75,000 thousand in cash	None	2022.09.21 Jing-Shou-Shang No.11101177140
2022.11	10	180,000	1,800,000	143,868	1,438,672	Corporate bonds converted into common stock of NT\$43,958 thousand	None	2022.11.03 Jing-Shou-Shang No.11101207600
2023.02	10	180,000	1,800,000	144,185	1,441,851	Corporate bonds converted into common stock of NT\$3,168 thousand	None	2023.02.20 Jing-Shou-Shang No.11230023190
2023.04	10	180,000	1,800,000	144,868	1,448,682	Corporate bonds converted into common stock of NT\$6,831 thousand	None	2023.04.28 Jing-Shou-Shang No.11230073940
2023.11	10	180,000	1,800,000	146,463	1,464,626	Capitalization of Employee Compensation of NT\$15,945 thousand	None	2023.11.27 Jing-Shou-Shang No.11230213410

ii. Type of shares

Type of Shares	Authorized Capital Stock			Remark
	Outstanding Shares	Unissued Shares	Total	
Registered Common Shares	146,462,640	33,537,360	180,000,000	TPEX-listed Shares

Unit: shares

iii. If the company adopts the shelf registration method for the issuance of new shares, it shall disclose relevant information including the total amount registered for issuance, the total amount already issued, and the balance amount of the shelf registration: None.

2. List of major shareholders (shareholders holding 5% or more of the shares or names, numbers of shareholding and ratio of the top 10 shareholders)

April 11, 2026

Name of Major Shareholder	Number of Shares Held	Shareholding Ratio
Good Win Investment Co., Ltd.	8,020,359	5.48%
Yeh, Tzuen-Yi	6,924,000	4.73%
Yu Yao Investment Co., Ltd.	5,702,470	3.89%

Chen, Han-Cian	5,588,397	3.82%
Wang, Po-Wen	5,059,000	3.45%
Chang, Chu-Tzu	4,271,306	2.92%
Guang-Gu Investment Co., Ltd.	4,205,344	2.87%
He Ding Investment Co., Ltd.	3,509,407	2.40%
Lun-Hao Investment Co., Ltd.	3,475,846	2.37%
Liu, Chao-Ping	3,115,000	2.13%

3. The Company's dividend policy and implementation status

i. Company dividend policy:

Article 20-1 of the Articles of Incorporation: Any earnings shall be first set aside for paying taxes and losses accumulated over the years. 10% of the remaining balance shall be set aside as the legal reserve; however, when the legal reserve has read the paid-in capital, further withdrawal may be exempted and the special reserve set aside or reversed in accordance with the law. The remaining balance, if there is any, may be distributed as dividends from preferred stock for the year. The Board of Directors proposes a motion for distribution of any balance, together with undistributed earnings for previous years, to be submitted to the shareholders' meeting for resolution.

Considering the stable development and robust financial structure, earnings distribution shall not be less than 50% of the distributable earnings less than previous years. However, where distributable earnings less earnings of previous years are less than 1% of the paid-in capital, no distribution of earnings may be proposed.

The Company's dividend payout policy is based on three methods: capital increase from earnings, capital increase from additional paid-in capital, and cash dividends. Depending on the future development and growth stage, the Company will strive to improve its financial structure and protect the rights and interests of shareholders. Among the three methods of dividend payout policy, cash dividends shall account for at least 10% of all dividends.

Pursuant to the provisions of Articles 240 and 241 of the Company Act, the Company shall surplus profit distributable to dividends and bonuses in whole or in part distributed to shareholders in proportion to their existing shares in the form of new shares to be issued by the Company. Where distribution is made in the form of cash, a resolution shall be made by the meeting of the Board of Directors attended by at least two-thirds of the directors and most of the directors present and shall be reported to the shareholders' meeting. A resolution for distribution made in the form of new shares shall be adopted by the shareholders' meeting prior to distribution.

ii. Dividend distribution reported at the shareholders' meeting:

The Company's beginning unappropriated earnings for 2025 were NT\$25,942,211. After deducting an actuarial loss of NT\$390,136, adding the net income after tax of NT\$118,526,880 for 2025, and setting aside a legal reserve of NT\$11,813,674 in accordance with the law, the earnings available for distribution amounted to NT\$132,265,281. The Company proposes to distribute cash dividends of NT\$102,523,848 to shareholders; based on the Company's current 146,462,640 actual shares outstanding, the cash dividend is NT\$0.7 per share.

4. The effect of the current bonus shares on the operating performance, EPS and return on shareholder's investment: Not applicable.

5. Remuneration to employees and directors

i. The percentages ranges with respect to employee and director remuneration, as set forth in the Company's Articles of Incorporation:

Article 20 of the Articles of Incorporation: The Company's profit, if any, for the year shall be distributed at not more than 4% as remuneration to directors; provided, accumulated losses should be made first. Profits for the year referred to in the preceding paragraph is defined as net income for the year before employee remuneration and director remuneration are deducted. No less than 10% of the employee compensation, which shall be appropriated at a rate of no less than 6%, shall be allocated to entry-level employees. In addition, the employees of the Company also distributes remuneration to employees of subordinate companies who directly or indirectly own 50% or more of the Company's shares

ii. Information on proposed remuneration to employees and directors passed by the Board of Directors:

a. Amount of remuneration for employees and directors:

On March 13, 2026, the Board of Directors resolved to approve the proposal for employee and director remuneration for fiscal year 2025. The Company proposes to allocate NT\$15,000,000/8.88% as employee compensation and NT\$3,000,000/1.78% as director compensation.

- b. 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: None.
 - c. The amount of any remuneration to employees distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income: Not applicable.
 - d. Calculated EPS after considering the proposed distribution of remuneration to employees or remuneration to directors: Not applicable.
- iii. Employee bonuses and director remuneration distributed with the earnings of previous years:
The Company allocated NT\$11,000,000 as employee compensation and NT\$4,000,000 as director compensation in 2025, which was consistent with the distribution amount originally resolved by the Board of Directors. .
6. Buyback of the company shares in the past 3 years: None.

II. Issuance of Corporate Bonds: None

III. Issuance of Preferred Shares: None

IV. Issuance of Global Depositary Receipts (GDRs): None

V. Employee Stock Options: None

VI. Employee Restricted Stock Awards: None

VII. New Shares Issuance in Connection with Mergers, Acquisitions, and Transfer of Shares: None

VIII. Financing Plans and Implementation:None

D. Operational Highlights

I. Business Activities

- 1. Scope of Business
 - i. Main Business
 - a. LAN cable manufacturing
 - b. Electronic component manufacturing
 - c. Information socket and integrated network wiring product manufacturing
 - d. Solar Energy Storage Wire Harnesses
 - e. Trading of network and fiber optic peripheral products
 - f. Trading of power cords and related products
 - g. Production and trading of audio-visual and data high-speed transmission lines
 - h. Production and trading of in-vehicle ADAS high frequency transmission lines and high voltage power lines for new energy vehicles
 - i. Production and trading of robotic arms and high-speed data transmission control lines for automated production
 - j. Manufacturing and sale of high-speed data transmission control cables through automated production processes.
 - ii. Business Revenue Composition

Unit: NT\$K; %

Main Product \ Year	2025		2024	
	Net Operating Income	Ratio %	Net Operating Income	Ratio %
Manufacturing (ODM/OEM)	3,475,791	41.56	4,130,435	40.90
Channel and Distribution Trade	2,691,518	32.19	3,142,111	31.11

E-Commerce	2,195,074	26.25	2,827,127	27.99
Total	8,362,383	100.00	10,099,673	100.00

Main Product \ Year	2025		2024	
	Net Operating Income	Ratio %	Net Operating Income	Ratio %
Cable	2,322,871	27.78	2,835,838	28.08
Power Cord	4,547,353	54.38	5,320,828	52.68
Consumer Electronics	1,149,545	13.75	1,533,830	15.19
Others	342,614	4.09	409,177	4.05
Total	8,362,383	100.00	10,099,673	100.00

iii. Current Products and Service

- a. Cables and patch cords for local area network (LAN) wiring, including shielded and unshielded cables in various flame-retardant grades for Cat.5e, Cat.6, Cat.6A, Cat.7, and Cat.8 standards.
- b. USB transmission electronic cable assemblies.
- c. Internal wiring for other information, communication, and consumer electronic (3C) products.
- d. Production and trading of in-vehicle ADAS high frequency transmission lines and high voltage power lines for new energy vehicles.
- e. Teflon CMP grade wire, that meets the needs of the high-end wiring market in North America.
- f. Low-smoke halogen-free (LSZH) shielded network and power transmission cables (PoE) compliant with European market standards.
- g. Manufacturing and sale of various types of power extension cords.
- h. Manufacturing and trading of industrial signal transmission line sets.
- i. Manufacturing and trading of control line sets for automated production equipment (robotic arms).
- j. Production and sale of solar energy / energy storage transmission lines
- k. Sale of fiber optic patch cords and accessories.

iv. Future Developing Products and Service

- a. Cables for robotic and robotic arm transmission applications.
- b. Ultra-fine (short-length) cables for data center applications.
- c. Multifunctional power cords.
- d. Long-Distance PoE Cables

2. An Overview of the Industry

i. Status quo and development of industry

The Company and its subsidiaries are dedicated to the production of 3C power cord sets, LAN cables, network cable peripherals, and in-vehicle high frequency transmission lines. In addition to selling self-manufactured cable products, the Company's subsidiaries also sells consumer 3C products such as TV stands, and audio sound box. These products are sold directly or indirectly to end consumers through online sales platforms and physical channels. The Company's connector cables are basic components of computer hosts and their peripherals, communication devices, and transmission devices, which are closely linked to the development of information technology and online communication industries. With the rise of 5G network, AI, automation system and robot in recent years, the Company will invest in research, development, and production of high-precision data transmission cables. The current status and development of network cables, power cords and modular data centers are described as follows:

- a. Overview and development of the network cable industry:

① Current Development of Ethernet:

Ethernet has become the mainstream technology for local area networks (LANs) and continues to expand into various application fields, such as data centers, industrial automation, and in-vehicle networks. With the widespread adoption of the Internet of Things (IoT), Ethernet plays a critical role in connecting a wide range of smart devices. As a mature and continuously evolving network technology, Ethernet will keep advancing in areas such as higher speeds, lower latency, Time-Sensitive Networking (TSN), edge computing, and industrial applications. Details are as follows:

- ◆ Continuous Speed Advancements: Ethernet speed has evolved from the initial 10Mbps to 10Gbps, 40Gbps, 100Gbps, and beyond to meet the growing demand for data transmission. New Ethernet standards such as 2.5GE, 5GE, 25GE, and 50GE have emerged to suit different application scenarios.
- ◆ Automotive Ethernet: The rise of autonomous driving and Advanced Driver Assistance Systems (ADAS) is driving the growing demand for in-vehicle Ethernet. Automotive Ethernet provides high bandwidth and low latency transmission, becoming a key technology for data exchange within vehicle systems.
- ◆ Ethernet Controller Market: The Ethernet controller market is expected to continue growing, driven by data centers, cloud computing, and big data applications.
- ◆ Growth of Data Centers and Cloud Computing: With the rapid development of cloud computing, big data, and artificial intelligence, the demand for data centers continues to rise, fueling the need for high-speed Ethernet cables—particularly those supporting higher bandwidths such as Cat6a, Cat7, and Cat8. Large-scale data centers require vast amounts of Ethernet cabling to connect servers, switches, and other networking equipment, contributing positively to market growth.

② Future Trends of Ethernet:

- ◆ Higher Speeds: With the rapid development of data centers and cloud computing in recent years, the demand for high-speed Ethernet cables has increased significantly. This shift is reshaping the market's cable composition, with higher-bandwidth cables such as Cat6a and Cat7 being increasingly adopted in data center environments.
- ◆ Low Latency: For applications requiring real-time responsiveness—such as autonomous driving and industrial automation—low-latency Ethernet technologies are becoming increasingly critical.
- ◆ Time-Sensitive Networking (TSN): TSN technology extends Ethernet into applications that require deterministic time transmission, such as industrial control systems and in-vehicle networks.
- ◆ Edge Computing: Ethernet will serve as a key infrastructure for edge computing, enabling high-speed data transmission between edge devices and cloud.
- ◆ Industrial Ethernet: Ethernet technology will continue to deepen its application in industrial automation, enabling more efficient and flexible production processes. The growing adoption of Ethernet in industrial settings also increases the demand for high-quality, durable Ethernet cables capable of withstanding harsh conditions such as extreme temperatures, vibration, and electromagnetic interference.

References:

Google Gemini: 乙太網路發展現況及未來

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b. Overview and development of the power cord industry:

In 2025, the global power cable market size reached \$195.8 billion. It is expected to grow to \$296.7 billion by 2034, with a compound annual growth rate (CAGR) of 4.7-5.5% from 2023 to 2028. The surge in global power consumption and the increasing focus on upgrading existing grid infrastructure are the primary factors positively impacting the demand for power cables. Among these, the low-voltage cable market accounts for 50%, primarily driven by the expansion of residential, commercial, and industrial construction. The continuous upgrades of airports, shopping centers, offices, and retail stores, alongside the demand for telecommunications digitalization, further support market growth. Additionally, rapid urbanization and rising personal income levels have led to increased vehicle sales, driving the use of power cables to support various equipment in the automotive industry. Furthermore, the rising demand for advanced power cables to improve mining equipment conditions, productivity, and safety has created a positive market outlook. Power cables are also widely used in the chemical

industry due to their high mechanical flexibility, excellent chemical resistance, and oil resistance. Another growth segment is renewable energy cables, where offshore wind power has triggered a 10.5% surge in submarine cables.

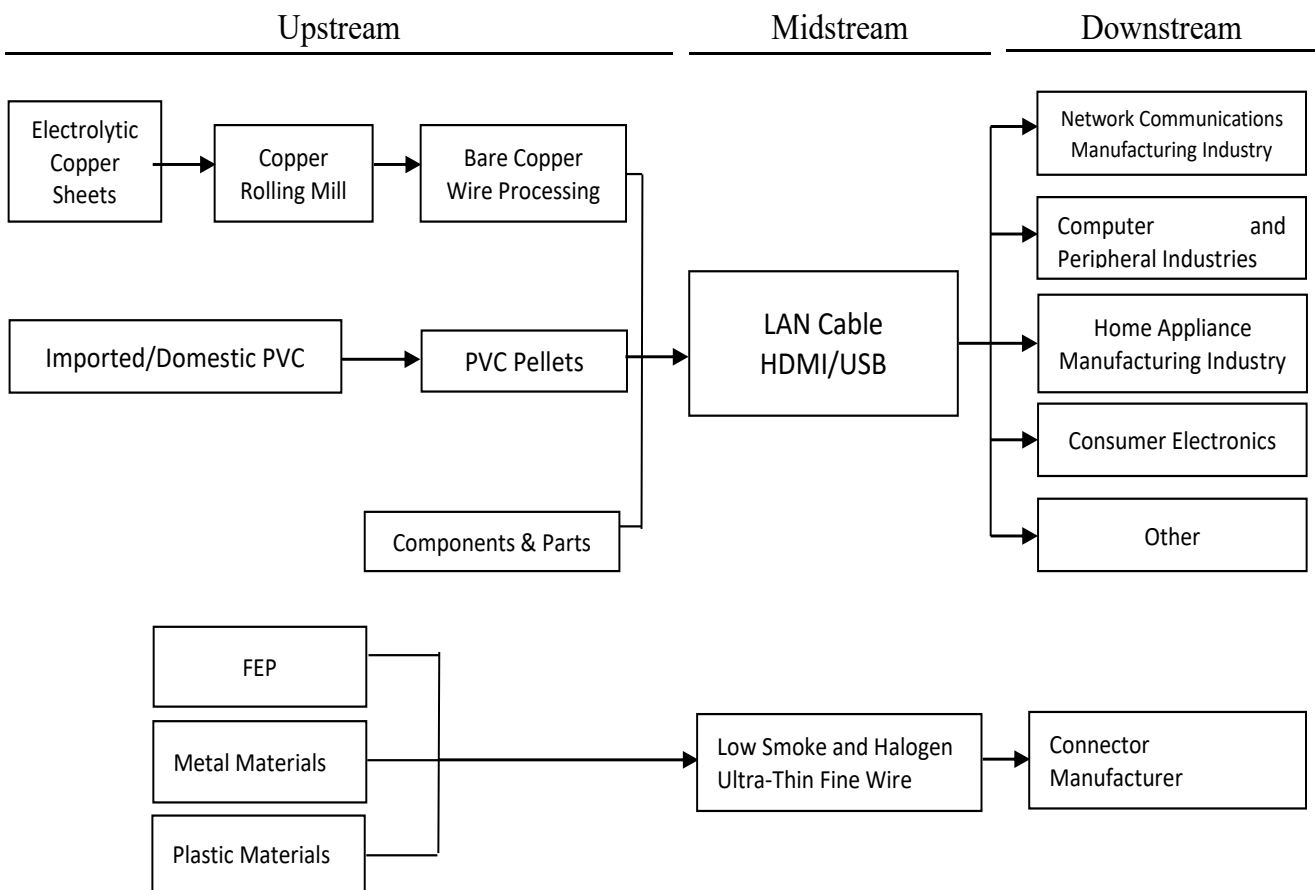
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<https://www.imarcgroup.com/power-cables-market>

<https://www.alliedmarketresearch.com/power-cable-market>

ii. Connection between the upstream, midstream, and downstream of the industry

The Company’s major products are cables for 3C products covering information communication and consumer electronics, including power cord sets, UTP/FTP/SFTP/PIMF network cable, USB cables – basic components of communication equipment, transmission equipment, computer hosts and their peripherals. Diagram of industry linkage is shown below



iii. Development trends of products

- a. As product life cycles are short, the development of new products is very important:
In recent years, due to the fierce competition of cables for 3C products and the popularity of low-priced electronic products, the room for price negotiation has narrowed. How to achieve high gross margins when new products are launched is the objective that all manufacturers must meet and constant development of market leading products or high tech-intensive niche products must be built into their strategies. The Company and its subsidiaries are committed to the development and sales of Cat6A, Cat7, Cat8 and Teflon wire with higher flame resistance. With outstanding quality of Cat6A and Cat7 network cables and Teflon cables, we continue to receive orders. For jumper wires, we have adjusted our customer mix, shifting from price-oriented wholesale distribution customers to high-end OEM and factory-supported network customers. Data transmission at high speed is the key demand of intelligent life. With many years of cultivation in the Japanese market, the Company and its subsidiary have teamed up with a major Japanese connector manufacturer to develop audio-visual and data transmission line sets for automobiles, accelerating the business in the Japanese market.
- b. Product development toward miniaturization:
In recent years, information products have seen a trend of lighter, thinner, shorter, and smaller in their design and development. Due to this, their relevant components and parts have also followed this trend. Collaborating with the factory to develop smaller-sized power and network cable connectors not only helps reduce space requirements but also enables us to offer more competitive pricing to OEM customers.
- c. Production will be integrated upwards, moving towards capital- and technology-intensive development:
As competition intensifies among manufacturers of cables for 3C (computer, communication, and consumer electronics) products, and downstream customer specifications become increasingly diversified, production technology is expected to move toward upstream integration to enhance competitiveness. In addition to the subsidiary MONOPRICE, INC., closer collaboration will be established with external distribution companies within the group to jointly develop a wide range of electronic cables. This approach will support vertical integration between product development and sales at the manufacturing end.

iv. An Overview of the Competition of the Industry:

- a. US Market: Due to recent tariff policies introduced by the United States, the global market has gradually split into two camps: one aligned with the U.S. (requiring production outside of China), and the other still accepting production within China. YFC has already shifted its production base for the U.S. market to its Philippine factory. While other manufacturers are also relocating production outside of China, current global capacity still falls short—covering less than 60% of what was previously produced in China, including power cords and network cables.
- b. EU Market: The European market still accepts Chinese production bases. Due to US tariffs, Chinese manufacturers have shifted capacity to Europe and even set up sites in Eastern Europe, causing intense price competition. Although quality is a concern, most clients remain price driven. Recently, Chinese firms have entered Turkey to access Europe under the guise of local suppliers. This poses a great challenge to YFC's long-term market presence. While improving the process stability of LSZH and high-end shielded cables, the Wuxi plant must figure out how to balance quality and price.

3. Technology and R&D Overview

i. Technical level of business

a. High-speed Ethernet products:

The Company's major products are UTP/FTP/SFTP/PIMF LAN cables as well as high-level Keystone Jacks and Patch Panels, essential components for high-speed data transmission between servers, switches, hubs, and PC workstations on a LAN.

The speed and stability of the data transmission rate of the above products is the key to product quality. Appropriately adjusting the design materials and dimensions to meet the communication rate, bandwidth, signal interference and transmission distance, etc., is a very high-level technology. Over the years, the Company's R&D and manufacturing departments have been constantly refining their R&D and process improvement capabilities, developing new technologies and products. Due to this, we have accumulated excellent high-frequency testing technology, making us a leading manufacturer of this technology with high market share in Europe. We are now able to provide all the connectors and cables in the high-speed Ethernet LAN cabling system:

- ① From 100Base-T (CAT.5e 100Mbps network) and 1000Base-T (CAT.6/CAT.7/CAT7A 1 Gbps network) to 10G network (CAT6A 10Gbps network) for higher speed transmission, we are the only manufacturer in Taiwan who can produce all the connectors and cables for network wiring systems.
- ② 100W Power over Ethernet (PoE++) integrates power and data transfer into the same cable system, eliminating the need for AC power at each location.
- ③ In the coming years, we will focus on R&D and process development of CAT.8 for 40GBase-T, a high-speed Ethernet wiring system.
- ④ Development of outdoor high-speed Ethernet products in response to special environment application requirements.
- ⑤ In response to high price fluctuations, we will work with local manufacturers in the development of new materials to replace imported materials. The new materials developed will be used for high-speed Ethernet products.

b. Power cord and plug products:

The Company's power cord products ranging from cords, cables, plugs, sockets, and connectors are commonly used in the U.S., Japan, China, Australia and EU countries. All of the Company's power cords have received safety approvals from national certification bodies in various countries. Cables, plugs, sockets and connectors, and all power cord products have been certified as safe by certification bodies of many countries.

- ① LED red and blue double flashing light power cord extension series – used in the transmission of AC power cord ends via a plug and a socket at both ends of the power cord. In the plug and socket are one of the two embedded light-emitting devices (including a light emitting diode and its DC conversion circuit) which are electrically connected to the power cord, so that the light-emitting diode light indicates the location of the power extension cable. The power status of the extension cable is also easy to observe and judge. We have patented this product.
- ② Low-smoke and halogen-free power cord extension series products – used in places with rated voltage of 450V/750V and below that require high flame retardant power cords. As these power cords have halogen-free and low smoke properties, it is easy for personnel to evacuate in the event of a fire thanks to the slow spreading speed, low smoke concentration, high visibility, and small amount of harmful gas release. As the corrosive nature of combustion gas is small, damage to instruments and equipment is prevented. The low halogen and halogen-free properties make the power cord material much

more resistant to aging and UV rays and other radiation. Due to this, the service life of the power cord is prolonged. The standards are UL 62 and EN 50525-3-11.

- ③ High temperature and low temperature cold resistant power cord extension series – at present, we have successfully developed halogen-free and PVC series products, which have been certified by UL. The temperature resistance range is +105°C to -50°C, meeting the needs of customers while gradually moving towards eco-friendly products.
- ④ Luminescent wire/power cord series products – with PVC as the base material, light storage materials are added. After being irradiated by natural light, daylight, and ultraviolet light, the light energy is stored. When released, the light can still be seen at night or in the dark, and lasts for more than ten hours. Can prevent accidents from tripping over invisible wires in the dark. This product has been patented in China.
- ⑤ Camouflage power cord series – produced by changing the paper wrapping structure to a non-woven fabric printed with various colors without changing the structure of the original cable. Suitable for use in the field, field photography in particular. Camouflage power cords blend in with the natural environment, look good and play a concealing role. This product has been successfully sold in the market and is patented in China and Taiwan.

c. 3C (Consumers\Computers\Communication) transmission line development:

In recent years, the Company has made a name for itself in the field of 3C wire development, especially in the Japanese market, as we have a stable business conducive for rapid expansion:

- ① We assisted a major Japanese electronics manufacturer in developing the world's first multi-functional composite cable for high-speed audio-visual and data transmission, with extremely low signal latency, used for the latest ultra-high resolution (UHD) 4K TV. This product has been well received and adopted by customers and patented in Taiwan and China.
- ② An opportunity to develop car audio/video transmission cables for Japan was taken, with samples sent to related customers. The product meets the conditions of the automotive mechanical environment and the high frequency transmission settings. As the product has now been certified, small volume production will begin shortly.
- ③ In line with specification updates from various associations, we have been proactively investing in the development of HDMI2.0, MHL3.2, and USB3.1 cables. Meanwhile, we have been gradually completing the specification requirements of 18Gbps for HDMI, low power consumption and anti-electromagnetic interference for MHL, and 10Gbps for USB. The new generation of smart and high-definition TVs and mobile phones will meet the needs of the next-generation smart and HD TVs and mobile phones, as well as cloud servers with vast amounts of data transmission and storage.
- ④ The development of ultra-thin coaxial cables has also moved from being applied to LVDS to higher-level silver-plated coaxial cables, such as Apple's 10Gbps Thunderbolt and high-end servers. In addition to high-frequency requirements, flexibility is also a key requirement. The new generation of USB3.1, that also defines the specifications of coaxial cables, will also be included in the development.

d. 3C (Consumers\Computers\Communication) cable assembly:

YFC has been investing in 3C cable assembly for many years. Recently, the Company has completed various automated processes such as hot-bar and laser welding. Highly praised by Japanese customers, the Company received high-volume orders and has also undertaken many high-end products. At the request of customers, the Wuxi factory passed the TS16949 management system certification required by the automotive industry. The development of high-end engineering:

- ① Cable assembly of Japanese car audio/video transmission line.
- ② Development of waterproof cable assembly.
- ③ Assembly design and process development for major Japanese game machine manufacturers.
- ④ Assembly and development of HDMI2.0/MHL3.2/USB3.1, in the low skew, low power consumption and anti-EMI (electromagnetic interference) and other technical requirements.
- ⑤ Transmission lines for high-end cloud servers and storage applications, such as miniSAS HD and QSFP, and the high-frequency precision processing required.

e. IPC (Industrial Personal Computer) cable assembly:

In terms of industrial computer cables, we develop professional signal, video, audio, and power processes according to the needs of customers. Our services have been recognized by major European manufacturers with mass production underway. At present, we have delivered outstanding results.

f. Auto (Automotive) cable assembly:

In terms of automotive cable harnesses, we have already obtained the first-tier customer (Anmeike/Shanghai Mingdian/Qingdao Xingdian/Taicang Shenlian) production qualification for OE depots and Tire1 automotive parts. We have entered mass production and have already achieved outstanding results. At present, we are developing products for new energy and energy storage, which is strongly supported by the Chinese government.

g. Photovoltaic (PV) / New Energy Wire Harnesses:

The Company provides high weather-resistance, high-current, and long-life connection reliability for solar power systems and automotive wire harnesses. The Company currently possesses mature production technology and capabilities, has obtained approval from new energy clients, and has entered the mass production stage.

h. Robotic Wire Harnesses

The Company offers customized wire harness solutions featuring anti-interference, wear resistance, and extreme weather durability for automation equipment, robotics, and new energy equipment. The Company is currently onboarding new clients, and new product development has entered the mass production stage.

ii. R&D overview

Year	Item
2021	A. SF-03/SF-04/SF-06 rubber wire has been certified. B. Utility model – RVVP shielded cable. C. Application for VDE certification of Euro-spec halogen-free plugs (10 models). D. IEC type-C plug connector UL 60320 has been certified – SF-85C&SF-84&SF-80&SF-85A. E. SF-223 & SF-224 US-spec plug has been certified by ETL & cETL. F. The new product development evaluation passed the VDE swing test 250,000 times. G. UL-certified new Philippine’s factory (SF-31, SF-191, SF-82S). H. HDMI 2.1 (Type AM to Type AM Cable Assembly). I. USB 4.0 (Type C to Type C Cable Assembly). J. USB 3.1 Type CM TO CF elbow 32AWG. K. GFCI component self-inspection function. L. 90° PCB-free model KJ design. M. 90° KJ panel color management. N. T03A electronic control harness project (12 harnesses in total). O. SFP 10G 2P 30AWG Cable Assembly L=0.5M. P. Cat.8 S/FTP data center cable has been certified Q. Cable products (including network cables) have been certified by PoE++. R. Collaborate with industry to develop 5G foaming materials and LAN cable applications. S. CAT.6A U/FTP CMP physical foam development.
2022	A. Cat.8 S/FTP Data Center Cable product line production technology development. B. Certification of outdoor and harsh environments for networking cables. C. H03VV-F, H05VV-F Wire & Cord set with KC. D. UL listed CL2/CL3 rated speaker wires. E. Fully automated production line, new Keystone Jack. F. Cable harness 10-100-00341-345 series with 10-100-00521-00 ground wire. G. Industrial robot cable assembly. H. New energy car charging gun. I. Extension cord with spring strain relief. J. Patented IEC C13 locking connector. K. VCTF 0.75mm² X3C SF-31 to SF-87 certified by BSMI in Taiwan. L. LAN CABLE EN 50575 CPR System 1+ has been certified by UKCA. M. UKCA certification. N. STARLINK CABLE. O. Jointly developed 5G material for network cable, and improved and upgraded each cable specification. P. CAT.6A UTP test application technology improvement and upgrade Q. Localized material development testing for network cables. R. Mass production of CMP physical foaming cable.
2023	A. Lan CM grade PVC wire – Cat.6 UTP series. B. Lan CMP PVC – Cat.6 UTP&FTP and Cat.5e UTP series. C. Lan CMR PVC – Cat.6/Cat.5e UTP cable. D. Certification for D.Lan LSOH Cable - Cat.6/Cat.6A F/UTP with CPR Dca rating. E. Lan Cat.6 F/UTP 24AWG Non-Foam Cable. F. UL certification for SJTW/SJTOW/SJEOW/SJEOW cables for increased -50°C rating. G. PVC UL CM development. H. Network cable product certified – Philippines Factory.

	I. POE CAT.6/6A shielded/unshielded module. J. Wuxi factory product lines certificated in various countries: * CPR-rated LAN cable * Euro-spec halogen-free wire/plug certified by VDE. * 20 Australia-spec/Euro-spec for certification in various countries * 17 certificates were CCC-updated K. UL 758 UL10269\UL11627\UL3817 certified. L. RG-174/U certified by CM. M. PV energy storage rechargeable battery (outdoor waterproof). N. PV1-F solar panels connected to PV extension cable. O. US-spec 3-prong plug LED lighting male plug/female plug (outdoor waterproof). P. Wire harness assembly board and electrical test board. Q. Large square wire harness riveting and ultrasonic welding production capability (>50 square). R. 3-in-1 terminal machine development.
2024	A. Development and ETL Certification of Cat.8 S/FTP Data Center Cable. B. Design and Development of Molds and Fixtures for Cat.6A Shielded Cable with Aluminum Foil (S-shape) Wrapping Structure. C. Reelex Air Tube Winding Packaging Test and Evaluation. D. Localization of Materials for 5G Foamed Insulation Applications – Chemical Foaming Development. E. VDE Certification for Halogen-free Cables/Plugs (EU Standards). F. Special Locking Cord for NEMA 5-15R Plug (US Standard). G. UL Certification for IEC 60320 C19 & C21 Angled Plugs (Left and Right). H. CCTV Cable. I. UL 1332 22AWG + 2.5mm² XLPE YG HSG to XH2.5 HSG Cable Assembly. J. ETL Certification for SF-84S (90°). K. High-voltage Automotive Wiring Harnesses: AC600V/DC900V & AC1000V/DC1500V Single-core Shielded and Unshielded. L. LAN Cable CAT.6 U/UTP with B1 Flame-retardant Rating per GB/T 31247. M. CQC Certification for Conductive Charging System Cables for Electric Vehicles.
2025	A. Localization of 5G Foamed Insulation Materials for Application Development – Physical Foaming. B. Vietnam Fire-resistant Cables (Compliant with IEC 60331 and BS 6387 CWZ Standards). C. PSE Certification for Five Types of Japanese Standard Plugs. D. Certification for IEC Locking Plugs (300K/82K). E. Patch Cord with Boot for Cable Protection. F. Development of LAN Cable Series with Special Structures for Outdoor Applications. G. CAT.6A Toolless RJ45 Plug Connector. H. EV-Cable development (GB/T, UL, and TUV certifications). I. Industrial network cable with 10-million-cycle drag chain rating. J. Wire harness assembly and electrical testing dashboards. K. UL CM-grade plastic granule development and certification. L. CE certification and maintenance of 4 cable specifications under mandatory CPR (Construction Products Regulation) standards for Wuxi building codes.
2026 Key Development Projects	A. Cat.6A UTP 1/0.56 with insulated Al-Mylar longitudinal wrap. B. Cat.6A U/FTP SLD S-FOIL wrapping. C. Development of new Type CMR/CMP grade materials (including insulation and jacket compounds) compliant with physical and electrical requirements. D. Cat.6A UTP SLD with dual Al-Mylar foil structure. E. Fire Alarm Cable (13~20 AWG). F. Development of robotic wire harnesses. G. Certification for UL-standard locking products and development of pull-tab plugs. H. Development of (32) UL-standard flat/fan-shaped plugs. I. Development of industrial control cable series for drag chain, torsion, and bending applications.

iii. R&D personnel and their academic (experience)

Year		2024	2025	Up to March 31, 2026
Education	Master or above	0%	12.5%	12.5%
	College	69.77%	75%	75%
	High School	30.23%	12.5%	12.5%
Average Years of Experience (years)		6.8	7.67	7.92

iv. R&D expenses for the past five years

Thousand NTD

Year	2021	2022	2023	2024	2025
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Item					
R&D Expenses	47,436	43,883	49,812	51,813	43,789
Operating Income	12,446,928	11,670,625	9,837,931	10,099,673	8,362,383
Ratio	0.38%	0.38%	0.51%	0.51%	0.52%

v. R&D patent applications for the past five years

Year	2021	2022	2023	2024	2025
Number Of Applications	2	1	0	9	6
Under Review	0	0	0	3	3
Application Approved	2	1	2	2	7

vi. Technology or product successfully mass-produced

- (1) Fiber optic jumper wire approved by the Directorate General of Telecommunications
- (2) LAN cable certified by UL and ETL.
- (3) LAN cable certified by 3P, GHMT.
- (4) Teflon CMP wire, with the highest safety level required in the U.S. market, was certified by UL, now in mass production and on sale.
- (5) The self-made LAN cable machine was completed. Patents have been obtained for separate drive type winding, the integrated shield for network cable connectors, and the one-piece mold for the protective interface of telecommunication connectors.
- (6) Utility model for telecommunication connector plug was obtained.
- (7) Finalized the development of a complete set of connectors and cable wiring system products for high-speed LAN and obtained the certification from third party. As high-end multi-connectors such as Cat.6 UTP 4-connector links have passed 3P certification testing and CAT.6 UTP 6-Connector Channel has passed ETL certification, mass production and sales are now in process.
- (8) The structure and the features of Keystone Jack products have been improved and enhanced, including 0.5U UTP/FTP Patch Panel, LED KeyStone Jack, Cat.5e/Cat.6 mini KeyStone Jack, CAT 5e/6 1U 24port FTP in-line coupler type patch panel, and CAT 5e/Cat.6 Angle Type UTP 24 Ports Patch Panel 110 Type IDC. Development has been completed and mass production and sales are now in process.
- (9) Automatic assembly machine for KeyStone Jack.
- (10) USB 2.0/3.0 CABLE & CABLE ASSEMBLY has been certified and tested by the USB Association.
- (11) HDMI CABLE & CABLE ASSEMBLY has been certified and tested by HDMI Association.
- (12) The application and appearance of the equalizer IC chip embedded in the HDMI long cable and thin cable have been developed and the length of cable has been extended to meet market demand. These products are now in mass production and on sale.
- (13) Cable products for HDMI mini (C type) and HDMI micro (D type) have been certified and tested by MHL Association.
- (14) MHL Cable & Cable assembly is certified and tested by MHL Association. Standards are periodically updated. At present, MHL 3.2 has been certified for use in smartphone displays, and is now in mass production and on sale.
- (15) High-frequency standard cables such as HDMI, USB2.0/3.0, MHL, and DisplayPort cables are produced and cable assembly products are stripped and soldered for automated production and assembly processing.
- (16) Test fixtures and test techniques for various 3C high frequency products completed.
- (17) Composite cable and cables for HDMI 2.0/USB for 4K TV have been successfully developed, with orders from Japanese customers received, and a utility model obtained in China and Taiwan.
- (18) Cable products in USB for high current applications.
- (19) The development of high-temperature flame retardant ultra-fine electronic wire has been completed, and is now in mass production and on sale.
- (20) Product completion production and assembly processing for sensor line series applications.
- (21) Power cord set for LED flashlight has been patented, and is now in mass production and on sale.
- (22) Snowmelt series for the U.S. market have been certified by UL and are in mass production ready for market launch.
- (23) SF-31L+SF-52N high transparent plug and SF-31/SF-31L/SF-31S one-piece inner frame have been certified by UL for efficient terminal riveting automatic import.
- (24) In-line Outlets Cord.
- (25) GFCI outdoor use cord set has been certified by CSA/CSAus in North America to meet market demand, and is now in mass production and on sale.
- (26) Luminescent cable development.
- (27) The second/third/fourth generation laser projection lamp has been certified by ETL/FCC/FDA in the Americas. This product is manufactured by Wuxi factory and successfully sold in North American markets.

- (28) AWG thin wire for network cable 28/30/32/3430 has been successfully developed, and is now in mass production and on sale.
- (29) Industrial control high current output cable UL 2586 was developed and prototyped, thus entering the industrial control sector.
- (30) Camouflage wire development.
- (31) Integrated inner frame certification report (SF-21,SF-34,SF-35,SF-82) & electric wire components have been certified by CCC.
- (32) NEMA 5-15 (SF-195,SF-196,SF-197) new appearance and C19,C20 US-spec have been certified by UL & CUL.
- (33) Development of CAT.6A and CAT.7A series network cables completed.
- (34) Development of USB 3.1 Type C To USB 2.0 AM Cable Assembly completed and certified.
- (35) Development of Sensor Cable Project 11B and Sensor Cable Project 37A completed, and are now in mass production and on sale.
- (36) Developed two types of 4th generation laser projection lamps: high-end version and Northern Lights version to provide diverse options for customers. These have been certified by ETL/FCC/IC/FDA in the Americas, with orders received.
- (37) Wireless charging standard and self-developed long-distance charging two-in-one type, designed for automotive applications.
- (38) Stealth Bluetooth headphones, designed for automotive applications.
- (39) In-vehicle wireless functions to expand versatility.
- (40) In-vehicle electronic noise reduction (anti-noise).
- (41) Euro-spec halogen-free plug and power cord series products.
- (42) IEC type-C plug connector UL 60320 has been certified.
- (43) Power cords and power cord sets have been certified by BSMI in Taiwan.
- (44) EL cold light fluorescent line power cord.
- (45) The new factory for the production of power cord products has been tested and certified by UL and ETL.
- (46) Cat.6A U/FTP CMP physical foamed wire.
- (47) PoE Plus for LAN cable applications have been certified by UL.
- (48) Collaborate with industry to develop 5G foaming materials and LAN cable applications.
- (49) Waterproof product development and patent: For example, special waterproof outdoor cable is anticipated to replace the conventional outdoor cable.
- (50) New certifications (UL, ETL) of the Philippines Factory
- (51) Development of Cat.6 180° PCB-free module completed
- (52) Development of PCB-free KJ design product completed.
- (53) Development of GFCI component self-inspection function completed.
- (54) As European building regulations specify that halogen-free flame retardant and fire resistant network cables must be used, safety requirements have further improved the flame retardant performance and other requirements of smoke volume and non-corrosive gas release during combustion. With these regulations being widely implemented in Europe, other countries around the world have established regulations based on the Construction Products Regulation (CPR). The Company's common cable specifications have been tested under the CPR and will gradually complete other wire products to enhance competitiveness in the market.
- (55) Embossed power extension cable has been developed to enhance the appearance of product cables.
- (56) SF-03/04/06 add rubber wire H05RN-F 0.75-1.0mm VDE/ASTA have been certified.
- (57) Utility model application – RVVP shielded cable.
- (58) HDMI Premium Cable Assembly development and automated processing.
- (59) USB4.0 Type C to C Cable Assembly development and automated processing.
- (60) China National Standard 90 degree male plug + 2+3PIN 16A female plug developed.
- (61) SF-03 TO SF-87 has been certified by KC.
- (62) Speaker wire certified by UL CL2/ CL3 in the Philippines.
- (63) New energy car charging gun.
- (64) Industrial robot cable assembly.
- (65) Cable harness for new energy.
- (66) SF-31 & SF-87 has been certified by BSMI.
- (67) UKCA certification.
- (68) Cat.8 S/FTP Data Center Cable product line production technology development.
- (69) Jointly developed 5G material for network cable, and improved and upgraded each cable specification.
- (70) Certification for Cat.6 and Cat.6A F/UTP LSOH with CPR Dca rating.
- (71) Cat.5E UTP 24AWG and Cat.6 UTP 23AWG with dual-layer core insulation, CMR rating.
- (72) New structural design for Cat.6 UTP 23AWG w/o cross and Cat.5E UTP 24AWG CMP.
- (73) Cat.6 F/UTP 24AWG Non-Foam Cable.
- (74) Outdoor network cables for harsh environments with UL758 AWM certification.

- (75) Development of new PVC UL CM compound.
- (76) Network cable product certification - Philippines factory.
- (77) POE CAT.6/6A shielded/unshielded modules.
- (78) Various product certifications for Wuxi factory:
 - Lan Cable European CPR certification.
 - Australian/European 20 plug models certification for related countries.
 - Maintenance of 17 certificates for Chinese national standard CCC updates.
- (79) Evaluation of RG174 coaxial cable CM certification.
- (80) US standard 3-prong LED lighting plugs (male/female, outdoor waterproof).
- (81) PV1-F solar panel photovoltaic extension cable.
- (82) Production capability for large gauge wire harness crimping and ultrasonic welding (>50 sq mm).
- (83) European Standard Power Cord VDE Certification
- (84) LAN Cable Series – CPR Cca & B2ca Certification at Wuxi Plant.
- (85) NEMA 5-15R Plug Special Locking Cord (US Standard)
- (86) IEC 60320 C19 Angled Plugs (SF-300R, SF-300L) UL Certification.
- (87) IEC 60320 C21 Angled Plugs (SF-229, SF-229R, SF-229L) UL Certification.
- (88) CCTV Cable.
- (89) UL 1332 22AWG + 2.5mm² XLPE YG HSG to XH2.5 HSG Cable Assembly.
- (90) ETL Certification for SF-84S (90°).
- (91) In-vehicle High-voltage Wiring Harness AC600V/DC900V, 1.5mm²–70mm² Single-core Shielded and Unshielded; AC1000V/DC1500V, 10mm²–120mm² Single-core Shielded and Unshielded
- (92) LAN Cable CAT.6 U/UTP with B1 Flame-retardant Rating (GB/T 31247).
- (93) CQC Certification for AC Charging Cables for Electric Vehicles.
- (94) UKCA Certification for CAT.5E, CAT.6 U/UTP & CAT.6A U/FTP.
- (95) Fire resistant cable (shielded & unshielded)
- (96) C13 (SF-82K) and C19 (SF-300K) locking plugs
- (97) Cat.6A Inline Coupler and Toolless Plug
- (98) UL1330 18AWG FEP HSG TO OPEN cable assembly
- (99) European standard plug certification for the Philippines
- (100) Flexible/Bendy network patch cords
- (101) Thermistor wire harness assembly (Nanyang Electric)
- (102) CAT.6A SFTP patch cord with LDPE short molding (YS-61)
- (103) SF-198 (IEC60320-C15) European certification
- (104) Localization of material supply: Development and application of 5G chemical foaming insulation materials
- (105) Vietnam fire resistant cables (compliant with IEC60331 and BS6387 CWZ standards)
- (106) PSE certification for five Japanese standard plug models
- (107) IEC locking plug (300K/82K) certification
- (108) Patch cords with strain relief (boot) for cable protection
- (109) Development of LAN cable series with special structures for outdoor applications
- (110) CAT.6A Toolless RJ45 Plug connector
- (111) EV-Cable development (GB/T, UL, and TUV certifications)
- (112) Industrial network cable with 10-million-cycle drag chain rating
- (113) Wire harness assembly and electrical testing dashboards
- (114) UL CM-grade plastic granule development and certification
- (115) CE certification and maintenance of 4 cable specifications under mandatory CPR (Construction Products Regulation) standards for Wuxi building codes
- (116) Reelex Air Tube winding and packaging test evaluation

vii. Long- and short-term R&D projects for new products or services

The Company's network cables, automotive wire harnesses, and solar cables are expected to grow alongside the development of the U.S. infrastructure, satellite industry, automotive and green energy industries. The Company's main future development direction will focus on the continuous development of related products for internet surveillance, industrial, and automotive system product lines.

- (1) Please refer to R&D overview for 2025.

- (2) The Company takes a proactive approach to utilizing sources and selecting suppliers in order to reduce costs.
 - (3) In terms of cable products and ultra-thin electronic wire products, we will accelerate production capacity and efficiency at the Wuxi Factory in China while strengthening and evaluating our collaboration with the assembly factories. In doing this, we aim to capture new product markets and increase the Group's profitability.
 - (4) In response to the pressures arising from decreasing profit margins, we will proactively integrate upstream and downstream suppliers to reduce costs. At the same time, the self-production of some key components including mold and plastic injection parts at the Wuxi factory has already started.
 - (5) Taking into consideration the application of wiring products in construction, our cables will be developed with the aim of reducing the complicated manufacturing process. In doing so, we will be able to enhance the added value and competitiveness of products.
 - (6) We will improve production technology, efficiency and quality systems and proactively invest in OEM/ODM consumer cable assembly products in Japan.
 - (7) By integrating high-frequency technology and equipment, we have developed our own high-frequency tools and calibration programs.
 - (8) We have proactively completed the development of cloud applications to meet the high-end demand for new installations in data.
 - (9) At the same time, we have invested in high-speed audio, video and data transmission line sets for automotive applications.
 - (10) Since Brexit we have developed and certified the cables used in the UK in accordance with the CPR in order to meet the demand in the UK, improving our competitiveness in that market.
 - (11) 15 UL TPE\TPU\PVC products have been certified by UL.
 - (12) Double-layer power cords have been developed.
 - (13) RF Power wireless charging products are set as "for cars" and "portables" in the market, entering the wireless consumer product segment.
 - (14) Development of in-vehicle cable products, including HVE1133-1134 26AWG*4C Waterproof Cable Ass'y, HVE1221 26AWG*4C Cable Ass'y, etc.
 - (15) Development of industrial wires.
 - (16) Cat.8 S/FTP Data Center Cable Product Certification.
 - (17) Outdoor Network Cables and Certification for Harsh Environments.
 - (18) US Standard Extension Cord with Dual Outlets.
 - (19) New Energy Vehicle Charging Gun.
 - (20) CAT.6A Toolless RJ45 Plug Module.
 - (21) Localization of material supply: Development and application of 5G physical foaming insulation materials. Multinational Certifications for Product Lines at Wuxi Plant.
 - (22) Localized Collaboration with Suppliers: Plastics and Packaging Materials for Network Cables.
 - (23) UK Building Code Compliance – Mandatory CPR Standard and UKCA Certification for Four Cable Specifications.
 - (24) Enhancement of plug aesthetic design
 - (25) UL certification application for new Type CMP plenum-grade LAN cable materials
 - (26) Plastic granule development: colored PVC, imitation TPE for insulation & jacket materials, modified silicone, and flexible PVC
 - (27) Development and improvement of new PVC/LSOH cable structures and materials – patented structure for Cat.6A UTP cable
 - (28) Design and development of Al-Mylar foil (S-Foil) wrapping structure for Cat.6A shielded cable
 - (29) Development of robotic wire harnesses
 - (30) Certification for UL-standard locking products
 - (31) Development of UL-standard pull-tab plugs
 - (32) Development of UL-standard fan-shaped plugs
 - (33) Development of industrial control cable series for drag chain, torsion, and bending applications
4. Long-term and short-term business development plans
- i. Short-term business plan:
 - a. Actively expand the customer base beyond the group by targeting key clients for technical services, fostering deep collaborations, and broadening the product line.
 - b. Continue to develop industrial, robotics, and automation-related cables to meet customer expectations for one-stop ordering by offering a diverse range of cables and harnesses. Register for well-known exhibitions in Europe and the United States to increase brand exposure.
 - c. In response to the smart manufacturing trend, expand into the industrial-grade network patch cord market to differentiate from the existing mid- to low-end consumer market and traditional distribution channels.

- d. Focus on strengthening the European and Japanese markets for industrial and smart production equipment to boost development and sales of industrial cables.
 - e. Enhance production efficiency and shorten lead times at the Philippine plant to better meet demand from North American and non-North American markets in response to Trump Tariff 2.0.
 - f. Expand the industrial control cable production lines at the Philippines plant to meet the requirements of U.S. clients.
- ii. Long-term business plan:
- a. Continue collaborating with the group's sub-brand Prime on new product development.
 - b. The Company continues to collaborate with a key external client to expand the cable product line. This client has maintained a gross margin of over 30% for many years. In 2025, due to tariff impacts, products were progressively transitioned from other competitors to the Company's Philippines plant, with new products continually being introduced. The sales revenue from this client in 2025 grew by 89% compared to 2024.
 - c. Given that several Central and South American countries establish offices in Florida, USA, due to its strategic geographical location, the Company utilizes this channel to strengthen market promotion across South America. Continue developing high-frequency automotive transmission cables suitable for hybrid and fully electric smart vehicles.
 - d. In response to Trump Tariffs 2.0 and the subsequent fragmentation of the global procurement market, the Philippines plant is expanding its product lines beyond power cords and network patch cords to include industrial control cables, ultra-fine wires, and other product categories.
 - e. Continuing the development of automotive high-frequency transmission cables suitable for hybrid and battery electric smart vehicles.
 - f. Continuing the development of Cross-linked Polyethylene (XLPE) cables to expand into the segment of box cable clients transitioning to building wires, while also meeting the requirements of certain automation equipment clients.
 - g. Collaborating with factories to identify environmentally friendly production and packaging materials to proactively promote ESG-compliant solutions to clients.
 - h. As "Made in USA" or TAA (Trade Agreements Act) compliance may emerge as a new market, the Company is seeking qualified manufacturers for collaborative sales efforts.

II. Market Analysis and Sales Overview

1. Market Analysis

i. Sales Area

Unit: NT\$K

Sales Area \ Year		2025		2024	
		Amount	Ratio (%)	Amount	Ratio (%)
Domestic sales		395,770	4.73	491,299	4.86
Foreign Sales	US	6,692,841	80.03	8,276,137	81.94
	China	257,406	3.08	214,086	2.12
	Canada	344,148	4.12	325,359	3.22
	UK	38,592	0.46	60,645	0.60
	Austria	168,160	2.01	158,343	1.57
	Philippines	184,582	2.21	174,902	1.73
	Othes	280,884	3.36	398,902	3.95
Total Foreign Sales		7,966,613	95.27	9,608,374	95.14
Total		8,362,383	100.00	10,099,673	100.00

ii. Market Share

The Company's power cord and plug products ranging from cords, cables, plugs, sockets, and connectors are commonly used in the

U.S., Japan, China, Australia and EU countries. All of the Company's power cords have received safety approvals from national certification bodies. With leading levels of product technology, we have a relatively high market share in Europe. In terms of other products such as 3C transmission lines, solar energy, energy storage cable assembly and industrial automatic control system cables, we develop professional signal, video, audio, and power processes according to the needs of customers. Our services have been recognized by major European manufacturers with mass production underway. The Company's power cables are mainly used in extension cords in the U.S. retail market. Due to the large number of specifications and the lack of public information that can be used as a reference, no precise market share for the Company's power cords can be calculated. The estimated retail market share is approximately 25%. In addition to online retail channels, network cables are also sold through OEM channels. However, since OEM customers do not disclose their end customers, it is not possible to estimate—let alone accurately calculate—the overall market share.

iii. Future Market Trends

a. Network Cable

By 2030, the global network equipment market is projected to reach USD 175 billion, with a compound annual growth rate (CAGR) of 3.5% from 2024 to 2030. Within this, the Ethernet cable market is expected to reach USD 27.8 billion, growing at a CAGR of 11.4% over the forecast period. Key drivers of this growth include the increasing deployment of IoT-enabled devices across commercial, industrial, and consumer infrastructure, rising global digitalization, and the adoption of advanced technologies such as IoT, edge computing, and 5G. The global network equipment market holds strong growth potential, presenting opportunities for both telecom operators and enterprise markets.

Growth during the forecast period will be driven by security-focused network design, the adoption of IPv6, sustainability initiatives in green networking, and the ongoing evolution of connectivity standards. Major emerging trends include renewed interest in early networking technologies (pre-1990), increasing demand for edge computing devices, and a heightened focus on network security equipment.

Wi-Fi 7 represents a significant leap in wireless technology, offering substantial improvements in performance and flexibility. It boosts maximum transmission speeds up to 46 Gbps—nearly five times faster than Wi-Fi 6, which offers 9.6 Gbps. The penetration rate of Wi-Fi 7-enabled network devices is expected to reach approximately 10%–15% in 2024. This includes Wi-Fi routers, wireless access points, network switches, firewalls, wireless controllers, and IoT devices, all of which provide wireless connectivity, expand network coverage, and manage multiple connected devices.

- ① High-speed network demand growth: There is increasing popularity in 5G technology development and the rapid spread of AIoT applications. In particular, the rapidly changing demand for high-speed networks in industrial automation, distance learning, and video conferencing will facilitate the growth of the network cable market.
- ② High-end customized network cable increase: With digital transformation and the advancement of technology, there is an increase in demand for high-quality, customizable network cable products. For example, there will be an increase in demand for high-quality and highly reliable network cables for robots and automation devices, with network cables pre-installed and customized to specific requirements.
- ③ The importance of environmental protection and sustainability: The common trend of energy-saving and carbon reduction globally will affect the network cable market. For example, the use of renewable materials and the economically durable design of products will be widely adopted to better reduce carbon emission and reduce resource waste.
- ④ Market opportunities brought by 5G standardization: With the development and maturity of 5G technology, there will be new opportunities in the network cable market. For example, network cables with high speed, low latency and high reliability for 5G cell tower construction and smart appliance areas will become the new hot spot in the market.
- ⑤ Power over Ethernet (PoE): In 2024, the global market value of Ethernet Power over Ethernet (PoE) chipsets is estimated at USD 1.28 billion and is projected to reach USD 2.96 billion by 2030, with a compound annual growth rate (CAGR) of 14.85% during the forecast period. PoE solutions provide power to devices such as IP cameras, wireless access points, VoIP phones, and other networked devices without the need for separate power sources. The growing adoption of smart devices, the expansion of the IoT ecosystem, and the increasing demand for simplified and cost-effective network solutions in commercial and industrial settings are key drivers of the PoE chipset market. Technological advancements—such as the development of more efficient and higher-capacity chipsets—have further accelerated market growth, along with ongoing efforts to standardize PoE protocols to ensure interoperability and scalability. The market also benefits from the rising demand for seamless connectivity in smart buildings, smart cities, and enterprise networks, establishing PoE as a critical component of modern network infrastructure.

Overall, with emerging technologies such as 5G technology and AIoT, the network cable prospects will be optimistic, providing a wide range of opportunities for related industries.

b. Power cords:

According to market research, the power cord market will likely show the following trends:

- ① Importance of environmental protection and sustainability: The energy-saving and carbon reduction trend around the world will affect the network cable market. More companies will shift to products with renewable materials and economically durable design to better reduce carbon emission and reduce resource waste.
- ② Thickness and plug standardization: To stand out in the competitive market, power cord manufacturers must constantly meet the demand of consumers in terms of thinner, simpler and more conveniently designed products. At the same time, standardized plugs must also be developed to meet the needs of different countries and regions.
- ③ Energy-efficiency: In recent years, energy-saving products have gained more and more attention. Given this, power cord manufacturers in the market will place emphasis on the development of reliable energy-saving technology to meet consumer demand for green technology.
- ④ Development of smart home market: With the development of smart home market, home appliances are becoming more and more intelligent. In the coming years, the power cord market will also be influenced by this trend. Hence, companies must be more flexible to smart home application and device needs, such as smart regulation and automatic power off, and USB socket

In conclusion, the future power cord market will focus more on environmental protection and energy saving products. Together with the trend of intelligent technology, consumers' needs will be met through standardization.

c. Industrial Control & Robotic Cables

Robotic and automation equipment cables have transitioned from traditional reciprocating, bidirectional movement to operating ranges of 180° or even 360°. Consequently, cable requirements are no longer limited to conventional wear and oil resistance; today, they must endure up to 20 million cycles in reciprocating drag chains, as well as withstand 2D and 3D twisting.

iv. Competitive Niche

a. Diverse Network Cable Products Aligned with Market Trends and Demands

Given the rapidly evolving market for network cables, automation equipment wiring, and related assembly products, the Company actively develops network cable products in response to downstream application demands. This approach ensures alignment with industry trends and market dynamics.

b. Excellent product quality, complete range of products, strong product competitiveness

The Company has accumulated a considerable amount of technology and experience in the production and manufacturing of wires used in networking and automatic industry products. Since its establishment, the Company has constantly improved its product quality and developed a variety of new products in order to meet the diverse requirements of customers. In addition to ISO 9001 (2000 version), IATF16949, UL, ETL and 3P certifications, the Company has also received the Rising Star Award and National Award of Outstanding SMEs from the Ministry of Economic Affairs. This shows that the Company's products have reached an outstanding level.

c. Sales channels to expand product sales, boosting profit sources.

In an effort to effectively reduce production costs while at the same time providing versatile products to meet the diverse needs of customers, we have increased our investment overseas and expanded retailer trading services. We have a branch in the U.S. providing real-time services to large retailers and grasping the sales channels and customer sources for power cords. We also have a subsidiary that operates an e-commerce platform to expand sales channels, to be closer to the needs of the market and consumers.

d. Multiple Production Sites

In addition to its facilities in Taiwan and Wuxi, China, the Company established a factory in the Philippines in 2018 in response to the U.S.-China trade war. This location has increasingly demonstrated strategic advantages amid prolonged tariff tensions. Looking ahead to 2025 and the emergence of Trade War 2.0 policies, U.S.-made or U.S.-approved country-of-origin manufacturing may become a key focus for American procurement. Taiwan, being included in the Trade Agreements Act (TAA) list, is expected to offer a competitive advantage under these new policies.

e. In-House PVC Compound Pellet Production

In recent years, customization and personalization of power cords and patch cords have become increasingly vital. In addition to

specifying colors, many customers have begun requesting special materials. With our in-house PVC compound pellet factory, we can not only match colors according to customer requirements but also propose distinctive appearances and textures for customers to choose from, while effectively reducing external procurement costs.

v. Favorable and unfavorable factors of development and action taken in response

a. Favorable factors

① The popularity of the internet contributing to future growth of internet cables:

The development of innovative applications will drive opportunities for the development of networking software communications technology, as the world enters an era of digital economy. As mobile broadband networks and multiple devices have become more and more common, together with the convergence of AI, big data, cloud computing and IoT, the “digital economy” will become the new economic strategy, shaping society, redefining consumer behaviors and business models. Based on this, the Company’s cables for online communications will see great potential in the future.

② Rise of Automation and Robotic:

With the advancement of AI, demand for robotics and automation is rapidly increasing. High-durability industrial cables, high-speed network cables, and ultra-fine cables—all of which are reliably produced by our Company—can be immediately supplied as part of comprehensive wire harness solutions, presenting new business opportunities.

③ Immense business opportunities in 3C industries:

The development and growth in future information, communications, and consumer electronic products will provide ample room for the development of the Company’s UTP/FTP products. There will be tremendous business opportunities for the Company’s products alongside the continuous growth of the 3C industry.

④ Excellent product quality, complete range of products with international competitiveness:

The Company has accumulated a considerable amount of experience and technology with respect to the production of LAN cables. Meanwhile, the Company makes every effort to improve its product quality and develop new products to meet the diverse needs of customers. At present, our products have been certified by safety standards, such as UL, ETL and 3P. The quality of our products is robust and well received by downstream customers and their products are highly internationally competitive.

⑤ Mature production technology and high efficiency production:

We have accumulated many years of experience in the production of power transmission lines and LAN cables. With our highly efficient production model and efforts to continue to expand into new products, the quality of our products is guaranteed. Meanwhile, we provide information in a timely manner to facilitate management decisions.

⑥ Trade War 2.0:

In response to the U.S.-China trade war and in an effort to reduce production costs, the Company acquired land in the Philippines in 2018 to establish a new manufacturing base. This facility was built to expand production capacity and mitigate the impact of protective tariffs arising from the trade conflict. Despite expectations, no tariff adjustments were made under the Biden administration, prompting U.S. customers to gradually shift their production to the Philippines. With Trump’s potential re-election in 2025 and the anticipated introduction of new tariff policies, the Philippine facility is expected to experience another wave of growth.

b. Unfavorable factors

① Key raw material cost fluctuations will pose an impact on the Company’s profitability

The Company’s primary raw materials are copper wire and PVC pellets, accounting for approximately 70% of the total purchase amount. As these two raw materials are mainly imported, a drastic change in international copper and oil prices will increase the risk of raw material prices. Therefore, international copper and oil prices will affect the Company’s raw material purchase costs, further impacting the Company’s profitability.

Action taken in response:

- ◆ The Company signs a supply contract with major raw material suppliers each year to ensure the stability of raw material sources and prices. We regularly lock in the copper price with the customers with an expiration period of more than 3 months. At the same time, we adopt a stability principle and request that major copper suppliers prepare materials with different delivery schedules. By doing this, we are able to ensure the stability of raw material sources and prices.

- ◆ Information is collected to judge the price trend of raw materials while at the same time grasping the best purchasing time and quantity in line with safe stock levels and economic purchasing quantity.
- ◆ In response to global environmental protection requirements, we will invest in the development of halogen-free materials in order to control the production and quality of raw materials.

② Rising costs of land, labor shortage and relocation of downstream industries

To reduce production costs and meet the needs of downstream vendors, cable manufacturers for 3C products have moved their production lines overseas to increase their competitiveness.

Action taken in response:

- ◆ Moving low value-added product lines to other countries for production and keeping the development of high-end products in Taiwan are the current trends within the industry. To reduce production costs and meet the needs of downstream manufactures, the Company has made plans for overseas investment by moving the production of low value-added products overseas and developing and producing high-level products in Taiwan. By taking this approach, we will enhance the competitiveness of the Company.
- ◆ To tackle labor shortages and increasing wages of workers in China, we have invested in automation development that will replace many manual processes with automated or semi-automated equipment.
- ◆ Entering e-commerce field with upstream and downstream integration
- ◆ In response to the U.S. and China trade war, we have purchased a plot of land in the Philippines to build a factory to expand our production capabilities, further reducing the impact of the trade war and exchange rate risks

③ Risks arising from changes in exchange rates.

The Company's products are mainly sold in Europe and the Americas, accounting for more than 95% of its operating income. In addition, as the Company's copper and PVC pellets are mainly imported, changes in exchange rates of New Taiwan dollar will have a considerable impact on the Company.

Action taken in response:

- ◆ The Company's financial unit always keeps a close eye on foreign currency trend. At the same time, we enhance the contact between our financial personnel and the banks to ascertain their views on exchange rate trends and related information as a reference to hedge exchange rate change risk.
- ◆ To hedge the risk of exchange rate fluctuations, the foreign currency accounts obtained from foreign sales are kept in the foreign-currency deposit accounts at appropriate amounts, according to the exchange rate trend the Company's possible position in the future
- ◆ As the Company has been operating in the industry for such a long time, the quality of products and services is well received by customers. When there is a large fluctuation in international raw material prices, the Company is able to promptly reflect the fluctuation to the customers and adjust the selling price.

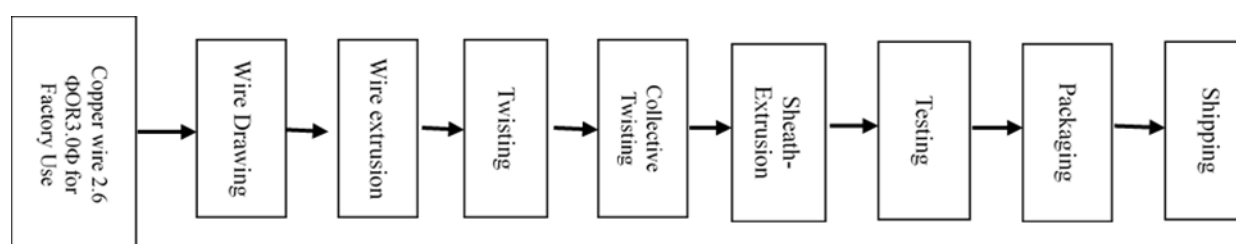
2. Important applications and production processes of major products

i. Applications of major products

Product	Main Applications
LAN Cables	For use in computer networking configuration and peripherals
Network Information Sockets	Network Cable Connection
Power Cords and Plugs	Power Transmission

ii. Production processes of major products

Process of LAN cable production



iii. Supply situation of major raw materials

At present, the Company’s main suppliers are major manufacturers in Taiwan. Due to longstanding cooperation, a stable supply relationship has been established. The major material for LAN cable and power cords is copper and delivery schedules meet the needs of the Company.

iv. List of main purchases and sales supplier and export customers

a. Information on major suppliers for the 2 most recent fiscal years

Unit: NT\$K

No.	2024				2025				Up to 2026 Q1			
	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer
1.	Other	8,771,115	100.00%	none	Other	5,783,486	100.00%	none	Other			None
	Net Purchases	8,771,115	100.00%		Net Purchases	5,783,486	100.00%		Net Purchases			

Note : List of suppliers accounting for 10 percent or more of the company’s total procurement amount in the last two fiscal years and the amounts and percentages of their procurement. If the names of suppliers are not to be disclosed as set forth in the contract, or if the counterparties are individuals and not related parties, they may be listed under the code. For the last two years, the Company had no supplier that accounted for 10 percent or more of the Company’s total procurement.

b. Information on major sales customers for the 2 most recent fiscal year

Unit: NT\$K

No.	2024				2025			
	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer	Name	Amount	Percentage of Net Imports for the Year	Relationship with the Issuer
1.	Client A	2,449,234	24.25%	None	Client A	2,095,731	25.06%	None
	Others	7,650,439	75.75%	-	Other	6,266,652	74.94%	-
	Net sales	10,099,673	100.00%		Net Purchases	8,362,383	100.00%	

Note 1: List of client accounting for 10 percent or more of the company’s total sales amount in the last two fiscal years and the amounts and percentages of their sales. If the names of suppliers are not to be disclosed as set forth in the contract, or if the counterparties are individuals and not related parties, they may be listed under the code.

III. Employee Data in the Past Two Years

Year		2024	2025	Up to 2026 Q1
Number of Employees	Direct Employees	1,043	930	1,019
	General Staff	698	789	816
	Total	1,741	1,719	1,835
Average Age		32.73	34.06	34.37
Average Length Of Service		3.21	3.67	4.59
Education Distribution Ratio	PhD	0%	0%	0%
	Master	1.40%	0.42%	0.36%
	College	37.37%	31.56%	34.47%
	High School	28.25%	36.22%	34.06%
	Below High School	32.98%	31.80%	31.11%

IV. Environmental Protection Expenditure

1. According to the laws and regulations if it is required to apply for a permit for installing anti-pollution facilities, or permit of pollution drainage, or to pay anti-pollution fees, or to organize and set up an exclusively responsible unit/office for environmental issues, the description of the status of such applications, payment or establishment shall be made: The Company and its subsidiaries have obtained

the Stationary Pollution Source Installation Permit and Water Pollution Prevention Permit, and have paid pollution prevention fees and selected employees to participate in training to obtain their environmental protection license in accordance with the regulations, as listed below:

i. Application for Pollution Facility Installation Permit or Pollution Discharge Permit:

Plant	Type of Permit	License No.	Validity
Taiwan Plant	Business Waste Removal Plan	H09310040003	2024.04-2029.04
Dongguan Plant	Business Waste Removal	91441900728770251T001W	2025.04-2030.04
Wuxi Plant	Business Waste Removal	91320205746840268D001X	2024.05-2029.05
Philippines Plant	Business Waste Removal	In compliance with local regulations, all waste is handled by certified waste disposal contractors.	2024.09-2027.09

ii. Payment of pollution prevention and control fees

Plant	Category	2024	2025
Taiwan Plant	Business Waste Removal Fee	NT\$276K	NT\$265K
Dongguan Plant	Business Waste Removal Fee	NT\$34K	NT\$27K
Wuxi Plant	Business Waste Removal Fee	NT\$421K	NT\$140K

iii. Establishment of dedicated environmental protection personnel: None.

2. Setting forth the company's investment on the major anti-pollution facilities, the use purpose of such facilities and the possible effects to be produced:

Plant	Equipment Item	Investment Amount	Use Purpose and Possible Effects:
Dongguan Plant	Automatic Feeders	15,180 thousand	The original manual feeding was replaced with automatic feeders to enhance the quality and productivity of glue, and reduce the loss. Toxic substances such as the dust and oil in the working environment is reduced to significantly improve the environment and employee health.

3. Describe any losses suffered by the company in the most recent fiscal year due to environmental pollution incidents (including any compensation paid and any violations of the environmental protection laws or regulations found in environmental protection inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.
4. Explain the current condition of pollution and the impact of its improvement to the profits, competitive position and capital expenditures of the company, as well as the projected major environment-related capital expenses to be made for the coming 2 fiscal years: None

V. Labor Relations

1. The Company’s various employee welfare measures, continuing education, retirement system and their implementation, as well as the agreement between labor and management and measures for the maintenance of employee benefits
- i. Employee welfare measures:
- a. The Company has set up an Employee Welfare Committee and formulated Employee Welfare Measures for various employee benefits such as subsidies for weddings, funerals and childbirths, employee birthday gifts, employee trips and gathering. We also offer free food and parking discounts and flexible working hours.
 - b. The Company complies with legal requirements by enrolling employees in Labor Insurance and National Health Insurance programs and additionally provides group insurance coverage to further protect employees. Annual health checkups are conducted for all on-duty personnel. In addition to meeting regulatory standards, the Company engages in enhanced on-site medical collaboration by inviting registered nurses to the facilities to provide health education and consultation services. Health seminars are also held on an irregular basis to promote the physical and mental well-being of employees.
 - c. Employees are entitled to year-end bonuses according to the Company’s operations and the performance of the employee, while remuneration is distributed in accordance with the Articles of Incorporation.

ii. Implementation of education and training:

- a. Each year, the Company surveys the training needs of each unit and draws up an education and training plan.
- b. Education and training are provided each year on an unscheduled basis according to the needs of employees.
- c. The Company's employees may take the initiative and take part in education and training courses from time to time or at the request of their supervisors depending on business needs.
- d. After completing an education and training course, the employees shall submit a report on what they have learned so that the effectiveness of the course is tracked with the maximum effect achieved. In doing this, the Company can enhance the quality, knowledge and functions of employees.
- e. We organize in-company seminars by inviting external instructors from different fields, enabling our employees to take in different perspectives and learn experiences while at work.
- f. Implementation of internal and external education and training at the Company's head office in 2025:
The percentage of new employee training was 19.70%, 56.06% for professional function training, 9.09% for supervisor competence training, 10.61% for general knowledge training, and 4.55% for self-initiated training. The total training hours were 915 costing a total of NT\$162,394

iii. Retirement system

The Company was approved to establish a Labor Retirement Reserve Supervisory Committee by Letter(76) Fu-She-Lao-Zi No.044813 in April 1987. Each month, the Company contributes 2% of the total wage of the employee to the Labor Pension Fund to be deposited into the employee's special account. In line with the implementation of the Labor Pension Act (New System), the Company amended its Employee Retirement Rules on July 1, 2005. Since then, the Company has made a monthly contribution of no less than 6% of the monthly wage of the employee to be deposited in a personal pension account.

iv. Agreement between labor and management and various employee rights maintenance measures:

- a. At YFC, we abide by the Labor Standards Act, the Employment Service Act, and the Act of Gender Equality in Employment. Moreover, we have established our "Personnel Management Regulations," serving as a basis for the management of attendance, employee benefits and business trips and leave. The Personnel Management Regulations were formulated in accordance with the Labor Standards Act with reference to industry and social order, protecting the legal rights and interests of employees.
 - b. We regularly hold a labor-management meeting to promote the Company's policies and to understand the employees' opinions through grievance channels. The employees' opinions are valued and effectively communicated and appropriately handled.
 - c. The Employee Welfare Committee consists of representatives elected by each department. Moreover, meetings are regularly held for employee welfare measures and activities.
2. List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and, in the future, and measures being or to be taken: The Company keeps open communication with its employees. There was only one labor dispute in 2024, which was resolved during the year through third-party mediation.

VI. Cyber Security Management

1. Cyber security risk management framework, cyber security policy, specific management plans and resources invested in cyber security management.
 - i. Cyber security risk management framework
The Information Department under the Group's General Management Department is responsible for coordinating and implementing the information security policy, and it is the information security authority and responsibility unit in the company. Company has hired one chief Information security officer who dedicated it. As well as this, the Information Department also oversees the promotion of information security, enhancement of the awareness of information security among employees, collection and improvement of the organization's information security management system. The audit unit conducts an information security audit in accordance with the internal control system – electronic computer cycle to evaluate the effectiveness of internal controls on the Company's information operations.
 - ii. Information security policy
The Company's current cybersecurity measures are implemented in accordance with the Group's information security policy, aiming to strengthen information security management and ensure the confidentiality, integrity, and availability of its information assets,

thereby maintaining a stable environment for continuous operation of information services.

To implement information security management, the Company has formulated an internal control system – electronic computer cycle and report to the board of director periodic. Company is will to achieve the goals below through the joint efforts of all employees:

- Ensure the consistency of the computer information system operation and various processes
- Ensure that the computer information system is run properly, avoiding errors and improving work efficiency.
- Perform regular information security audits to ensure information security is implemented.

iii. Specific management methods

Internet information security control	Data access control	Response and recovery mechanism	Promotion and verification
♦ Group network built with VPN communication ♦ Firewall set up ♦ Periodic virus scanning of computer systems and data storage media ♦ The use of all network services shall be conducted in accordance with the information security policy ♦ Regular review of system logs for network services with abnormalities tracked	♦ Computer equipment shall be kept by a specific person and account number and complex password set ♦ Different access privileges are given according to function ♦ Privileges of departing personnel are cancelled ♦ Prior to disposing of equipment, confidential, sensitive and licensed software shall be removed or physically destroyed. ♦ Remote access management information systems shall be approved by the relevant supervisor	♦ Regular review of emergency response plan ♦ Regular system recovery drills each year ♦ Establish system backup mechanism and implement remote backup ♦ Regular review of computer network security control measures	♦ Promote information security information to build up awareness among employees ♦ Cyber security check is conducted each year by the audit unit

iv. Implementation status

- The Company has not experienced any major cybersecurity incidents resulting in operational losses in the past three years.
 - In the fourth quarter of 2024, the Company established the Information and Communication Security Management Promotion Committee and implemented its Information Security Policy, which was announced by the Group General Manager.
 - The Company continues to implement its information security management objectives by regularly conducting recovery drills in accordance with its cybersecurity risk assessment plans and incident response and notification procedures, in order to safeguard the security of critical systems and data.
2. List any losses suffered by the company in the most recent 2 fiscal years and up to the prospectus publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts as to why it cannot be made shall be provided: None.

VII. Major Contracts

Nature Of Contract	Parties Involved	Period	Main Contents	Restricted Terms
Long-term revolving guarantee loan	Shin Kong Commercial Bank	2013.10.02-2028.10.02	Land and plant as guarantee	None
Loan-term land purchase guarantee loan	Bank of Taiwan	2020.02.25-2040.02.25	Land guarantee	None
Long-term loan contract	Bank of Taiwan	2019.12.30-2026.12.30	Taiwanese businessmen returning to Taiwan for investment project	None
Contract for material purchase	Walsin Lihwa Corporation	2026.01.01-2026.12.31	Copper wire purchase	None
Contract for material purchase	Pacific Electric Wire & Cable Co., Ltd.	2026.01.01-2026.12.31	Copper wire purchase	None

E. Review & Analysis of Financial Position, Performance, and Risk Management

I. Analysis of Financial Status

Unit: NT\$ thousand				
Year	2025	2024	Increase (decrease) amount	Change ratio
Item				
Current assets	6,441,353	6,878,439	(437,086)	(6.35)

Property, plant and equipment	1,065,654	1,125,712	(60,058)	(5.34)
Right-of-use assets	381,245	555,442	(174,197)	(31.36)
Intangible assets	596,793	637,134	(40,341)	(6.33)
Other assets	601,574	588,818	12,756	2.17
Total assets	9,086,619	9,785,545	(698,926)	(7.14)
Current liabilities	4,680,332	5,426,190	(745,858)	(13.75)
Non-current liabilities	1,246,810	1,047,729	199,081	19.00
Total liabilities	5,927,142	6,473,919	(546,777)	(8.45)
Share capital	1,464,627	1,464,627	0	0.00
Additional paid-in capital	988,829	988,829	0	0.00
Retained earnings	769,296	753,683	15,613	2.07
Other interests	(63,275)	99,267	(162,542)	(163.74)
Treasury stock	—	—	—	—
Non-controlling interests	0	5,220	(5,220)	(100.00)
Total equity	3,159,477	3,311,626	(152,149)	(4.59)
1. Description of material changes: (1) The decrease in right-of-use assets was primarily due to the continuous depreciation and amortization, as there were no significant additions or early derecognitions in 2025. (2) The decrease in other equity was primarily due to the recognition of exchange differences on translation of foreign operations' financial statements, resulting from exchange rate fluctuations in 2025. (3) The decrease in non-controlling interests was primarily due to the liquidation of a subsidiary accounted for using the equity method in 2025. 2. Response plan: The above changes did not pose material impact on the Company				

II. Analysis of Financial Performance

1. Comparative analysis of operating results

Unit: NT\$K

Item \ Year	2025	2024	Increase (decrease) amount	Change ratio
Operating income	8,362,383	10,099,673	(1,737,290)	(17.20)
Operating costs	5,975,160	7,449,045	(1,473,885)	(19.79)
Gross profit	2,387,223	2,650,628	(263,405)	(9.94)
Operating expenses	2,173,190	2,321,453	(148,263)	(6.39)
Operating profits	214,033	329,175	(115,142)	(34.98)
Non-operating income and expenses	(85,175)	(133,867)	48,692	(36.37)
Pre-tax income	128,858	195,308	(66,450)	(34.02)
Income tax expense	10,331	59,397	(49,066)	(82.61)
Net income (loss)	118,527	135,911	(17,384)	(12.79)
Other comprehensive income (net after tax)	(162,941)	231,197	(394,138)	(170.48)
Total comprehensive income for the period	(44,414)	367,108	(411,522)	(112.10)
Description of material changes: (1) The decrease in operating income was due to the decline in operating revenue in 2025. (2) The increase in non-operating income and expenses was primarily due to an increase of NT\$49,452 thousand in government grants received by the Group in 2025 compared to 2024. (3) The decrease in income tax expense was due to the reduction in profit resulting from lower operating revenue in 2025. (4) The decrease in net income before tax and net income for the period was due to the reduction in profit resulting from lower operating revenue in 2025. (5) The decrease in other comprehensive income (net of tax) for the period was primarily due to the decrease in cumulative translation adjustments in 2025. (6) The decrease in total comprehensive income for the period was due to the reduction in net income for the year 2025.				

2. Sales volume forecast and the basis therefor, and describe the effect upon the company's financial operations as well as measures to be taken in response:

According to the historical data of the Company's operating income and with reference to forecasts of professional forecasters in the power cord and cable industry, it is expected that the sales volume and revenue of the Company in the coming year will remain optimistic.

III. Analysis of Cash Flow

1. Analysis of changes in cash flows in the past two years

Unit: NT\$K

Item	2025	2024	Increase (decrease) number	Change ratio
Net cash inflow (outflow) from operating activities	624,124	126,589	497,535	393.03
Net cash inflow (outflow) from investing activities	(135,419)	(276,230)	140,811	(50.98)
Net cash inflows (outflows) from financing activities	(366,179)	126,459	(492,638)	(389.56)

Description:	
(1) Operating Activities:	The increase in accounts and notes receivable in 2025 compared to 2024 led to an increase in operating cash inflows.
(2) Investing Activities:	The decrease in cash outflows from investing activities was due to lower expenditures on property, plant, and equipment in 2025 compared to 2024.
(3) Financing Activities:	Due to the reduction in short-term borrowings in 2025, financing activities shifted from a net cash inflow to a net cash outflow.

2. Liquidity analysis for the coming year.

Unit: NT\$K

Cash balance at the beginning of the period	Projected full-year net cash (out)flows from operating activities	Projected full-year cash (out)flows	Projected cash surplus amount	Remedies for projected cash shortfalls to maintain a comparable cash balance	
				Investment plan	Financing plan
1,490,268	624,124	(1,114,392)	1,000,000	0	0
Liquidity analysis: The net cash inflow from operating activities for the year was mainly due to the collection of sales revenues in 2026; the net cash outflow for the year was mainly due to the payment for raw materials and repayment of bank borrowings.					

IV. Major Capital Expenditures and Impact on Financial and Business

In 2025, the Company or its subsidiaries did not have significant capital expenditures.

V. Reinvestment Policies and Main Profit/Loss Reason of the Past Year and Improvement Plans, with Investment Plans for the Coming Year

- Reinvestment profit or loss for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans for the coming year:

Unit: NT\$K

Investee	Investment Income (Loss) for the Most Recent Year	Investment Policy	Profit or Loss and Main Reasons	Improvement Plan
YFC-BONEAGLE ELECTRIC (B.V.I) CO., LTD.	29,383	A holding company established for reinvestment in the Philippines, Mainland China, and the United States.	Mainly due to the recognition of investment income from subsidiaries.	Not applicable
BESTLINK NETWARE, INC.	(13,583)	Engaged in trading business.	Mainly due to insufficient revenue scale to cover costs.	Continually expand business and increase client orders.
UNC INVESTMENT & DEVELOPMENT INC.	80,361	Engaged in real estate investment business.	Maintaining stable operations and sustained profitability.	Not applicable
PREMIUM-LINE KSI GMBH	(2,888)	Engaged in trading business.	Losses were primarily due to the operations not yet reaching economies of scale.	Continually expand business and increase client orders.
MONOPRICE HOLDINGS, INC.	(81,418)	A holding company established for reinvestment in the United States.	Primarily reflects the recognition of gains/losses from MONOPRICE, INC.	Not applicable

Investee	Investment Income (Loss) for the Most Recent Year	Investment Policy	Profit or Loss and Main Reasons	Improvement Plan
PREMIUM-LINE SYSTEMS GMBH	0	Engaged in trading business.	No such occurrence.	Not applicable
YUE FONG COMPANY LIMITED	(6,183)	Engaged in trading business.	Losses were primarily due to unstable revenue.	Continually expand business and increase client orders.
Europower International Ltd.	7,970	Engaged in trading business.	Stable operations and continuous profitability.	Not applicable
YFC-BONEAGLE HOLDINGS (CAYMAN) CO., LTD.	(3,023)	A holding company established for reinvestment in Mainland China and the United States.	Primarily reflects the recognition of gains/losses from PRIME WIRE & CABLE, INC.	Not applicable
EUROPOWER INTERNATIONAL LIMITED	(5,410)	Engaged in trading business.	Order intake has been transitioned to the Taiwanese parent company, Yue Fong, since 2019.	Subsequent related operating expenses will be covered by the Taiwanese parent company, Yue Fong.
UNIVERSAL NETWORK CORPORATION	(7,325)	A holding company established for reinvestment in Mainland China.	Primarily reflects the recognition of gains/losses from Wuxi Guofeng Electronics Technology Co., Ltd.	Not applicable
MAX SYNERGY LIMITED	0	A holding company established for reinvestment in Mainland China.	The Company completed the liquidation of this subsidiary in the second quarter of 2025.	Not applicable
PREMIUM LINE ASIA LTD.	(13)	Engaged in trading business.	No such occurrence.	Not applicable
YFC-BONEAGLE INTERNATIONAL, INC.	(13,534)	Engaged in trading business.	Losses were primarily due to the continuous expansion of operating scale, where economies of scale have not yet materialized.	Continually expand business and increase client orders.
YFC DEVELOPMENT CORPORATION	(98)	Engaged in real estate investment business.	Losses were primarily due to ongoing investments, resulting in revenue being insufficient to cover expenses.	Upon completion of the factory construction, the corresponding rental income will bring profitability to the company.
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS.	60,400	Production and sales of various wires, cables,	Stable operations and continuous profitability.	Not applicable

Investee	Investment Income (Loss) for the Most Recent Year	Investment Policy	Profit or Loss and Main Reasons	Improvement Plan
		power cords, connectors, and sockets.		
BESZIN CORPORATION INC.	57	Engaged in trading business.	Gains or losses were primarily driven by exchange rate fluctuations.	Not applicable
PRIME WIRE & CABLE, INC.	1,327	Sales of power cords, power cord sets, and structured cabling systems.	Stable operations and continuous profitability.	Not applicable
MONOPRICE, INC.	(81,418)	Engaged in trading business.	Temporary losses were primarily caused by the ongoing impact of tariffs from the US- China trade war, which could not be immediately reflected in selling prices.	Optimize the product sales mix, focusing primarily on high- margin and high- turnover commodities.
Dongguan YFC Boneagle Electronics Technology Co., Ltd.	(3,384)	Production and sales of various wires, cables, power plugs, and sockets.	Mainly due to a decrease in market demand, which resulted in corporate losses.	Continually expand business and increase client orders.
Wuxi Universal Network Corporation	(7,764)	Production and sales of high-speed broadband local area communication networks, etc.	Caused by a reduction in production volume, with a portion of the capacity relocated to the Philippines plant.	Continually expand business and increase client orders.

2. Investment plans for the coming year: None

VI. Risk Items Analysis of the Past Year and up to the Annual Report Publication Date

1. The impact of interest rate, foreign exchange rate, and inflation changes on the Company's financial performance and the corresponding response strategies :

i. Effect of interest rate changes

Interest expenses for the Company and subsidiaries in 2025 and 2024 were NT\$164,091 thousand and NT\$175,986 thousand, respectively, representing 1.96% and 1.74% of operating incomes for each year. In terms of measures in response to interest rate changes – the Company and its subsidiaries designate specialists to evaluate the interest rates over bank borrowings according to changes in market rates and keep in close contact with the banks to evaluate capital market and monetary market interest rates. Furthermore, various financial instruments (e.g., issuance of convertible bonds or cash capital increase) are used gain more favorable borrowing rates in order to reduce the risk of changes in interest rates. Based on this, there are no expected rate changes that will result in significant risk to the Company's gain or loss.

ii. Effect of exchange rate changes

Net foreign currency exchange gains (losses) for the Company and subsidiaries in 2025 and 2024 were NT\$(5,945) thousand and NT\$9,549 thousand, respectively. The Company's proposed future measures for changes in exchange rates are as follows:

- a. The financial unit maintains close contact with the foreign currency department of our financial institutions and collects information associated with exchange rate changes at all times. As well as this, the financial unit also adopts timely and favorable measures to reduce the negative impact of exchange rate changes.

- b. The products of the Company and subsidiaries are mainly sold overseas. In 2025, revenue from foreign sales accounted for 95.26% of total revenue. This was mainly due to the fact that major sales quotations and receipts were quoted and received in U.S. dollars. In addition to adopting the natural hedge of accounts receivable against accounts payable to hedge the risk of exchange rate fluctuations, in the event of a short-term imbalance, the U.S. dollar position is hedge by buying or selling foreign currencies at real-time exchange rates to ensure that the net exposure remains at an acceptable level.
 - c. Due to foreign exchange fund needs, foreign currencies are kept in foreign currency savings accounts. Foreign currencies held are adjusted in a timely manner according to the exchange rates in order to reduce the impact of exchange rate fluctuations.
 - d. When quoting customers, we take into account any possible impact arising from changes in exchange rates. Moreover, we will adopt a more stable exchange rate as the basis for quotation, so as to minimize the impact of exchange rate fluctuations on the interests of the orders received.
 - iii. Inflation

Copper and PVC, the main raw materials of the Company and subsidiaries have been affected by international prices and this has posed a certain degree of impact on the Company's cost and profitability. In addition to signing long-term contracts with suppliers to ensure a stable source of supply, the Company quotes cooper prices to customers by locking in regular cooper prices for orders with 3 months or more deadline. At the same time, the Company will also adopt a pragmatic principle and asks major cooper suppliers to prepare materials with different delivery schedules.
 - iv. Measures to adopt in response in the future

In response to changes in interest rates and exchange rates, the Company keeps close contact with the banks in order to grasp market change trends for careful evaluation which is served as a reference basis for transactions. In addition, prior to making appropriate and reasonable quotations to customers, the business unit first considers and evaluates future exchange rate trends and factors affecting the exchange rate. By doing so, the adverse impact arising from exchange rate changes on revenue and profitability of the Company and subsidiaries can be avoided.
2. High-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:
 - i. The Company and its subsidiaries uphold the principle of prudence and pragmatic management. In addition to focusing on the Company's business fields, the Company and its subsidiaries did not engage in high-risk, high-leverage investments.
 - ii. The engagement in derivative transactions by the Company and its subsidiaries is based on the "Procedures for the Acquisition and Disposal of Assets" and "Procedures for Engagement in Derivative Transactions." As derivative transactions engaged in by the Company and its subsidiaries are to hedge the exchange rate risk exposed to operating activities and are not speculative operations, no significant foreign exchange gains or losses were incurred.
 - iii. The formulation of the "Procedures for Loaning Funds to Others" of the Company and its subsidiaries was approved by the Board of Directors. In 2025 and up to the date of publication of the annual report, the Company and its subsidiaries performed relevant operations and announcements in accordance with the relevant regulations.
 - iv. The formulation of the "Regulations Governing Making of Endorsements/Guarantees" of the Company and its subsidiaries was approved by the Board of Directors. In 2025 and up to the date of publication of the annual report, endorsements and guarantees were made only to the Company's 100%-owned subsidiaries and between its 100%-owned subsidiaries due to bank financing. No endorsements or guarantees were provided to others, and relevant operations and announcements were performed in accordance with the relevant regulations.
3. Future research and development projects, and expenditures expected in connection therewith:
 - i. Network cables and information technology products:

Unit: NT\$ thousand

R&D Project	Current Progress	Estimated Further R&D Investment Required (NT\$ Thousand)	Expected Timeline for Mass Production	Main Factors Affecting Future R&D Success
Cat.8 S/FTP SLD Data Center Cable - LSOH Certification	Scheduled for submission to a third-party laboratory for certification.	800	2026/Q2	High-frequency electrical characteristic requirements

R&D Project	Current Progress	Estimated Further R&D Investment Required (NT\$ Thousand)	Expected Timeline for Mass Production	Main Factors Affecting Future R&D Success
- ETL CHANNEL & PERMANENT LINK Certification				
LAN CABLE outdoor material LDPE development	Partnering with Formosa Plastics to develop materials for outdoor applications.	200	2026/Q3	Verification of outdoor material characteristics; UL certification for new materials
Al-Mylar S-Foil wrapping method to replace traditional pair-to-pair shielding structure	S-Foil wrapping mold and mechanism design/customization completed; sample submission for characteristic verification is in progress.	200	2026/Q2	Tape wrapping technology
New material development: FR15 / FR22 CMR grade [Core wire insulation & spline/cross web] meeting electrical characteristic & physical performance requirements	Preparation of evaluation data.	386	2026/Q3	Extrusion technology enhancement; UL certification for new materials
LAN PVC/LSOH cable new structure and material development/improvement – Patented structure for Cat.6A UTP cable	1. Trial production of the new material structure (segmented Al-Mylar) is underway to verify characteristics.	500	2026/Q4	Patented technology, segmented spacing calculation, etc.
	2. Preparation of evaluation data for Cat.6A UTP SLD dual Al-Mylar structure.	470	2026/Q4	Patented technology
Localization of material supply: 5G foamed insulation material development and application - Physical foaming	Partnered supplier has provided new material (samples) and specified trial production conditions.	990	2026/Q4	New material development and foaming technology by partnered supplier; temperature control across extrusion zones, nitrogen injection flow rate control, and DDR/DRB die design

R&D Project	Current Progress	Estimated Further R&D Investment Required (NT\$ Thousand)	Expected Timeline for Mass Production	Main Factors Affecting Future R&D Success
	Equipment investment in progress.	30,000	2026/Q4	for inner/outer eye molds.
New material development: PVC CMR grade [Jacket material] meeting electrical characteristic & physical performance requirements	Preparation of evaluation data.	806	2026/Q4	Extrusion technology enhancement; UL certification for new materials
Fire Alarm Cable (13~20AWG)	Preparation of evaluation data.	1,500	2026/Q4	Compliance with UL 1424 specifications
New material development: PVC CMP grade [Jacket material] meeting electrical characteristic & physical performance requirements	Preparation of evaluation data.	1,176	2026/Q4	Extrusion technology enhancement

ii. 3C cable and cable set processing products:

R&D Project	Current Progress	Estimated Further R&D Investment Required	Expected Timeline for Mass Production	Main Factors Affecting Future R&D Success
Certification for UL-standard locking products	Product structural design in progress	108	2026/Q3	Product certification
Development of UL-standard pull-tab plugs	Product structural design in progress	1,350	2026/Q3	Product certification
Development of UL-standard fan-shaped plugs	Product structural design in progress	337	2026/Q2	Product certification
Development of industrial control cable series for drag chain, torsion, and bending applications	Sample testing in progress	117	2026/Q4	Product upgrade
Development of robotic wire harnesses	Sample production in progress	675	2026/Q2	Product upgrade

iii. Power cord and power cord set products

R&D Project	Current Progress	Estimated Further R&D Investment Required	Expected Timeline for Mass Production	Main Factors Affecting Future R&D Success
Plastic Granules - Colored PVC	Colored materials have been identified.	100	2026/Q2	Ability to customize performance according to specific client requirements
Imitation TPE Insulation & Jacket Materials	1. The physical properties of the jacket material are unstable after cold resistance and oil immersion testing.	320	2026/Q2	Compliance with US UL-62 requirements
	2. The physical properties of the core wire insulation material are unstable.	150		
Plastic Compounds - Toy Grade Materials (150P Ultra-Soft, Non-Peeling)	New advanced materials have been identified.	150	2026/Q3	Compliance with EU EN-71 standards
Plastic Granules - Flexible PVC	Under evaluation	100	2026/Q4	Compliance with US UL-62 requirements

4. The impact upon the company's financial operations of important policy and legal developments at home and abroad, and the measures the company plans to adopt in response:
The Company and its subsidiaries keep a close eye on important domestic and foreign policies as well as legal changes and take the initiative to propose measures in response in a timely manner. In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, the Company's financial business was not affected due to changes in important domestic and foreign policies.
5. Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response:
 - i. Eco-friendly products and wireless communication are the world's future trend and there are more and more upstream and downstream integration in industries. The Company and its subsidiaries will take advantage of our advantage in technology and quality of products and strive for industry integration, while at the same time seeking opportunities for strategic alliances with major domestic and foreign manufacturers, creating maximum profits for the Company.
 - ii. To implement information security management, the company has established an "Information Security Policy" and formulated relevant internal control systems. The Information Department, which is under the Group General Administration Department, oversees this. An information security officer and a dedicated staff member are appointed to coordinate and implement information security policies, promote information security awareness among employees, collect and improve the organization's information security management system, and ensure the proper operation of the company's business and related units.
6. The impact of changes in the company's image upon its crisis management, and the measures the company plans to adopt in response:
The corporate image of the Company and its subsidiaries is good as we have always upheld the principle of prudence and pragmatic management. By entering the capital market, we strive to attract more talented people to join the Company and its subsidiaries. By deepening the strength of the management team, we are able to return the operating results to our shareholders, fulfilling our corporate social responsibility. There was no risk of endangering the corporate image or corporate crisis.
7. The Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken:
In the most recent fiscal year or during the current fiscal year up to the date of publication of the prospectus, the Company or its subsidiaries did not have any merger or acquisitions.
8. The expected benefits and potential risks of any plant expansion, and measures to be adopted in response:
In the most recent fiscal year or during the current fiscal year up to the date of publication of the prospectus, the Company or its subsidiaries did not plan any plant expansion.
9. The risks associated with any consolidation of sales or purchasing operations, and measures to be adopted in response:

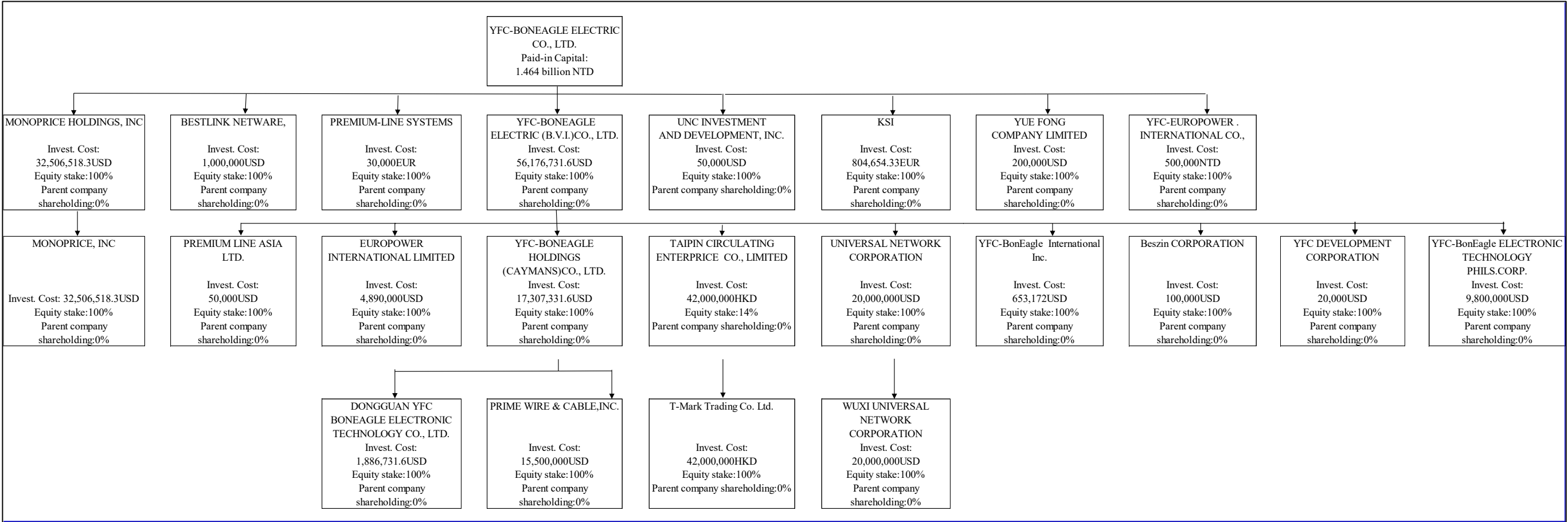
- i. Solving the risk of overconcentration of imports: The reason for the Company and its subsidiaries seeking several suppliers with excellent ratings is to ensure the quality of raw materials while also reducing the risk of supply shortage or interruption of supply.
 - ii. Solving the risk of overconcentration of sales: The products of the Company and its subsidiaries are mainly sold to major international manufacturers located in Europe, Americas, and Asia, who the Company and its subsidiaries keep close and sound relationships with. In addition to continuing to stabilize existing customers, the Company and its subsidiaries also proactively expand and develop a new customer base in order to diversify the risk of concentration of sales
10. Effect upon and risk to the company if a substantial quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and measures to be adopted in response:
In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, no substantial quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company was transferred or changed hands.
 11. Effect upon and risk to the company associated with any change in governance personnel or top management, and measures to be adopted in response:
In the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, there was no change in governance personnel or top management.
 12. Litigious and non-litigious matters: List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, the president, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment, or are still under litigation, where such a dispute could materially affect shareholders' equity or the prices of the company's securities: None.
 13. Other important risks and measures to be adopted in response: None

VII. Other Material Information: None

F. Special Disclosure

I. Information on Affiliated Companies

1. Organizational chart of affiliates in 2025



2. Basic information of affiliates

Unit: thousand NTD

Name of enterprise	Date of establishment	Main business or production items	Paid-in capital	Address
YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.	1999.08.31	Holding company established to invest in China and the U.S.	1,898,507 (USD 56,176K)	P.O.BOX 957, OFFSHORE INCORPORATION CENTRE, ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS
BESTLINK NETWARE, INC.	2004.04.22	Trading business	31,393 (USD 1,000K)	11701 6th STREET, RANCHO CUCAMONGA, CA 91730

Name of enterprise	Date of establishment	Main business or production items	Paid-in capital	Address
UNC INVESTMENT & DEVELOPMENT, INC.	2013.02.20	Investment business	1,496 (USD 50K)	1330 VALLEY VISTA DRIVE, DIAMOND BAR, CA 91765
PREMIUM-LINE KSI GMBH	2016.08.11	Trading business	28,193 (EUR 600K)	Richard-Strauss-Straße 39, A-1230 Wien, Austria
MONOPRICE HOLDINGS, INC.	2016.11.18	Holding company established to invest in the U.S.	1,031,853 (USD 32,507K)	1 POINTE DRIVE, 4th FLOOR, BREA, CA 92821
PREMIUM-LINE SYSTEMS GMBH	2017.03.19	Trading business	1,503 (EUR:4,300K)	Rosenheimer Str.89,83064 Raubling
YUE FONG COMPANY LIMITED	2020.01.13	Trading business	5,989 (USD 200K)	NO.146/2/28, Road 30, Ward 6, Go Vap District, Ho Chi Minh City
YFC-EUROPOWER INTERNATIONAL CO., LTD.	2021.05.03	Trading business	500	NO12-9,130th LANE. SECTION 2,CHUNG SHAN E,ROAD,HSINWU,TAOYUAN
YFC-BONEAGLE HOLDINGS (CAYMANS) CO., LTD.	2000.03.29	Holding company established to invest in China and the U.S.	587,694 (USD 17,307K)	HUNTLOW BUILDING, P.O.BOX 2804, GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLANDS
EUROPOWER INTERNATIONAL LIMITED	2001.11.16	Trading business	161,778 (USD 4,890K)	P.O.BOX 957, OFFSHORE INCORPORATION CENTRE, ROAD TOWN, TORTOLA, BRITISH VIRGIN ISLANDS
UNIVERSAL NETWORK CORPORATION	2002.05.07	Holding company established to invest in China	646,459 (USD 20,000K)	OFFSHORE CHAMBERS P.O.BOX217.APIA .SAMOA
PREMIUM LINE ASIA LTD.	2010.12.29	Trading business	1,472 (USD 50K)	Offshore Chambers, P.O. Box 217, Apia, Samoa
YFC-BONEAGLE INTERNATIONAL, INC.	2017.08.20	Trading business	18,558 (USD 653K)	Room 501, NO.1579 F.Benitez Street, Ermita, Manila Philippines
BESZIN CORPORATION INC.	2018.07.31	Trading business	3,085 (USD 100K)	Yong Kou Industrial Zone, Shijie Town, Dongguan City, Guangdong Province
YFC DEVELOPMENT CORPORATION	2020.05.27	Investment business	608 (USD 20K)	LOT 1-4,BLOCK 15,HERMOSA ECOZONE INDUSTRIAL PARK, Palihan, HERMOSA,REGION III ,BATAAN,Philippines
YFC BONEAGLE ELECTRONIC	2020.05.21	Production and sales of various types of cables, power cords, plugs and sockets, online	308,257	LOT 1-4,BLOCK 15,HERMOSA ECOZONE INDUSTRIAL PARK, Palihan, HERMOSA,REGION

Name of enterprise	Date of establishment	Main business or production items	Paid-in capital	Address
TECHNOLOGY PHILS.CORPORATION		communication products and cables	(USD 9,800K)	III ,BATAAN,Philippines
MONOPRICE, INC.	2016.11.18	Trading business	1,031,853 (USD 32,507K)	1 POINTE DRIVE, 4th FLOOR, BREA, CA 92821
PRIME WIRE & CABLE,INC.	1981.10.29	Sales of power cords, power cord sets, and network structured cabling systems	511,700 (USD 15,500K)	1330 VALLEY VISTA DRIVE, DIAMOND BAR, CA 91765
DONGGUAN YFC BONEAGLE ELECTRONIC TECHNOLOGY CO., LTD.	2001.06.01	LAN cables, computer peripherals, 3C power cords and cable processing, sockets, and online communication products	77,420 (USD 1,887K)	Yong Kou Industrial Zone, Shijie Town, Dongguan City, Guangdong Province
WUXI UNIVERSAL NETWORK CORPORATION	2003.04.24	High-speed broadband LAN equipment, optoelectronic components, optical communication transceiver modules, computer peripheral transmission equipment, high transmission power cord sets, broadband LAN system design	646,459 (USD 20,00K)	No.315, Youyi North Road, Xishan District, Wuxi City, Jiangsu Province

NOTE: Through indirect investment in T-Mark Trading Co. Ltd. via TAIPIN CIRCULATING ENTERPRISE CO., LIMITED, a full impairment loss has been recognized as of the fiscal year 2015. The carrying value held by the Company is 0.

3. For companies presumed to have a relationship of control and subordination: None.

4. Information on the directors, supervisors and presidents of each affiliate

Unit: NT\$K

Name of Enterprise	Title	Name of Representative	Shareholding	
			Number of Shares (Contribution Amount)	Shareholding Ratio (%)
YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.	Chairman	Andrew Yeh	1,898,507 (USD 56,176K)	100.00
BESTLINK NETWARE,INC.	Chairman	Grow Lin	31,393 (USD 1,000K)	100.00
UNC INVESTMENT & DEVELOPMENT, INC.	Chairman	Grow Lin	1,496 (USD 50K)	100.00
PREMIUM-LINE KSI GMBH	Chairman	Andrew Yeh	28,193 (EUR 600K)	100.00
PREMIUM-LINE SYSTEMS GMBH	Chairman	Andrew Yeh	1,503 (EUR:4,300K)	100.00
YUE FONG COMPANY LIMITED	Chairman	Huang Chuan-Hsing	5,989 (USD 200K)	100.00
YFC-EUROPOWER INTERNATIONAL CO., LTD.	Chairman	Andrew Yeh	500	100.00
MONOPRICE HOLDINGS,INC.	Chairman	Grow Lin	1,031,853 (USD 32,507K)	100.00
YFC-BONEAGLE HOLDINGS (CAYMANS) CO., LTD.	Chairman	Andrew Yeh	587,694 (USD 17,307K)	100.00
EUROPOWER INTERNATIONAL LIMITED	Chairman	Andrew Yeh	161,778 (USD 4,890K)	100.00
UNIVERSAL NETWORK CORPORATION	Chairman	Andrew Yeh	646,459 (USD 20,000K)	100.00
PREMIUM LINE ASIA LTD.	Chairman	Andrew Yeh	1,472 (USD 50K)	100.00
YFC-BONEAGLE INTERNATIONAL, INC.	Chairman	Eddy Ku	18,558 (USD 653K)	100.00
BESZIN CORPORATION INC.	Chairman	Grow Lin	3,085 (USD 100K)	100.00
YFC DEVELOPMENT CORPORATION	Chairman	Eddy Ku	608 (USD 20K)	100.00
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS. CORPORATION	Chairman	Eddy Ku	308,257 (USD 9,800K)	100.00
MONOPRICE, INC.	Chairman	Grow Lin	1,031,853 (USD 32,507K)	100.00
PRIME WIRE & CABLE, INC.	Chairman	Grow Lin	511,700 (USD 15,500K)	100.00
DONGGUAN YFC BONEAGLE ELECTRONIC TECHNOLOGY CO., LTD.	Chairman	Andrew Yeh	77,420 (USD 1,887K)	100.00

Name of Enterprise	Title	Name of Representative	Shareholding	
			Number of Shares (Contribution Amount)	Shareholding Ratio (%)
WUXI UNIVERSAL NETWORK CORPORATION	Chairman	Grow Lin	646,459 (USD 20,000K)	100.00

5. Business overview of affiliates

Unit: NT\$K

Company Name	Capital Stock	Total Assets	Total Liabilities	Total Equity	Operating Revenue	Operating Income (Loss)	Net Income (Loss)	Earnings Per Share (EPS)
YFC-BONEAGLE ELECTRIC CO., LTD.	1,464,627	7,971,152	4,811,675	3,159,477	4,132,132	171,698	118,527	0.81
YFC-BONEAGLE ELECTRIC (B.V.I.) CO., LTD.	1,898,507	3,627,351	371	3,626,980	0	(6)	20,212	—
BESTLINK NETWARE, INC.	31,393	145,270	116,250	29,020	279,492	(10,935)	(13,583)	—
UNC INVESTMENT & DEVELOPMENT, INC.	1,496	1,764,775	40,049	1,724,726	0	40,963	80,361	—
PREMIUM-LINE KSI GMBH	28,193	15,536	105,364	(89,828)	35,594	(2,675)	(2,888)	—
MONOPRICE HOLDINGS, INC.	1,031,853	2,042,642	2,014,255	28,387	1,915,909	(30,099)	(81,418)	—
PREMIUM-LINE SYSTEMS GMBH	1,503	459	0	459	0	0	0	—
YUE FONG COMPANY LIMITED	5,989	39,438	57,351	(17,913)	11,718	(5,407)	(6,183)	—
EUROPOWER INTERNATIONAL LIMITED	500	433,897	414,168	19,729	446,403	18,971	7,971	—
YFC-BONEAGLE HOLDINGS (CAYMANS) CO., LTD.	587,694	1,211,613	0	1,211,613	0	0	(3,023)	—
EUROPOWER INTERNATIONAL LIMITED	161,778	793,143	1,280	791,863	0	(5,794)	(5,410)	—
UNIVERSAL NETWORK CORPORATION	646,459	585,437	2,395	583,042	0	593	(7,325)	—
PREMIUM LINE ASIA LTD.	1,472	1,646	984	662	0	(10)	(13)	—
YFC-BONEAGLE INTERNATIONAL, INC.	18,558	289,307	310,155	(20,848)	178,553	(6,101)	(13,534)	—
BESZIN CORPORATION INC.	3,085	14,837	0	14,837	0	(1)	57	—
YFC DEVELOPMENT CORPORATION	608	151,010	152,871	(1,861)	2,437	(102)	(98)	—
YFC BONEAGLE ELECTRONIC TECHNOLOGY PHILS.CORPORATI ON	308,257	1,000,876	584,921	415,955	2,060,427	60,711	60,400	—
MONOPRICE, INC.	1,031,853	2,042,642	2,014,255	28,387	1,915,909	(30,099)	(81,418)	—
PRIME WIRE & CABLE, INC.	511,700	2,168,962	1,107,910	1,061,052	2,470,233	(1,841)	1,327	—

Company Name	Capital Stock	Total Assets	Total Liabilities	Total Equity	Operating Revenue	Operating Income (Loss)	Net Income (Loss)	Earnings Per Share (EPS)
DONGGUAN YFC BONEAGLE ELECTRONIC TECHNOLOGY CO., LTD.	77,420	153,874	26,952	126,922	199,802	(10,183)	(3,384)	—
WUXI UNIVERSAL NETWORK CORPORATION	646,459	1,537,870	959,543	578,327	1,279,225	14,091	(7,764)	—

II. In the most recent fiscal year and up to the publication date of the annual report, there were no Private Placement of Securities: None

III. Other Required Supplementary Notes: None