

Stock Code: 2483



Excel Cell Electronic Co., Ltd.

2025 Annual Report

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One. Letter to Shareholders

I. Business plan implementation results during 2025

(I) Business plan implementation results:

In 2025, the global macroeconomy landscape was influenced by various factors, including geopolitical risks, the Trump administration's tariff policies, and China's economic slowdown. Although the semiconductor industry continued to grow significantly, driven by strong business opportunities stemming from the development of AI technology, traditional application markets — such as automotive, industrial, and consumer electronics — showed a relatively moderate pace of recovery. Furthermore, due to the uncertainty surrounding tariff policies, customers tended to place orders more conservatively after initially front-loading their purchases, leading to a clear polarized performance in overall manufacturing: while AI related demand continued to rise steadily, driving advanced process packaging and high-end passive components to remain at high levels, the recovery in production and sales in traditional manufacturing sectors was limited. In 2025, the Company's consolidated operating revenue amounted to NT\$1,761,575 thousand, representing a decrease of NT\$44,791 thousand compared to 2024. The consolidated gross profit margin was 9%, a decrease of 4% point from the same period last year. Consolidated gross profit declined by NT\$69,373 thousand as well as consolidated operating expenses by NT\$17,958 thousand. The consolidated operating loss for 2025 was NT\$115,547 thousand, which was an increase of NT\$51,415 thousand compared to 2024.

Non-operating income totaled NT\$275,015 thousand, mainly including: land use rights expropriation and demolition compensation of NT\$278,602 thousand; share of profit from associates accounted for using the equity method of NT\$23,473 thousand; and other income of NT\$17,084 thousand. Finance costs amounted to NT\$15,080 thousand. Net income after tax for 2025 was NT\$65,531 thousand, of which NT\$64,575 thousand was attributable to owners of the Company. Earnings per share (EPS) were NT\$0.60.

(II) Budget implementation: It is not applicable as the Company did not publish financial forecast for 2025.

(III) Revenue and expenditure and profitability analysis

1. Financial position:

Unit: NT\$ thousand

Account title	2025	2024
Operating revenue	1,761,575	1,806,366
Operation gross profit	161,595	230,968
Operating expenses	277,142	295,100
Operating income	(115,547)	(64,132)
Net income for this period	65,531	39,591
Net income attributable to		
Owners of the Company	64,575	37,910
Non-controlling interests	956	1,681

2. Profitability analysis:

Item	2025	2024	
Gross profit margin (%)	9	13	
Return on assets (%)	1.87	1.30	
Return on shareholders' equity (%)	2.56	1.56	
As a percentage of paid-in capital (%)	Operating income	(10.71)	(5.88)
	Income before tax	14.78	2.46
Net profit margin (%)	3.72	2.19	
Earnings per share (NTD)	0.60	0.35	

(IV) Status of R&D

1. Lead Frame Lead Frames and Heat Spreaders for Semiconductor Industry

- (1) In response to the stringent requirements for TVS lead frames used in automotive applications, the design and development of a dedicated lead frame have been completed, and it has been officially launched into mass production.
- (2) The development of lead frames for automotive Diodes has been completed, and they have entered the pilot production phase.
- (3) The design of lead frames for the Power Discrete has been completed, and samples have been submitted; functional testing of the product is currently underway.
- (4) In response to the demand of heat spreaders for high-performance processor applications, the samples have been submitted.
- (5) To enhance process stability and ensure consistent quality, the Company has continued to implement Automated Optical Inspection (AOI) and automated material handling equipment.
- (6) The low-carbon cleaning processes have been introduced to reduce energy consumption and comply with international environmental standards and corporate sustainability guidelines, thereby advancing sustainable management.

2. Electronic components and Stepper Motors

- (1) Developed and promoted a series of future-oriented products—including screwless terminal blocks, push switches, rotary switches, and micro switches—targeting applications in smart industries, automotive, lighting, industrial electronics, and electric power tools.
- (2) Initiated development of high-current, multi-pitch screwless terminal block series for use in industrial electromechanical equipment.
- (3) Developed a compact, high-vibration-resistant trigger switch series for power tools, featuring integrated Hall sensor technology.
- (4) Developed a series of miniature quick-release safety lock switches for industrial control applications.
- (5) Independently developed relay testing equipment, now operational. Based on the original platform, AC (alternating current) relay testing capabilities were added, achieving in-house R&D objectives.
- (6) The MIH series automatic production line and the GQ series 20A models have entered mass production, and high-current relays with large contact gaps are continuously developed.
- (7) Continus development of a 3300V silicon carbide (SiC) opto-isolated relay.
- (8) Completed the development of truck headlight module (mechanism and stepper motor).
- (9) Completed the design and development of the automotive expansion valves coil with an IP67 waterproof rating.
- (10) Completed the 2nd generation's expansion valves structure design and conducted prototype evaluation.
- (11) Completed cost-optimized design and cost evaluation of brushless DC motors for exhaust fans.

II. Summary of this year's business plan

The Company formulated the **2026** business plan; the details are as follows:

(I) Business approaches:

1. Adopt innovative measures, such as lean manufacturing, an SPC(Statistical process control) quality management, and strategic marketing.
2. Conduct effective preventive management and trend management through data analysis.
3. Share and integrate resources of subsidiaries within the Group.
4. Expand the development of lead frames for semiconductor devices, develop new customers in European, U.S., and Southeast Asian market; expand automotive electronic components; develop high-end application products and smart/green energy products in the market.
5. Develop heat spreader products for high-performance processor applications.
6. Electronic components: Focusing on R&D of products for environmental sustainability, electric vehicles, and smart home control applications, we continuously maintain our global competitiveness; providing customers with complete and comprehensive solutions, and establishing ourselves as their long-term strategic partners.
7. Expansion of motor manufacturing technology application products: automotive expansion valve coils, solenoid valves, valve actuators, valve linear stepping motor actuators.

(II) Estimated sales and the basis:

Based on industry outlook and customer product development trends, and after assessing the future production capacity of our manufacturing lines, the Company will strengthen the expansion and promotion of key products with long-term growth potential. It is anticipated that demand for semiconductor-related capacity will increase, driven by AI-powered computers, smartphones, servers, and related applications. Additionally, market demand in sectors such as consumer electronics, 5G, automotive, green energy, and industrial applications is expected to gradually recover. The markets related to the Company's core products are projected to maintain relatively stable growth in 2026. However, due to the Company's diverse product lines and wide range of application areas, coupled with the need to flexibly adjust the product mix in response to changing customer requirements, it remains difficult to accurately forecast sales volume.

(III) Important production and sales policy

1. Adopt automated robotic arms to meet precise control and positioning requirements and increase the production capacity of automated equipment.
2. Adopt a high-resolution CCD vision system, which is applied to the important process of electromechanical relays to increase production quality.
3. Adopt trend management for the quality assurance system, to ensure duly implementation of quality inspection.
4. Adopt industry 4.0 smart manufacturing to conduct production management properly by means of various trend analyses.
5. Establish an automated production line for relays.

III. Future development strategy

(I) Lead Frame and Heat Spreaders for Semiconductor Industry:

1. Continue to expand business development in the European, American, and Southeast Asian markets.
2. Expand the automotive electronic component lead frame business.
3. Develop markets for high-end applications, as well as smart and green energy products.

(II) Electronic components and stepper motors:

1. In response to global geopolitical shifts, the Company is actively expanding into emerging markets in ASEAN countries through participation in international trade shows, promotional activities, and enhanced digital marketing strategies. Efforts include leveraging e-commerce platforms such as DigiKey to boost brand visibility, integrating into local e-commerce distribution networks, and executing full product line promotion. In addition, the Company is deepening its market presence in high-potential regions such as Eastern Europe, Japan, and South Korea and India by focusing on the development and collaboration with leading manufacturer as direct customers to increase market penetration.
2. Key focus areas include the development of emerging industries such as power supplies for AI servers, new energy applications, and EV charging infrastructure. The Company will also continue to strengthen its presence in core industrial sectors including industrial automation equipment, security surveillance systems, HVAC and refrigeration, and smart home appliances.
3. The Company will promote the advantages of differentiated technologies such as explosion-proof and THR (Through-Hole Reflow) capabilities, while continually upgrading product specifications to meet requirements for high load current, high DC voltage, and high insulation withstand voltage.
4. The Company remains committed to lean manufacturing and implementation of SPC (Statistical Process Control) quality management systems to enhance production efficiency and product quality. These efforts aim to reduce costs and maintain global competitiveness, enabling customers to sustain leadership positions through comprehensive solutions and long-term strategic partnerships.
5. Continuous development of new materials, such as halogen-free products, and promotion of environmentally friendly manufacturing processes to align with ESG principles and the company's sustainability policies.
6. Motor product diversification will continue, with expansion into linear motors, robotic arm motors, screw-type motors, HB-type stepper motors, and brushless DC motors.
7. Application of motor manufacturing technologies will be extended to automotive expansion valve coils, solenoid valves, damper actuators, and linear stepper valve actuators.
8. New market development for various motor products will target Europe, the United States, Russia, and Japan.
9. The Company will develop expansion valve body products to meet the growing demand in automotive and air conditioning-related industries.

IV. Impact of the external competitive environment, regulatory environment, and overall business environment

(I) Impact of the external competition environment

In 2025, the global macroeconomic environment was shaped by a variety of factors, including geopolitical risks, tariff policy developments under the U.S. Trump administration, and sluggish economic conditions in China. Although the semiconductor industry continued to expand significantly, buoyed by robust demand driven by AI technology, the recovery in mature-process traditional application markets—such as automotive, industrial, and consumer electronics—remained relatively subdued. As a result, overall manufacturing performance showed a pronounced polarization: AI-related demand held steady, sustaining strong momentum in advanced-process packaging and high-end passive components, while the production and sales recovery in traditional manufacturing remained comparatively limited.

(II) Impact of Regulatory Environment

Governments around the world have been introducing new tax, environmental, investment, and labor regulations in response to ongoing global changes. The Company actively monitors regulatory developments in all regions where it operates, ensuring timely adjustments and optimal resource allocation to remain compliant and responsive to shifts in the regulatory landscape.

(III) Impact on the overall business environment

Looking ahead, as AI applications continue to expand from the cloud to edge computing, coupled with countries investing in the development of sovereign AI systems, the demand for related industries and applications is expected to expand further, which is expected to further boost order for semiconductor manufacturers and lead frame suppliers. Although U.S. reciprocal tariff policies and geopolitical tensions remain key factors, as some global economic uncertainties are anticipated to gradually subside and supply chain inventories return to healthy levels, demand across various industries — such as consumer electronics, automotive, and industrial applications — is likely to experience a gradual recovery. Therefore, the manufacturing sector is expected to maintain a stable growth in 2026. The Company will continue to establish automated production processes, collect automated equipment data in real time, and improve the product production yield. We will adopt lean manufacturing, an SPC (Statistical process control) quality management, strategic marketing, and other innovative activities, to accelerate our R&D of products for artificial intelligence components, environmental protection and green energy, electric vehicles, and smart home control applications, continue to maintain our global competitiveness, and assist clients in achieving and maintaining their leading positions, while providing them with a variety of total solutions as their long-term strategic partner.

I wish you good health and all the best.

Excel Cell Electronic Co., Ltd.
Chairman: Liao Pen-Lin

Two. Corporate Governance Report

I. Information on directors, supervisors, the President, Vice Presidents, Assistant Vice Presidents, and the heads of various departments and branches

(I) Information on directors:

March 31, 2026; Unit: Share; %; NT\$ thousand

Title	Nationality or place of incorporation	Name	Gender/Age	Date elected	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Current shareholding of spouse or minor children		Shareholding by nominee arrangement		Education and experience	Concurrent positions at the Company or other companies	Spouse or relatives within second degree of kinship who are other managers, directors, or supervisors of the Company			Remark
							Number	Shareholding (%)	Number	Shareholding (%)	Number	Shareholding (%)	Number	Percentage of Shareholding			Title	Name	Relationship	
Chairman	Taiwan	Liao Pen-Lin	Male 71-80	2025.05.29	3 years	1999.05.15	6,339,548	5.81	5,339,548	4.97	3,642,450	3.39	-	-	Master's from Tulane University	Director of KS Terminals, Inc. Director of Siward Crystal Technology Co., Ltd., Director of P-Duke Technology Co., Ltd., Director of Securitag Assembly Group Co., Ltd., Director of Fuzetec Technology Co., Ltd. Director of Good Sky Electric Co., Ltd. Chairman of Pacer Technology Co., Ltd.	Director Director	Liao Pen-Tien Liao Yueh-Shiang	Brothers Brother and sister	Note 1
Director	Taiwan	Hsiao Teng-Tang	Male 71-80	2025.05.29	3 years	1999.05.15	6,745,729	6.18	6,745,729	6.28	4,206,001	3.92	-	-	Master's from Tunghai University	Supervisor of Good Sky Electric Co., Ltd. Supervisor of Pacer Technology Co., Ltd.	None	None	None	
Director	Taiwan	Liao Pen-Tien	Male 61-70	2025.05.29	3 years	1999.05.15	1,594,935	1.46	1,594,935	1.48	190,117	0.18	-	-	China University of Science and Technology	-	Director Director	Liao Pen-Lin Liao Yueh-Shiang	Brothers Brother and sister	
Director	Taiwan	Hsu Min-Cheng	Male 61-70	2025.05.29	3 years	2007.06.11	30,000-	-	30,000	0.03	-	-	-	-	Master's from Tulane University	-	None	None	None	
Director	Taiwan	Liao Yueh-Shiang	Female 61-70	2025.05.29	3 years	2007.06.11	1,185,389	1.09	1,185,389	1.10	508,644	0.47	-	-	Ling Tung University	Chairperson of Polymate Technology Co., Ltd. Director of P-Duke Technology Co., Ltd.	Director Director	Liao Pen-Lin Liao Pen-Tien	Brother and sister Brother and sister	
Independent Director	Taiwan	Terry Chiang	Male 61-70	2025.05.29	3 years	2016.06.08	-	-	-	-	-	-	-	-	Master's from Electrical Engineering, University of Southern California	Director of Securitag Assembly Group Co., Ltd. Director of Siward Crystal Technology Co., Ltd.	None	None	None	

Title	Nationality or place of incorporation	Name	Gender/ Age	Date elected	Term	Date first elected	Number of shares held when elected		Number of shares currently held		Current shareholding of spouse or minor children		Shareholding by nominee arrangement		Education and experience	Concurrent positions at the Company or other companies	Spouse or relatives within second degree of kinship who are other managers, directors, or supervisors of the Company			Remark
							Number	Shareholding (%)	Number	Shareholding (%)	Number	Shareholding (%)	Number	Percentage of Shareholding			Title	Name	Relationship	
Independent Director	Taiwan	Chiu Chuan-Tzu	Female 51-60	2025.05.29	3 years	2022.05.31								Doctor 's from Business Administration from Princeton University	-	None	None	None		
Independent Director	Taiwan	Liu Chin-Chin	Male 61-70	2025.05.29	3 years	2025.05.29	-	-	-	-	-	-	-	Master's from Business Management, Tatung University	Independent Director of P-Duke Technology Co., Ltd. Director of Ohuama New Building Materials (Shanghai) Co., Ltd.	None	None	None		
Independent Director	Taiwan	Chang Pao-Chai	Female 61-70	2025.05.29	3 years	2025.05.29	-	-	-	-	-	-	-	Executive Program, Antai College of Economics and Management, Shanghai Jiao Tong University	Chairman of Premier International Development Incorporation Independent Director of Planet Technology Corporation Independent Director of Brinno Incorporated	None	None	None		

Note 1: Where the Chairman and the President or person in an equivalent position (top-level manager) are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and countermeasures shall be disclosed (e.g., increasing the number of independent directors on the board or having more than half of the directors who are not employees or managers concurrently):

- (1) Reasons, reasonableness, and necessity: Chairman Liao Pen-Lin, serves as the President of Company concurrently. The Company's operating segments include Lead Frame and Heat Spreader for Semiconductor Industry, electronic components, and stepping motors, and the industry situations and development trends are different. Each operating segment has set up the president of each business division. However, the Group's overall development strategy and resource integration still depends on the Chairman's coordination. (2) Countermeasures: It is planned to increase the number of independent directors in the election of directors in June 2022.
- (2) In response to the measures: On 2022.05.31, the Board of Directors was re-elected and one independent director was added, making a total of four independent directors.

1. Name of shareholders each holding 10% or more of the total issued shares or in the list of the top ten shareholders if directors are institutional shareholders: Not Applicable
2. Name of shareholders each holding 10% or more of the total issued shares or in the list of the top ten shareholders if directors are juridical persons: Not Applicable
3. Disclosure of information on the professional qualifications of directors and the independence of independent directors: Not Applicable

Name	Criteria	Professional qualifications and experience	Independence criteria	Number of other public companies where the individual serves as an independent director concurrently
Liao Pen-Lin	Master's from Tulane University	Director of Siward Crystal Technology Co., Ltd. Director of P-Duke Technology Co., Ltd. Director of Securitag Assembly Group Co., Ltd. Director of Fuzetec Technology Co., Ltd. Chairman of Pacer Technology Co., Ltd.	None	None
Hsiao Teng-Tang	Master's from Tunghai University	Supervisor of Pacer Technology Co., Ltd.	None	None
Liao Yueh-Shiang	Ling Tung University	Director of P-Duke Technology Co., Ltd. Director of Pacer Technology Co., Ltd.	None	None
Liao Pen-Tien	China University of Science and Technology	President of Business Division II, Excel Cell Electronic Co., Ltd.	None	None
Hsu Min-Cheng	Master's from Tulane University	President of Business Division I, Excel Cell Electronic Co., Ltd.	None	None
Terry Chiang	Master's from Electrical Engineering, University of Southern California	President of Securitag Assembly Group Co., Ltd. Director of Securitag Assembly Group Co., Ltd. Director of Siward Crystal Technology Co., Ltd.	Aligned with Note 1	None
Chiu Chuan-Tzu	Doctor 's from Business Administration from Princeton University	Vice president of China Development Financial Holding Corporation, KGI Securities Co. Ltd.	Aligned with Note 1	None
Liu Chin-Chin	Master's from Business Management, Tatung University	Independent Director of P-Duke Technology Co., Ltd. Director of Ohuama New Building Materials (Shanghai) Co., Ltd.	Aligned with Note 1	1
Chang Pao-Chai	Executive Program, Antai College of Economics and Management, Shanghai Jiao Tong University	Chairman of Premier International Development Incorporation Independent Director of Planet Technology Corporation Independent Director of Brinno Incorporated	Aligned with Note 1	2

Note 1:

- (1) Not an employee of the Company or any of its affiliates.
- (2) Not a director or supervisor of the company or any of its affiliates. The same does not apply, however, in case where the person is an independent director of the company, its parent company or any subsidiary, as appointed in accordance with the laws of Taiwan or with the laws of the country of the parent company or subsidiary.
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the company or ranks as one of its top ten shareholders.

- (4) Not a manager of (1) or spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of (2) or (3).
- (5) Not a director, supervisor or employee of an institutional shareholder that directly holds 5% or more of the total number of issued shares of the Company or ranks as one of its top five shareholders or was appointed pursuant to Article 27, paragraph 1 or 2 of the Company Act. (The same does not apply, however, in case where the person is an independent director of the company, its parent company, or any subsidiary, as appointed in accordance with the laws of Taiwan or with the laws of the country of the parent company or subsidiary.)
- (6) Not a director, supervisor, officer or shareholder holding fifty percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company. (The same does not apply, however, in cases where the person is an independent director of the company, its parent company, or any subsidiary, as appointed in accordance with the laws of Taiwan or with the laws of the country of the parent company or subsidiary.)
- (7) Not the same person as the Company's Chairman, President or person with equivalent position or the director, supervisor or employee of the company or institution of the spouse thereof. (The same does not apply, however, in cases where the person is an independent director of the company, its parent company, or any subsidiary as appointed in accordance with the laws of Taiwan or with the laws of the country of the parent company or subsidiary.)
- (8) Not a director, supervisor or employee of a corporate/institutional shareholder that directly holds 5% or more of the total number of issued shares of the company or ranks as of its top five shareholders. The same does not apply, however, in case where the corporate/institution holds 20% or more and no more than 50% of the total number of issued shares of the Company or the person is an independent director of the company, its parent company, or any subsidiary, as appointed in accordance with the laws of Taiwan or with the laws of the country of the parent company or subsidiary.
- (9) Not a professional individual who or an owner, partner, director, supervisor or officer of a sole proprietorship, partnership, company or institution that, provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the Company in the most recent 2 years with an accumulated service compensation of less than NTD 500 thousand or a spouse thereof. This restriction does not apply to any member of the Remuneration Committee, public tender offers Audit Committee or mergers and acquisition special committee, who exercises powers pursuant to relative regulations of the Securities and Exchange Act and Business Mergers and Acquisitions Act.
- (10) Not having a marital relationship or a relative within the second degree of kinship to any other director of the Company.
- (11) Not been a person of any conditions defined in Article 30 of the Company Act.
- (12) Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.

4. Diversity and independence of the Board of Directors:

- (1) The overall composition of the Board of Directors shall be taken into account in the election of the Company's directors. The composition of the Board of Directors shall be based on the principle of diversity. An appropriate diversity policy shall be formulated based on its operation, operation model, and development needs, including but not limited to the two indicators below:
 - A. Basic conditions and values: Gender, age, nationality, and cultural backgrounds.
 - B. Professional knowledge and skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
- (2) The Board members shall generally possess the knowledge, skills, and qualities necessary to perform their duties. The capabilities and skills that the board shall possess as whole include the following:
 - A. Business judgment.
 - B. Accounting and financial analysis skills.
 - C. Business management skills.
 - D. Crisis management capabilities.
 - E. Industry knowledge.
 - F. International market perspectives.
 - G. Leadership.
 - H. Decision-making ability.
- (3) A spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors.
- (4) The Board of Directors shall consider adjusting the composition of the board as per the performance evaluation results.
- (5) The board members have different professional backgrounds of business, production, and finance, which meet the applicable regulations.
- (6) Board diversity target: Female director account for more than 33%; independent directors account for more than 44%.

(7) Board diversity and board members' core competencies

Name	Basic element					Industry experience			Professional background/ability				Competencies possessed (Note 1)								
	Nationality	Gender	Serving as the Company's employee concurrently	Age (Note 2)	Length of service as an independent director (Note 3)	Manufacturing	Marketing/ Procurement	Securities	Accounting and finance	Law	Marketing and sales	Production management	Business management	Business judgment	Accounting and financial analysis	Business management	Crisis management	Industry knowledge	International market perspectives	Leadership	Decision-making ability
Liao Pen-Lin	R.O.C.	Male	V	C		V	V			V	V	V	V	△	V	V	V	V	V	V	V
Hsiao Teng-Tang	R.O.C.	Male		C		V	V			V	V	V	V	△	V	V	V	V	V	V	V
Liao Yueh-Shiang	R.O.C.	Female		B			V	V		V	V	V	V	V	V	V	V	V	V	V	V
Liao Pen-Tien	R.O.C.	Male	V	B		V	V			V	V	V	V	△	V	V	V	V	V	V	V
Hsu Min-Cheng	R.O.C.	Male	V	B		V	V			V	V	V	V	△	V	V	V	V	V	V	V
Terry Chiang	R.O.C.	Male		B	B	V	V			V	V	V	V	△	V	V	V	V	V	V	V
Chiu Chuan-Tzu	R.O.C.	Female		A	A			V	V			V	V	V	V	V	V	V	V	V	V
Liu Chin-Chin	R.O.C.	Male		B	A		V	V	V	V	V	V	V	V	V	V	V	V	V	V	V
Chang Pao-Chai	R.O.C.	Female		B	A		V			V		V	V	△	V	V	V	V	V	V	V

Note 1: V: Has professional ability △: Has basic ability

Note 2: A:51-60; B:61-70; C:71-80

Note 3: A: Fewer than three terms of office B: More than three terms of office

(II) Information on the President, Vice Presidents, and the heads of various departments and branches:

March 31, 2026

Title	Nationality	Name	Gender	Date elected	Shareholding		Shareholding of spouse or minor children		Shares Held by the Other's		Education and Experience	Current Position(s) in Other Companies	Spouse or relative within second degree of kinship who are managers of the Company			Remark
					Number	Shareholding (%)	Number	Shareholding (%)	Number	Percentage of Shareholding			Title	Name	Relationship	
CEO	Taiwan	Liao Pen-Lin	Male	2007.6	5,339,548	4.97	3,642,450	3.39	-	-	Master's from Tulane University	Director of KS Terminals, Inc. Director of Siward Crystal Technology Co., Ltd., Director of P-Duke Technology Co., Ltd., Director of Securitag Assembly Group Co., Ltd., Director of Fuzetec Technology Co., Ltd. Director of Good Sky Electric Co., Ltd. Chairman of Pacer Technology Co., Ltd.	None	None	None	Note 1
First Business Division President	Taiwan	Hsu Min-Cheng	Male	2016.6	30,000	0.03	-	-	-	-	Master's from Tulane University	None	None	None	None	
First Business Division Vice President	Taiwan	Tsai Huai-Jen	Male	2020.08	12,005	0.01	47	-	-	-	National Chung-Hsing Senior High School	None	None	None	None	

Note 1: Where the Chairman and the President or person in an equivalent position (top-level manager) are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and countermeasures shall be disclosed (e.g., increasing the number of independent directors on the board or having more than half of the directors who are not employees or managers concurrently):

- (1) Reasons, reasonableness, and necessity: Chairman Liao Pen-Lin, serves as the President of Company concurrently. The Company's operating segments include Lead Frame for Semiconductor Industry, electronic components, and stepping motors, and the industry situations and development trends are different. Each operating segment has set up the president of each business division. However, the Group's overall development strategy and resource integration still depends on the Chairman's coordination.
- (2) In response to the measures: On 2022.05.31, the Board of Directors was re-elected and one independent director was added, making a total of four independent directors.

II. Remuneration paid to directors, supervisors, the President, and Vice Presidents during the most recent year:

(I) Remuneration to general directors and independent directors (individuals' names and remuneration are disclosed)

Unit: NTD thousand; thousand shares; December 31, 2025

Title	Name	Remuneration to directors								Sum of A, B, C, and D as a % of the net income after tax (Note 10)		Remuneration received for serving as an employee concurrently								Sum of A, B, C, D, E, F and G as a % of the net income after tax (Note 10)		Remuneration from investees other than subsidiaries or from the parent company (Note 11)
		Base Compensation (A) (Note 2)		Severance pay (B)		Remuneration to directors (C) (Note 3)		Business execution expenses (D) (Note 4)				Salary, bonuses, and allowances (E) (Note 5)		Severance pay (F)		Employee remuneration (G) (Note 6)						
		The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company	Companies in the consolidated financial statements (Note 7)	The Company		Companies in the consolidated financial statements (Note 7)		The Company	Companies in the consolidated financial statements	
CEO	Liao Pen-Lin	0	0	0	0	170	170	24	24	0.30%	0.30%	3,454	3,454	0	0	149	0	149	0	5.88%	5.88%	None
Director	Hsiao Teng-Tang	0	0	0	0	170	170	24	24	0.30%	0.30%	0	0	0	0	0	0	0	0	0.30%	0.30%	None
Director	Liao Pen-Tien	0	0	0	0	170	170	24	24	0.30%	0.30%	2,528	2,528	54	54	112	0	112	0	4.47%	4.47%	2,764
Director	Hsu Min-Cheng	0	0	0	0	170	170	24	24	0.30%	0.30%	2,557	2,557	103	103	112	0	112	0	4.59%	4.59%	None
Director	Liao Yueh-Shiang	0	0	0	0	170	170	24	24	0.30%	0.30%	0	0	0	0	0	0	0	0	0.30%	0.30%	None
Independent Director	Hsu Ching-Tao	0	0	0	0	85	85	12	12	0.15%	0.15%	0	0	0	0	0	0	0	0	0.15%	0.15%	None
Independent Director	Chen Hsiang-Ning	0	0	0	0	85	85	12	12	0.15%	0.15%	0	0	0	0	0	0	0	0	0.15%	0.15%	None
Independent Director	Terry Chiang	0	0	0	0	170	170	24	24	0.30%	0.30%	0	0	0	0	0	0	0	0	0.30%	0.30%	None
Independent Director	Chiu Chuan-Tzu	0	0	0	0	170	170	24	24	0.30%	0.30%	0	0	0	0	0	0	0	0	0.30%	0.30%	None
Independent Director	Liu Chin-Chin	0	0	0	0	85	85	15	15	0.15%	0.15%	0	0	0	0	0	0	0	0	0.15%	0.15%	None
Independent Director	Chan Pao-Chai	0	0	0	0	85	85	15	15	0.15%	0.15%	0	0	0	0	0	0	0	0	0.15%	0.15%	None

Note 1: The names of directors shall be listed separately (the names of institutional shareholders and their representatives shall be listed separately), and general directors and independent directors shall be listed separately, with various payment amounts disclosed in an aggregate manner. If a director concurrently serving as the President or the Vice President shall be entered in this table or table (3-1), or tables (3-2-1) and (3-2-2) below.

Note 2: Refers to the directors' remuneration in the most recent year (including director salary, executive differential pay, severance pay, various bonuses, and incentives).

Note 3: Refers to the amount of directors' remuneration approved by the resolution of the Board of Directors during the most recent year.

Note 4: Refers to the directors' professional service fees in the most recent year (including honoraria, special allowance, various allowances, dormitory rooms, and company cars). When houses, cars, and other means of transportation or exclusive personal expenses are provided, the nature and costs of the assets provided and the actual cost or fair market value of rents, fuels, and other payments shall be disclosed. In addition, when a chauffeur is provided, please indicate the relevant payments made by the Company to the chauffeur, but such payments are not included in the remuneration.

Note 5: Refers to the salary, executive differential pay, severance pay, various bonuses, incentives, honoraria, special allowance, various allowances, dormitory rooms, and company cars received by directors who serve as employees concurrently (including the President, Vice Presidents, other managers, and employees). When houses, cars, and other means of transportation or exclusive personal expenses are provided, the nature and costs of the assets provided and the actual cost or fair market value of rents, fuels, and other payments shall be disclosed. In addition, when a chauffeur is provided, please indicate the relevant payments made by the Company to the chauffeur, but such payments are not included in the remuneration. Salary and wages recognized in accordance with IFRS 2 Share-based Payments, including employee stock warrants and restricted stock awards acquired and shares for capital increased subscribed for, shall also be included in the remuneration.

Note 6: Refers to directors who have received employee remuneration (including stock and cash) in the most recent year for serving as employees concurrently (including the President, Vice Presidents, other managers, and employees). The amount of employee remuneration approved by the Board of Directors in the most recent year shall be disclosed. If it is impossible to estimate the amount, the percentage adopted for the amount paid out last year shall be adopted to calculate the proposed amount for this year, while Table 1-3 shall be filled out additionally.

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

Note 8: The names of the directors shall be disclosed in the applicable ranges based on the total amount of remuneration paid by the Company to each director.⁷

Note 9: The total amount of remuneration paid to each of the Company's directors by all companies (including the Company) in the consolidated financial statements shall be disclosed, with the name of each director disclosed in their applicable range.

Note 10: Net income after tax refers to the net income after tax of the standalone or individual financial statement for the most recent year.

Note 11: a. This column shall clearly indicate the amount of remuneration received by the directors of the Company from investees other than subsidiaries or from the parent company (if there is none, please fill in "None").

b. If a director of the Company receives remuneration from investees other than subsidiaries or from the parent company, the remuneration received by the director from investees other than subsidiaries or from the parent company shall be included in column I of the remuneration range table with said column renamed "Parent company and all investees".

c. Remuneration refers to the compensation, remuneration (including employee, director, and supervisor remuneration), and professional service fees received by the directors of the Company for serving as directors, supervisors, or managers of investees other than subsidiaries or the parent company.

Note 12: The director is a former director.

*The content of remuneration disclosed in this table is different from the concept of income under the Income Tax Act, so this table is for disclosure purposes rather than for taxation purposes.

(II) Remuneration to supervisors: Not applicable.

(III) Remuneration paid to the President and Vice Presidents in the most recent year (names are disclosed in the corresponding ranges)

Unit: NTD thousand; %; December 31, 2025

Title	Name	Salary (A) (Note 2)		Severance pay (B)		Bonus and special allowance (C) (Note 3)		Remuneration to employees (D) (Note 4)				Sum of A, B, C, and D as a % of the net income after tax (Note 8)		Remuneration from investees other than subsidiaries <u>or from the parent company</u> (Note 9)
		The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company	Companies in the consolidated financial statements (Note 5)	The Company		Companies in the consolidated financial statements (Note 5)		The Company	Companies in the consolidated financial statements	
								Amount of cash	Amount of stock	Cash	Amount of stock			
CEO	Liao Pen-Lin	2,002	2,002	0	0	1,452	1,452	149	0	149	0	5.58	5.58	None
President of the First Business Division	Hsu Min-Cheng	1,620	1,620	103	103	937	937	112	0	112	0	4.29	4.29	None
President of the Second Business Division (Retiring in 2025)	Liao Pen-Tien	690	690	0	0	448	448	0	0	0	0	1.76	1.76	2,764
Vice President of the First Business Division	Tsai Huai-Jen	1,106	1,106	103	103	703	703	93	0	93	0	3.10	3.10	None

Note 1: The names of the President and Vice Presidents shall be listed separately, with the amounts of various payments disclosed in an aggregate manner. A director concurrently serving as the President or a Vice President shall be entered in this table and table (1-1) above or tables (1-2-1) and (1-2-2).

Note 2: Refers to the President's and Vice Presidents' salary, executive differential pay, and severance pay.

Note 3: Refers to the President's and Vice Presidents' various bonuses, incentives, honoraria, special allowance, various allowances, dormitory rooms, company cars, and other remuneration in the most recent year. When houses, cars, and other means of transportation or exclusive personal expenses are provided, the nature and costs of the assets provided and the actual cost or fair market value of rents, fuels, and other payments shall be disclosed. In addition, when a chauffeur is provided, please indicate the relevant payments made by the Company to the chauffeur, but such payments are not included in the remuneration. Salary and wages recognized in accordance with IFRS 2 Share-based Payments, including employee stock warrants and restricted stock awards acquired and shares for capital increased subscribed for, shall also be included in the remuneration.

Note 4: Refers to the amount of employee remuneration (including stock and cash) paid out by the Board of Directors to the President and Vice Presidents in the most recent year. If it is impossible to estimate the amount, the percentage adopted for the amount paid out last year shall be adopted to calculate the proposed amount for this year, while table 1-3 shall be filled out additionally.

Note 5: The total amount of remuneration paid to the President and Vice Presidents of the Company by all companies (including the Company) in the consolidated financial statements shall be disclosed.

Note 6: The names of the President and Vice Presidents shall be disclosed in the applicable ranges based on the total amount of remuneration paid by the Company to each President and Vice President.

Note 7: The total amount of remuneration paid to each President and Vice President of the Company by all companies (including the Company) in the consolidated financial statements shall be disclosed, with the name of each President and Vice President disclosed in their applicable range.

Note 8: Net income after tax refers to the net income after tax of the standalone or individual financial statement for the most recent year.

Note 9: a. This column shall clearly indicate the amount of remuneration received by the President and Vice Presidents of the Company from investees other than subsidiaries or from the parent company (if there is none, please fill in "None").

b. If the President or a Vice President of the Company receives remuneration from investees other than subsidiaries or from the parent company, the remuneration received by the President or the Vice President from investees other than subsidiaries or from the parent company shall be included in column E of the remuneration range table with said column renamed "Parent company and all investees".

c. Remuneration refers to the compensation, remuneration (including employee, director, and supervisor remuneration), and professional service fees received by the President or a Vice President of the Company for serving as directors, supervisors, or managers of investees other than subsidiaries or the parent company.

*The content of remuneration disclosed in this table is different from the concept of income under the Income Tax Act, so this table is for disclosure purposes rather than for taxation purposes.

(IV) Name of the manager who receives employee remuneration and distribution:

Unit: NT\$ thousand; %; December 31, 2025

	Title (Note 1)	Name (Note 1)	Share	Cash	Total	Total amount as a % of the net income after tax
Manager	CEO	Liao Pen-Lin	0	423	423	0.66
	President of the First Business Division	Hsu Min-Cheng				
	Vice President of the First Business Division	Tsai Huai-Jen				
	Corporate Governance / Chief Financial Officer (CFO)	Tsai Ti-Yi				
	Chief Accounting Officer	Chiang Yu Chang				

Note 1: Their individual names and titles shall be disclosed, but the profit paid out may be disclosed in an aggregate manner.

Note 2: Refers to the amount of employee remuneration (including stock and cash) paid out by the Board of Directors to the President and Vice Presidents in the most recent year. If it is impossible to estimate the amount, the percentage adopted for the amount paid out last year shall be adopted to calculate the proposed amount for this year. Net income after tax refers to the net income after tax for the most recent year; if the International Financial Reporting Standards have been adopted, the net income after tax refers to the net income after tax in the parent company-only or individual financial statements for the most recent year.

Note 3: The scope of managers, subject to the definition under Letter Tai-Cai-Zeng-III No. 11220384295 dated April 10, 2023, as follows:

- (1) President or an equivalent position
- (2) Vice president or an equivalent position
- (3) Assistant vice president or an equivalent position
- (4) Head of the Finance Department
- (5) Head of the Accounting Department
- (6) Other persons who have the right to manage affairs and sign on behalf of the Company

Note 4: If directors, the President, or Vice Presidents receive employee remuneration (including shares and cash), this form shall be filled out in addition to Table 1-2.

(V) An analysis of the total remuneration paid to the Company's directors, supervisors, the President, and Vice Presidents as a percentage of the net income after tax in the parent company-only or individual financial report for the most recent two years, and a description of the remuneration policy, standard, and package, the procedure for determining the remuneration, and the association between business performance and future risks.

1. An analysis of the total remuneration paid to the Company's directors, supervisors, the President, and Vice Presidents as a percentage of the net income after tax in the parent company-only or individual financial report for the most recent two years:

Unit: NT\$ thousand; %

Item	The Company				The Group			
	Total remuneration	Total remuneration as a percentage of net income after tax	Total remuneration	Total remuneration as a percentage of net income after tax	Total remuneration	Total remuneration as a percentage of net income after tax	Total remuneration	Total remuneration as a percentage of net income after tax
Title	2025		2024		2025		2024	
Director	1,753	2.71%	1,203	3.17%	1,753	2.71%	1,203	3.17%
President and Vice Presidents	9,518	14.74%	11,272	29.73%	9,517	14.74%	11,272	29.73%
Net income after tax	64,576		37,910		64,576		37,910	

Details: The increase in director's remuneration is due to an increase in pre-tax net profit, resulting in an increase in director's remuneration as provided for in the Company's articles of association.

For the year 2025, the Company's board of directors received compensation in accordance with Article 29 of the Company's Articles of Association. This compensation is based on the Company's annual profits, with the Board of Directors resolving to allocate no more than 2% of the annual profit for director remuneration. The total amount was NT\$1,531 thousand, along with transportation allowances for attending board meetings amounting to NT\$222 thousand, bringing the total compensation to NT\$1,753 thousand.

2. Remuneration policy, standard, and package, the procedure for determining the remuneration, and the relevance thereof to future risks:

- (1) As per Article 29 of the Articles of Incorporation, the Company shall allocate 2% of the profit for directors' remuneration, and both directors and independent directors are entitled to receive directors' remuneration. The Company regularly evaluates the remuneration to directors in accordance with the Rules for Performance Evaluation of Board of Directors. The performance evaluation and the reasonableness of the remuneration to be paid are reviewed by the Remuneration Committee and the Board of Directors.

- (2) Regarding the managers' remuneration, as per 12002 - Salary Regulations, various work allowances and bonuses shall be provided to reward employees for their endeavors at work; relevant bonuses also depend on the Company's annual operating performance, financial position, operating status, and individuals' work performance evaluation results; also, if the Company makes a profit for a year, it, as per Article 29 of the Articles of Incorporation, shall provide 4% or more as employee remuneration. The Company adopts the performance evaluation results as per 12011 - Year-end Bonus Payment Regulations, 12030 - Employee Remuneration Calculation and Payment Regulations, and 12066 - Performance Bonus Payment Regulations implements as the reference for the payment for manager bonuses; the manager performance evaluation indicators are divided into (A) financial indicators: as per the Company's income statement, the profit is distributed each business group based on their contribution and managers' achievement of goals; (B) non-financial indicators: the implementation of the Company's core values, business management capability, and participation in sustainable development, to calculate the remuneration for their management performance. We review the remuneration mechanism at any time as per the operating status and applicable laws and regulations.
- (3) The combination of the remuneration paid by the Company is determined in accordance with the Remuneration Committee Charter, including cash remuneration, various allowances, and other measures with substantive rewards; the scope of the remuneration is the same as that specified in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

4. Procedures for determining remuneration:

- (1) To regularly evaluate the director and manager remuneration, we adopt the evaluation results as per the Company's Rules for Performance Evaluation of Board of Directors and the Performance Bonus Payment Regulations that apply to managers and employees as the basis.
- (2) The relevant performance evaluation and the reasonableness of the Company's director and manager remuneration are regularly evaluated and reviewed by the Remuneration Committee and the Board of Directors per year. In addition to reviewing individuals' performance achievement and contribution to the Company, we consider the Company's overall operating performance and the future risks and development trends of the industry, review the remuneration mechanism at any time depending on the operating status and applicable laws and regulations, as well as take into account the overall corporate governance trend before paying reasonable remuneration to strike a balance between the Company's sustainable development and risk control. The amount of remuneration paid to directors and managers during 2025 was reviewed by the Remuneration Committee and then approved by the Board of Directors.

5. Relevance between business performance and future risks

- (1) We review the Company's remuneration policy payment standards and systems mainly based on the Company's overall operating status and determine the payment standards based on individuals' performance achievement and contribution to improve the effectiveness of the operations of the Board of Directors and management departments. We also refer to the general salary standards in the industry to ensure that the remuneration to our management team is competitive in the industry, thereby retaining excellent management talents.
- (2) Our managers' performance targets are combined with risk control measures to ensure that potential risks within the scope of their duties can be managed and prevented, and their performance is graded based on their actual performance in connection with all relevant human resources and salary policies. The important decisions made by the Company's management team after it takes into account various risks. The performance of relevant decisions made is linked with the Company's profitability, and the management team's remuneration associated with the risk control performance.

III. Implementation of corporate governance

(I) Information on the operations of the Board of Directors:

The Board of Directors held 9 meetings in the current year, , and directors' and supervisors' attendance is as follows:

Title	Name (Note 1)		Attendance in person (B)	Attendance by proxy	Attendance (%) (B/A) (Note 2)	Remark																					
Chairman	Liao Pen-Lin		9/9	-	100	Re-appointed																					
Director	Hsiao Teng-Tang		9/9	-	100	Re-appointed																					
Director	Liao Pen-Tien		9/9	-	100	Re-appointed																					
Director	Liao Yueh-Shiang		9/9	-	100	Re-appointed																					
Director	Hsu Min-Cheng		9/9	-	100	Re-appointed																					
Independent director	Hsu Ching-Tao		3/3	-	100	Vacated Office																					
Independent director	Chen Hsiang-Ning		3/3	-	100	Vacated Office																					
Independent director	Terry Chiang		9/9	-	100	Re-appointed																					
Independent director	Chiu Chuan Tzu		8/9	1	89	Re-appointed																					
Independent director	Liu Chin-Chin		6/6	-	100	Newly Appointed																					
Independent director	Chang Pao-Chai		6/6	-	100	Newly Appointed																					
<p>Other matters that are required to be disclosed:</p> <p>I. If the operations of the Board of Directors is under any of the circumstances below, the date of the board meeting, the session, the content of the proposal, all independent directors' opinions, and the Company's response to said opinions shall be specified:</p> <p>(I) Matters under Article 14-3 of the Securities and Exchange Act:</p> <table border="1"> <thead> <tr> <th>Date of meeting (session/term)</th> <th>Proposal</th> <th>All independent director the Company's response to said opinions</th> </tr> </thead> <tbody> <tr> <td rowspan="3">2025/02/26 (1st meeting in 2025)</td> <td>Discussion on the Credit Limit for Derivative Financial Instrument Transactions with Mega International Commercial Bank.</td> <td rowspan="12">Approved by all independent directors</td> </tr> <tr> <td>Discussion on the Internal Control System Declaration for FY2024.</td> </tr> <tr> <td>Evaluation of Independence and Competency of the Appointed Certified Public Accountant and Determination of Audit Fees.</td> </tr> <tr> <td rowspan="4">2025/05/05 (2nd meeting in 2025)</td> <td>Proposal to Amend the "Employee Compensation Calculation and Distribution Regulations" (Document No. 12030).</td> </tr> <tr> <td>Proposal to Amend the "Authorization of Duties Regulations" (Document No. 12044).</td> </tr> <tr> <td>Proposal to Amend the "Regulations Governing the Employment of Retired Personnel" (Document No. 12064).</td> </tr> <tr> <td>Proposal to Amend the "Customer Management Procedures" (Document No. 13112).</td> </tr> <tr> <td rowspan="3">2025/11/07 (5th meeting in 2025)</td> <td>Proposal to Amend the "Regulations Governing the Transfer of Repurchased Shares to Employees – First Buyback of 2025" (Document No. 13947).</td> </tr> <tr> <td>Proposal to Add the "Regulations Governing Financial and Business Transactions Between Related Parties" (Document No. 13948).</td> </tr> <tr> <td>Proposal to Add the "Treasury Stock Buyback Operating Procedures" (Document No. 13949).</td> </tr> <tr> <td rowspan="3">2025/12/19 (6th meeting in 2025)</td> <td>Proposal to Change the Certified Public Accountant for the Fourth Quarter Financial Statements of FY2025.</td> </tr> <tr> <td>Proposal to Amend the "Regulations Governing Financial and Business Transactions Between Related Parties" (Document No. 13948).</td> </tr> <tr> <td>Proposal for Excel Cell Electronic (Suzhou) Co., Ltd. to Extend a Loan to Anhui Excel Cell Electronic Co., Ltd.</td> </tr> </tbody> </table>							Date of meeting (session/term)	Proposal	All independent director the Company's response to said opinions	2025/02/26 (1 st meeting in 2025)	Discussion on the Credit Limit for Derivative Financial Instrument Transactions with Mega International Commercial Bank.	Approved by all independent directors	Discussion on the Internal Control System Declaration for FY2024.	Evaluation of Independence and Competency of the Appointed Certified Public Accountant and Determination of Audit Fees.	2025/05/05 (2 nd meeting in 2025)	Proposal to Amend the "Employee Compensation Calculation and Distribution Regulations" (Document No. 12030).	Proposal to Amend the "Authorization of Duties Regulations" (Document No. 12044).	Proposal to Amend the "Regulations Governing the Employment of Retired Personnel" (Document No. 12064).	Proposal to Amend the "Customer Management Procedures" (Document No. 13112).	2025/11/07 (5 th meeting in 2025)	Proposal to Amend the "Regulations Governing the Transfer of Repurchased Shares to Employees – First Buyback of 2025" (Document No. 13947).	Proposal to Add the "Regulations Governing Financial and Business Transactions Between Related Parties" (Document No. 13948).	Proposal to Add the "Treasury Stock Buyback Operating Procedures" (Document No. 13949).	2025/12/19 (6 th meeting in 2025)	Proposal to Change the Certified Public Accountant for the Fourth Quarter Financial Statements of FY2025.	Proposal to Amend the "Regulations Governing Financial and Business Transactions Between Related Parties" (Document No. 13948).	Proposal for Excel Cell Electronic (Suzhou) Co., Ltd. to Extend a Loan to Anhui Excel Cell Electronic Co., Ltd.
Date of meeting (session/term)	Proposal	All independent director the Company's response to said opinions																									
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<p>(II) In addition to above matters, the resolutions adopted by the board of directors to which independent directors have objections or reservations on record or in a written statement: None.</p> <p>II. The implementation status of directors' recusal from agenda items involving conflicts of interest shall specify the director's name, the content of the agenda item, the reason for the required recusal, and the director's voting status:</p>																											

Meeting Date (session/term)	Agenda Items	Resolution Result
2025/05/05 (2 nd meeting in 2025)	Proposal for Distribution Details of Employee Compensation to Managers for 2024.	During the discussion and resolution of this proposal, Chairman Liao Pen-Lin, Director Hsu Min-Cheng, and Director Liao Pen-Tien recused themselves. Director Hsu Ching-Tao acted as chair. The remaining attending directors raised no objections, and the proposal was approved as presented.
	Proposal for Distribution Details of Performance Bonuses to Managers for January to April 2025.	During the discussion and resolution of this proposal, Chairman Liao Pen-Lin, Director Hsu Min-Cheng, and Director Liao Pen-Tien recused themselves. Director Hsu Ching-Tao acted as chair. The remaining attending directors raised no objections, and the proposal was approved as presented.
2025/06/12 (3 rd meeting in 2025)	Proposal for the Retirement of Appointed Manager – General Manager of Business Division II, Mr. Liao Pen-Tien.	During the discussion and resolution of this proposal, Director Liao Pen-Tien recused himself. The chair consulted the remaining attending directors, who raised no objections, and the proposal was approved as presented.
	Personnel Appointment of Managers.	During the discussion and resolution of this proposal, Director Liao Pen-Lin, Director Hsu Min-Cheng, Manager Tsai Huai-Jen, and Manager Tsai Ti-Yi recused themselves. Director Liu Chin-Chin was requested to act as chair. The acting chair consulted the remaining attending directors, who raised no objections, and the proposal was approved as presented.
	Proposal to Appoint Mr. Liao Pen-Tien as Advisor of the Company.	During the discussion and resolution of this proposal, Director Liao Pen-Tien recused himself. The chair consulted the remaining attending directors, who raised no objections, and the proposal was approved as presented.
2025/11/07 (5 th meeting in 2025)	Proposal for Distribution Details of Performance Bonuses to Managers for May to August 2025.	During the discussion and resolution of this proposal, Chairman Liao Pen-Lin, Director Hsu Min-Cheng, and Director Liao Pen-Tien recused themselves. Director Chang Pao-Chai acted as chair. The remaining attending directors raised no objections, and the proposal was approved as presented.
2025/12/19 (6 th meeting in 2025)	Proposal for Distribution Details of Year-End Bonuses to Managers for 2025.	During the discussion and resolution of this proposal, Chairman Liao Pen-Lin, Director Hsu Min-Cheng, and Director Liao Pen-Tien recused themselves. Director Chang Pao-Chai acted as chair. The remaining attending directors raised no objections, and the proposal was approved as presented.
	Proposal for Distribution Details of Performance Bonuses to Managers for September to December 2025.	During the discussion and resolution of this proposal, Chairman Liao Pen-Lin, Director Hsu Min-Cheng, and Director Liao Pen-Tien recused themselves. Director Chang Pao-Chai acted as chair. The remaining attending directors raised no objections, and the proposal was approved as presented.
	Proposal for Settlement of Seniority under the Old Pension System for CEO Mr. Liao Pen-Lin.	During the discussion and resolution of this proposal, Director Liao Pen-Lin recused himself. Director Chang Pao-Chai was requested to act as chair. The acting chair consulted the remaining attending directors, who raised no objections, and the proposal was approved as presented.
<p>III. Listed and OTC companies shall disclose information regarding the board of directors' self-evaluation (or peer evaluation), including the evaluation cycle and period, scope, methodology, and content. Please refer to Table 2(2): Implementation Status of Board Performance Evaluations as shown below.</p> <p>IV. Objectives and implementation status of measures taken to enhance the board's functions during the current and most recent fiscal years (e.g., establishment of an audit committee, improvement of information transparency, etc.)</p> <ol style="list-style-type: none"> Among the nine directors of the company, four are independent directors, accounting for four-ninths of the total board seats. The Board of Directors of the company has authorized the establishment of the Audit Committee and the Compensation Committee to assist the Board in fulfilling its supervisory responsibilities. Both committees are composed entirely of independent directors. 		

Note 1: Where the director or supervisor is a juridical person, please specify the institutional shareholder's and its representative's names.

Note 2: (1) If a director or supervisor resigned before the end of the year, the date of resignation shall be indicated in the Remarks column, and the attendance (%) shall be calculated with the number of board meetings attended by the director or supervisor divided by the number of board meetings held during their term of office.

(2) Before the end of the year, if there is an election of directors or supervisors, the new and old directors and supervisors shall be entered, and the old, new, or re-elected status and the election date of each director or supervisor shall be indicated in the Remarks column. The attendance (%) shall be calculated with the number of board meetings attended by a director or supervisor divided by the number of board meetings held during their term of office.

The implementation of the board performance evaluation

<u>Evaluation cycle</u> (Note 1)	<u>Evaluation period</u> (Note 2)	<u>Scope of evaluation</u> (Note 3)	<u>Evaluation method</u> (Note 4)	<u>Contents of evaluation</u> (Note 5)
Once per year	January 1, 2025 through December 31, 2025	The board as a whole, individual board members, and functional committees were included in the evaluation.	Internal board self-evaluation and board members' self-evaluation	The evaluation content is detailed on page 25 and was reported to the Board of Directors on March 6, 2026.

Note 1: Fill in the cycle of the board evaluation, e.g., once per year.

Note 2: Fill in the period covered for the board evaluation, e.g. the board performance from January 1, 2019 to December 31, 2019 was evaluated.

Note 3: The evaluation covers the Board of Directors, individual board members', and functional committees' performance.

Note 4: Evaluation methods include internal board self-evaluation, board members' self-evaluation, peer evaluation, evaluation by external professional organizations or experts, or other appropriate methods.

Note 5: The evaluation content includes at least the indicators below within the evaluation scope:

- (1) The Board of Directors performance evaluation covers at least the degree of involvement in the Company's operations, the quality of the Board of Directors' decision-making, the composition and structure of the Board of Directors, the election of directors and their continuing education, and internal control.
- (2) Individual directors' performance evaluation covers at least the alignment with the Company's goals and mission, awareness of responsibilities as a director, directors' awareness of responsibilities, degree of involvement in the Company's operations, internal relationship management and communication, management and communication of internal relations, and internal control.
- (3) Functional committees' performance evaluation covers the degree of involvement in the Company's operations, awareness of responsibilities as a functional committee member, the quality of the functional committee's decision-making, the composition and selection of members of the functional committees, and internal control.

Excel Cell Electronic Co., Ltd. 2025 Board Performance Evaluation Results

(I) Evaluation results:

1. The board performance self-evaluation:

The board performance evaluation indicators covered a total of 42 indicators in the five major aspects; 42 evaluation indicators were rated "Strongly agree (5)". This indicated that the Board of Directors has duly fulfilled its responsibilities to guide and oversee the Company's strategies, major business activities and risk management, while having established a proper internal control system. The overall operations were up to standard in alignment with the requirements of corporate governance.

The five aspects of self-evaluation	Evaluation indicator	Rating result
A. The degree of participation in the Company's operations	11 indicators	4.97 points
B. Improvement to the decision-making quality of the Board	12 indicators	5.00 points
C. Board composition and structure	7 indicators	5.00 points
D. Directors' election of and continuing education	5 indicators	5.00 points
E. Internal control	7 indicators	5.00 points

2. Individual board member performance self-evaluation:

The board member performance evaluation indicators covered a total of 23 indicators in the six major aspects; 21 evaluation indicators were rated "Strongly agree (5)" and two evaluation indicators were rated "Agree (4)". This indicated that the directors have positive reviews for the efficiency and effectiveness of various indicators.

The six aspects of self-evaluation	Evaluation indicator	Rating result
A. Alignment with the Company's goals and missions	3 indicators	5.00 points
B. Awareness of directors' responsibilities	3 indicators	5.00 points
C. The degree of participation in the Company's operations	8 indicators	4.96 points
D. Internal relations management and communication	3 indicators	5.00 points
E. Directors' professionalism and continuing education	3 indicators	5.00 points
F. Internal control	3 indicators	5.00 points

3. Audit Committee performance self-evaluation:

The Audit Committee performance evaluation indicators covered a total of 22 indicators in the five major aspects; 22 evaluation indicators were rated "Strongly agree (5)". This indicated that the overall operations of the Audit Committee were up to standard in alignment with the requirements of corporate governance and effectively improved the board functions.

The five aspects of self-evaluation	Evaluation indicator	Rating result
A. The degree of participation in the Company's operations	4 indicators	4.94 points
B. Understanding of functional committees' responsibilities	5 indicators	5.00 points
C. Improvement to the decision-making quality of functional committees	7 indicators	5.00 points
D. Composition of functional committees and appointment of members	3 indicators	5.00 points
E. Internal control	3 indicators	5.00 points

4. Remuneration Committee performance self-evaluation:

The Remuneration Committee performance evaluation indicators covered a total of 19 indicators in the four major aspects; 19 evaluation indicators were rated "Strongly agree (5)". This indicated that the overall operations of the Remuneration Committee were up to standard in alignment with the requirements of corporate governance and effectively improved the board functions.

The four aspects of self-evaluation	Evaluation indicator	Rating result
A. The degree of participation in the Company's operations	4 indicators	4.94 points
B. Understanding of functional committees' responsibilities	5 indicators	5.00 points
C. Improvement to the decision-making quality of functional committees	7 indicators	5.00 points
D. Composition of functional committees and appointment of members	3 indicators	5.00 points

(II) The operations of the Audit Committee: The Audit Committee held six meetings during the most recent year, and the members' attendance is as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance (%) (B/A) (Note)	Remark
Convener	Hsu Ching-Tao	2/2	-	100	Vacated Office
Member	Chen Hsiang-Ning	2/2	-	100	Vacated Office
Member	Terry Chiang	6/6	-	100	Re-appointed
Member	Chiu Chuan Tzu	6/6	-	100	Re-appointed
Member	Liu Chin-Chin	4/4	-	100	Newly Appointed
Convener	Chang Pao-Chai	4/4	-	100	Newly Appointed

Other matters that are required to be disclosed:

I. If the operations of the Audit Committee is under any of the circumstances below, the date of the committee meeting, the session, the content of the proposal, all independent directors' opinions, and the Company's response to said opinions shall be specified:

(I) Matters under Article 14-5 of the Securities and Exchange Act:

Type of meeting	Date	Major resolutions	The Audit Committee's resolution results and the Company's response to the Audit Committee's opinions
15th meeting of 3rd term	2025/02/26	Business Report, financial statements, and consolidated financial statements for 2024.	Approved by all Audit Committee members
		Proposal for the 2024 Statement on Internal Control System.	
		Evaluation of Independence and Competency of the Appointed Certified Public Accountant and Determination of Audit Fees.	
16th meeting of 3rd term	2025/05/05	Financial Statement for Q1 2025.	
		Proposal to Amend the "Employee Compensation Calculation and Distribution Regulations" (Document No. 12030).	
1st meeting of 4th term	2025/08/08	Financial Statement for Q2 2025.	
		Proposal to Amend the "Authorization of Duties Regulations" (Document No. 12044).	
		Proposal to Amend the "Regulations Governing the Employment of Retired Personnel" (Document No. 12064).	
2nd meeting of 4th term	2025/11/07	Proposal to Amend the "Customer Management Procedures" (Document No. 13112).	
		Financial Statement for Q3 2025.	
		Proposal to Amend the "Regulations Governing the Transfer of Repurchased Shares to Employees – First Buyback of 2025" (Document No. 13947).	
3rd meeting of 4th term	2025/12/19	Proposal to Add the "Regulations Governing Financial and Business Transactions Between Related Parties" (Document No. 13948).	
		Proposal to Add the "Treasury Stock Buyback Operating Procedures" (Document No. 13949).	
		Internal Audit Program for 2026.	
		Proposal for Pre-approval of Potential Non-assurance Services to Be Provided by Deloitte & Touche for the Company and Its Subsidiaries in 2026.	
		Proposal for the Change of Certified Public Accountant for the Review of the Q4 2025 Financial Statements.	
		Proposal to Amend the "Regulations Governing Financial and Business Transactions Between Related Parties" (Document No. 13948).	
		Proposal for Excel Cell Electronic (Suzhou) Co., Ltd. to Extend a Loan to Anhui Excel Cell Electronic Co., Ltd.	

(II) Except for the above matters, matters that have not been approved by the Audit Committee but have been approved by more than two-thirds of all directors: None.

II. In the event of independent directors' recusal from any proposals, the name of independent director, the content of proposal, the reasons for recusal, and the participation in voting shall be specified: None.

III. Communication between Independent Directors, Internal Audit Officer, and the Auditor (including major issues, methods, and results of communications regarding the company's financial and business conditions):

On August 8, 2025, and March 6, 2026, the auditor communicated with the independent directors and the internal audit officer regarding relevant issues during the audit process of the financial statements for the first half of 2025 and the full year 2025.

(III) The operations of corporate governance and the deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor

Evaluation indicator	Operations (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Brief description	
I. Has the company formulated and disclosed the Corporate Governance Best Practice Principles in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	Yes		Already disclosed on the Company's website	No major difference from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
II. The Company's shareholding structure and shareholders' equity (I) Has the company formulated internal operating procedures for handling shareholders' suggestions or questions or disputes and litigation with them and complied with the procedures? (II) Does the company have a list of the major shareholders with ultimate control over the company and a list of the ultimate controllers of the major shareholders? (III) Has the company established and implemented a risk control and a firewall mechanism between itself and affiliates? (IV) Has the company formulated internal regulations to prohibit insiders from using information undisclosed in the market to buy and sell securities?	Yes Yes		(I) We have personnel in place dedicated to handling issues, such as shareholder suggestions or disputes with them. (II) We keep abreast of a list of major shareholders with ultimate control over the Company. (III) The management rights and responsibilities for personnel, assets, and finance between the Company and our affiliates are clearly defined. In addition to the subsidiary supervision operations in place, our auditors regularly supervise the implementation. (IV) The Company has established the Procedures for Handling Material Inside Information and the Insider Trading Prevention Management Procedures, which prohibit the insiders from using undisclosed information on the market to trade securities.	(I) No major difference from Article 13 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies (II) No major difference from Article 19 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies (III) No major difference from Article 14 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies (IV) No major difference from Article 14 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
III. Composition and responsibilities of the Board of Directors (I) Has the board formulated a diversity policy for the board structure and specific management objectives and duly implemented them? (II) Has the company voluntarily established other functional committees in addition to the remuneration and the audit committees established in accordance with the law? (III) Has the company formulated board performance evaluation regulations and evaluation methods, conducted performance evaluations annually and regularly, reported the results of performance evaluations to the board of directors, and adopted such results as a reference for deciding the remuneration of and nominating candidates for individual directors? (IV) Does the company regularly assess the independence of the CPAs?	Yes Yes		(I) The Company's board members are from various professional fields, and we have therefore put the board diversity policy into practice. Refer to pages 11-14 for details. (II) The Company has voluntarily established an Audit Committee. (III) Refer to page 24 for details. (IV) Refer to page 49 for details. The assessment of the independence of CPAs.	(I) No major difference from Article 20 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies (II) The Company has voluntarily established an Audit Committee. (III) No major difference from Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies (IV) No major difference from Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
IV. Has the company has appointed an appropriate number of competent corporate governance personnel and designated a corporate governance officer to be responsible for corporate governance affairs (including but	Yes		On May 3, 2023, the Board of Directors of our company passed a resolution to appoint Ms. Tsai Ti-Yi, Assistant Vice President of General Administration Division. Ms. Tsai will be responsible for corporate	No major difference

Evaluation indicator	Operations (Note 1)			Deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Brief description	
not limited to providing directors and supervisors with the materials required for performance of their duties, assisting directors and supervisors with compliance, handling matters related to board meetings and the shareholders' meetings, and preparing minutes of board meetings and shareholders' meetings)?			governance-related matters, with supervision provided by the Chairman of the Board of Directors.	
V. Has the company has established communication channels with stakeholders and set up a section dedicated to stakeholders on the company's website to properly respond to stakeholders' major CSR issues of concern?	Yes		We have set up the Stakeholders section on the Company's website as a communication channel with them (including clients, suppliers, investors, and employees).	No major difference from Article 51 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
VI. Does the company appoint a professional stock affairs agency to handle the affairs related to shareholders' meetings?	Yes		The Company's shareholder service is handled by SinoPac Securities Corporation.	No major difference
VII. Information disclosures (I) Has the company set up a website to disclose information on financial business and corporate governance?	Yes		(I) We have set up a website to disclose relevant information.	(I) No major difference from Article 55 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
(II) Does the company adopt other methods to disclose information (such as setting up an English website, designating personnel to collect and disclose company information, implementing a spokesperson system, or placing the proceeding of investor conferences on the company website)?	Yes		(II) We have appointed personnel dedicated to collecting and disclosing the information on the Company, the spokesperson system, and the investor conferences in accordance with regulations.	(II) No major difference from Article 56 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
(III) Does the company announce and submit an annual financial report to the competent authority within two months after the end of each fiscal year and announce and submit the financial reports for the first, second, and third quarters and the operations of each month to the competent authority before a specified deadline?		No	(III) The Company filed the 2025 annual financial statements on March 13, 2026 and completed the filing of the financial statements for 2025 Q1, Q2, and Q3 7 days prior to the expiry of the reporting period.	(III) The feasibility of announcing and reporting the annual financial statement within two months after the end of the fiscal year will be carefully assessed
VIII. Does the Company have other important information that facilitates the understanding of the operations of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, stakeholders' rights, directors' and supervisors' continuing education, the implementation of risk management policies and risk measurement standards, the implementation of client policies, and the company's purchase of directors and supervisors liability insurance)?	Yes		(I) Please refer to page 28 for the details of directors' continuing education. (II) We have purchased directors liability insurance. (III) We have set up the Stakeholders section on the Company's website as a communication channel with them (including clients, suppliers, investors, and employees).	No major difference
IX. Please specify any improvements made as per the results of the corporate governance evaluation announced by the Corporate Governance Center, Taiwan Stock Exchange Corporation, in the most recent year and put forth prioritized measures to improve those that have not yet improved: (1) Have the Rules for Performance Evaluation of Board of Directors been formulated by the company and approved by the board of directors?: We will conduct a self-evaluation at least once per year and disclose the evaluation results on the official website or annual report: Refer to page 24 and the Company's website at https://www.ece.com.tw/zh-tw . (2) Does the company's annual report disclose the president's and vice presidents' individual remuneration?: Refer to page 24 for details. (3) Has the company set up a dedicated (concurrent) unit for integrity management to formulate and supervise an integrity management policy and a prevention plan, disclose its operations and the implementation on the Company's website and in the annual report, and regularly report to the board of directors: Refer to page 40 for details. (4) Did the company disclose the annual emissions of carbon dioxide or other greenhouse gases over the past two years: Refer to page 37 for details.				

Directors' and supervisors' professional and continuing education

Title	Name	Date of course		Organizer	Course title	Hours of course	Total hours of continuing education for this year
		From	To				
Director	Liao Pen-Lin	2025/10/28	2025/10/28	Chinese Association for Financial and Economic Development	Carbon Pricing and Green Economic Transition	3	6.0
		2025/11/15	2025/11/15	Commerce Development Research Institute	Corporate Governance and Corporate Sustainability Workshop	3	
Director	Hsiao Teng-Tang	2025/01/09	2025/01/09	Taiwan Corporate Governance Association	Everything Is Connected, Everything Can Be Hacked – IoT Cybersecurity Starts with You and Me	3	6.0
		2025/01/17	2025/01/17	Taiwan Corporate Governance Association	Current Global Economic and Financial Conditions	3	
Director	Liao Pen-Tien	2025/05/16	2025/05/16	Securities and Futures Institute, SFI	2025 Insider Trading Prevention Seminar	3	6.0
		2025/11/20	2025/11/20	Securities and Futures Institute, SFI	Global and Taiwan Economic Outlook for 2026	3	
Director	Liao Yueh-Shiang	2025/06/25	2025.06.25	Taiwan Academy of Banking and Finance, TABF	Corporate Governance Forum	3	6.0
		2025/12/12	2025.12.12	Securities and Futures Institute, SFI	Case Studies and Legal Liability Analysis of Greenwashing and Misleading Sustainability Reports	3	
Director	Hsu Min-Cheng	2025/08/15	2025/08/15	Taiwan Stock Exchange	CDP Alignment with IFRS S2: Enhancing Climate Information Disclosure to Strengthen Corporate Climate Resilience	6	6.0
Independent director	Terry Chiang	2025/06/25	2025/06/25	Taiwan Academy of Banking and Finance, TABF	Corporate Governance Forum	3	6.0
		2025/08/08	2025/08/08	Taipei Exchange	2025 Seminar on Insider Shareholding Regulations for Listed and Emerging Market Companies	3	
Independent director	Chiu Chuan Tzu	2025.05.09	2025.05.09	Securities and Futures Institute, SFI	2025 Insider Trading Prevention Seminar	3	6.0
		2025.06.25	2025.06.25	Taiwan Academy of Banking and Finance, TABF	Corporate Governance Forum	3	
Independent director	Liu Chin-Chin	2025/07/09	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6	6.0
Independent director	Chang Pao-Chai	2025/07/09	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6	6.0

(IV) If the company has established a remuneration committee, the composition, responsibilities, and operations of the committee shall be disclosed

1. Information on the members of the Remuneration Committee

As for December 31st, 2025

Title		Criteria Name	Professional qualifications and experience	Independence criteria	Number of other public companies where the individual serves as an independent director concurrently
Independent director	Terry Chiang	Master's from Electrical Engineering, University of Southern California	President of Securitag Assembly Group Co., Ltd. Director of Securitag Assembly Group Co., Ltd. Director of Siward Crystal Technology Co., Ltd.	Aligned with Note 1	None
Independent director	Chiu Chuan-Tzu	Doctor 's from Business Administration from Princeton University	Vice President of China Development Financial Holding Corporation, KGI Securities Co., Ltd.	Aligned with Note 1	None
Independent director	Liu Chin-Chin	Master's from Business Management, Tatung University	Independent Director of P-Duke Technology Co., Ltd. Director of Ohuama New Building Materials (Shanghai) Co., Ltd.	Aligned with Note 1	1
Independent director	Chang Pao-Chai	Executive Program, Antai College of Economics and Management, Shanghai Jiao Tong University	Chairman of Premier International Development Incorporation Independent Director of Planet Technology Corporation Independent Director of Brinno Incorporated	Aligned with Note 1	2

Note 1: In compliance with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

- (I) Has work experience in the area of commerce, law, finance, or accounting, or otherwise necessary for the business of the company
- (II) Not been a person of any conditions defined in Article 30 of the Company Act.
- (III) Not a government or juridical person or representative thereof as specified in Article 27 of the Company Act.
- (IV) Shall maintain the independence within the scope of the performance of duties; shall not have any direct or indirect interest involved with the Company; shall not be involved in any of the following circumstances during the two years before being elected and during the term of office:
 1. An employee of the Company or any of its affiliates.
 2. A director or supervisor of the company or any of its affiliates.
 3. A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the company or ranks as one of its top ten shareholders.
 4. A manager under subparagraph 1 or spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the personnel in the preceding two subparagraphs.
 5. A director, supervisor, or employee of an institutional shareholder who directly holds more than 5% of the Company's total issued shares, who are among the top five shareholders, or who designates its representative to serve as a director or supervisor of the Company in accordance with Article 27, paragraph 1 or 2 of the Company Act.

6. A director, supervisor, or employee of another company where a majority of the Company's director seats or voting shares and those of another company are controlled by the same person.
7. A director (managing director), supervisor, or employee of another company or institution where the Chairman, the President, or person holding an equivalent position at the Company and a person in an equivalent position at another company or institution are the same person or are spouses.
8. A director (managing director), supervisor, manager, or shareholder holding 5% or more of the shares of a specific company or institution with financial or business relations with the Company.
9. A professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the past two years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Security and Exchanges Act or to the Business Mergers and Acquisitions Act or relevant laws or regulations.

The provisions of subparagraph 2 and subparagraphs 5 to 7 of the preceding paragraph and subparagraph 1 of paragraph 4 do not apply to an independent director engaged concurrently by the Company, its parent company, and its subsidiary, or a subsidiary under the same parent company in accordance with the Act or local laws and regulations.

Where an independent director of a publicly issued company used to serve as an independent director of a company listed in subparagraph 2 or 8 of paragraph 1, its affiliate(s), or a specific company or institution with financial or business relations with the Company and has been dismissed, the requirement two years before being elected under paragraph 1 does not apply.

The specific company or institution referred to in subparagraph 8 of paragraph 1 refers to a company under any of the following circumstances:

- I. Holding 20% or more and not more than 50% in the Company's total issued shares.
- II. Another company and its directors, supervisors, or all shareholders each holding 10% or more of its total issued shares hold 30% or more of the Company's total issued shares, and both parties have records of financial or business transactions. The shares held by the aforementioned personnel, including their spouses, minor children, and those held by nominee arrangement.
- III. A total of 30% or more of the Company's operating revenue comes from another company and companies within its group.
- IV. The quantity or total purchase amount of the raw materials for the Company's main products (those that account for 30% or more of the total purchase amount and are indispensable for product manufacturing) or major commodities (referring to those that account for 30% or more of the total operating revenue) from another company and companies within its group reached 50 % or more of the Company's total purchase amount.

The parent company, subsidiary, and group referred to in paragraphs 1 and 2 and the preceding paragraph shall be determined in accordance with IFRS 10.

Affiliates referred to in paragraphs 1 and 3 refer to affiliates in Chapter 6-1 of the Company Act, or those who should prepare consolidated financial statements in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises and the IFRS 10.

2. Information on the operations of the Remuneration Committee

(1) The Company has four Remuneration Committee members.

(2) The term of office of the existing committee members: From May 29, 2025 through May 28, 2028. The Remuneration Committee held 4 meetings (A) in 2025. The members' qualifications and attendance are as follows:

Title	Name	Attendance in person (B)	No. of Meetings Attended by Proxy	Attendance (%) (B/A) (Note)	Remark
Convener	Hsu Ching-Tao	1/1	-	100	Vacated Office
Member	Chen Hsiang-Ning	1/1	-	100	Vacated Office
Convener	Chang Pao-Chai	3/3	-	100	Newly Appointed
Member	Terry Chiang	4/4	-	100	Re-appointed
Member	Chiu Chuan Tzu	4/4	-	100	Re-appointed
Member	Liu Chin-Chin	3/3	-	100	Newly Appointed

Other matters that are required to be disclosed:

I. Where the Board of Directors rejects or modifies the suggestions from the Remuneration Committee, please disclose the date and session of the meeting, contents of the motions, resolution made by Board of Directors' meeting, and how the Company has responded to Remuneration Committee's opinions (describe the differences and reasons, if any, should the Board of Directors approve a solution that is more favorable than the one proposed by the Remuneration Committee): None.

II. For proposals resolved by the Remuneration Committee, if any members expressed objection or reservation with a record or written statement, the date of the Remuneration Committee meeting, the session, the content of the proposal, all members' opinions, and the response to the members' opinions shall be specified: None.

(I) Matters under Article 14-6 of the Securities and Exchange Act:

Type of meeting	Date	Major resolutions	Resolution results	Status of implementation
The 10 th Meeting of the 5 th term	2025/05/05	1. Proposal for the 2024 Distribution Details of Directors' Remuneration.	Passed by all present members as proposed without objection after the chair consulted them.	Executed as per the resolution result
		2. Proposal for the 2024 Distribution Details of Employee Remuneration for Managerial Officers.	Passed by all present members as proposed without objection after the chair consulted them.	Executed as per the resolution result
		3. Proposal for the Distribution Details of Performance Bonuses for Managerial Officers from January to April 2025.	Passed by all present members as proposed without objection after the chair consulted them.	Executed as per the resolution result
The 1 st Extraordinary Meeting of the 6 th term	2025/06/12	1. Proposal for the Retirement Benefit Payment for Appointed Manager – General Manager of Business Division II, Mr. Liao Pen-Tien.	Passed by all present members as proposed without objection after the chair consulted them.	Executed as per the resolution result
The 1 st Meeting of the 6 th term	2025/11/07	1. Proposal for the Distribution Details of Performance Bonuses for Managerial Officers from May to August 2025.	Passed by all present members as proposed without objection after the chair consulted them.	Executed as per the resolution result
The 2 nd Meeting of the 6 th term	2025/12/19	1. Proposal for the Distribution Details of Year-End Bonuses for Managerial Officers in 2025.	Passed by all present members as proposed without objection after the chair consulted them.	Executed as per the resolution result
		2. Proposal for the Distribution Details of Performance Bonuses for Managerial Officers from September to December 2025.	Passed by all present members as proposed without objection after the chair consulted them.	Executed as per the resolution result
		3. Proposal for the Allocation Ratios of Employee and Director Remuneration for 2026.	In accordance with Article 29 of the Company's Articles of Incorporation, it is proposed that 4% of the profit be allocated as employee remuneration and 2% as director remuneration for the year 2026. Upon the Chairman's inquiry, the proposal was approved without objection by all attending committee members.	Executed as per the resolution result
		4. Proposal for Settlement of Seniority under the Old Pension System for CEO Mr. Liao Pen-Lin.	Passed by all present members as proposed without objection after the chair consulted them.	Executed as per the resolution result

(V) The promotion of sustainable development and the deviation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies for TWSE/TPEX Listed Companies and the reasons therefor

The promotion of Item	The promotion of Implementation (Note 1)		Discrepancy between the implementation and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor	
	Yes	No		Brief description
I. Has the Company established a governance structure to promote sustainable development, set up a dedicated (concurrent) unit to promote sustainable development, and authorized the senior management by the board of directors to handle and supervise the situation on behalf of the board of directors?	Yes		1. The ESG Committee is the top sustainable development decision-making center chaired by the CEO and supported by a secretariat. It is divided into five working groups: corporate governance / council engagement and employee development / sustainable products / environmental sustainability / supply chain management, which jointly review the company's core operating capabilities and formulate medium- and long-term sustainability plans.	No difference from Article 9 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes		2. Specify the implementation by each organization within the Company, including but not limited to: (1) The ESG Committee is the top sustainable development decision-making center chaired by the CEO and supported by a secretariat. It is divided into five working groups: corporate governance / council engagement and employee development / sustainable products / environmental sustainability / supply chain management, which jointly review the company's core operating capabilities and formulate medium- and long-term sustainability plans. (2) The ESG Committee serves as an interdepartmental communication platform that features vertical integration and horizontal connection. Through regular meetings and the five major task forces set up for the topics of corporate governance; social participation and employee development; sustainable products; environmental sustainability; and supply chain management, respectively, we identified sustainability issues relevant to the Company's operations and stakeholders' concerns, formulated corresponding strategies and work guidelines, prepared budgets related to various organizations and sustainable development, and planned and executed annual plans, while following up on the implementation results to ensure that our sustainable development strategies are thoroughly implemented in the Company's daily operations. The unit in charge of the ESG Committee reports to the Board of Directors on the sustainable development project implementation results and future work plans per year. It also reports on the implementation throughout the year and the annual work plan to the Board of Directors in the first quarter per year. The content of its proposal includes (A) identified critical ESG issues and corresponding action plans; (B) goals and policy revisions for ESG-related issues; (C) supervision of the implementation of the sustainable management business and the implementation evaluated. The Company's Board of Directors listens to the reports by the management team on a regular basis per year. The management team must put forth business strategies to the Board of Directors, which should then assess the possibility of success of such strategies and regularly review the progress of the strategies, all the while urging the management team to make adjustments when necessary. (3) The Company - "Organizational Chart of the ESG Committee" was presented to the Board of Directors on December 19, 2025.	No difference from Article 9 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes		3. Specify the board's supervision of sustainable development: The Company's 2025 sustainable development report was discussed by the Board of Directors on December 19, 2025. The report includes specific policies for greenhouse gas reduction targets, identification of short-, medium-, and long-term climate-related risks, corresponding financial impacts, opportunities associated with the listed risks, as well as proposed solutions and management indicators.	No difference from Article 7 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes		1. Specify the risk assessment boundaries:	

The promotion of Item	The promotion of Implementation (Note 1)			Discrepancy between the implementation and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Brief description	
II. Does the company conduct risk assessments of environmental, social, and corporate governance issues related to company operations as per the principle of materiality? Has the company formulated relevant risk management policies or strategies?			(1) The disclosure covers the Company's sustainable development performance at its main locations from January to December 2025. The risk assessment boundaries are mainly formed within the Company, including all existing sites in Taiwan. (2) The ESG Committee conducts analysis based on the principle of materiality, communicates with internal and external stakeholders, and reviews domestic and foreign research reports and literature and consolidates the evaluation data of various segments to evaluate the materiality of ESG issues, formulate risk management policies for effective identification, measurement, monitoring and control, and take specific action plans to reduce the impact of related risks.	No difference from Article 3 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes		2. We formulated relevant risk management policies or strategies based on the identified risks; the details are as follows: (Company website: https://www.ece.com.tw/zh-tw/other-projects)	
III. Environmental issues (I) Has the company set up an appropriate environmental management system as per its industrial characteristics?	Yes		1. To achieve environmental performance targets and make continuous improvements, we have established a comprehensive environmental management system in accordance with the characteristics of the electronic components industry and our operational needs. We have obtained ISO 14001 environmental certification. Procedures for managing wastewater, emissions, and waste in the production process have been established, and relevant treatment equipment has been installed in compliance with regulations.	No difference from Articles 11–17 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
(II) Is the company committed to improving energy efficiency and adopting recycled materials with low environmental impact?	Yes		2. Specify the Company's policy on improving energy efficiency and using recycled materials: We actively adopt various energy efficiency measures and select equipment with high energy efficiency and energy-saving designs to reduce energy consumption from operations and products, while increasing the use of renewable energy to optimize energy efficiency. A solar photovoltaic (PV) system with a total installed capacity of 310.53 kW was implemented, generating 376,702 kW of electricity in 2025. This resulted in a reduction of approximately 178.56 metric tons of CO ₂ emissions. The raw materials we use are in compliance with the European Union's RoHS, REACH, and halogen-free regulations. We established the GPDATA database as per the GP manual, including material recycling for reuse and pollution reduction during the product manufacturing process, to alleviate the impact on the environment. In terms of green manufacturing, we strive to reduce unnecessary waste of resources, reduce waste, and develop reuse technologies. We join hands with businesses in the upstream and downstream value chain to recycle and share packaging materials. Also, in respect of products, we strive to test recycled materials with low impact on the environment to maximize the effect of circular economy. We work to create values of circular economy by recycling raw materials from processes, researching and developing waste reduction technology, and designing and selling circular products.	
(III) Does the Company assess the potential risks and possibilities of climate change to the company now and in the future and take relevant countermeasures?	Yes		3. We have assessed the impact of climate change on the enterprise, which includes rising costs and risks to employee health and safety, ultimately affecting company operations. In addition to actively promoting energy conservation and carbon reduction measures, such as installing solar energy generation equipment and implementing energy management to reduce energy consumption, we are also actively reducing material waste, improving product yield, and caring for employee health. We are proactively preventing infectious diseases to ensure the normal operation of the company.	

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	Yes	No	Brief description																									
(IV) Has the company counted the greenhouse gas emissions, water consumption, and total weight of waste over the past two years and formulated policies on energy conservation and carbon reduction, greenhouse gas reduction, water consumption reduction, or other waste management?	Yes		<p>1. Specify the statistical data, intensity (per unit of product, service, or revenue), and data coverage (such as all factories and subsidiaries) of the items below over the past two years:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2024</th> <th>2025</th> <th>Units</th> </tr> </thead> <tbody> <tr> <td>Greenhouse gas emissions CO2 equivalent</td> <td>3,928</td> <td>3,934</td> <td>metric ton</td> </tr> <tr> <td>Water consumption</td> <td>44,181</td> <td>39,441</td> <td>1000 L</td> </tr> <tr> <td>Non-hazardous waste</td> <td>90</td> <td>90</td> <td>metric ton</td> </tr> <tr> <td>Hazardous waste - Sludge</td> <td>6.84</td> <td>2.77</td> <td>metric ton</td> </tr> <tr> <td>Hazardous waste - Waste oil</td> <td>2.98</td> <td>3.52</td> <td>metric ton</td> </tr> </tbody> </table>	Year	2024	2025	Units	Greenhouse gas emissions CO2 equivalent	3,928	3,934	metric ton	Water consumption	44,181	39,441	1000 L	Non-hazardous waste	90	90	metric ton	Hazardous waste - Sludge	6.84	2.77	metric ton	Hazardous waste - Waste oil	2.98	3.52	metric ton	No difference from Articles 11–17 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
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Yes		<p>2. Specify the policy on greenhouse gas reduction, water consumption reduction, or other waste management: We put into practice the concept of environment, safety, and health, maintain environmental quality, and ensure</p> <p>(1) According to the 2025 organizational greenhouse gas (GHG) inventory, the total carbon emissions from the Taiwan region (Business Unit I and Business Unit II) amounted to 3,934.1097 metric tons. Of this total, Scope 1 emissions accounted for 217.0515 metric tons (5.52%), while Scope 2 emissions amounted to 3,717.0565 metric tons (94.48%). This indicates that Scope 2 emissions constitute the majority of the organization's current GHG emissions.</p> <p>(2) As Scope 2 includes items such as electricity, steam, and heat, and since our company does not utilize steam or heat, electricity remains the primary source within Scope 2. Therefore, our company sets energy conservation and carbon reduction as environmental goals, aiming to reduce unnecessary electricity wastage.</p>																										
Yes		<p>3. Specify the information on each verification:</p> <p>(1) The factory's air conditioning system is ice storage type, resulting in electricity savings.</p> <p>(2) The air conditioning temperature is maintained at no lower than 25 degrees Celsius (except for specific processes).</p> <p>(3) Air conditioning vents and return air grilles are cleaned regularly.</p> <p>(4) Lights and air conditioning are turned off when not in use, with stickers indicating this practice.</p> <p>(5) Regular cleaning of the air conditioning cooling tower to prevent high-pressure trips in the main unit.</p> <p>(6) Periodic inspection of the water level in the air conditioning cooling tower to prevent water overflow.</p> <p>(7) Each unit is responsible for its area to conserve energy and prevent wastage.</p> <p>(8) Computer screens are set to activate screen saver mode.</p> <p>(9) Photocopiers are equipped with automatic power-saving devices.</p>																										

The promotion of Item	The promotion of Implementation (Note 1)			Discrepancy between the implementation and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Brief description	
			<p>(10) Use of energy-efficient light tubes/bulbs.</p> <p>(11) Differentiation of air volume/ice water temperature management between summer and winter to improve air conditioning ice storage rates and switch labeling.</p> <p>(12) Encouragement of creative proposals for improvement.</p> <p>(13) Advocacy or discussion through weekly meetings, executive meetings, and unit meetings.</p> <p>(14) Environmental protection through green electricity, including the establishment of solar power generation systems.</p>	
IV. Social issues (I) Does the company formulate relevant management policies and procedures in accordance with applicable laws and the International Bill of Human Rights?	Yes		<p>1. Specify policies and specific management plans to safeguard human rights: We have formulated work rules and human resources regulations in accordance with labor laws and regulations as the basis for company management. We have established the four major guidelines for a worker physical and psychological health protection program: maternal health protection rules; violence during the performance of duties; anthropogenic hazard prevention regulations, and heavy workload-induced disease prevention regulations. To ensure gender equality in the workplace, we have formulated the Workplace Sexual Harassment Prevention Measures and Punishment Regulations. With reference to the International Bill of Human Rights, we implement an unpaid parental leave system. Menstrual leave and family care leave are also defined in the Leave of Absence Rules. To facilitate labor-management collaboration, improve the communication mechanism, and enhance work efficiency, we hold labor-management coordination meetings on a regular basis per quarter.</p>	No difference from Articles 18–22 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(II) Does the company formulate and implement reasonable employee benefits measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect the results of operating performance in employee compensation?	Yes		<p>2. Specify employee benefit measures: (1) The Company has also formulated the work rules and personnel management regulations, covering minimum wages, working hours, leave, pension contribution, labor and health insurance, as well as occupational accident compensation, which are all in compliance with the Labor Standards Act. (2) We pay year-end bonuses and dividends depending on the business performance and purchase group insurance based on each employee's type of work, to provide them with more adequate benefits. To enable employees to enjoy adequate benefits, we have established an Employee Welfare Committee and allocated a fixed proportion of the Company's founding capital, net sales, personal salaries, and proceeds from sales of materials for resource recycling as the source of the benefit funds. The use of the funds is limited to the benefit business and facilities, to provide employees with various benefit measures. (3) We allocate no lower than 1% of the Company's profit for the year as employee remuneration in accordance with the Articles of Incorporation.</p>	
(III) Does the company provide employees with a safe and healthy work environment and offer safety and health education to employees regularly?	Yes		<p>3..We have formulated policies in accordance with the Occupational Safety and Health Act and clients' and relevant groups' regulations, while honoring the relevant stakeholder groups' requirements for occupational safety and health, to build a healthy and happy workplace. (1).We adopt disaster prevention as the core concept and use appropriate management tools, well-developed technology, and available resources to integrate occupational safety and health issues in the plants, while putting forth effective countermeasures to continue to improve and promote occupational safety culture, enhancing management of the protection of operators, and investing resources to reinforce the occupational illness prevention, to create a zero-accident environment. Also, we have set quantitative indicators to expand</p>	No difference from Articles 18–22 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

The promotion of Item	The promotion of Implementation (Note 1)		Discrepancy between the implementation and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor	
	Yes	No		Brief description
			<p>the occupational safety and health activities to products and relevant services, improve the overall occupational safety and health performance, and effectively controls risks.</p> <p>Work environment monitoring: To protect workers from hazardous substances in the workplace and provide workers with a healthy and comfortable work environment, we monitor the work environment twice a year to gradually keep abreast of workers' exposure.</p>	
	Yes		(2). The Company has been certified by LRQA for ISO 14001:2015 and ISO 45001:2018 standards, valid from June 23, 2024 to June 22, 2027.	
	Yes		(3). In 2025, the Company recorded 9 cases of occupational injuries, representing 1.44% of the total workforce of 625 employees. We carried out investigations into the accidents as per the ISO 45001 occupational safety and health management system in the aspects of inside the plant and outside the plant. The unit where an accident takes place notifies the head of the unit and the safety and health office for on-site emergency response. In addition to the first aid and the sending of injured persons to hospital, qualified occupational accident investigation and response personnel who have received internal training and labor representatives conduct should report on the accident or false alarm investigation. In addition to the overall assessment of the investigation results and accountability (such as loss, working hours, cost, and degree of damage), including corrective and preventive measures; the safety and health office reviews the effectiveness of the corrective and preventive measures and other subsequent improvement measures.	
(IV) Does the company establish effective career development training programs for its employees?	Yes		In the Company's Education and Training Management Regulations, there are five training types: new employee training, on-the-job training, in-plant training, off-plant training, and digital learning. We have formulated the annual education and training program on the basis of the annual business target plan, each department's talent training plan, and the competency gap. Furthermore, we have established industry-academia collaboration and internship programs with a number of senior high schools, vocational schools, and universities of technology to help students quickly adapt to the Company's environment and culture during the internship.	No difference from Articles 18–22 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
(V) Does the company comply with the relevant laws and regulations and international standards for customer health and safety, customer privacy, marketing and labeling of products and services and develop relevant policies and complaint procedures to protect consumers' or clients rights and interests?	Yes		<p>Specify the laws and international standards adopted for each matter; the title and content of the consumer or customer rights protection policy; and the complaint procedures:</p> <p>Customer Health and Safety</p> <ol style="list-style-type: none"> Complying with the requirements of IECQ 080000, we have established a GP management system to coordinate the business of various departments and have documented it clearly to enhance effectiveness and align with customer needs. We conduct quarterly checks to ascertain whether standards such as RoHS/REACH/SONY SS-00259 have been updated or if we have received any related customer-specific specifications. In such cases, we initiate investigations, including communication with raw material suppliers, provide relevant testing reports, and ensure compliance with regulatory requirements and customer needs. 	No difference from Articles 18–22 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
			<p>Customer privacy</p> <p>All agreements related to customers, which regulate or involve data including but not limited to correspondence documents, contracts, drawings, or information related to production, development design, quotations, customer</p>	No difference from Articles 18–22 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

The promotion of Item	The promotion of Implementation (Note 1)		Brief description	Discrepancy between the implementation and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No		
			lists, etc., and where customers expressly require the company to handle such documents as confidential, shall be managed and protected according to the Company's Customer Data Protection Management System to ensure the management and protection of customer privacy.	
			Product marketing and labeling We strictly comply with the government's and the product certification units' applicable laws and regulations; at the same time, in accordance with customer requirements, internal product packaging standards and labeling are established, and during the process of product sales or exhibitions, consumer and customer rights policies and complaint procedures are implemented in accordance with local government or platform regulations.	
			Consumer and Customer Rights Policy and Complaint Procedures The company conducts regular customer satisfaction surveys annually, reaching out to all customers through questionnaire surveys. The surveys cover various aspects including quality, delivery time, pricing, technology, and overall impression, inviting valuable feedback. The collected and analyzed results serve as internal improvement projects, with effective strategies proposed and included as topics for annual management reviews. This ensures a concrete understanding of business strategies and the establishment of a comprehensive management model. Regarding consumer relations, the company has dedicated personnel for customer service, and the website features an investor relations section, providing channels for communication between consumers and investors.	
(VI) Does the company formulate a supplier management policy that requires suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health or labor rights and their implementation?	Yes		1. Specify the supplier management policy and relevant compliance regulations, with active and specific requirements for suppliers in terms of environmental protection, occupational safety and health, and labor rights: We have formulated the Excel Cell Supplier Management Regulations, which specify the need to coexist and share prosperity with suppliers, guide them to enhance quality and environmental management stability, occupational safety and health, and development capabilities. Supplier evaluation (1) All suppliers have passed our supplier evaluation. (2) Suppliers should pass the ISO 9001, ISO 14001, or IATF 16949 standard depending on the nature of delivery. (3) The entry of machines or engineering construction in the plants should participate in the safety and health office's awareness-raising sessions first and be managed by the office.	No difference from Articles 23–26 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes		2. Specify the implementation of supplier management policies and relevant regulations: Supplier audits: (1) We have set up an audit and counseling team for new suppliers to follow up on the improvement to audit defects and progress, to enable their improved quality, skills, and safety and health performance to meet the Company's requirements.	
			Supplier training: (1) We hold technical exchanges with suppliers from time to time. (2) Applicable regulations on adoption of new products strongly require suppliers to comply with applicable environmental, safety, and health policies and professional ethics. Supplier evaluation: (1) We conduct a supplier evaluation every six months to allow them to be informed of the Company's performance and policies. (2) Based on the evaluation results, we grow together with suppliers to achieve the quality, technology, service, and business stability targets. Supplier evaluation (1) All suppliers have passed our supplier evaluation. (2) Suppliers should pass the ISO 9001, ISO 14001, or IATF 16949 standard depending on the nature of delivery, etc. (3) The entry of machines or engineering construction in the plants should participate in the safety and health office's awareness-raising sessions first and be managed by the office.	

The promotion of Item	The promotion of Implementation (Note 1)			Discrepancy between the implementation and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Brief description	
			<p>Supplier audits: (1) We have set up an audit and counseling team for new suppliers to follow up on the improvement to audit defects and progress, to enable their improved quality, skills, and safety and health performance to meet the Company's requirements.</p> <p>Supplier evaluation: (1) We conduct a supplier evaluation every six months to allow them to be informed of the Company's performance and policies. (2) Based on the evaluation results, we grow together with suppliers to achieve the quality, technology, service, and business stability targets.</p> <p>It is also clearly stipulated in the regulations that new suppliers need to go through the selection, evaluation, audit, and coaching process based on the premise of sustainable development and shall comply with the environmental protection and occupational safety and health management regulations.</p> <p>(Such as the implementation of supplier self-evaluation, coaching or education, and performance evaluation).</p>	
V. Has the company referred to the internationally accepted reporting standards or guidelines to prepare reports, such as ESG reports that discloses the company's non-financial information? Has a third-party verification entity provided assurance or assurance opinion for said report?	Yes		1. Specify the international compilation standards or guidelines adopted and the reports prepared to disclose non-financial information: We plan to prepare the 2025 ESG Report in 2026 in accordance with the internationally accepted reporting guidelines (GRI Standards)	No difference from Article 29 of the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies
	Yes		2. Specify the name of the verification entity, items verified, scope of verification, and the standards adopted if assurance or guarantee is obtained.	
VI. Where the company has formulated its own sustainable development code in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please specified the differences between the implementation and the principles: None.				
VII. Other important information that facilitates the understanding of the promotion of sustainable development:				
<p>(1) The Company has obtained the LRQA certification, including the ISO 14001 environmental protection and the ISO 45001 occupational safety and health systems, please refer to the Company's website (https://www.ece.com.tw/zh-tw/).</p> <p>(2) We have established a volunteer club based on the concept of "it is more blessed to give than to receive", to fulfill our corporate social responsibility, engage in volunteer services, and extend this concept and spirit to employees' families and even the society.</p> <p>(3) The company has long been committed to the "Love Library" reading promotion project of the Taiwan Reading Culture Foundation, supporting campus and community reading initiatives. Since its establishment in 2006, the company has contributed to the foundation's registration with the Ministry of Culture. Through continuous involvement, as of 2025, we have supported the establishment and renovation of 36 "Love Libraries" across various counties and cities, purchasing 373 boxes of communal reading materials, totaling nearly 11,190 books. These books are available for teachers promoting reading on the foundation's platform for public borrowing, fostering classroom reading with nearly 316,020 readers. We supported Nan Tun Elementary School in establishing a "Digital Love Library" and sponsored the "Love Library Charity Concert," providing tickets to support campus reading and concerts in rural areas, totaling 7 events from 2014 to 2020. Additionally, since 2013, employees have responded with small donations, accumulating nearly NT\$56,000 through coin boxes. From 2006 to 2025, these projects have received funding totaling NT\$8,606,948.</p> <p>(4) Actively engaging in industry-academia collaboration with vocational and technical schools, we provide internship positions for students and pass on practical experience, fulfilling our educational mission to cultivate students into technically skilled professionals with both theoretical knowledge and practical abilities. We also provide comfortable dormitories for students from remote areas.</p> <p>High School Collaboration: We have collaborated with Taichung Industrial High School, Dajia High School, Qingnian High School, Hwa Der Vocational High School, Tzu Ming High School, and Ling Tung High School with a total of 39 students interning at the factory from first to third year. University Collaboration: We have partnered with National Formosa University, National Chin-Yi University of Technology, Hsiuping University of Science and Technology for joint industry-academia projects and internship cooperation with fourth-year students, with a total of 30 students interning at the factory from first to fourth year.</p>				

The promotion of Item	The promotion of Implementation (Note 1)		Discrepancy between the implementation and the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	
			<p>(5) Industry-Academia Collaboration Student Education and Training Program: The Bai Rong Academy curriculum includes 13 courses on manufacturing capabilities, quality assurance capabilities, research and development capabilities, and information capabilities. We emphasize diversified development for students, providing opportunities for them to accumulate professional knowledge, apply what they have learned, and facilitate adaptation to the workplace and student exchanges.</p> <p>(6) Jointly with the Taichung Outstanding Persons Association, we have organized blood donation activities and participated in blood donation activities organized by the Taichung Blood Donation Center.</p> <p>(7) Participating in the "Good Air Nurtures Farmland" campaign initiated by the Chinese International Native Restoration Association and jointly sponsoring the "National Innovation and Entrepreneurship Association" to support farmers in the recycling and utilization of agricultural waste on-site, replacing the burning of straw. Burning one ton of straw emits 9 tons of CO₂, reducing carbon emissions caused by straw burning and air pollution.</p> <p>(8) The Company participated in the corporate volunteer activity "Little Hands, Big Adventure," leading underprivileged children and their families to Houli Hou Garden to experience traditional clay kiln cooking. During the event, volunteers were paired with children to enjoy the journey together, with activities including hands-on DIY crafts, circus performances, and equestrian cultural learning. Also participated in "Embrace the Ocean with Love – Beach Cleanup Rally" at Daan Wuliao Fishing Harbor.</p> <p>(9) A blood donation drive is held annually to encourage employees to actively participate in public welfare initiatives. In 2025, a total of 36 units of blood were collected, providing tangible support for medical blood supply needs.</p> <p>(10) To promote employee health, the following activity was organized: In 2025, a four-month healthy weight loss campaign titled "Confidence Multiplied, Radiance Renewed" was held, with 40 employees with a BMI of 24 or above participating throughout the entire competition, achieving a total weight reduction of 98.1 kg.</p> <p>(11) To prevent seasonal influenza, the Company fully subsidizes annual flu vaccinations for employees, achieving a vaccination rate of 65.2%.</p> <p>(12) The Company has obtained the Healthy Workplace Certification.</p>

(VI) The Company's implementation of integrity management and any deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor:

Evaluation indicator	Enforcement Status (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
<p>I. Formulation of integrity management policies and plans</p> <p>(I) Has the company formulated an integrity management policy approved by the board of directors and disclosed the policy and practice of integrity management in its regulations and public documents? Are the board of directors and the senior management committed to actively implementing the policy?</p> <p>(II) Has the company established an assessment mechanism for the risk of unethical conduct to regularly analyze and evaluate the business activities with high risk of unethical conduct within the business scope and formulated a prevention plan accordingly, at least covering the prevention measures for the acts under each subparagraph under Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(III) Has the company clearly specified operating procedures, guidelines for conduct, and a violation punishment and complaint system in the unethical conduct prevention plan and duly implemented them? Does the company regularly review and revise said plan?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>		<p>(I) We have formulated the Ethical Corporate Management Best Practice Principles and the Procedures for integrity management and Guidelines for Conduct to specify the Company's integrity management policy. The Board of Directors and the management team have issued a statement of compliance with the integrity management policy.</p> <p>(II) The Company has formulated Article 7 of the Ethical Corporate Management Best Practice Principles.</p> <p>(III) The Company has formulated Article 7 of the Ethical Corporate Management Best Practice Principles and the Procedures for integrity management and Guidelines for Conduct. The Company has complaint hotlines and reporting mailboxes in place as complaint channels, and each plant also has a suggestion box. For violations of ethics, employees and suppliers file complaints to the auditing unit by email, phone, or email.</p>	<p>(I) No major difference from Article 1 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p> <p>(II) No major difference from Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p> <p>(III) No major difference from Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p>
<p>II. Implementation of integrity management</p> <p>(I) Does the company evaluate each counterparty's records for ethics? Has the company specified the terms of ethical conduct in each contract signed with each counterparty?</p>	<p>Yes</p>		<p>(I) The Company's suppliers sign the Supplier Commitment to the Compliance with the Principle of integrity management . To establish a corporate culture of integrity management and implement the policy of integrity management , we engage in relevant business activities with suppliers, including but not limited to transactions,</p>	<p>(I) No major difference from Article 18 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.</p>

Evaluation indicator	Enforcement Status (Note 1)		Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	
(II) Has the company established a dedicated (concurrent) unit under the board of directors to conduct ethical corporate management, regularly (at least once a year) report to the board of directors on its integrity management policies and prevention plans for unethical conduct, and supervise the implementation?	Yes		(II) No major difference from Article 18 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(III) Has the company formulated policies to prevent conflicts of interest, provided appropriate methods for stating one's conflicts of interest, and implemented them appropriately?	Yes		(III) No major difference from Article 18 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(IV) Has the company has established an effective accounting system and an internal control system for the implementation of integrity management and assigned the internal audit unit to formulate relevant audit plans based on the assessment results of the risk of unethical conduct and audit the compliance with the unethical conduct prevention plan accordingly or commissioned a CPA to perform such audits?	Yes		(IV) No major difference from Article 18 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
(V) Does the company regularly hold internal and external education and training on integrity management ?	Yes		(V) No major difference from Article 22 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.

Evaluation indicator	Enforcement Status (Note 1)			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary	
			Business Ethics." The Company provides approximately 8 hours of education and training to new employees, of which approximately 2 hours are dedicated to content related to the "Code of Integrity and Business Ethics." New employees are required to sign an "Employment Commitment." In 2025, a total of 93 new employees received education and training related to integrity management.	
<p>III. Implementation of the Company's whistleblowing system</p> <p>(I) Has the company formulated a specific whistleblowing and reward system, established a convenient whistleblowing method, and assigned appropriate personnel to handle the party accused?</p> <p>(II) Has the company formulated standard operating procedures for investigation of reported cases, the follow-up measures to be taken after the investigation is completed, and a confidentiality mechanism?</p> <p>(III) Does the company take measures to protect whistleblowers from being mistreated due to their whistleblowing behavior?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>		<p>(I) The Company has complaint hotlines and reporting mailboxes in place as complaint channels, and each plant also has a suggestion box. For violations of ethics, employees and suppliers file complaints to the auditing unit by email, phone, or email.</p> <p>(II) We have formulated the investigation standard operating procedures and relevant confidentiality mechanisms for accepting reports.</p> <p>(III) We adopt keep whistleblowers' identity completely confidential with appropriate protection.</p>	No major difference from Article 23 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
<p>IV. Enhanced information disclosures</p> <p>Has the company disclosed the content of its Corporate Governance Best Practice Principles and the effectiveness of the implementation of the principles on its website and the MOPS?</p>	Yes		We have disclosed the Ethical Corporate Management Best Practice Principles on the Company's website.	No major difference from Article 25 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies.
<p>V. If the company has formulated its own Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please specify the difference between its operation and the principles:</p> <p>As per the Company's Ethical Corporate Management Best Practice Principles, the Company shall not, directly or indirectly, provide, promise, request, or accept any improper benefits during the process of engaging in commercial activities, which is also the Company's business philosophy. Since the Company was established, we have never accepted suppliers' year-end gifts or sponsorships as the most basic principle of non-acceptance of any form of gift.</p>				
<p>VI. Other important information that facilitates the understanding of the company's integrity management (e.g., reviewing and amending the company's corporate governance best practice principles): We have disclosed our Ethical Corporate Management Best Practice Principles and the Procedures for integrity management and Guidelines for Conduct on the Company's website: https://www.ece.com.tw/zh-tw/corporate-governance/rules</p>				

(VII) Other important information that may facilitate the understanding of the operation of corporate governance:

1. Managers participate in training on corporate governance: The details are shown below.

Title	Name	Date of course		Organizer	Course title	Hours of course	Total hours of continuing education for this year
		From	To				
CEO	Liao Pen-Lin	2025/10/28	2025/10/28	Chinese Association for Financial and Economic Development	Carbon Pricing and Green Economic Transition	3	6
		2025/11/15	2025/11/15	Commerce Development Research Institute	Corporate Governance and Corporate Sustainability Workshop	3	
President of the First Business Division	Hsu Min-Cheng	2025/08/15	2025/08/15	Taiwan Stock Exchange	CDP-to-IFRS S2 Mapping: Q&A and Guidance Course — Strengthening Climate Disclosure to Enhance Corporate Climate Resilience	6	6

2. We have established the Procedures for Handling Material Inside Information, and we offer education and training on operating procedures and applicable laws and regulations to directors, managers, and employees at least once per year.

(VIII) Implementation of the internal control system:

1. Statement of the Internal Control System: See page 44.
2. For those who appointed a CPA to review the internal control system, the CPA's review report shall be disclosed: None.

Excel Cell Electronic Co., Ltd.
Statement of Internal Control System

Date: March 6, 2026

The Company's internal control system for **2025** as per the results of our self-assessment is hereby declared as follows:

- I. The Company is clearly aware that the establishment, implementation, and maintenance of an internal control system is the responsibility of the Company's Board of Directors and managers, and the Company has established such a system. It aims to provide reasonable assurance for the achievement of the objectives, namely the effectiveness and efficiency of operations (including profitability, performance, and asset security protection), the reliability, timeliness, and transparency of financial reporting, and compliance with applicable laws and regulations.
- II. Some limitations are inherent in all internal control systems. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance regarding the achievement of the above three intended objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the Company's internal control system is equipped with a self-monitoring mechanism. Once a defect is identified, the Company will take action to rectify it.
- III. The Company judges whether the design and implementation of the internal control system is effective based on the criteria for judging the effectiveness of the internal control system set out in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). Said criteria under the Regulations are divided into five constituent elements as per the management and control process: 1. control environment, 2. risk assessment, 3. control activities, 4. information and communication, and 5. monitoring activities. Each constituent element includes several items. For said items, please refer to the Regulations.
- IV. The Company has adopted the aforesaid judgment criteria for the internal control system to determine whether the design and implementation of the internal control system are effective.
- V. Based on the results of the assessment in the preceding paragraph, the Company is of the opinion that, as of December 31, 2025, the internal control system (including the supervision and management of its subsidiaries), including the understanding the effectiveness of operations and the extent to which efficiency targets are achieved, reliable, timely, and transparent reporting, and compliance with applicable rules and applicable laws and regulations, is effective and can reasonably assure the achievement of the foregoing objectives.
- VI. This statement will form the main content of the Company's annual report and prospectus and will be made public. If the disclosed content above is false or there is material information concealed deliberately or otherwise, the Company will be legally liable pursuant to Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This statement has been approved by the Company's Board of Directors on March 6, 2026. Among the nine directors present, none of them expressed objections. All the others agreed with the content of this statement. Therefore, this statement is hereby declared.

Excel Cell Electronic Co., Ltd.

Chairman and President: Liao Pen-Lin (signature/seal)

(X) Any legal penalty against the company and its internal personnel, or any disciplinary penalty by the company against its internal personnel for violation of the internal control system, during the most recent fiscal year or up to the publication date of this annual report, the main defects, and the improvements made: None.

(XI) Important resolutions by the shareholders' meeting and the Board of Directors in the most recent year and up to the publication date of the annual report:

1. Shareholders' meeting:

Type of meeting	Date	Major resolutions	Resolution results	Status of implementation
Shareholders' Meeting	2025.05.29	1. Ratification of the Business Report, financial statements, and consolidated financial statements for 2024. (Proposed by the Board of Directors)	Voting Results: 59,352,593 votes in favor (including 57,503,971 electronic votes), 35,714 votes against (including 35,714 electronic votes), 23,187 abstentions (including 23,187 electronic votes). As the number of votes in favor exceeded the statutory threshold, the proposal was approved as submitted.	Executed as per the resolution result
		2. Ratification of the Surplus Distribution case for 2024. (Proposed by the Board of Directors)	Voting Results: 59,352,593 votes in favor (including 57,503,971 electronic votes), 35,714 votes against (including 35,714 electronic votes), 23,187 abstentions (including 23,187 electronic votes). As the number of votes in favor exceeded the statutory threshold, the proposal was approved as submitted.	As per the resolution result, cash dividends were paid out on May 2, 2025 (cash dividend of NT\$0.3 per share).
		3. Proposal to Amend the "Articles of Incorporation." (Proposed by the Board of Directors)	Voting Results: 59,344,640 votes in favor (including 57,496,018 electronic votes), 40,667 votes against (including 40,667 electronic votes), 26,187 abstentions (including 26,187 electronic votes). As the number of votes in favor exceeded the statutory threshold, the proposal was approved as submitted.	Executed as per the resolution result
		4. Proposal to Amend the "Procedures for Acquisition or Disposal of Assets." (Proposed by the Board of Directors)	Voting Results: 59,350,527 votes in favor (including 57,501,905 electronic votes), 29,781 votes against (including 29,781 electronic votes), 31,186 abstentions (including 31,186 electronic votes). As the number of votes in favor exceeded the statutory threshold, the proposal was approved as submitted.	Executed as per the resolution result

2. Board of Directors:

Type of meeting	Date	Major resolutions	Resolution results	Status of implementation
1 st meeting in 2025	2025/02/26	1. Discussion on the proposal for the distribution of employee remuneration and directors' remuneration for 2024.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result and reported to the 2025 Annual General Shareholders' Meeting.
		2. Discussion on the Business Report, financial statements, and consolidated financial statements for 2024.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result and submitted to the 2025 Annual General Shareholders' Meeting for ratification.
		3. Discussion on the Surplus Distribution case for 2024.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result. The proposal for the cash dividend distribution will be reported to the Annual General Shareholders' Meeting; the earnings distribution table will be submitted to the 2025 Annual General Shareholders' Meeting for ratification.
		4. Discussion on the investment plan for undistributed earnings for 2024.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		5. Discussion on Setting the Ex-Dividend Date.	Passed by all present directors as proposed without objection after the chair consulted them.	The decision will be implemented, and April 4, 2025 will be set as the ex-dividend date.
		6. Discussion on Bank Financing Limits.	It was resolved to authorize the Chairman to fully represent the Company in handling all matters related to credit facilities. Upon the Chairman's inquiry, the proposal was approved without objection by all attending directors.	Executed as per the resolution result.

Type of meeting	Date	Major resolutions	Resolution results	Status of implementation
		7. Discussion on the Credit Limit for Derivative Financial Instrument Transactions with Mega International Commercial Bank.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		8. Discussion on the 2024 Statement on Internal Control System.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		9. Evaluation of Independence and Competency of the Appointed Certified Public Accountant and Determination of Audit Fees.	During the discussion and resolution of this proposal, CPA Shu-Jing Jiang of Deloitte & Touche recused herself. Upon the Chairman's inquiry, the proposal was approved without objection by all attending directors.	Executed as per the resolution result.
		10. Discussion on the Amendment to the "Articles of Incorporation."	Passed by all present directors as proposed without objection after the chair consulted them, and referred to the shareholders' meeting for discussion.	Executed as per the resolution result and submitted to the 2025 Annual General Shareholders' Meeting for discussion.
		11. Discussion on the General Election of Directors and Independent Directors.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		12. Discussion on the Board's Nomination and Review of Director Candidates.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result, and included in the director candidate list for the 2025 Annual General Shareholders' Meeting.
		13. Discussion on the Exemption from Non-Competition Obligations for Newly Elected Directors.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result and submitted to the 2025 Annual General Shareholders' Meeting for ratification.
		14. Discussion on the Agenda, Date, and Venue for the 2025 Annual General Shareholders' Meeting.	Passed by all present directors as proposed without objection after the chair consulted them.	The decision will be implemented, and the meeting is scheduled to be held on May 29, 2025 at 9:00 AM.
		15. Discussion on Matters Related to the Acceptance of Shareholder Proposals and the Nomination of Director (Including Independent Director) Candidates.	The Company will accept shareholder proposals for the 2025 Annual General Shareholders' Meeting from March 21, 2025 to March 31, 2025, between 9:00 AM and 4:00 PM. Upon the Chairman's inquiry, the proposal was approved without objection by all attending directors.	Executed as per the resolution result.
The First Extraordinary Meeting of the Board of Directors in 2025	2025/04/10	1. Discussion on the First Treasury Stock Buyback of 2025.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result and reported to the 2025 Annual General Shareholders' Meeting for information.
2 nd meeting in 2025	2025/05/05	1. Financial statements for Q1 2025.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		2. Proposal to Amend the "Employee Compensation Calculation and Distribution Guidelines" (Document No. 12030).	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		3. Proposal regarding the details of director compensation for 2024.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		4. Proposal regarding the details of employee compensation distributed to managerial personnel for 2024.	During the discussion and resolution of this proposal, interested parties recused themselves. Director Hsu Ching-Tao acted as chair and consulted the remaining attending directors, who passed the proposal without objection as proposed.	Executed as per the resolution result.
		5. Proposal regarding the details of performance bonuses distributed to managerial personnel from January to April 2025.	During the discussion and resolution of this proposal, interested parties recused themselves. Director Hsu Ching-Tao acted as chair and consulted the remaining attending directors, who passed the proposal without objection as proposed.	Executed as per the resolution result.
The Second Extraordinary Meeting of the Board of Directors in 2025	2025/05/29	1. Election of the Chairperson.	Director Mr. Liao Pen-Lin was elected as Chairperson for a three-year term, commencing May 29, 2025 and expiring May 28, 2028.	Executed as per the resolution result.
		2. Election of the Vice Chairperson.	Director Mr. Hsiao Teng-Tang was elected as Vice Chairperson for a	Executed as per the resolution result.

Type of meeting	Date	Major resolutions	Resolution results	Status of implementation
			three-year term, commencing May 29, 2025 and expiring May 28, 2028.	
3 rd meeting in 2025	2025/06/12	1. Appointment of Members of the Compensation Committee.	The 6th Compensation Committee of the Company comprises four members: Mr. Liu Chin-Chin, Mr. Terry Chiang, Ms. Chiu Chuan-Tzu, and Ms. Chang Pao-Chai.	Executed as per the resolution result.
		2. Proposal for the Retirement of Appointed Manager – General Manager of Business Division II, Mr. Liao Pen-Tien.	Mr. Liao Pen-Tien officially retired effective June 12, 2025. During the discussion and resolution of this proposal, Director Liao Pen-Tien recused himself. Upon the Chairman's inquiry, the remaining attending directors approved the proposal without objection.	Executed as per the resolution result.
		3. Approval of Personnel Order for Appointed Managers.	Mr. Liao Pen-Lin was appointed as Chief Executive Officer of the Company and concurrently as Head of Business Division II. Mr. Hsu Min-Cheng was appointed as General Manager of Business Division I. Mr. Tsai Huai-Jen was appointed as Deputy General Manager of Business Division I. Ms. Tsai Ti-Yi was appointed as Assistant Vice President of the General Administration Division.	Executed as per the resolution result.
		4. Proposal to Appoint Mr. Liao Pen-Tien as Advisor of the Company.	Mr. Liao Pen-Tien was appointed as Advisor of the Company to provide management and operational advice, for a term commencing June 13, 2025 and expiring December 31, 2026.	Executed as per the resolution result.
The Third Extraordinary Board Meeting of 2025	2025/06/12	1. Proposal for the Retirement Benefit Payment for Appointed Manager – General Manager of Business Division II, Mr. Liao Pen-Tien.	During the discussion and resolution of this proposal, Director Liao Pen-Tien recused himself. Upon the Chairman's inquiry, the remaining attending directors approved the proposal without objection.	Executed as per the resolution result.
4 th meeting in 2025	2025/08/08	1. Financial Statements for Q2 2025.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		2. Proposal for the Company's "2024 Sustainability Report."	The proposal was filed in accordance with regulations before August 31, 2025. Upon the Chairman's inquiry, the proposal was approved without objection by all attending directors.	Executed as per the resolution result.
		3. Proposal for the Cancellation of the 14th Treasury Stock Buyback.	The capital reduction registration was processed for 1,204,000 shares. August 15, 2025 was set as the capital reduction record date. Following the capital reduction, the paid-in capital amounts to NT\$1,078,898,070, divided into 107,889,807 shares. Upon the Chairman's inquiry, the proposal was approved without objection by all attending directors.	Executed as per the resolution result.
		4. Proposal to Amend the Company's "Authorization of Duties Regulations" (Document No. 12044).	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		5. Proposal to Amend the Company's "Regulations Governing the Employment of Retired Personnel" (Document No. 12064).	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		6. Proposal to Amend the Company's "Customer Management Procedures" (Document No. 13112).	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		7. Discussion on the Second Treasury Stock Buyback of 2025.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
5 th meeting in 2025	2025/11/07	1. Financial Statements for Q3 2025.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		2. Proposal to Amend the Company's "Articles of Incorporation."	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.

Type of meeting	Date	Major resolutions	Resolution results	Status of implementation
		3. Proposal to Amend the Company's "Regulations Governing the Transfer of Repurchased Shares to Employees – First Buyback of 2025" (Document No. 13947).	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		4. Proposal to Add the Company's "Regulations Governing Financial and Business Transactions Between Related Parties" (Document No. 13948).	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		5. Proposal to Add the Company's "Treasury Stock Buyback Operating Procedures" (Document No. 13949).	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		6. Proposal on Bank Financing Limits.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		7. Proposal for the Distribution Details of Performance Bonuses for Managerial Officers from May to August 2025.	During the discussion and resolution of this proposal, Director Liao Pen-Lin, Director Hsu Min-Cheng, Manager Tsai Huai-Jen, Manager Tsai Ti-Yi, and Manager Chiang Yu-Chang recused themselves. Director Chang Pao-Chai was requested to act as chair. The acting chair consulted the remaining attending directors, who approved the proposal without objection.	Executed as per the resolution result.
6 th meeting in 2025	2025/12/19	1. Proposal for the FY2026 Business Operations Plan.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		2. Proposal for the Distribution Details of Year-End Bonuses for Managerial Officers in 2025.	During the discussion and resolution of this proposal, Director Liao Pen-Lin, Director Hsu Min-Cheng, Director Liao Pen-Tien, Manager Tsai Huai-Jen, Manager Tsai Ti-Yi, and Manager Chiang Yu-Chang recused themselves. Director Chang Pao-Chai was requested to act as chair. The acting chair consulted the remaining attending directors, who approved the proposal without objection.	Executed as per the resolution result.
		3. Proposal for the Distribution Details of Performance Bonuses for Managerial Officers from September to December 2025.	During the discussion and resolution of this proposal, Director Liao Pen-Lin, Director Hsu Min-Cheng, Director Liao Pen-Tien, Manager Tsai Huai-Jen, Manager Tsai Ti-Yi, and Manager Chiang Yu-Chang recused themselves. Director Chang Pao-Chai was requested to act as chair. The acting chair consulted the remaining attending directors, who approved the proposal without objection.	Executed as per the resolution result.
		4. Proposal for the Employee Compensation and Director Remuneration Allocation Ratios for FY2026.	It is proposed that 4% of the profit be allocated as employee remuneration and 2% as director remuneration for FY2026. Upon the Chairman's inquiry, the proposal was approved without objection by all attending directors.	Executed as per the resolution result.
		5. Proposal for the FY2026 Internal Audit Plan.	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.
		6. Proposal for the Change of Certified Public Accountant for the Review of the Q4 2025 Financial Statements.	Commencing from Q4 2025, the Company's financial report auditors were changed from CPAs Shu-Jing Jiang and Ding-Jian Su to CPAs Shu-Jing Jiang and Jui-Lung Hsu. Upon the Chairman's inquiry, the proposal was approved without objection by all attending directors.	Executed as per the resolution result.
		7. Proposal to Amend the Company's "Regulations Governing Financial and Business Transactions Between Related Parties" (Document No. 13948).	Passed by all present directors as proposed without objection after the chair consulted them.	Executed as per the resolution result.

Type of meeting	Date	Major resolutions	Resolution results	Status of implementation
		8. Proposal for Excel Cell Electronic (Suzhou) Co., Ltd. to Extend a Loan to Anhui Excel Cell Electronic Co., Ltd.	In accordance with the procedures governing the lending of funds to others, the subsidiary Excel Cell Electronic (Suzhou) Co., Ltd. resolved to lend RMB 20 million to its subsidiary Anhui Excel Cell Electronic Co., Ltd.	Executed as per the resolution result.
		9. Proposal for Settlement of Seniority under the Old Pension System for CEO Mr. Liao Pen-Lin.	During the discussion and resolution of this proposal, Director Liao Pen-Lin recused himself. Director Chang Pao-Chai was requested to act as chair. The acting chair consulted the remaining attending directors, who approved the proposal without objection.	Executed as per the resolution result.

(XII) During the most recent year and up to the date publication of this annual report, if the directors or supervisors had different opinions on important resolutions approved by the Board of Directors with records or written statements, the main content of the opinions: None.

(XIII) A summary of the resignation and dismissal of the Company's Chairman, President, chief accounting officer, chief financial officer, chief internal auditor, or R&D officer during the most recent year: None.

IV. Information on CPA's audit fees

Information on CPA's audit fees

Unit: NT\$ thousand

Name of accounting firm	Name of CPA		Audit period	Audit fees	Non-audit fees	Total	Remark
Deloitte & Touche	Shu-Ching Chiang	Ting-Chien Su	2025.01.01-12.18	3,040	343	3,383	Note 1
	Shu-Ching Chiang	Jui-Lung Hsu	2025.12.19-12.31				

Note 1: Non-audit fees are the expenses for the audit of the investment offset of unappropriated earnings and transfer of pricing.

IV~I. The assessment of the independence of the CPAs

(I) We assess the independence and suitability of CPAs at least once per year by evaluating the indicators: scale and reputation of the accounting firm; the number of consecutive years of provision of the audit services; the nature and extent of non-audit services provided; audit fees; peer-to-peer evaluation results; the fact that whether it is involved in any legal proceedings; corrections by the competent authorities, or investigation cases, audit service quality; regular training; interaction with the management team or and the chief internal auditor, while requesting it to provide relevant materials and statements. The Board of Directors assesses such indicators and materials accordingly. The assessment results for the most recent one years were completed on December 16, 2025, respectively.

(II) The criteria for the assessment of the independence of the CPAs:

	Evaluation indicator	Results		
1	Did the CPA serve as the Company during the two years before working as a CPA?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
2	Does the CPA hold shares in the Company?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
3	Is the CPA involved in the lending of funds to or from the Company?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
4	Does the CPA do a day-to-day job at the Company concurrently and receive a fixed salary?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
5	Is the CPA involved in joint investment or profit sharing with the Company?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
6	Is the CPA involved in the management of the Company's decision-making process?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
7	Is the CPA a spouse, lineal relative by blood, direct relative by marriage, or relative within the fourth degree of kinship of any of the Company's directors and management personnel?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
8	Did the CPA borrow another party's license audit the Company's documents?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
9	Does the CPA keep strictly confidential the Company's secrets obtained when carrying out the tasks assigned by the Company?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
10	Is the CPA's remuneration lower than their predecessor?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
11	Are the CPA's professional services aligned with the Company's current needs?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Conclusion	<input checked="" type="checkbox"/> The CPAs Shu-Ching Chiang and Jui-Lung Hsu currently appointed are not involved in the circumstances affecting their independence, so we decided to appoint them.			
	<input type="checkbox"/> The CPAs currently appointed are involved in the circumstances affecting their independence, so we decided to replace them.			

V. Replacement of CPAs

(I) Former CPAs

Date of replacement	2025.12.19		
Reason for replacement	Due to Deloitte & Touche's internal adjustment, commencing from Q4 2025, the Company's financial statement CPAs Shu-Jing Jiang and Ding-Jian Su were replaced with Shu-Ching Chiang and Jui-Lung Hsu.		
Client's termination of or CPA's refusal to the appointment	Party concerned		Client
	Situation	CPA	
	Termination of the appointment	N/A	N/A
	Refusal to the (continuous) appointment	N/A	N/A
The opinion of the audit report other than the unqualified opinion issued within the latest two years and the reasons	N/A		
Different opinions from the issuer's opinions	Yes	Accounting principles or practices	
	Yes	Disclosures in financial statements	
	Yes	Auditing scope or steps	
	Yes	Others	
	None	N/A	
Other matters to be disclosed (matters that should be disclosed under Article 10, subparagraph 6, items 1-4-1-7 of the Regulations)	None		

(II) Successors

Name of accounting firm	Deloitte & Touche
Name of CPA	Shu-Ching Chiang and Jui-Lung Hsu.
Date of appointment	2025.12.19
Consultation regarding accounting treatment methods or accounting principles for specific transactions and possible opinions issued for financial statements and results before appointment	N/A
Successors' different written opinions from the predecessors'	N/A

(III) Reply from the former CPAs to the matters under Article 10, subparagraph 6, items 1 and 2-3 of the Regulations. N/A

VI. The Chairman, the President, chief financial officer, or chief accounting officer, who has been employed by the accounting firm or its affiliates during the most recent year:

None.

VII. Any transfer of equity interests and pledge of or change in equity interests by a director, supervisor, managerial officer or shareholder with a stake of more than 10% during the most recent fiscal year up to the date of publication of the annual report.

Unit: share

Title (Note 1)	Name	2025		Current year up to March 31, 2026	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (Decrease) in Shares Held	Increase (decrease) in the number of shares pledged
Chairman	Liao Pen-Lin	(1,000,000)	-	-	-
Director	Hsiao Teng-Tang	-	-	-	-
Director	Liao Pen-Tien	-	-	-	-
Director	Liao Yueh-Shiang	-	-	-	-
Director	Hsu Min-Cheng	-	-	-	-
Independent director	Terry Chiang	-	-	-	-
Independent director	Chiu Chuan -Tzu	-	-	-	-
Independent director	Liu Chin-Chin	-	-	-	-
Independent director	Chang Pao-Chai	-	-	-	-

Note 1: Shareholders each holding more than 10% of the Company's total issued shares shall be marked as major shareholders and listed separately.

Note 2: If the counterparty of a transfer of equity interests or pledge is a related party: None.

VIII. Information on the relations among the top 10 shareholders if anyone is a related party, a spouse, or a relative within second degree of kinship of another as specified in Statement of Financial Accounting Standards No. 6.

March 31, 2026

Name	Shareholding of the individual		Shares Held by Spouse or Minors		Total shareholding by nominee arrangement		Information on the relations among the top 10 shareholders if anyone is a related party, a spouse, or a relative within second degree of kinship of another as specified in Statement of Financial Accounting Standards No. 6 names.		Remark
	Number	Shareholding (%)	Number	Shareholding (%)	Number	Shareholding (%)	Title (or name)	Relationship	
Guangna Investment Co., Ltd.	8,995,682	8.37%	-	-	-	-	-	-	
Person in charge: Liao Yi-Kuan	2,418,515	2.25%	-	-	-	-	Liao Pen-Lin Chen Kuei-Hsiang	Father Mother	
Liao Pen-Lin	5,339,548	4.97%	3,642,450	3.39%	-	-	Chen Kuei-Hsiang Liao Yi-Kuan	Couple Child	
Hsiao Teng-Tang	6,745,729	6.28%	4,206,001	3.92%	-	-	Pai Chin-Yi	Couple	
Guangda Investment Co., Ltd.	5,800,403	5.40%	-	-	-	-	-	-	
Person in charge: Chen Meng-Chu	331,513	0.31%	-	-	-	-	-	-	
Pai Ho Investment Co., Ltd.	4,343,014	4.04%	-	-	-	-	-	-	
Person in charge: Liao Yi-Mien	537,129	0.50%	-	-	-	-	-	-	
Pai Chin-Yi	4,206,001	3.92%	6,745,729	6.28%	-	-	Hsiao Teng-Tang	Couple	
Chen Kuei-Hsiang	3,642,450	3.39%	6,339,548	4.97%	-	-	Liao Pen-Lin Liao Yi-Kuan	Couple Child	
Fen-Chih Wang	2,908,000	2.71%	-	-	-	-	-	-	
Yi-Kuan Liao	2,418,515	2.25%	-	-	-	-	Liao Pen-Lin Chen Kuei-Hsiang	Father Mother	
Hung-Hao Chang	1,676,244	1.56%	-	-	-	-	-	-	

IX. The total number of shares held and the consolidated shareholdings in any single investee by the Company, its directors, supervisors, managers, or any companies controlled either directly or indirectly by the Company: None

Unit: Share; %; December 31, 2025

Investee (Note)	Investment by the Company		Investment by directors, supervisors, managers, or any companies controlled either directly or indirectly by the Company		Combined investment	
	Number	Shareholding	Number	Shareholding	Number	Shareholding
Pacer Technology Co., Ltd.	959,800	80%	37,000	3%	996,800	83%
E.C.E. (USA)	2,500	100%	-	-	2,500	100%
Fuzetec Technology Co., Ltd.	9,044,406	24%	318,767	1%	9,363,173	25%
Fengchuang Investment Co., Ltd. (Samoa)	2,650,000	100%	-	-	2,650,000	100%

Note: It is an investment made by the Company using the equity method.

Three. Capital and Shares

I. Capital and shares

(I) Source of share capital

1. The formation of share capital

March 31, 2026

Year/Month	Issue price (NTD)	Authorized capital		Paid-in capital		Source of share capital	Remark	
		Number	Amount (NTD)	Number of shares	Amount (NTD)		Capital increased by assets other than cash	Others
1991/05	10	10,000,000	100,000,000	10,000,000	100,000,000	Cash capital increase	---	---
1994/11	10	15,000,000	150,000,000	15,000,000	150,000,000	Cash capital increase by NT\$50 million	---	---
1997/10	10	24,500,000	245,000,000	24,500,000	245,000,000	Cash capital increase by NT\$50 million Capitalization of earnings to increase the capital by NT\$30 million Capitalization of capital surplus to increase the capital by NT\$15 million	---	Per Letter (1997)-Tai-Cai-Zeng No. 75514 dated 1997.10.17
1998/06	10	31,850,000	318,500,000	31,850,000	318,500,000	Capitalization of earnings to increase the capital by NT\$61.25 million Capitalization of capital surplus to increase the capital by NT\$12.25 million	---	Per Letter (1998)-Tai-Cai-Zeng No. 47492 dated 1998.6.1
1999/06	10	60,000,000	600,000,000	41,405,000	414,050,000	Capitalization of earnings to increase the capital by NT\$79.625 million Capitalization of capital surplus to increase the capital by NT\$15.925 million	---	Per Letter (1999)-Tai-Cai-Zeng-(I) No. 49702 dated 1999.6.1
2000/06	10	60,000,000	600,000,000	58,967,500	589,675,000	Cash capital increase by NT\$50 million Capitalization of earnings to increase the capital by NT\$92.501 million Capitalization of capital surplus to increase the capital by NT\$33.124 million	---	Per Letter (2000)-Tai-Cai-Zeng-(I) No. 43095 dated 2000.5.25 Per Letter (2000)-Tai-Cai-Zeng-(I) No. 43093 dated 2000.5.18
2001/08	10	134,000,000	1,340,000,000	78,953,875	789,538,750	Cash capital increase by NT\$50 million Capitalization of earnings to increase the capital by NT\$126.277 million Capitalization of capital surplus to increase the capital by NT\$23.587 million	---	Per Letter (2001)-Tai-Cai-Zeng-(I) No. 120015 dated 2001.04.25 Per Letter (2001)-Tai-Cai-Zeng-(I) No. 126712 dated 2001.05.17
2002/10	10	134,000,000	1,340,000,000	84,034,407	840,344,070	Capitalization of earnings to increase the capital by NT\$50.805 million	---	Per Letter Tai-Cai-Zeng-(I) No. 0910136308 dated 2002.07.03
2004/06	10	134,000,000	1,340,000,000	107,297,766	1,072,977,660	Consolidated capital increase by NT\$232.63 million	---	Per Letter Tai-Cai-Zeng-(I) No. 0930116546 dated 2004.05.25
2004/09	10	134,000,000	1,340,000,000	117,941,807	1,179,418,070	Capitalization of earnings to increase the capital by NT\$106.44 million	---	Per Letter Tai-Zeng-Shang No. 0930021708 dated 2004.08.20
2004/11	10	134,000,000	1,340,000,000	115,440,807	1,154,408,070	Cancellation of treasury shares to reduce the capital by NT\$25.01 million	---	Per Letter Jin-Guan-Zeng-III No. 0930150456 dated 2004.11.03
2007/3	10	134,000,000	1,340,000,000	116,344,807	1,163,448,070	Capitalization of employee stock warrants to increase the capital by NT\$9.04 million	---	Per Letter Tai-Zeng-Shang No. 09600072691 dated 2004.03.29
2007/6	10	134,000,000	1,340,000,000	116,660,807	1,166,608,070	Capitalization of employee stock warrants to increase the capital by NT\$3.16 million	---	Per Letter Tai-Zeng-Shang No. 09600160141 dated 2007.06.25
2007/9	10	134,000,000	1,340,000,000	116,752,807	1,167,528,070	Capitalization of employee stock warrants to increase the capital by NT\$0.92 million	---	Per Letter Tai-Zeng-Shang No. 09600324271 dated 2007.11.1
2007/12	10	134,000,000	1,340,000,000	116,804,807	1,168,048,070	Capitalization of employee stock warrants to increase the capital by NT\$0.52 million	---	Per Letter Tai-Zeng-Shang No. 09600379721 dated 2007.12.27
2008/2	10	134,000,000	1,340,000,000	116,908,807	1,169,088,070	Capitalization of employee stock warrants to increase	---	Per Letter Tai-Zeng-Shang No. 09700039951 dated 2008.2.19

Year/Month	Issue price (NTD)	Authorized capital		Paid-in capital		Remark		
		Number	Amount (NTD)	Number of shares	Amount (NTD)	Source of share capital	Capital increased by assets other than cash	Others
						the capital by NT\$1.04 million		
2008/7	10	134,000,000	1,340,000,000	116,965,807	1,169,658,070	Capitalization of employee stock warrants to increase the capital by NT\$0.57 million	---	Per Letter Tai-Zeng-Shang No. 09700175511 dated 2008.7.4
2010/03	10	134,000,000	1,340,000,000	117,137,807	1,171,378,070	Capitalization of employee stock warrants to increase the capital by NT\$1.72 million	---	Per Letter Tai-Zeng-Shang No. 09900083491 dated 2010.4.6
2010/05	10	134,000,000	1,340,000,000	117,224,807	1,172,248,070	Capitalization of employee stock warrants to increase the capital by NT\$0.87 million	---	Per Letter Tai-Zeng-Shang No. 09900116601 dated 2010.5.5
2010/08	10	134,000,000	1,340,000,000	117,299,807	1,172,998,070	Capitalization of employee stock warrants to increase the capital by NT\$0.75 million	---	Per Letter Tai-Zeng-Shang No. 09900255291 dated 2010.8.27
2010/12	10	134,000,000	1,340,000,000	117,629,807	1,176,298,070	Capitalization of employee stock warrants to increase the capital by NT\$0.37 million	---	Per Letter Tai-Zeng-Shang No. 09900394961 dated 2010.12.31
2011/03	10	134,000,000	1,340,000,000	117,884,807	1,178,848,070	Capitalization of employee stock warrants to increase the capital by NT\$0.255 million	---	Per Letter Tai-Zeng-Shang-I No. 1000098481 dated 2011.04.01
2011/07	10	134,000,000	1,340,000,000	117,964,807	1,179,648,070	Capitalization of employee stock warrants to increase the capital by NT\$0.8 million	---	Per Letter Tai-Zeng-Shang-I No. 10000213341 dated 2011.07.01
2011/07	10	134,000,000	1,340,000,000	117,586,807	1,175,868,070	Cancellation of treasury shares to reduce the capital by NT\$37.80 million	---	Per Letter Tai-Zeng-Shang-I No. 10000213351 dated 2011.07.01
2011/09	10	134,000,000	1,340,000,000	117,649,807	1,176,498,070	Capitalization of employee stock warrants to increase the capital by NT\$0.63 million	---	Per Letter Tai-Zeng-Shang-I No. 10000307631 dated 2011.09.01
2011/09	10	134,000,000	1,340,000,000	116,411,807	1,164,118,070	Cancellation of treasury shares to reduce the capital by NT\$123.8 million	---	Per Letter Tai-Zeng-Shang-I No. 10000307621 dated 2011.09.01
2012/01	10	134,000,000	1,340,000,000	113,333,807	1,133,338,070	Cancellation of treasury shares to reduce the capital by NT\$307.80 million	---	Per Letter Tai-Zeng-Shang-I No. 10100012131 dated 2012.01.18
2015/11	10	134,000,000	1,340,000,000	111,706,807	1,117,068,070	Cancellation of treasury shares to reduce the capital by NT\$16.27 million	---	Jing-Shou-Shang No. 10401250120 dated 2015.11.25
2016/04	10	134,000,000	1,340,000,000	110,618,807	1,106,188,070	Cancellation of treasury shares to reduce the capital by NT\$1 0.88 million (cancellation was completed on 2016.04.14)	---	Jing-Shou-Shang No. 10501063820 dated 2016.04.06
2020/07	10	134,000,000	1,340,000,000	109,093,807	1,090,938,070	Cancellation of treasury shares to reduce the capital by NT\$15.25 million	---	Jing-Shou-Shang No. 10901117260 dated 2020.07.03
2025/08	10	134,000,000	1,340,000,000	107,889,807	1,078,898,070	Cancellation of treasury shares to reduce the capital by NT\$12.04 million	---	Jing-Shou-Shang No. 11430142110 dated 2025.09.25

2. Types of shares:

March 31, 2026

Types of shares	Authorized Capital			Remark
	Number of shares issued (Note)	Number of shares unissued	Total	
Registered ordinary shares	107,889,807 (listed)	26,110,193	134,000,000	A total of 5,100,000 shares in the authorized share capital are shares converted from the employee stock warrants.

Note: Please indicate if the stock is a TWSE or TPEX listed stock (if it is prohibited from listing on TWSE or TPEX, it shall be indicated).

(II) List of major shareholders

March 31, 2026

Major Shareholders' Names	Number of Shares Held	Shareholding Percentage (%)
Guangna Investment Co., Ltd.	8,995,682	8.37%
Deng-Tang Hsiao	6,745,729	6.28%
Guangda Investment Co., Ltd.	5,800,403	5.40%
Pen-Lin Liao	5,339,548	4.97%
Pai Ho Investment Co.,Ltd.	4,343,014	4.04%
Chin-Yi Pai	4,206,001	3.92%
Kuei-Hsiang Chen	3,642,450	3.39%
Fen-Chih Wang	2,908,000	2.71%
Yi-Guan Liao	2,418,515	2.25%
Hung-Hao Chang	1,676,244	1.56%

(III) Dividend policy and implementation status

1. Details of major changes in the dividend policy, implementation, and expectations:

(1) As per the Articles of Incorporation:

Where the Company makes a profit for a fiscal year, it shall appropriate no lower than 1% of the balance for employee remuneration, which shall be distributed in the form of stock or cash by the resolution of the Board of Directors, and the recipients include employees at subsidiaries who meet certain criteria; and appropriate no higher than 2% for directors' and supervisors' remuneration. The employee remuneration and directors' and supervisors' remuneration proposal shall be reported to the shareholders' meeting. However, if the Company still has a cumulative deficit, it shall reserve an amount for offsetting the deficit in advance and then appropriate employee remuneration and directors' and supervisors' remuneration at the percentages in the preceding paragraph.

The industry to which the Company belongs is highly competitive and ever-changing, and the Company is in a stage of steady growth. To be aligned with the Company's future capital needs, long-term financial plan, and shareholders' needs for cash inflows, if the Company has a profit for a fiscal year as per the annual financial statements, the profit shall be first used for paying the profit-seeking enterprise income tax, offsetting a cumulative deficit, appropriating 10% of the remaining profit as a legal reserve unless it has reached the total amount of the Company's paid-in capital, and then appropriating an amount for or reversing a special reserve in accordance with laws and regulations, and then any remaining profit, together with any undistributed retained earnings from the prior years, as distributable earnings shall be adopted by the Company's Board of Directors as the basis for making a distribution proposal, which shall then be submitted to the shareholders' meeting for a resolution. Among them, cash dividends shall not be lower than 10% of the total shareholder dividends to be paid out, and the percentage may be determined by the Board of Directors depending on the year's profit and capital based on the capital expenditure and business expansion needs.

All or part of the shareholder dividends mentioned in the preceding paragraph, the legal reserve appropriated, or capital surplus provided to pay out cash shall be carried out by the resolution adopted by more than half of all directors present at a board meeting attended by two-thirds or more of all directors as delegated, while being reported to the shareholders' meeting.

(2) The Company has distributed cash dividends every year since 2004. We will maintain a stable and sustainable dividend policy and consider increasing the cash dividend per share when the discretionary funds are sufficient to pay out dividends in the same amount as the prior year. The Company's 2025 cash dividends were approved by the supermajority resolution of the Board of Directors on March 6, 2026. It was proposed to pay out cash dividends at NT\$0.3 per share, and the ex-dividend record date was April 4, 2026 and the payout was completed on April 30, 2026 and reported to the general shareholders' meeting on May 29, 2026.

- (3) The Company's dividend policy: We allocate 50% or more of the annual earnings as dividends, of which cash dividends to be paid out will not be lower than 10%.
2. The distribution of dividends proposed at the shareholders' meeting: N/A.
3. Details of any expected major changes in the dividend policy: None.
- (IV) The influence of the stock dividend proposed at the shareholders' meeting on the Company's operating performance, earnings per share, and return on shareholders' investment: None.
- (V) Employee bonuses and directors' remuneration:
1. The percentage of the profit for or scope of employee remuneration and directors' and supervisors' remuneration as stated in the Company's Articles of Incorporation: We proceeded as per the dividend policy under Article 29 of the Articles of Incorporation. See (VI) for details.
 2. The basis for the estimation of employee remuneration and directors' and supervisors' remuneration in this period, basis for the calculation of the number of shares for stock dividends to employees, and accounting treatment if the amount paid out is different from the estimated amount. As per the Company's Articles of Incorporation, we distributed no lower than 1% and no higher than 2% of this year's pre-tax income (before employee remuneration and directors' remuneration are deducted) as employee remuneration and directors' remuneration, respectively. The estimated 2025 employee remuneration amounted NT\$3,062 thousand and the directors' and supervisors' remuneration amounted to NT\$1,531 thousand, which were estimated at 3% and 1.5% of said pre-tax income, respectively, and the amounts were paid out in cash by the resolution of the Board of Directors on March 6, 2026.
 3. The distribution of remuneration approved by the Board of Directors: We proposed to pay out NT\$3,062 thousand for employee remuneration and NT\$ 1,531 thousand for directors' and supervisors' remuneration, which were the same as the estimated amounts in the financial statements. The imputed earnings per share after the proposed amounts of employee remuneration and directors' and supervisors' remuneration were considered: NT\$0.60. The amount of employee remuneration in stock as a percentage of the sum of the net income after tax as in the parent company-only or individual financial statements for this period and the total employee dividends for this period: None.
 4. The distribution of the prior year's employee remuneration and directors' and supervisors' remuneration: We proposed to pay out NT\$2,028 thousand in cash for employee remuneration and NT\$1,014 thousand for directors' and supervisors' remuneration for 2024, which were the same as the amounts approved by the Board of Directors.
- (VI) The repurchase of the Company's shares: None.

II. Issuance of corporate bonds

None.

III. Issuance of preference shares

None.

IV. Issuance of depository receipts

None.

V. Issuance of employee stock warrants

None.

VI. Issuance of new restricted employee shares

None

VII. Issuance of new shares due to M&A or transfer of shares of another company

None.

- (I) Where the issuance of new shares due to M&A or transfer of shares of another company was completed in the most recent year and up to the publication date of this annual report, the following information shall be disclosed: None.
- (II) Where the issuance of new shares due to M&A or transfer of shares of another company was approved by the Board of Directors in the most recent year and up to the publication date of this annual report, the implementation situation and the basic information on the merged or transferred shall be disclosed: None.

VIII. Fund application plan execution

None.

- (I) The content of the plan: None.
- (II) Implementation of the plan: None.

Four. Overview of Operations

I. Business scope

(I) Business scope

1. Details of the Company's main business scope:

- (1) CC01080 Electronics Components Manufacturing.
- (2) Manufacture of Batteries and Accumulators.
- (3) Watches and Clocks Manufacturing.
- (4) CC01110 Computer and Peripheral Equipment Manufacturing.
- (5) Other Machinery Manufacturing.
- (6) Metal Forging.
- (7) Other Metal Products Manufacturing.
- (8) Industrial Plastic Products Manufacturing.
- (9) International Trade.
- (10) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Proportion of business:

Unit: NT\$ thousand

Product \ Year	2024		2025	
	Amount (in NTD thousands)	Percentage	Amount (in NTD thousands)	Percentage
Semiconductor	850,513	47%	860,549	49%
Electronic components	488,010	27%	464,809	26%
Relays	198,866	11%	219,422	13%
Stepping motors	268,977	15%	216,795	12%
Total	1,806,366	100%	1,761,575	100%

3. The Company's existing products (services):

- (1) Semiconductor
- (2) Electronic components: (a) DIP switches; (b) terminal blocks; (c) connectors
- (3) Relays
- (4) Stepping motors

4. New products to be developed:

(1) Lead Frame and Heat Spreader for Semiconductor Industry

- A. In response to the growing demand for electric vehicles and automotive electronics applications, we continue to develop high-power leadframe products with a focus on improving product reliability to meet automotive electronics standards and application requirements, while addressing the development trends of third-generation semiconductors (such as SiC and GaN).
- B. Targeting EV charging equipment and related power applications, we continue to optimize the design and develop leadframes for Intelligent Power Modules (IPM), and plan the direction of product introduction based on market demand.
- C. In response to the thermal management needs of High-Performance Computing (HPC) applications, we continue to advance the development of vapor chamber products, adjusting product design and application directions in accordance with customer requirements and market conditions.
- D. We continue to introduce and upgrade automation equipment for production lines to enhance quality stability and production efficiency during mass production, supporting the introduction of new products and improving overall manufacturing performance.
- E. In line with the trend toward energy conservation and carbon reduction, we continue to assess the feasibility of low-carbon processes and materials, progressively reducing carbon emissions during production, and incorporating these findings as a reference for future product development and process optimization.

(2) Electronic components and stepper motors

- A. Develop and promote a series of future-oriented products—including screwless terminal blocks, push switches, rotary switches, and micro switches—targeting applications in AI smart industries, automotive, lighting, industrial electronics, and electric power tools.
- B. Research and develop high-current specification multi-pitch terminal blocks (screwless type) for use in industrial electromechanical equipment and energy equipment.
- C. Develop compact, long-life, high shock-resistant trigger switches (multi-type Hall element sensing type) series for electric power tools.
- D. Develop compact and lightweight emergency stop switch series of industrial control switches for use in industrial electromechanical equipment and energy equipment.
- E. Continue to develop mechanical relays with high-current specifications of 40A to 60A and large GAP specifications to meet the demands of the green energy and AI industries.
- F. Develop mechanical relays with GCM specification increased by 10A, GU specification increased by 40A, and new GI structure products.
- G. Continue to develop silicon carbide (SiC) photonic relays to meet the high-voltage specification requirements of energy storage devices.
- H. Develop molds and mass production for motors and mechanism modules used in automotive headlight adjustment.
- I. Develop motors for refrigeration and air conditioning valves, with sample production and submission.
- J. Conduct market research and development on solenoid valves for proportional valves and related stepper motor applications.

(II) Industry overview

1. The situation and development trends of the industry:

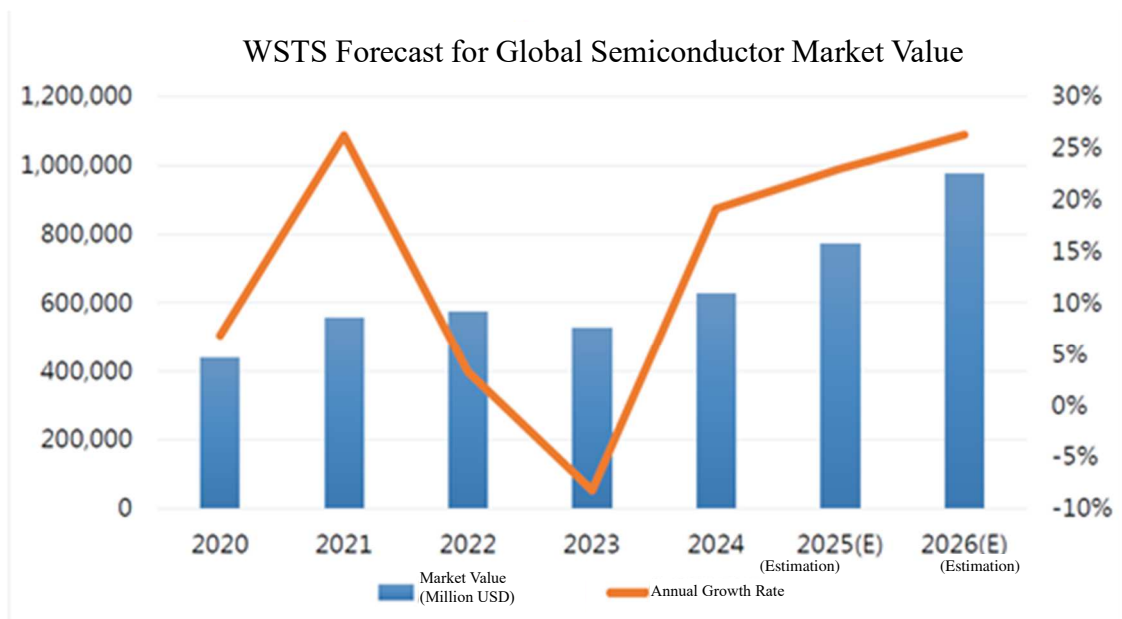
- (1) DIP switches, relays, and terminal blocks: They are mechanical components in electronic components and mainly used in the electronic and the communications industries and information products. In the early 1980s, the electronics industry grew rapidly, and DIP switches, relays, and terminal blocks mostly relied on imports from the United States and Japan due to the under-developed technologies in the domestic industry. However, due to continuous investment in R&D and quality improvements by domestic companies in recent years, the DIP switches, relays, and terminal blocks produced domestically not only meet the domestic companies' requirement but are increasingly exported due to their competitive quality and prices. They are mainly used in electronic components in the industries of computers and peripheral products, wireless communications products, wired communications products, network products and peripherals, and security system products. The reliability requirements for such products is very high. As the electronic industry has made tremendous progress in the application of equipment and the surface mount technology (SMT), the new generation of electronic products is not only stronger and stable but also becoming more lightweight, thinner, shorter, and smaller in size. Therefore, relevant components should also be developed toward this direction. Therefore, miniaturization and SMT will be the development trend in the future.
- (2) Connectors: Electronic connectors refer to all connectors and accessories used in connecting electronic signals and power. In terms of electronic packaging, connectors are components to interconnect electronic equipment as bridges between all electronic signals. The quality of connectors affects not only the reliability of current and signal output but the operations of electronic equipment. In terms of end products, the connectors can be roughly used in the computer and peripheral industry (mainly applied to information products, such as personal computers and notebooks), the communications industry (mainly used in mobile phones and optical fiber communications), the automobile and transportation industry (mainly used in various automobiles and scooters), the aerospace industry (used in various aircrafts), and other industries (used in consumer electronics products, instruments and equipment, OA equipment, and industrial equipment). Thus, its importance cannot be underestimated. As terminal end products are developed to be short, thin, and lightweight with high-frequency and high-speed transmission, connectors are developed to be fine pitch, SMT, composite, low profile, lightweight, with standard specifications adopted.

(3) Lead Frame for Semiconductor Devices: Semiconductor lead frames, also known as lead frames, flower frames, brackets, etc., serve as the critical carrier in chip packaging. Their primary functions are to support the chip and establish electrical connections between electronic components and external circuits. Together with gold wire and encapsulation resin, lead frames are one of the three core materials in the packaging process. Their end-product applications are wide-ranging, covering new energy vehicles, fuel vehicles, high-end home appliances, information and communications technology (ICT) products, industrial control equipment, and medical devices.

Heat Spreaders: Also known as vapor chambers or heat sinks, heat spreaders leverage the properties of highly thermally conductive materials to effectively transfer heat generated by high-performance computing chips during operation to external heat dissipation modules, thereby helping to maintain system temperature stability and support component operation. As semiconductor devices continue to evolve toward higher integration and miniaturization, thermal management efficiency has become a critical factor for stable system operation. Heat spreaders are widely used in high-performance computing (HPC) servers, 5G/6G communication base stations, advanced driver assistance systems (ADAS), and high-performance PCs.

According to data from the World Semiconductor Trade Statistics (WSTS), global semiconductor output value continued to grow in 2024 and 2025, and is projected to maintain significant expansion in 2026. While demand from applications such as artificial intelligence (AI) and automotive electronics continues to drive industry development, the overall market may still be subject to factors including global economic conditions, geopolitical changes, and fluctuations in end-market demand, and actual performance going forward warrants careful monitoring.

Looking ahead to 2026, AI, high-performance computing, and automotive electronics applications continue to serve as the primary sources of demand for lead frames and heat spreaders. As chip power consumption increases and packaging technologies evolve, market demand for packaging-related products and high-efficiency thermal management solutions remains well-supported. However, the actual pace of demand realization will depend on the progress of end-application adoption and the overall industry cycle.



Data source: SWTS(World Semiconductor Trade Statistics); summarized by Excel Cell Electronic Co., Ltd.

(4) Stepper motor: It is a typical motion control motor as an executive component in an information and automated control system. Stepping motors feature many advantages, such as a brushless structure; higher reliability than traditional motors; easiness to start, stop, and reverse; fast real-time response; self-locking upon stopping; torque maintenance.

At present, stepping motors are applied in a wide range of fields, such as office automation, factory automation, medical devices, measuring instruments, bank ATMs, automobiles, entertainment equipment, and communications equipment. The emerging industries, such as 3D printing, solar power generation systems, and automotive motor applications, have created new markets.

The future development of stepping motors is from open loop to closed loop. In addition to the combination with a gearbox to provide deceleration and increase torque, it can be integrated with a driver and an integrated servo system. The development of the integration and the combination with the brushless DC motor (BIDCM) are two important trends. At present, closed-loop control have been adopted for all stepping motors gradually with the functions of servo motors. In the future, stepping motors will be smaller in size, better in performance, and more cost-effective, and will be widely used in home robots and household smart equipment.

With the increased industrial automation level, the demand for stepping motors in emerging economies is rising day by day. Stepping motors have increasingly penetrated into many fields, such as computers, communications equipment, office automation, industrial automation, banking equipment, and automobiles. In the future, many manufacturing and application fields involving people's daily life will continue to upgrade, while new industries will continue to emerge, which will lead to new demand for stepping motors.

2. Global economic development status and trends:

(1) Overall industry overview:

In 2025, the international macroeconomic environment was impacted by various factors including global geopolitical risks, tariff policy issues under the U.S. Trump administration, and a sluggish Chinese economy. While the semiconductor industry continued to benefit significantly from the strong business opportunities driven by AI technology development, the mature process traditional application markets in the automotive, industrial, and consumer electronics sectors experienced a relatively moderate pace of recovery. Furthermore, amid uncertainties surrounding tariff policies, a phenomenon emerged whereby customers pulled orders forward before subsequently becoming more conservative in their ordering behavior, resulting in a continued polarization in overall manufacturing performance: AI-related demand steadily increased, driving advanced process packaging and high-end passive components to remain at elevated levels, while production and sales recovery in traditional manufacturing remained relatively limited.

(2) Future outlook:

Looking ahead, as AI applications continue to diffuse from cloud computing to edge computing, coupled with countries investing in sovereign AI infrastructure, demand across related industries and applications will continue to expand, further stimulating order visibility for semiconductor manufacturers and lead frame suppliers. Although U.S. reciprocal tariff policies and geopolitical tensions remain key variables, as global economic uncertainties are expected to gradually be resolved and supply chain inventory levels return to healthy levels, industry demand in the consumer electronics, automotive, and industrial markets is projected to recover moderately. Overall manufacturing conditions in 2025 are expected to maintain a steady growth trajectory.

3. The relations between the up-, mid-, and downstream industries:

Regarding raw materials for DIP switches and relays in the upstream industry, the main raw materials are from the plastics and metal processing industries. Among them, plastic parts and copper material parts are mainly manufactured by outsourced manufacturers, but the main part of the relay: the magnetic and reed switches are imported from abroad; the downstream industries to which products are sold include the home appliances, precision instrument, security and anti-theft system, communications, and computer peripheral industries.

As for the raw materials for terminal blocks, the upstream industry is the same as that of the DIP switches and reed relays, and the downstream industries include the home appliances, security and anti-theft system, precision instrument, and consumer electronics industries, as well as switching power supply, motor controller, and other electrical industries.

Semiconductor Devices

Upstream: IC design such as wafer circuit layout, winding, photomask stacking, etc.

Midstream: IC manufacturing such as epitaxy, wafer fabrication (photomask, diffusion, etching, ion implantation), wafer testing.

Downstream: IC packaging such as packaging (lead frame, heat sink, gold or aluminum wire, packaging resin), wafer testing.

4. Competition:

- (1) Switches: The main competitors are Japanese manufacturers. With a flexible and automated production model, the Company has a better cost advantage over Japanese manufacturers.
- (2) Relays: The Company strives to occupy a niche market to avoid direct competition in price and takes quality as a priority.
- (3) Terminal Blocks: The Company focuses on occupying niche markets, avoiding the domestic low-price competition market, with the security systems industry as the main focus.
- (4) Connectors: We continue to develop products with the latest specifications and maintain positive partnerships with clients, and jointly design and develop products with new specifications with them.
- (5) Lead frames: The rapid development of the semiconductor industry in China in recent years has directly impacted existing lead frame suppliers, and lead frames for semiconductors for consumer electronics products are subject to local price competition, China's goal is encouraging local production and supply, the Company is also actively investing in the expansion of its China base to meet the growth of local supply needs of customers; For the development of lead frames, the Company is expanding the market of lead frame for semiconductor for automotive electronic components with high-quality requirements by the capability of self-development of high precision molds. In 2026, global economic growth is expected to slightly outpace that of 2025. The rapid development of emerging technologies and products—such as smartphones, consumer electronics, and AI-driven servers—is anticipated to further drive demand for advanced semiconductor manufacturing. Although geopolitical tensions and relatively weak end-market demand in the industrial and automotive sectors continue to pose headwinds, the overall semiconductor industry outlook is nonetheless expected to maintain a continued growth trajectory.
- (6) Stepping motors: We focus on customized products.

(III) Overview of technology and R&D

1. R&D expenses for the most recent two years.

Unit: NT\$ thousand

Item \ Year	2024	2025
R&D expense	86,242	81,284
Consolidated net operating revenue	1,806,366	1,761,575
R&D expense as a % of revenue	5%	5%

2. Estimated R&D Expenditure for New Product Development Planned for FY2026

Unit: NT\$ thousand

R&D Item	Estimated Annual R&D Expenditure	Estimated Mass Production Timeline	Key Factors Influencing the Successful Outcome of Future R&D
Semiconductor Packaging Materials			
1. Development of MOSFET device lead frames. 2. Development of Power Discrete device lead frames. 3. Development of CPU/GPU vapor chamber products.	8,000	2026.12.31	The Company will enhance product added value, continue to expand automated production equipment systems, and provide customers with high-value services to strengthen product competitiveness.
1. Expansion of automated optical inspection (AOI) equipment on production lines. 2. Expansion of automatic material collection equipment on stamping production lines. 3. Introduction of precision analytical instruments.	12,000	2026.12.31	
Electronic Components and Stepper Motors			

R&D Item	Estimated Annual R&D Expenditure	Estimated Mass Production Timeline	Key Factors Influencing the Successful Outcome of Future R&D
1. Development toward AI smart industry, automotive, communications, energy, and industrial applications, as well as products with composite performance and automation specifications. 2. Development of compact and lightweight emergency stop switch series of industrial control switches for use in industrial electromechanical equipment and energy equipment.	7,700	2026.12.31	The Company will pursue the invention of patented products and respond to environmental protection and energy conservation initiatives to provide customers with high added-value applications and improve the Company's performance. The Company will simultaneously pursue improvements in product performance and technology advancement to provide customers with high added-value services, accelerate the introduction of automated production equipment, and enhance production capacity and performance.
1. Development of ETB terminal blocks for AI smart industry, automotive, communications, energy, industrial, and industrial electromechanical equipment applications. 2. Research and development of high-current specification multi-pitch terminal blocks (screwless type) for use in industrial electromechanical equipment. 3. Development of compact, long-life, high shock-resistant trigger switches (multi-type Hall element sensing type) series for electric power tools.	5,300	2026.12.31	
Development of ETR, EPR, and EDR relays and procurement of automated production equipment.	5,000	2026.12.31	
Mold development and mass production for automotive headlight modules.	2,100	2026.10.31	The R&D team possesses experience in the development of PM-type stepper motors, brushless motors, and mechanism design, which can be applied to this product development and automation.
Prototype production and trial manufacturing of expansion valve modules.	1,500	2026.12.31	
Process improvement and automation: EMI single-wire large GAP automatic card insertion MEC male/female connector automatic pin insertion PM stepper motor mold development	850	2026.8.31	

2. R&D achievements in the most recent year:

(1) Lead Frame and Heat Spreader for Semiconductor Industry

- A. For automotive TVS component lead frames requiring high-specification standards, the dedicated lead frame design and development have been completed and formally introduced into mass production.
- B. Lead frame products for automotive Diodes components have completed development and entered the trial production stage.
- C. The Power Discrete component lead frame has completed design and sample submission, and is currently undergoing product functionality testing.
- D. In response to demand for vapor chambers in high-performance processor applications, sample submission has been completed.
- E. To enhance process stability and quality consistency, automated optical inspection (AOI) and automated material collection systems continue to be introduced.
- F. Low-carbon cleaning processes have been introduced to reduce energy consumption and comply with international environmental standards and corporate sustainability regulations, thereby implementing sustainable management practices.

- (2) Electronic components and stepper motors
 - A. Research and development, as well as promotion, of screwless-type terminal blocks, pushbutton switches, rotary switches, and micro switches tailored for future applications in the smart industry, automotive, lighting, industrial electronics, and electric hand tool sectors.
 - B. Initiated the development of high-current, multi-pitch screwless terminal blocks for industrial electromechanical equipment applications.
 - C. Developed a compact, high-vibration-resistant trigger switch series for hand tools, featuring integrated Hall-effect sensors.
 - D. Developed a miniature series of quick-release safety lock switches for industrial control applications.
 - E. Developed a miniature series of quick-release safety lock switches for industrial control applications.
 - F. MIH specification automatic production lines and GQ series 20A models have been introduced into mass production, with continued development of high-current, large-contact-gap relays.
 - G. Completed development of a silicon carbide (SiC) opto-isolated relay rated for 3300V.
 - H. Development of truck headlight modules (mechanism and stepper motor) has been completed.
 - I. Design and development of IP67 waterproof mechanism for automotive expansion valve coils has been completed.
 - J. The second-generation structure design of the expansion valve body has been completed and sample production evaluation is underway.
 - K. Cost-improvement version design and cost estimation for brushless DC motors for ventilation fans have been completed.

(IV) Long-term and short-term business development plans:

1. Long-term business development plan:

(1) Lead Frame and Heat Spreader for Semiconductor Industry:

- A. Develop new customers in the European and Southeast Asia markets.
- B. Expand the lead frame business for automotive electronic components.
- C. Develop markets for high-end applications and smart/green energy products.
- D. Stay abreast of market trends at all times and leverage the strengths and expertise in precision mold design to proactively develop new products and meet customer needs.

(2) Electronic components and stepper motors:

- A. In response to changes in international circumstances, actively expanding emerging markets in ASEAN countries through exhibitions and promotional activities, as well as strengthening online marketing to expand the online market. Utilizing e-commerce platforms such as DigiKey to increase brand exposure, while continuously introducing sales distributors within various countries' e-commerce systems to expand the sales network and execute the promotion of the full product line. Additionally, deepening the focus on markets with sustainable growth potential such as Eastern Europe, Japan, South Korea and India, concentrating on the development and cooperation with well-known manufacturing direct customers to increase market penetration.
- B. Key focus on the development of power supplies for AI servers, new energy, and charging stations, while continuing to deepen the core industries such as industrial automation equipment, security monitoring systems, HVAC refrigeration and air conditioning, and smart home appliances.
- C. Promoting product differentiation technologies such as explosion-proof, THR (through-hole reflow), PWM and Immersion cooling products advantages, while continuously enhancing product specifications such as high-load current, DC high voltage, and high insulation resistance.
- D. Continue to promote lean production and SPC quality management systems to enhance production efficiency and product quality, reduce costs, and maintain global competitiveness. Assist customers in maintaining their leading positions by providing complete and comprehensive solutions, becoming a long-term strategic partner for customers.
- E. Continue to develop new materials such as halogen-free specifications and promote environmentally friendly processes to comply with ESG principles and the Company's sustainable development policy.
- F. Expansion of motor product types: linear motors, robotic arm motors, lead screw motors, HB-type stepper motors, and DC brushless motors.
- G. Expansion of products utilizing motor manufacturing technology: automotive expansion valve coils, solenoid valves, damper actuators, and valve linear stepper motor actuators.

H. New market development for various motor products: expand business in regions such as Europe, the United States, Russia, and Japan.

I. Develop expansion valve body products: expand into industries related to automotive, air conditioning, and other valve body demand.

2. Short-term business development plan:

(1) Lead Frame and Heat Spreader for Semiconductor Industry:

A. The global trends of carbon reduction and energy-saving policy have accelerated the development of the new energy vehicle market, and the demand for related automotive electronic components has also increased. Our Semiconductor Division is actively expanding the development of lead frames for semiconductors and capacity expansion to meet the growing market demand.

B. The development trend of smaller and more efficient electronic products has brought about the demand for heat dissipation of high-computing components. In the future, the Company will focus on the research and development of heat spreader products.

C. In the future, labor cost will continue to increase. In order to reduce the manufacturing cost of our products, the plan to build an automated production line is also accelerating.

(2) Electronic components and stepper motors:

A. The new EVS series Hall effect switches serve as a key product for penetrating domestic and international electric power tool customers and as a technological benchmark.

B. In response to demand for AI server power supply products in the 3.5KW–8KW range, upgrade the specifications of mechanical relays for power supply units to 20A/250VAC and above.

C. Introduce the new compact integrated emergency stop switch (Ø16mm), targeting industries such as EV charging stations, fitness equipment, and small-scale medical devices.

D. Continue to introduce switch products into new models across key industries including HVAC refrigeration and air conditioning, servo motors, stepper motor controllers, and door control systems. In addition to major commercial air conditioning customers in the HVAC sector, actively promote products to leading manufacturers of residential air conditioners and water heaters in Europe, the Americas, Japan, and South Korea.

E. Continue to introduce opto-isolated relay products into industries such as elevator control boards, testing instruments, and smart lighting fixtures, while strengthening the development of markets in the battery management module (BMS) sector related to new energy and electric vehicles.

F. Optimize the company's website and online marketing channels to increase brand exposure and enhance sales regionally.

G. Upgrade Rotary Switches to IP67 protection rating to pursue niche market opportunities in special industrial manufacturing environments, such as applications in dust- and gas-contaminated environments.

H. Amid the miniaturization trend in drones, wearable devices, and micro-control devices, demand for Half-Pitch (1.27mm) DIP Switch products is increasing. Optimize switch product manufacturing capabilities to enhance competitiveness and market share.

I. Expanding the specifications of HB, DC, and stepper motors: Continue to expand the specifications of various motors currently in mass production to provide products that better meet customer needs.

J. Gearboxes and mechanical components: In addition to supplying motors to customers, provide gear reducers and gearboxes (for use with motors) in module form to offer customers a more complete power system.

K. Developing and expanding into industries including 3D printing, medical devices, air conditioners, and smart home appliances.

L. Developing expansion valve body products to expand into industries related to automotive, air conditioning, and other valve body demand.

II. Overview of the market and production and sales

(I) Market analysis

1. Regions where the Company's main products are sold:

- (1) DIP switches: DIP switches belong to the switch industry. The main producing countries and regions include North America, Europe, and the Far East, such as Japan, Taiwan, South Korea, Hong Kong, and mainland China; and our country is highly competitive in the international market in terms of DIP switches, so DIP switches are mainly exported. The regions where the Company's DIP switches are sold are Europe and Asia.
- (2) Relays: In the early days, most of the domestic products were imported from Japan. The relays made in Japan were reliable and adopted by the world's major manufacturers due to high quality. As the domestic companies have been committed to improving product quality for many years, we have gradually established a reputation for quality; thus, we are able to meet domestic needs and export products abroad as well. The region where the Company's relays are sold is Asia.
- (3) Terminal blocks: This industry is highly competitive in Europe, the United States, Italy, Taiwan, Hong Kong, and China. Among them, German products with advanced technologies are of high quality at high prices, while China relies on its low labor costs to occupy the low-price markets. The region where the Company's terminal blocks are sold is Asia.
- (4) Connectors: The region where the Company's connectors are sold is Asia.
- (5) Lead frames and heat spreaders: The region where the Company's lead frames and heat spreaders are sold is Asia.
- (6) Stepping motors: As most of our clients' manufacturing sites are in Asia, the region where the Company's stepping motors are sold is Asia.

Distribution of clients and proportion of domestic sales and exports

Unit: NT\$ thousand

Region \ Year		2025	
		Sales volume	Percentage
Domestic sales		443,919	25
Exports	Europe	150,388	9
	The Americas	44,590	3
	Asia	1,118,609	63
	Others	4,069	-
	Subtotal	1,317,656	75
Total		1,761,575	100

2. Market share:

The Company's main products are DIP switches, relays, terminal blocks, and connectors, which are mechanical components in electronic components. Lead frames are indispensable passive electronic components in the integrated circuit packaging industry. Due to the wide range of applications of our various products in various industries, except for the survey report obtained from the China Credit Information Service when we applied for listing on Taipei exchange in 1998, no professional research organization has published statistics reports on the Company's products in recent years. As per the Domestic Market Survey Report on DIP Switches and Magnetic and Reed Relays issued by the China Credit Information Service in 1998, the Company's DIP switches accounted for about 45.12% of the domestic market as largest domestic supplier.

3. Future market supply/demand and growth potential:

The Company mainly produces DIP switches, relays, and terminal blocks, which are used in a wide range of applications and belong to the mechanical components in the electronic component industry. The mechanical components are auxiliary components, so the future growth of this industry is closely associated with that of its downstream industries.

Lead Frame for Semiconductor Industry are mainly used in the automotive electronics and the smart city industries.

Looking ahead, as AI applications continue to diffuse from cloud computing to edge computing, coupled with countries investing in sovereign AI infrastructure, demand across related industries and applications will continue to expand, further stimulating order visibility for semiconductor manufacturers and lead frame suppliers. Although U.S. reciprocal tariff policies and geopolitical tensions remain key variables, as global economic uncertainties are expected to gradually be resolved and supply chain inventory levels return to healthy levels, industry demand in the consumer electronics, automotive, and industrial markets is projected to recover moderately. Overall manufacturing conditions in 2026 are expected to maintain a steady growth trajectory.

4. Competitive advantages:

(1) Obtained the ISO 9000, ISO 14001, and IATF 16949 certification and a number of patents.

The Company passed ISO 9001 certification in 1995, ISO 14001 certification in 2000, ISO 9000:2000 certification in 2002, and IATF 16949 certification in 2005 and has obtained 85 domestic and overseas patents as of March 2026. Therefore, we occupy a position in the international well-known brand market.

(2) Automatic production equipment and effective quality control

The Company adopts automated production equipment to effectively cut production costs and purchases sophisticated production equipment to improve the production process, to have more efficient production processes, improve product quality, and reinforce our market competitiveness.

(3) Vertically integrated systems to develop economies of scale

To effectively ensure high quality of all manufacturing processes and parts, we work to integrate related production process vertically. Therefore, we have a professional and vertically integrated manufacturing division of precision molds building, precision injection, and precision stamping; thus, we have witnessed excellent performance in product development and cost reduction.

(4) Well-developed marketing channels to increase market share

The Company has a well-developed sales network all over the world, which has been operating for many years with excellent performance. We have set up a sales office in Taipei to be in charge of domestic sales. In 1996, we established E.C.E. (USA), a subsidiary in the United States, to sell products directly to the United States. To expand our operating sites, we have set up two production sites—Suzhou and Anhui, we are able to further enlarge our production capacity and expand our market share by using each factory in China as a base for domestic and foreign sales.

(5) A professional management team

The Company's management team consists of professionals who are all experienced in the electronic components industry, familiar with the product development history, and have business acumen. Therefore, it can keep abreast of the market changes and trends and can make timely decisions conducive to the Company's operations.

5. Favorable and unfavorable factors of development prospects:

(1) Favorable factors

A. A wide range of applications of our products and continuous expansion of the downstream market demand: DIP switches and relays can be used in the information, electronics, communications, and security systems industries, and these industries are also continuously growing, so the output value of the Company's products will also follow. As the Company's products are applied in a wide range of applications, our performance will not be significantly affected by the business cycle of a single industry.

B. Continuous increase in the demand in the Asian market with a rising market share: For domestic manufacturers of program switches, most of the export destinations are the Americas and Europe. Thus, the Company's exports to Asia account for 63% of the total, indicating that the Company's market share in Asia is higher than that of other domestic manufacturers, and the demand for program switches in the Asian market continues to rise. Thus, as our main export destinations are in Asia, our share in the Asian market is bound to increase, and the competitiveness will also be reinforced.

C. Clear target markets and stable profits: We mainly produce mid- and high-priced products, with target markets in Asia, Europe, and the Americas. Thus, our profits are also higher than other competitors with low-priced products. Also, due to the high quality and high standards of our products, we are more competitive compared with other competitors with high-priced products sold in Europe, the Americas, and Japan. Therefore, our target markets are clear and profitability is relatively stable.

D. Independent development of technology and equipment and high production efficiency: Since the Company was established in 1981, we have set up a R&D Department to continuously develop new products and design and assemble special production equipment. So far, we obtained a total of 93 domestic and overseas patents, meeting clients' needs, with our technological independence better than competitors, thereby forming an obstacle for them to catch up. Also, we have spared no effort in the design and assembly of production equipment. In recent years, we have successively launched automatic assembly, automatic heat-sealing, and testing machines for a number of products, greatly contributing to the improvement to the efficiency of key processes and the product quality assurance. At present, our production efficiency and cost reduction are far better than our competitors, which is also the main reason for the considerable growth in the Company's performance in recent years.

(2) Unfavorable factors

A. Competition arising from major producing countries moving factories abroad: Taiwan's businesses are actively seeking a more favorable production environment, while manufacturers in other important producing countries are investing overseas as well. For example, Japan relies on its skills and scale to enhance its product quality and technology, resulting in competitive pressure on the Company. Although Japan's products are mainly self-assembled at present, when the market is sluggish, excess production capacity will be released to facilitate competition.

Countermeasures:

- a. Recruit excellent R&D talents to improve product quality to compete against advanced products from other major producing countries.
 - b. Invest overseas to seek a favorable production environment to cut production costs.
- B. Increasingly fierce competition against competitors: As the funds needed for the production equipment of DIP switches and relays are not large and such products are applied widely, since the Company was incorporated in the 1981, there have been businesses, including Diptronics Manufacturing Inc., CTS Taiwan, Recentec Inc., Hampolt Corporation, and STEGO Enterprise Co., Ltd. going into production, and new competitors overseas are constantly joining this market, so the competition is becoming increasingly fierce.

Countermeasures:

- a. Dedicated to R&D to obtain patents: We have continuously engaged professional talents and purchased machinery and equipment to R&D new products. We have achieved outstanding results and obtained a number of registered patents at home and abroad to raise the barrier to entry for other competitors.
- b. Establishment of our self-owned brand: As the quality of DIP switches and relays will directly affect the quality of downstream communications, computer, and electronic products, brand image is very critical to sales. We produce products with our own technologies in our own brand and market them at home and abroad; we adopt a strict quality control system in the product process, from R&D, production to installation and ensure product quality through continuous testing and inspection. The Company passed LRQA ISO 9001 certification in 1995, ISO 14001 certification in 2000, ISO 9000: 2000 certification in 2002, and IATF 16949 certification in 2005. Our reputation is great in the industry and we have, thus, built excellent goodwill to widen the distance from other competitors.

(II) Important functions and production processes of main products

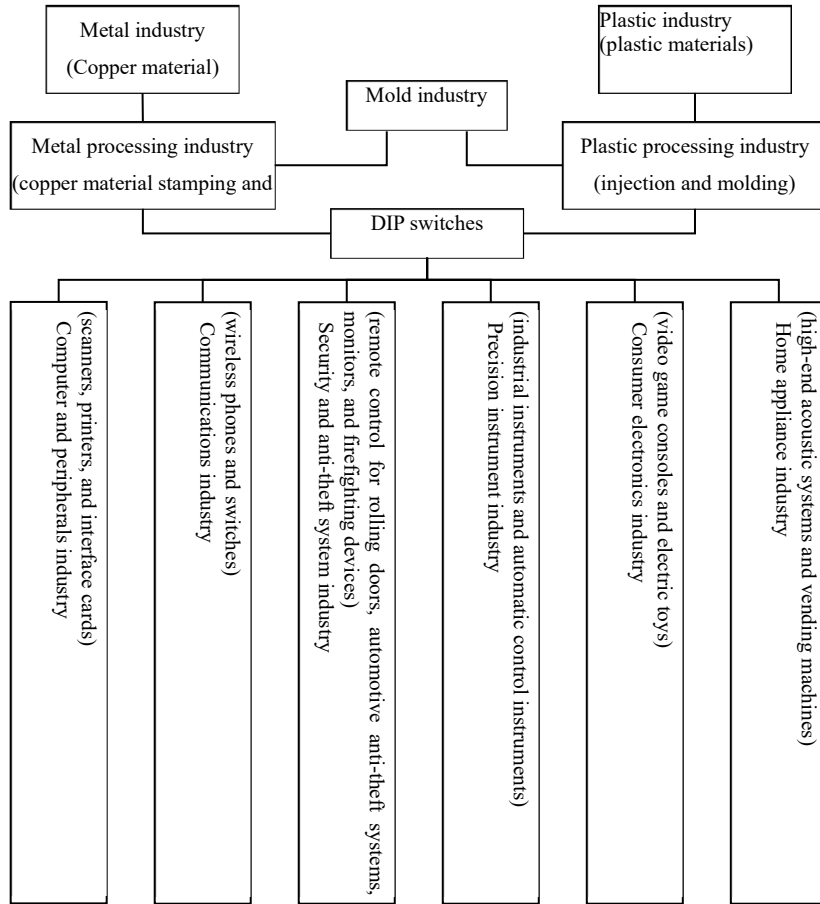
Regarding raw materials for DIP switches, relays, and connectors in the upstream industry, the main raw materials are from the plastics and metal processing industries. Among them, plastic parts and copper material parts are manufactured by the Company and partly by outsourced manufacturers, but the main part of the reed relays: Reed switches are imported from abroad; the downstream industries to which products are sold include the home appliances, precision instrument, security and anti-theft system, communications, and computer peripheral industries.

As for the raw materials for terminal blocks, the upstream industry is the same as that of the DIP switches and reed relays, and the downstream industries include the home appliances, security and anti-theft system, precision instrument, and consumer electronics industries, as well as switching power supply, motor controller, and other electrical industries.

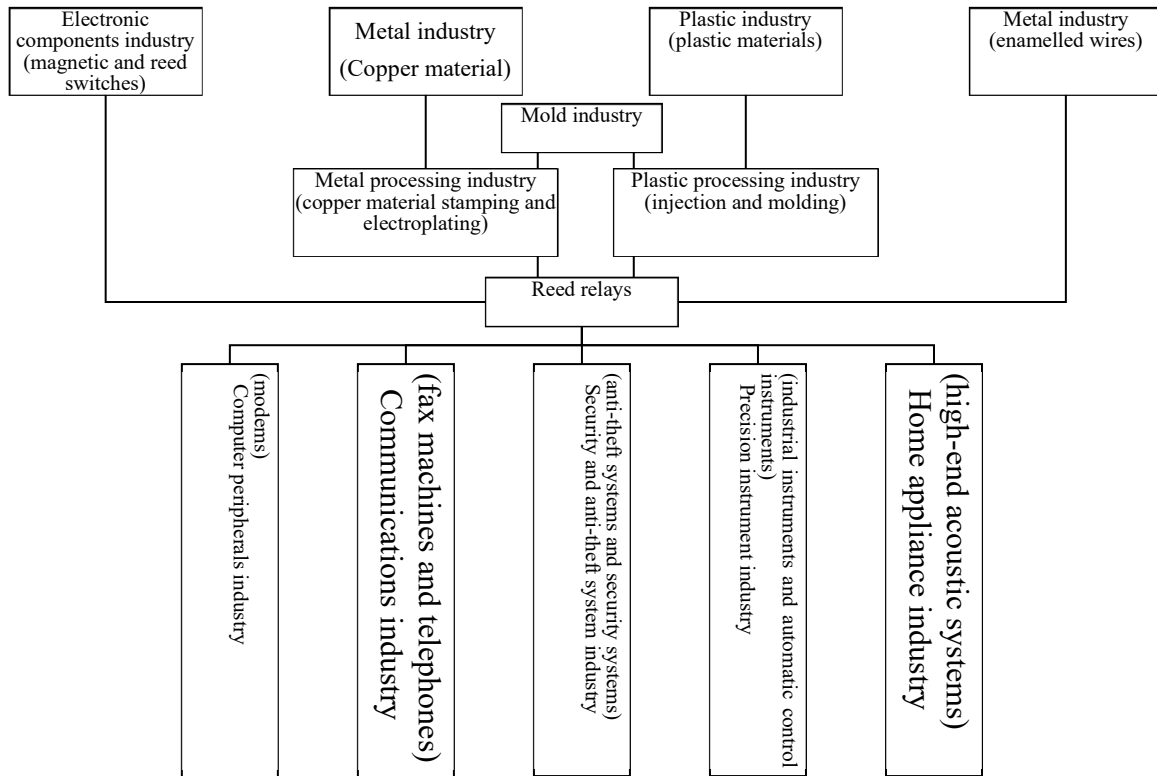
Lead frames and heat spreaders: The main material is copper material, which is used in IC peripheral parts.

Stepping motors: The main materials are stamped metal parts, plastic parts, enameled copper material wires, and magnetic materials.

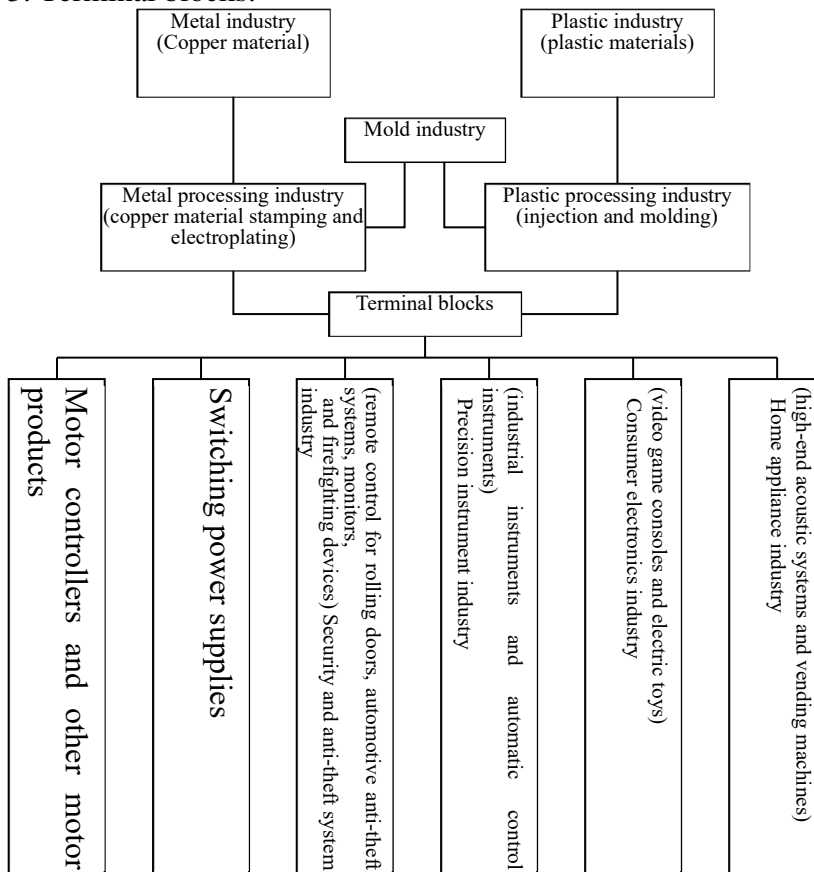
1. DIP switches:



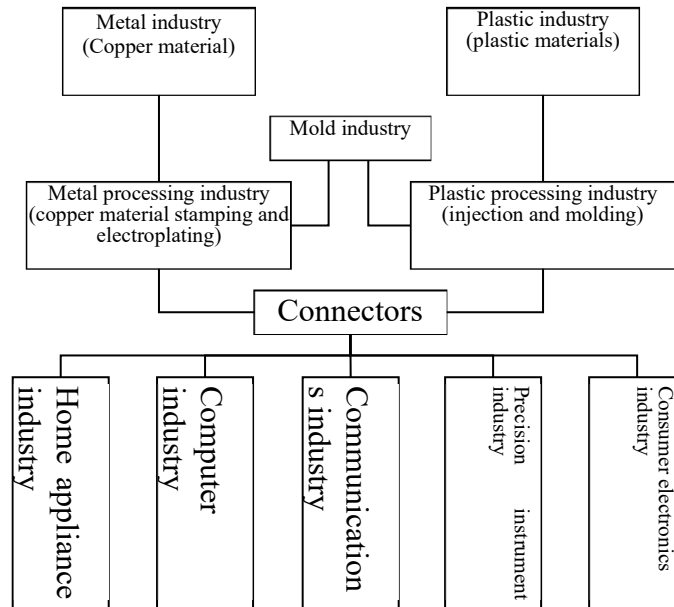
2. Relays:



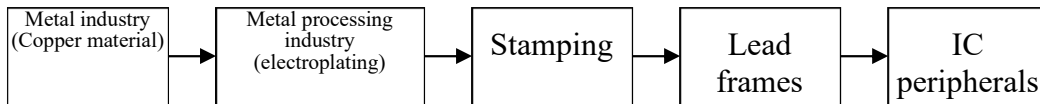
3. Terminal blocks:



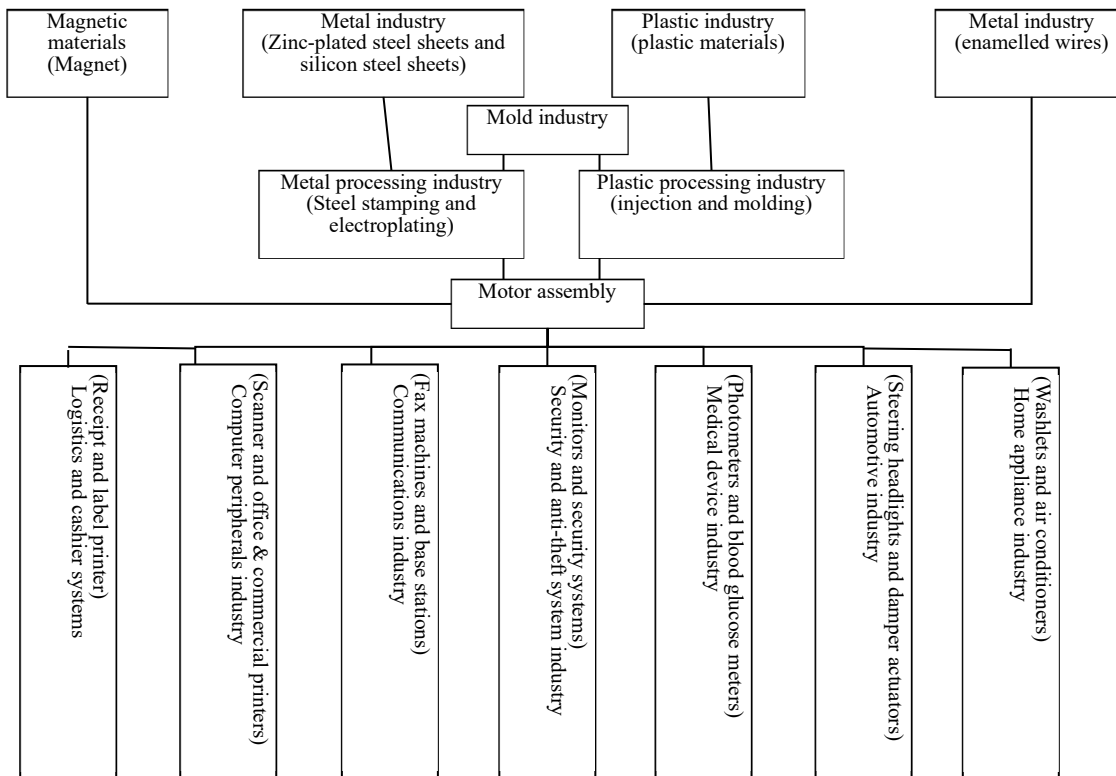
4. Connectors:



5. Lead frames:



6. Stepping motors:



(III) Supply of the main raw materials

Main raw material	Supplier	Place of origin (place of manufacture)	Market conditions
Copper material	DE036 HY046 HZ003	Taiwan China China	The supplier is a world-renowned manufacturer, and the materials supplied to the Company can be supplied by other suppliers, so they compete against each other.
EDG top covers and bases	BL001 HT080	Taiwan Hong Kong	The supplier has been outsourced by the Company to make products for many years and is familiar with the product characteristics and requirements.
Switches	SD061 ST132	Japan	The supplier is a world-renowned manufacturer, and the materials supplied to the Company can be supplied by other suppliers, so they compete against each other.

(IV) List of major clients and suppliers during the most recent two years

- List of suppliers each accounting for 10% or more of the total purchase in any of the most recent two years:

Unit: NT\$ thousand

Item	2024				2025			
	Name	Amount	As a percentage of total procurement in that year	Relations with the issuer	Company name	Amount	As a percentage of total procurement in that year	Relations with the issuer
1	DE036	217,098	23%	N/A	DE036	235,849	25%	N/A
	Others	729,231	77%	-	Others	702,101	75%	-
	Total	946,329	100%		Total	937,950	100%	

- List of clients each accounting for 10% or more of the total sales in any of the most recent two years:

Unit: NT\$ thousand

Item	2024				2025			
	Name	Amount	As a percentage of total sales in that year	Relations with the issuer	Company name	Amount	As a percentage of total sales in that year	Relations with the issuer
1	TY030	199,508	11%	None	TY030	205,613	12%	None
	Others	1,606,858	89%		Others	1,555,962	88%	
	Total	1,806,366	100%		Total	1,761,575	100%	

III. Employees

The number, average length of service, average age, and distribution of education attainment of in-service employees during the most recent two years and up to the publication date of this annual report:

Year		2024	2025	As of March 31, 2026 of the current fiscal year
Number of employees	Manager	5	4	4
	Production line staff	645	496	522
	Non-managerial employees	343	365	363
	Total	993	865	889
Average age		33.9	34.6	35.1
Average length of service		5.7	6.2	6.4
Distribution of education attainment (%)	Doctoral degree	0	0	0
	Master's degree	18	19	18
	Bachelor's degree	349	319	318
	Senior high school	384	274	278
	Below senior high school	242	253	275

IV. Information on environmental protection expenditures

(I) The Company mainly engages in the manufacturing of DIP switches and relays. No environmental pollution occurred to the production processes, and the Company has aimed to provide employees with a more comfortable and safe work environment. The Company has obtained the Water Pollution Prevention and Control Permit Zhong-Shi-Fu-Huan-Shui-Ke No. 11319-06 from the Environmental Protection Bureau, Taichung City Government for the wastewater discharged from the electroplating lines of the Company's Second Business Division.

(II) The investment in pollution prevention equipment, functions, and potential benefits: None.

(III) The process undertaken by the Company to improve environmental pollution during the most recent three years: No environmental pollution.

(IV) Any losses suffered by the Company during the most recent three years due to environmental pollution incidents, total amount of the penalty, as well as the countermeasures and an estimate of potential expenses:

1. Any losses suffered by the Company during the most recent three years due to environmental pollution incidents: None.
2. Countermeasures and an estimate of potential expenses: N/A.

(V) The impact of the current pollution, the influence of the improvement on the Company's earnings, competitiveness, and capital expenditures, and the major environmental capital expenditures in the following three years:

1. Current pollution: None.
2. Influence on the Company's earnings, competitiveness, and capital expenditures: None.
3. Major environmental capital expenditures in the following three years: None.

V. Labor-management relations

(I) Employee benefits:

1. Year-end bonus and performance bonus: In addition to the year-end bonus given depending on the business performance, we will provide performance bonuses every four months depending on the production and sales performance.
2. Labor insurance and national health insurance for all employees: Various labor insurance and health insurance reimbursements for childbirth, medical treatment, injuries, or death are handled in accordance with the Labor Insurance Act.

(II) Pension system: In accordance with the Labor Standards Act, our company established a Labor Retirement Reserve Supervisory Committee since 1987. Pursuant to the regulations, a certain percentage of the total salary is allocated monthly to the retirement reserve fund, which is deposited into the retirement fund account at the Bank of Taiwan. Employees who choose to maintain the retirement provisions on July 1st, 2005 for the retirement pension system under the Labor Pension Act while retaining their seniority prior to the implementation of the latter are subject to this arrangement. In December 2025, the Board of Directors resolved, in accordance with relevant regulations, to reach an agreement with employees to settle the service years accrued under the retirement pension system established under the Labor Standards Act. The resulting settlement gain of NT\$1,804 thousand, comprising the net defined benefit liability for which the Company no longer has a payment obligation and the remaining balance to be refunded from the settlement account, was recognized as a deduction from pension expense under operating expenses.

Under the Labor Pension Act, our company has adopted a defined contribution plan since July 2005. For employees covered by this act, the company contributes 6% of the employee's monthly salary as the retirement pension, which is deposited into the retirement fund account at the Bureau of Labor Insurance. The total contribution for the year 2025 amounted to NT\$12,340,977.

(III) The labor-management agreement and employee rights: The company has established the "Employee Suggestions Rules and Regulations," providing a clear channel for employees to express their opinions on the company's management system or improvement methods. Communication channels include but are not limited to the following:

1. Employees can express their opinions through the Welfare Committee, following the "Employee Welfare Committee Management Regulations."
2. Employees can propose suggestions through the "Improvement Proposal Execution Regulations" and provide improvement methods.
3. Employees can explain their opinions to their supervisors during unit meetings, which will be aggregated and reported upwards or discussed at executive meetings.
4. Employees can submit their opinions into suggestion boxes for review and response during weekly meetings.
5. In cases of harassment or misconduct in the workplace, employees can report the incidents through suggestion boxes. After verification, appropriate actions will be taken in accordance with the "Rewards and Penalties Regulations."
6. Regular labor-management meetings are held to coordinate labor relations, promote cooperation, and enhance work efficiency
7. The company is certified with LRQA ISO 14001:2015 / ISO 45001:2018 standards (from June 23, 2024, to June 22, 2027).

(IV) Any losses suffered due to labor disputes in the most recent year and up to the publication date of this annual report: The Company has labor-management relations and has never suffered any losses due to labor disputes. Our communication channels are obstacle-free, and we predict that it will not happen in the future.

(V) Matters that still need to be coordinated between labor and management: None.

(VI) Employee education and training: We attach great importance to employee on-the-job training and education and training. The current implementation is as follows:

1. Physical courses: Human Resources Division formulates an annual education and training plan according to the gap in competencies and the future annual training needs raised by various departments at the end of each year. We arrange for internal instructors to offer education and training courses, appoint external training institutions to the Company, or send personnel to receive training outside the Company.
2. Adoption of business intelligence (BI) software systems: We adopt BI analysis software to quickly provide the business analysis information to managers at all levels, to quickly keep abreast of the operations and improve the decision-making quality and efficiency.
3. Online learning: We have built an e-learning digital learning platform and project-link, a R&D project management system, to motivate employees to learn and communicate new information online.
4. On-the-job training: In recent years, many top-level managers have received on-the-job training at well-known universities at home or abroad and obtained master's or doctoral degrees.
5. The Company's financial data is transparent. Relevant certificates obtained by relevant personnel: None.

The details of the implementation of external education and training during 2025 is as follows: Item Course Category Course Name Hours Amount (NTD)

No.	Course	Course title	Number of hours (H)	Amount (NTD)
1	Human Resources	TTQS Implementation Plan – Pre-Assessment Briefing for Changhua-Nantou-Taichung Region	6	-
2	Human Resources	Optimizing Recruitment Processes and Referral Bonus Strategies	1.5	-
3	Human Resources	Smart Recruitment in the Age of AI	6	-
4	Human Resources	2025 Youth Employment Navigation Program – Briefing Session	6	-
5	Human Resources	Greater Taichung Corporate Volunteer Day – ICC Seed Training Briefing	4	-
6	Human Resources	In-Depth Factory Energy Conservation and ESCO Energy Improvement	3	-
7	Human Resources	TTQS Corporate Institution Version – Indicator Content and Case Analysis	24	2,480
8	Human Resources	Comprehensive Foundational HR Manager Certification Program	24	12,000
9	Human Resources	Competency Analysis and Training Planning Practices	6	3,400
10	Human Resources	2025 Recharging Program – Final Settlement and Write-Off Briefing	3.5	-
11	Human Resources	2025–2026 Foreign Worker Retention and Long-Term Employment Service Center Program Briefing	3	-
12	Human Resources	Human Resource Management Strategies for Corporate Sustainable Development	6	3,400
13	Human Resources	Seminar on Promoting Vietnamese Workers to Come and Stay in Taiwan	3.5	-
14	Human Resources	Sustainable Enterprise HR Human Resource Management	15	-
15	Sales and Marketing	Canva for Eye-Catching Graphics: The Design Tool Every Professional Is Using	8	1,500
16	Sales and Marketing	Using LinkedIn to Develop High-Value Overseas Clients	24	9,600
17	Quality Management	PSCR Product Safety and Consistency Representative	14	25,200
18	Quality Management	Problem Analysis and Resolution Using the 8D Methodology	12	4,240
19	Quality Management	SPC Statistical Process Control	6	2,120
20	Quality Management	MSA Measurement System Analysis	6	2,120
21	Quality Management	Hazardous Substance Management System Clauses and Internal Auditor Training	7	2,760
22	Quality Management	Carbon Footprint 2-Day Advanced Course	24	-
23	Quality Management	VDA 6.3 2023 Process Audit Training	12	5,720
24	Quality Management	LabVIEW DAQ Free Hands-On Experience Course	12	-
25	Finance and Accounting	Comprehensive Understanding of Real Estate Taxation – Corporate Entity Edition	6	-
26	Finance and Accounting	IAS 19 Employee Benefits and the Three Retirement Pillars: New Labor Pension System, Labor Insurance Annuity, and National Pension	3	-
27	Finance and Accounting	National Tax Bureau Audits and Response Strategies	6	-
28	Finance and Accounting	2025 Statutory Continuing Education for Corporate Governance Executives, Accounting Executives, and Their Deputies	48	32,000
29	Information Applications	Cybersecurity Act Explained – Exploring Current Cybersecurity Policies and Agency Audit Practices	6	7,200
30	Information Applications	AI Adoption, Net-Zero Carbon Emissions, and Digital Governance	3	-

31	Information Applications	Navigating the New Wave of AI: From Technology Trends to Real-World Implementation	3	-
32	Information Applications	Central Taiwan Manufacturing Industry Cybersecurity Forum	6	-
33	Information Applications	From Paperless to Unmanned: AI Agent-Enabled Collaboration and the Transformation of Office Scenarios	7	-
34	Information Applications	AI and Data Analysis Tools: Hands-On Practice	8	-
35	Leadership and management	Everything Is Connected, Everything Can Be Hacked – IoT Cybersecurity Starts with You and Me	3	3,000
36	Leadership and management	Current Global Economic and Financial Conditions	3	3,000
37	Leadership and management	Generative AI × Python: Data Cleaning and Feature Selection in Practice	6	3,500
38	Leadership and management	Key Discussion on "Regulatory Compliance" in Internal Controls and Internal Auditing	6	3,200
39	Leadership and management	Key Discussion on "Sustainability Information Management" in Internal Controls and Internal Auditing Practices	6	2,200
40	Leadership and management	Corporate Net-Zero Transition Briefing – Voluntary Corporate Emission Reductions	1.5	-
41	Leadership and management	Corporate Net-Zero Transition Briefing – Voluntary Corporate Emission Reductions	1.5	-
42	Leadership and management	Risk-Based Internal Audit Methodology and Practices	6	2,200
43	Leadership and management	Carbon Pricing and Green Economic Transition (Online Course)	3	3,000
44	Leadership and management	Global and Taiwan Economic Outlook for 2026	3	3,000
45	Leadership and management	2025 Manufacturing CIO Forum	3	-
46	Others - Occupational Safety and Health	Occupational Safety and Health Certification Training (Initial Training)	84	26,830
47	Others - Occupational Safety and Health	Occupational Safety and Health Certification Continuing Education (Refresher Training)	144	34,600
48	Others - Occupational Safety and Health	Labor Health and Safety Information Session or Related Regulations Promotion Seminar	25	-
A total of 74 external training courses were conducted in the fiscal year 2025, with a total training duration of 628 hours (person-hours), and the total cost was NT\$ 198,270.				

(VII) Code of Ethics: The Company has formulated the work rules in accordance with the Labor Standards Act and other applicable laws and regulations and announced them on the intranet. It has clearly defined both employer and employees' rights and obligations to motivate both parties to work together to establish professional ethics, thereby furthering the Company's business.

VI. Cyber Security Management

1. Description of Information Security Risk Management Framework, Policies, Specific Management Measures, and Resource Allocation

(1) The Company has set up a Cyber Security Organization, which is supervised by the General Administration Department, planned and managed by the Information Department, and implemented and audited by the Information Engineering Section, to coordinate the formulation, management, implementation, and audit of cyber security and data protection-89-policies. To implement the information security policy formulated by the cyber security organization and ensure internal compliance with information security standards, procedures, and laws and regulations, we have designated the Environment, Safety, and Health Committee to be responsible for awareness-raising, project implementation, education and training and hold quarterly meetings to review the implementation of cyber security and data protection measures by various departments, thereby ensuring the effectiveness of cyber security management.

(2) Cyber security policy

To effectively implement information security management, Environment, Safety, and Health Committee of each business division organizes quarterly meetings to review the suitability of cyber security policies and data protection measures, while we adopt the Plan-Do-Check-Act (PDCA) cycle under the international standard framework to make continuous improvements:

- A. The Plan stage is focused on cyber security risk management and the establishment of a complete information security management system (ISMS)
- B. In the Do stage, we have constructed the multi-layer information security protection and zero trust architecture (ZTA) to continuously adopt information security defense technology and an information security control mechanism, while integrating such technology and mechanism to our daily operating processes, such as software and hardware maintenance, supplier information security management. We also systematically monitor cyber security and maintain the confidentiality, integrity, and availability of the Company's important assets.
- C. In the Check stage, we actively monitor the effectiveness of information security management and measure and quantitatively analyze the information security indicators as per the check results.
- D. In the Act stage, we focus on review and continuous improvement to ensure that information security measures continue to be effective, while reviewing various information security measures based on information security indicators. We make improvements, such as education, training, and awareness-raising, to ensure that the Company's critical and confidential information will not be leaked.

(3) Specific management plan

Adoption of ZTA:

ZTA is designed based on the following seven zero-trust tenets, and each resource access should be approved after real-time evaluation and confirmation:

- A. All data sources and computing services are considered resources.
- B. All communication is secured regardless of network location.
- C. Access to individual enterprise resources is granted on a per-session basis.
- D. Access to resources is determined by dynamic policy—including the observable state of client identity, application/service, and the requesting asset—and may include other behavioral and environmental attributes.
- E. The enterprise monitors and measures the integrity and security posture of all owned and associated assets.
- F. All resource authentication and authorization are dynamic and strictly enforced before access is allowed.
- G. The enterprise collects as much information as possible about the current state of assets, network infrastructure, and communications and uses it to improve its security posture.

ZTA will be adopted step by step to achieve stricter resource access control.

Adoption of multi-layer information security protection:

- A. Network security covers computer scanning, software update, network firewall, network monitoring, to prevent the spread of computer viruses across machines and factories.
 - B. Device security is to build an anti-virus mechanism for machines entering a plant with endpoint anti-virus measures taken to detect malicious software.
 - C. Application program security includes an application program security self-inspection checklist, software development process, and a platform security control mechanism.
 - D. Cyber security in supply chains is to build a supplier information security self-inspection mechanism and communicate the latest information security rules and matters to be noted.
 - E. Data security protection technology is enhanced and data protection tools are adopted to reinforce file confidentiality classification and protection through data labels and data encryption control and follow-up.
2. Disclosure of Losses, Potential Impacts, and Mitigation Measures Due to Major Information Security Incidents in the Most Recent Year and Up to the Date of the Annual Report Publication.

(1) Major Information Security Incidents

The Company was infected by a computer virus in June 2019, affecting dozens of personal computers, without spreading to other plants.

The reason for this virus infection was that an employee did not scan the downloaded files first according to the regulations when installing a driver program on a printer. Although the integrity of the database was not affected and confidential information was not leaked, nor did it cause delays in shipments, the Company immediately took improvement measures,

instructed the supervisors of various departments to supervise, require employees at all levels to scan the virus immediately after downloading software, and strengthen the network firewall and network control measures to prevent computer viruses from spreading across machines and plants.

(2) Impact of Information Security Risks on Financial Operations and Mitigation Measures

The impact of cyber security risk on the Company's finance and countermeasures: We will continue to formulate network and computer information security protection measures but cannot guarantee that the computer system that controls or maintains the Company's manufacturing operations, finance, and other important business functions can completely avoid "paralyzing" cyber attacks from any third party. Such cyber attacks may invade the Company's intranet illegally and disrupt our operations and damage the Company's reputation. In the event of a serious cyber attack, the Company's system may lose important data, and the production lines may also be shut down.

Cyber attacks may also attempt to steal the Company's trade secrets and other confidential information, such as clients or other stakeholders' information or our employees' personal data. Malicious hackers may also try to put computer viruses, destructive software, or ransomware in the Company's network system to interfere with our operations, blackmail the Company, gain control over our computer system, or spy on our confidential information. Such attacks may cause the Company to compensate clients for their losses due to delays in shipments or interruptions of orders or may cause the Company to be involved in court cases or regulatory investigations due to leakages of employees, clients, or third-party data that the Company is obliged to keep confidential and assume great liabilities. We will continue to review and evaluate information security rules and regulations and procedures to ensure the appropriateness and effectiveness thereof. However, we may not guarantee that the Company will not be affected by new risks and attacks arising from the ever-changing information security threats.

VII. Important contracts

Type of contract	Client	Start and end dates	Main content	Restrictive covenants
Sales contract	Pacer Technology Co., Ltd.	From 1997.3.12 till either party proposes to exchange or cancel the contract	This contract is an agreement between Pacer Technology and Excel Cell to purchase products	None
Work for Hire Agreement	Chen Zhen Construction Co., Ltd.	2020.05.17	This contract is about a plant construction project, with the total contract price of NT\$217 million	None
Work for Hire Agreement	Chen Zhen Construction Co., Ltd.	2024.08.23	Construction of Factory and Office Building Project Total contract price: NT\$ 343 million	None

Five. The Review and Analysis of Financial Position and Financial Performance, and the Risk Matters

I. Financial position analysis

Unit: NT\$ thousand; %

Item	Year	Financial data for the most recent five years (Note 1)			
		2025	2024	Discrepancy	
				Amount	%
Current assets	1,456,840	1,358,305	98,535	7	
Property, plant and equipment	2,280,003	2,270,607	9,396	0	
Intangible assets	48,775	50,373	(1,598)	(3)	
Other assets	374,841	470,980	(96,139)	(20)	
Total assets	4,160,459	4,150,265	10,194	0	
Current liability	965,391	984,740	(19,349)	(2)	
Non-current liability	628,672	615,233	13,439	2	
Total Liabilities	1,594,063	1,599,973	(5,910)	0	
Share capital	1,078,898	1,090,938	(12,040)	(1)	
Treasury shares	(9,223)	-	(9,223)	(100)	
Capital surplus	227,137	227,137	2	0	
Retained Earning	1,137,331	1,112,571	24,758	2	
Other equity	119,114	106,981	12,133	11	
Total Equity of Parent Company's Shareholders	2,553,257	2,537,627	15,630	1	
Non-controlling interests	13,139	12,665	474	4	
Total Equity	2,566,396	2,550,292	16,104	1	

Analysis of Changes in Increase/Decrease Ratio:

Non-current assets decreased by NT\$96,139 thousand, primarily due to the fact that the OTC-listed shares held by the Company became unrestricted for trading upon the resignation from the board of directors of that company, and were accordingly reclassified from non-current assets to current assets.

II. Financial performance analysis

(I) Operating performance analysis

Unit: NT\$ thousand; %

Item	2025		2024		Increase/Decrease in amount	Increase/Decrease (%)
	Subtotal	Total	Subtotal	Total		
Net operating revenue		1,761,575		1,806,366	(44,791)	(2)
Operating cost		1,599,980		1,575,398	24,582	2
Operation gross profit		161,595		230,968	(69,373)	(30)
Operating expenses		277,142		295,100	(17,958)	(6)
Net operating income		(115,547)		(64,132)	(51,415)	80
Non-operating revenues and expenses		275,015		90,930	184,085	202
Other income	27,596		28,512		(916)	(3)
Interest income	5,971		11,740		(5,769)	(49)
Other gains and losses	233,055		15,772		217,283	1,378
Financial costs	(15,080)		(18,507)		3,427	(19)
Share of profit or loss of affiliates and joint ventures recognized using the equity method	23,473		32,334		(8,861)	(27)
Earnings before tax		159,468		26,798	132,670	495
Income tax expense		93,937		(12,793)	106,730	(834)
Net income for this period		65,531		39,591	25,940	66
Net income attributable to						
Owners of parent		64,575		37,910	26,665	70
Non-controlling interests		956		1,681	(725)	(43)
Net income for this period		65,531		39,591	25,940	66

Analysis of variance in cash flows:

1. Gross Profit/Operating Profit: In the consolidated financial statements for 2025, operating revenue totaled NT\$1,761,575 thousand, a decrease of NT\$44,791 thousand compared to the same period last year. The consolidated gross profit margin decreased by 4 percentage points to 9%, primarily due to the impact of exchange rates and rising raw material prices during the period. Consolidated gross profit decreased by NT\$69,373 thousand. Consolidated operating expenses decreased by NT\$17,958 thousand. The consolidated operating net loss for 2025 was NT\$115,547 thousand, an increase of NT\$51,415 thousand compared to 2024.

2. Non-operating Income and Expenses/Earnings before Tax/Income Tax Expense: The primary factors were the recognition of land expropriation compensation income from the mainland China subsidiary amounting to NT\$278,602 thousand, offset by a decrease of NT\$8,861 thousand in the share of profit or loss from joint ventures accounted for under the equity method, resulting in an overall increase of NT\$184,085 thousand in net non-operating income, and recognized income tax expense related to compensation income.

(II) The reason for the change of the Company's main business scope: None.

(III) The estimated sales volume for the following year and the basis therefor, the potential impact on the Company's future finance, and a response plan:

See page 4 of this annual report for the 2026 Business Plan.

III. Cash flow analysis

(I) Analysis of liquidity for the most recent two years

Item	Year		Increase (decrease) (%)
	December 31, 2025	December 31, 2024	
Cash flow ratio	(0.11%)	21.14%	(101%)
Cash flow adequacy ratio	56.71%	60.87%	(7%)
Cash re-investment ratio	(0.82%)	5.14%	(101%)

Analysis of Changes in Increase/Decrease Ratio:
 Net cash inflow from operating activities decreased by NT\$208,049 thousand, resulting in a decline in the cash flow ratio, cash flow adequacy ratio, and cash reinvestment ratio.

(II) Improvement plan for insufficient liquidity: No such situation.

(III) Liquidity analysis for the coming year

Unit: NT\$ thousand

Opening cash balance	Net cash flow from operating activities for the year	Cash outflow throughout the year	Cash flow surplus (deficit) amount	Remedial measures for cash flow deficit	
				Investment plans	Financial management plans
407,554	216,947	195,832	428,669	-	-

IV. Impact of major capital expenditures on financial business in the most recent year:

In 2025, the acquisition of property, plant, and equipment totaled NT\$261,420 thousand, primarily for the continued construction of the Phase II facility at Taiwan Plant No. 3 on Industrial 1st Road and ongoing investment in automation equipment. These investments aim to enhance production technology and management performance, thereby improving overall profitability.

V. Investment policy for the most recent year, the main reasons for profit or loss, an improvement plan, and an investment plan for the coming year:

None.

VI. Risk management analysis

The risk management analysis for the most recent year and up to the publication date of this annual report is as follows:

(I) Impact of interest rate/foreign exchange rate fluctuations and inflation on the Company's profit or loss and future countermeasures:

1. Interest rates: If the interest rate increased by 0.125%, with all other variables held constant, the income before tax for 2025 would have decreased by NT\$295 thousand. Thus, it will not have a significant impact on our profit and loss.
2. Exchange rates: The Company is mainly susceptible to the fluctuations of the USD exchange rates. When the exchange rate of the NTD to USD appreciated by 1%, the income before tax for 2025 would have decreased by NT\$ 1,941 thousand. The Finance Department submits an exchange rate analysis report at least per quarter, and the percentage adopted in the sensitivity analysis when the exchange rate risk is reported to the management team is the reasonable and possible range of foreign currency exchange rates based on the management team's assessment.
3. Inflation: The prices of oil and precious metals fluctuate significantly. The Company refers to market prices to offer quotes on a floating basis.

- (II) The policy on engagement in high-risk and highly leveraged investment, loans to others, Endorsement and Guarantee provided, and derivatives trading, the main reason for profit or loss, and countermeasures: The Company did not engage in high-risk and highly leveraged investment, loans to others, and derivative trading during 2025.
- (III) Future R&D plans and estimated R&D expenses: See pages 60–62 of this annual report.
- (IV) The influence of the changes in important policies and regulatory environment at home or abroad on the Company's financial business, and countermeasures: We have taken appropriate countermeasures against important domestic and foreign policy and changes in laws in recent years, and it has not caused a major impact on the Company's finance.
- (V) The impact of changes in technology and the industry on the Company's finance and countermeasures: Future factories will be developed toward smaller, cleaner, more organized ones that are easier to manage with more flexible facilities, including advanced automation technology that enables rapid mass production, to meet clients' and the market's demand for quality and quantity. We will be committed to enhancing production automation, increasing production capacity, improving quality, and cutting costs.
- (VI) The impact of a change in corporate image on corporate crisis management and countermeasures: With the continuous expansion of the Company's business scale in recent years, our corporate image has featured good product quality to clients, mass production capabilities, product development capabilities, on-time delivery, and maximum profits to shareholders. We have formulated and improved a crisis management mechanism for corporate crisis management, so we are able to respond to major crises properly when they occur.
- (VII) Estimated benefits and potential risks of M&A and countermeasures: None.
- (VIII) In 2025, the acquisition of property, plant, and equipment totaled NT\$261,420 thousand, primarily for the continued construction of the Phase II facility at Taiwan Plant No. 3 on Industrial 1st Road and ongoing investment in automation equipment. These investments are intended to enhance production technology and management efficiency, thereby improving overall profitability.
- (IX) Risks of supplier or client concentration and countermeasures
 1. Purchase: We mainly purchase copper material and have worked with other copper material suppliers to diversify risks.
 2. Sales: For the semiconductor segment, as the semiconductor industry was in an inventory correction phase, which broadly weighed on the operating performance of Taiwan's manufacturing sector, we will continue to observe changes in the semiconductor market and respond early.
- (X) The impact of massive transfer or replacement of shares by the directors, supervisors, or shareholders each holding more than 10 % of the shares issued by the Company, the risk thereof, and countermeasures: N/A.
- (XI) The impact of change in the Company's management right, the risk thereof, and countermeasures: N/A.
- (XII) In the case of a court case or a non-contentious case, specify the names of the directors, supervisors, the President, the de facto responsible person, shareholders each holding more than 10% of company shares, or subsidiaries with final ruling made or still in major legal proceedings, non-contentious matters, or administrative disputes, and where the result thereof may significantly affect shareholders' rights or stock prices, disclose the fact of the contentions, the amount involved, the commencement date of the proceedings, the major litigants in the proceedings, and the status as of the publication date of this report: None.
- (XIII) Other important risks and countermeasures: For information disclosures of cyber security management please read Page 74-76.

VII. Other important matters

None.

Six. Special Matters

I. Information on affiliates

Information regarding the Company's related parties has been disclosed on the Market Observation Post System (MOPS) under the "Related Party Transactions Section." Investors are advised to refer to the relevant information.

(MOPS Section Website: https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

II. Private placement of securities in the most recent year up to the publication date of this annual report

None.

III. Other necessary supplementary information

None.

VI. Any event specified in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act with a material impact on shareholders' equity or securities prices during the most recent year and up to the publication date of this annual report

None.