

Stock Code: 3062

CyberTAN Technology Inc.

2025

Annual Report

Publication Date: March 31, 2026

Company Website: <http://www.cybertan.com.tw>

MOPS Website: <http://mops.twse.com.tw>

This Is A Translation Of The 2025 Annual Report (The "Annual Report") Of Cybertan Technology Inc. (The "Company").

This Translation Is Intended For Reference Only And Nothing Else, The Company Hereby Disclaims Any And All Liabilities Whatsoever For The Translation. The Chinese Text Of The Annual Report Shall Govern Any And All Matters Related To The Interpretation Of The Subject Matter Stated Herein.

I. Names, titles, phone numbers and e-mail addresses of the spokesperson and deputy spokesperson.

(I) Spokesperson: Tiger Hsu	Title: Spokesperson
Tel: (03)577-7777	E-mail address:ir@cybertan.com.tw
(II) Deputy Spokesperson: Vacancy	Title: Deputy Spokesperson
Tel: (03)577-7777	E-mail address:ir@cybertan.com.tw

II. Addresses and phone numbers of the headquarters, branches and factories.

Headquarters address: Hsinchu Science Park, No. 99, Yuanqu 3rd Rd., Baoshan Township, Hsinchu County
Tel: (03)577-7777

III. Names, addresses, websites and phone numbers of the stock transfer agent.

Stock Transfer Agent: Stock Affairs Department of Grand Fortune Securities Co., Ltd.
Address: 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City
Website: <http://www.gfortune.com.tw>
Tel: (02)2371-1658

IV. Names of CPAs, and name, address, website and phone number of the CPA firm for the latest financial statement.

Name of CPA: CPA Po-chuan Lin , CPA Chih-hua Hu
Name of CPA firm: PricewaterhouseCoopers Taiwan
Address: 27F., No. 333, Sec. 1, Keelung Rd., Taipei City
Website: <http://www.pwc.com/tw>
Tel: (02)2729-6666

V. Name of any exchange where the Company's securities are traded offshore, and the method by which to access information on said offshore securities: None.

VI. Company website: <http://www.cybertan.com.tw>

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One. Report to Shareholders

Dear Shareholders:

We sincerely appreciate your great support for CyberTAN Technology over the past year. We hereby provide a report on the 2025 operational outcome and the 2026 future outlook of the Company for your review and consideration:

2025 Financial and Operational Outcomes

Looking back on our operating results in 2025, revenue for last year reached NT\$4.19 billion, up 16.6% from 2024, and the Company achieved solid operating results. Throughout 2025, there were many macro environmental variables and uncertainties unfavorable to operating performance. However, over the past year, CyberTAN Technology has maintained a conservative and prudent approach, closely monitoring changes in the external environment and adjusting the pace of operations accordingly, while continuing to advance related strategic adjustments and optimize operating fundamentals as planned, making relentless efforts until positive results were achieved. We expect to sustain this growth momentum in 2026. Under the leadership of the new management team and with capacity support from the new Vietnam factory, both revenue and profit are expected to grow significantly.

The overall operating results are summarized as follows: In 2025, our net operating revenue was NTD 4,190,309 thousand, and our net operating loss was NTD 523,825 thousand. The after-tax net profit was NTD 222,055 thousand, and the earnings per share (EPS) were NTD 0.68. Regarding our financial operations, we have adhered to the principle of stability and have planned long- and short-term fund usage based on the status of our operations. In 2025, the current ratio was 168.3%, and the debt ratio was 36.0%. Such results show that we currently have sufficient working capital and that our financial structure is sound.

2026 Business Outlook

In 2025, the world experienced a period of profound change marked by tariff disputes, rivalry for financial dominance, and the convergence of technological innovation, competition, and cooperation. Looking ahead to 2026, the macro environment remains challenging, with persistent global geopolitical tensions, ongoing trade frictions, frequent adjustments to tariff policies, and moderating overall economic growth. At the same time, global industrial development is also entering an era marked by the full scale expansion of AI infrastructure, accelerated supply chain reorganization, and shifts brought about by the energy transition. Accordingly, CyberTAN Technology will continue to maintain a conservative and prudent approach in 2026, while continuously strengthening its internal organization and competitiveness to respond flexibly to various external challenges.

In terms of corporate culture, CyberTAN Technology, grounded in its longstanding people-oriented spirit, is building a goal-oriented, mission-driven, and high-efficiency team. In addition to setting clear goals and vision, we also foster a culture of trust and communication through clear role definition and division of responsibilities, thereby building the execution capability to accomplish every mission. In building a high performance organization, we focus on core competitiveness and concentrate resources on the areas in which we excel most; strengthen teamwork and communication by fostering trust, enhancing information transparency, and using collaboration tools; and inspire innovative ideas through cross departmental cooperation, thereby reinforcing teamwork and communication while encouraging and implementing innovation.

In terms of products, CyberTAN Technology, building on the honor of Taiwan Excellence 2025, is promoting its comprehensive enterprise networking solutions worldwide. The products include: Wi-Fi 6 / Wi-Fi 7 Enterprise Access Points in wall-mounted and ceiling-mounted models; Managed Switches; and Cloud & On-Premise Controllers. In the United States, Canada, Europe, and Asia, these products received strong response and favorable reviews from many customers. CyberTAN Technology further strengthened the integration of AI into its product lines and product functions in 2025, thereby enhancing added value for customers.

In terms of production and manufacturing, another landmark milestone in 2025 was the completion of the new Vietnam factory and the smooth completion of the transfer. This is the first

factory in CyberTAN Technology's history to be fully planned, built, and operated by the Company itself. It also represents CyberTAN Technology's early insight and rapid response to geopolitical developments and supply chain reorganization, as well as the Company's long-term commitment to manufacturing and development amid geopolitical change. In 2026, all colleagues at CyberTAN Technology will spare no effort to optimize production efficiency and step up the introduction of new products and new customers, so as to achieve the goals set by the Company.

In promoting its corporate sustainability (ESG) initiatives, CyberTAN Technology remained committed to deepening sustainable management, achieving outstanding breakthroughs in both international and domestic authoritative evaluation indicators in 2025. In climate action, the Company participated in CDP for the first time and received a B Management level in the Climate Change Questionnaire. Among the 16 scoring criteria, 12 were recognized at the highest A Leadership level, demonstrating the Company's operational resilience in carbon management and climate risk response. In sustainability governance, the Company introduced third-party assurance for its sustainability report for the first time, enhancing the reliability of its disclosures, and achieved breakthrough growth in the TIP Taiwan Sustainability Ratings, rising substantially from a BB rating two years earlier to an AA rating (top 15%), reflecting substantive recognition of the Company's sustained efforts in addressing 22 material sustainability topics. In addition, CyberTAN Technology has aligned with global supply chain sustainability standards by participating in the EcoVadis assessment and receiving the Committed Badge. Looking ahead, CyberTAN Technology will continue to fulfill stakeholders' expectations for the Company's operations through rolling performance management and transparent information disclosure, and will steadily deliver on its commitment to sustainable development.

Looking to the future, CyberTAN will not only launch new products and expand its customer base but also begin to organize an ecosystem to seize vertical markets and emerging fields and accumulate momentum for future growth. In addition, we are actively promoting technological advancement, including upgrading standards, deepening AI integration, and adopting open architectures. This not only facilitates the introduction of new products into new markets but also improves product performance, application services, device management, and introduction costs, thereby improving user experience and solidifying CyberTAN's future position in Wi-Fi and networking.

2026 will be a key year for CyberTAN's further development after stabilizing its footing. Although challenges in the external environment remain severe, we are still confident that, with the efforts of all of CyberTAN's employees, we will be able to move steadily toward our goals with continued growth and return good operating results to our investors. Lastly, we want to thank our shareholders, customers, suppliers and all employees for their long-time support and encouragement to CyberTAN.

All the best!

Chairman: Gwong-Yih Lee

Two. Corporate Governance Report I. Information about Directors, President, Vice President, Assistant Vice President, and officers of departments and branches

(I) Directors

1. Shareholding information of Directors

March 31, 2026

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment)	Term (Years)	First elected date	Shareholding when elected		Current shareholding		Current shares held by spouse and minor children		Shares held in the names of others		Selected Education and Professional Qualification Past Positions	Concurrent positions in the Company and in other companies	Other managers, directors, or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman	ROC	Gwong-Yih Lee	Male 71~80	2024.06.25	3	2022.04.06	663,000	0.20%	1,952,000	0.60%	670,000	0.20%	-	-	Selected Education and Professional Qualification ◆Master of Electrical Engineering, State University of New York ◆Master of Department of Electronics and Electrical Engineering, National Yang Ming Chiao Tung University Past Positions ◆Chairman and President of CyberTAN Technology Inc. ◆Founder, Chairman and President of TransMedia Communications Inc. ◆Founder, Chairman and President of Digicom Systems Inc.	◆CEO of CyberTAN Technology Inc. ◆Independent Directors of HAUMAN TECHNOLOGIES CORP. ◆Managing Director of Translink Capital ◆Board Advisor of Creative Technology Ltd. ◆Director, Asia Pacific Accelerator Network (AAN). ◆Director of FOOTPRINTKU INC. ◆President of CyberTAN Corp.(USA) ◆Chairman of Cyber Touch Investment Inc. ◆Chairman of CyberTAN (BVI) Investment Corp. ◆Chairman of CyberTAN Technology (Hongkong) Limited	-	-	-	Note
Director	ROC	Foxconn Technology Co., Ltd	-	2024.06.25	3	2006.1.20	10,035,348	3.04%	10,035,348	3.06%	-	-	-	-	-	-	-	-	-	-

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment)	Term (Years)	First elected date	Shareholding when elected		Current shareholding		Current shares held by spouse and minor children		Shares held in the names of others		Selected Education and Professional Qualification Past Positions	Concurrent positions in the Company and in other companies	Other managers, directors, or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
	ROC	Representative: Deaxy Wang	Male 51-60	2024.06.25	-	2024.06.25	87,000	0.03%	287,000	0.09%	-	-	-	-	Selected Education and Professional Qualification ◆Master's Program of Electronic Engineering, Yuan Ze University Past Positions ◆Associate of CyberTAN Technology Inc.	◆Vice President of CyberTAN Technology Inc. ◆Supervisor of Cyber Touch Investment Inc. ◆Supervisor of Fuhongkang Technology (Shenzhen) Co., Ltd. ◆Supervisor of Chongqing Hongdaofu Technology Co., Ltd. ◆Supervisor of Guangzhou Fuguang Communication Technology Co., Ltd.	-	-	-	-
Director	ROC	Foxconn Technology Co., Ltd	-	2024.06.25	3	2006.1.20	10,035,348	3.04%	10,035,348	3.06%	-	-	-	-	-	-	-	-	-	
	ROC	Representative: Raoul Oyang	Male 51-60	2024.06.25	-	2025.06.25	20,000	0.01%	327,000	0.10%	-	-	-	-	Selected Education and Professional Qualification ◆Master of Applied Mathematics, National Chung Hsing University Past Positions ◆Senior Director of R&D Division, TP-Link Taiwan R&D CO., Ltd. ◆Deputy Director of XAVi Technologies Corporation	◆President of CyberTAN Technology Inc. ◆Chairman of Guangzhou Fuguang Communication Technology Co., Ltd.	-	-	-	-

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment)	Term (Years)	First elected date	Shareholding when elected		Current shareholding		Current shares held by spouse and minor children		Shares held in the names of others		Selected Education and Professional Qualification Past Positions	Concurrent positions in the Company and in other companies	Other managers, directors, or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	ROC	Grace Lee	Female 61-70	2024.06.25	3	2024.06.25	-	-	-	-	-	-	-	-	Selected Education and Professional Qualification ◆Doctor of Business Administration,NCCU Department ◆Master of Business Administration,NCCU Department ◆Bachelor of Economics, National Taiwan University Past Positions ◆General Manager of Business Division - Cost Management of Business Group B ,Hon Hai Precision Industry Co., Ltd. ◆Director of FIH Mobile Limited ◆Supervisor of FOXCONN TECHNOLOGY CO., LTD. ◆Chairman of HONGFUJIN PRECISION ELECTRONICS (CHENGDU) CO., LTD. ◆Chairman of HON FU CHENG PRECISION ELECTRONICS (CHENGDU) CO.,LTD. ◆Director of Hon Hai Education Foundation	None	-	-	-	-

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment)	Term (Years)	First elected date	Shareholding when elected		Current shareholding		Current shares held by spouse and minor children		Shares held in the names of others		Selected Education and Professional Qualification Past Positions	Concurrent positions in the Company and in other companies	Other managers, directors, or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
														<ul style="list-style-type: none"> ◆ Vice President of Business Division - Cost Management of Business Group B, Hon Hai Precision Industry Co., Ltd. ◆ Vice President of Headquarters Central Operations and Control Division, Hon Hai Precision Industry Co., Ltd. ◆ Director and Chief Financial Officer, Spokesperson of CyberTAN Technology Inc. ◆ Assistant Professor, Department of Business Administration of National Central University 						
Independent Director	ROC	Hui-Chun Liu	Female 51-60	2024.06.25	3	2024.06.25	-	-	-	-	-	-	-	<p>Selected Education and Professional Qualification</p> <ul style="list-style-type: none"> ◆ LLB. National Taiwan University ◆ Passed the national examination for lawyer <p>Past Positions</p> <ul style="list-style-type: none"> ◆ Supervisor of CyberTAN Technology Inc. ◆ Restructuring Supervisor of Wintek Technology Inc. ◆ Liquidator of TOP GREEN ENERGY TECHNOLOGIES INC. ◆ Bankruptcy Administrator of Chungwa Picture Tubes, Ltd. 	<ul style="list-style-type: none"> ◆ Presiding Attorney of A&P LAW OFFICES ◆ Independent Director of Infinite Finance CO., LTD. ◆ Independent Directors of PACIFIC CONSTRUCTION CO., LTD. 	-	-	-	-	

Title	Nationality or place of registration	Name	Gender Age	Date of election (appointment)	Term (Years)	First elected date	Shareholding when elected		Current shareholding		Current shares held by spouse and minor children		Shares held in the names of others		Selected Education and Professional Qualification Past Positions	Concurrent positions in the Company and in other companies	Other managers, directors, or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Independent Director	ROC	Judy Y.C. Chang	Female 71-80	2024.06.25	3	2015.6.22	-	-	-	-	-	-	-	-	Selected Education and Professional Qualification ◆Doctor of Law, China University of Political Science and Law ◆Master of Information Management, Lawrence Institute of Technology ◆Master of Law, American University ◆Bachelor, Department of Law, Fu Jen Catholic University Past Positions ◆Partner, Lee & Lee Attorneys-At-Law ◆Director, Science & Technology Law Institute, Institute for Information Industry ◆Lecturer of Fu Jen Catholic University	◆Senior Advisor of Wu & Partners, Attorneys-At-Law	-	-	-	-
Independent Director	ROC	Hualin Chi	Female 51-60	2024.06.25	3	2024.06.25	-	-	-	-	-	-	-	-	Selected Education and Professional Qualification ◆MBA, University of Florida, USA ◆BS, Dept of Business Administration, National Cheng Chi University. Past Positions ◆Vice President & CFO & corporate governance officer · Head of Human Resources · spokesperson of Microelectronics Technology Inc.	None	-	-	-	-

Note: Due to the streamlined organizational structure and to improve operational efficiency and decision-making execution, the company's chairman also serves as CEO to plan for the company's sustainable development strategy. Furthermore, the chairman maintains close communication with all directors regarding the company's operational status and future plans. Currently, the board has four independent directors, representing 57.1% of all board members. Independent directors have ample opportunity to participate in discussions and provide recommendations to the board in all functional committees to ensure effective corporate governance.

2. Major shareholders of corporate shareholders

(1) Major shareholders of corporate shareholders

Names of corporate shareholders	Major shareholders of corporate shareholders	Shareholding ratio
Foxconn Technology Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	9.88%
	BaoXin International Investment Co., Ltd.	7.93%
	Hyield Venture Capital Co., Ltd.	6.01%
	HongQi International Investment Co., Ltd.	2.25%
	HongYuan International Investment Co. Ltd.	2.19%
	Standard Chartered Bank as custodian of LGT	2.08%
	ChungHwa Post Co., Ltd.	1.63%
	Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	0.92%
	Yonglin Capital Holding Co., Ltd.	0.83%
	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	1.00%

(2) Major shareholders of major corporate shareholders

Names of corporates	Major shareholders of corporates	Shareholding ratio
Hon Hai Precision Industry Co., Ltd.	Gou, Tai –ming(Terry Gou)	12.40%
	New Labor Pension Fund	1.77%
	China Trust manages Yuanta/P-shares Taiwan Top 50 ETF	1.68%
	Standard Chartered Custody for Liechtensteinische Landesbank Investment Account	1.30%
	Standard Chartered Bank (Taipei Branch) in Custody of Vanguard Total International Stock Index Fund, a Series of Vanguard Star Funds.	1.26%
	Vanguard Emerging Markets Stock Index Fund, a series of Vanguard Star Funds	1.20%
	Citibank (Taiwan) Custody Account for iShares Core MSCI Emerging Markets ETF	0.99%
	Citibank (Taiwan) Limited in custody for Norges Bank Investment Account	0.96%
	CITIBANK(TAIWAN) CUSTODY OF GOVERNMENT OF SINGAPORE INVESTMENT ACCOUNT	0.93%
	Standard Chartered Bank (Taiwan) Ltd. in trust for Advance Trust Company - Vanguard Total International Stock Index Trust II Investment Account	0.63%
	BaoXin International Investment Co., Ltd.	Hon Hai Precision Industry Co., Ltd.
Hyield Venture Capital Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	97.95%
HongQi International Investment Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	100%
HongYuan International Investment Co. Ltd.	Hon Hai Precision Industry Co., Ltd.	100%
Yonglin Capital Holding Co., Ltd.	Gou, Tai –ming(Terry Gou)	100%

3. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors :

Criteria Name/Title	Professional Qualification and Experience	Independent Directors' Independence Status	Number of independent directors of other public companies
Chairman Gwong-Yih Lee	For Directors' professional qualification and experience, please refer to page 3-7 of this Annual Report. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law.	Not Applicable	1
Director Deaxy Wang			0
Director Raoul Oyang			0
Independent Director Grace Lee		All of the following situations apply to each and every of the Independent Directors: 1.Satisfy the requirements of Article 14-2 of "Securities and Exchange Act" and "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" (Note 1) issued by Taiwan's Securities and Futures Bureau 2.Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any CyberTan shares 3.Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"	0
Independent Director Hui-Chun Liu			2
Independent Director Judy Y.C. Chang			0
Independent Director Hualin Chi			0

Note 1:1.Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

2.Not serving concurrently as an independent director on more than three other public companies in total.

3.During the two years before being elected and during the term of office, meet any of the following situations:

(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;

(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 one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders;

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding (1) subparagraph, or of any of the above persons in the preceding subparagraphs (2) and (3);

(5) Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders,

- or has representative director(s) serving on the company's board based on Article 27 of the Company Law;
- (6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company;
 - (7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent);
 - (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company; and
 - (9) Other than serving as a compensation committee member of the company, 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, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NT\$500,000".

4. Diversity and independence of the Board of Directors:

(1) Diversity of the Board of Directors:

Based on the policy of diversification and strengthening of corporate governance in order to promote the sound development of the Company's board composition and structure, the nomination of candidates for directors of the Company shall be adopted the candidate nomination system in accordance with the provisions of the Company's Articles of Incorporation. Each candidate's academic qualifications, work experience, professional background, integrity or relevant professional qualifications, and others are evaluated and considered. After the Board of Directors passed the resolution, the proposed nominees will be submitted to the Shareholders Meeting for election. Currently, there are seven directors consisting of professional and diversified members of attorneys, lecturers in colleges or universities and professional managers. Directors who are also employees of the Company represent 42.9% of the Board and the independent directors represent 57.14% of the Board. The Company also pays attention to gender equality regarding the composition of Board members. The targeted ratio of female directors is above 25% and the female directors currently account for about 57.14%. More than half of the independent directors have served for no more than three consecutive terms, and directors under the age of 60 account for approximately 71.43%.

Item Name of director	Gender	Operational judgment ability	Accounting, financial and legal analysis ability	Business management ability	Crisis management ability	Knowledge of the industry	Insight of international markets	Leadership	Decision-making ability
Gwong-Yih Lee	Male	✓		✓	✓	✓	✓	✓	✓
Deaxy Wang	Male	✓		✓	✓	✓	✓	✓	✓
Raoul Oyang	Male	✓		✓	✓	✓	✓	✓	✓
Grace Lee	Female	✓	✓	✓	✓	✓	✓	✓	✓
Hui-Chun Liu	Female	✓	✓		✓	✓	✓	✓	✓
Judy Y.C. Chang	Female	✓	✓		✓	✓	✓	✓	✓
Hualin Chi	Female	✓	✓	✓	✓	✓	✓	✓	✓

(2) Independence of the Board of Directors: The Board of Directors of the Company consists of seven directors, of which four are independent directors and three directors as employee (57.14% and 42.86% of all directors), as well as the independent directors are more than half of

the board seats. As of March 31, 2026, In addition, all of independent directors comply with the regulations of the Securities and Futures Bureau and none of the circumstances prescribed in paragraph 3 and paragraph 4, Article 26-3 of the Securities Exchange Act exist among the directors and independent directors. The Board of Directors of the Company is independent (Please refer to page 9 of this Annual Report - Disclosure of information on professional qualifications of directors and independence of independent directors).

(II) President, Vice President, Assistant Vice President, and officers of departments and branches

March 30, 2026

Title	Nationality	Name	Gender	Date of election (appointment)	Shareholding		Shares held by spouse and minor children		Shares held in the names of others		Academic and career achievements	Concurrent positions in other companies	Managers who are spouses or relatives within the second degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Chairman & CEO	ROC	Gwong-Yih Lee	Male	2022.04.06	1,952,000	0.60%	670,000	0.20%	-	-	Selected Education ◆Master of Electrical Engineering, State University of New York ◆Master of Department of Electronics and Electrical Engineering, National Yang Ming Chiao Tung University Past Positions ◆Chairman and President of CyberTAN Technology Inc. ◆Founder, Chairman and President of TransMedia Communications Inc. ◆Founder, Chairman and President of Digicom Systems Inc.	◆Independent Directors of HAUMAN TECHNOLOGIES CORP. ◆Managing Director of Translink Capital ◆Board Advisor of Creative Technology Ltd. ◆Director, Asia Pacific Accelerator Network (AAN). ◆Director of FOOTPRINTKU INC. ◆President of CyberTAN Corp.(USA) ◆Chairman of Cyber Touch Investment Inc. ◆Chairman of CyberTAN (BVI) Investment Corp. ◆Chairman of CyberTAN Technology (Hongkong) Limited	-	-	-	Note
President	ROC	Raoul Oyang	Male	2025.07.01	327,000	0.10%	-	-	-	-	Selected Education ◆Master of Applied Mathematics, National Chung Hsing University Past Positions ◆Senior Director of R&D Division, TP-Link Taiwan R&D CO., Ltd. ◆Deputy Director of XAVi Technologies Corporation	◆Chairman of Guangzhou Fuguang Communication Technology Co., Ltd.	-	-	-	-
Vice President	ROC	Deaxy Wang	Male	2011.08.27	287,000	0.09%	-	-	-	-	Selected Education ◆Master's Program of Electronic Engineering, Yuan Ze University Past Positions ◆Associate of CyberTAN Technology Inc.	◆Supervisor of Cyber Touch Investment Inc. ◆Supervisor of Fuhongkang Technology (Shenzhen) Co., Ltd. ◆Supervisor of Chongqing Hongdaofu Technology Co., Ltd. ◆Supervisor of Guangzhou Fuguang Communication Technology Co., Ltd.	-	-	-	-
Vice President	ROC	Maxon Huang	Male	2019.10.14	30,000	0.01%	-	-	-	-	Selected Education ◆Bachelor, Industrial Design, San Jose State University Past Positions ◆Senior Director of Network Communication Business Group, Foxconn Technology Group	◆Chairman of Fuhongkang Technology (Shenzhen) Co., Ltd. ◆Chairman of Chongqing Hongdaofu Technology Co., Ltd. ◆Representative of HON YAO FU TECHNOLOGY COMPANY LIMITED ◆Representative of FU HAI Technology Company Limited	-	-	-	-

Title	Nationality	Name	Gender	Date of election (appointment)	Shareholding		Shares held by spouse and minor children		Shares held in the names of others		Academic and career achievements	Concurrent positions in other companies	Managers who are spouses or relatives within the second degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Title	Name	Relationship	
Finance & Accounting Officer Corporate Governance Officer	ROC	Mandy Chen	Female	2025.07.01	-	-	-	-	-	-	Selected Education ◆Master, Department of Accounting and Information Technology, National Chung Cheng University Past Positions ◆Finance Manager, Taiwan Elite Nano Technology Corp. ◆Financial Manager, Koncore Inc. ◆Assistant Finance Manager, U-MEDIA Communications, Inc. ◆Finance Manager, WCQ TAIWAN CORPORATION ◆Accounting and Finance Section Chief, OPNET TECHNOLOGIES CO. LTD. ◆Auditor, Deloitte & Touche Taiwan	◆Director of Cyber Touch Investment Inc.	-	-	-	-

Note: Due to the streamlined organizational structure and to improve operational efficiency and decision-making execution, the company's chairman also serves as CEO to plan for the company's sustainable development strategy. Furthermore, the chairman maintains close communication with all directors regarding the company's operational status and future plans. Currently, the board has four independent directors, representing 57.1% of all board members. Independent directors have ample opportunity to participate in discussions and provide recommendations to the board in all functional committees to ensure effective corporate governance.

Range of Remuneration

Range of remuneration to the Company's directors	Name of director			
	Sum of the first 4 items (A+B+C+D)		Sum of the first 7 items (A+B+C+D+E+F+G)	
	The Company	All the companies included in the financial statements H	The Company	All the companies included in the financial statements I
Below NTD 1,000,000	Gwong-Yih Lee 、 Raoul Oyang 、 Deaxy Wang 、 Grace Lee 、 Hui-Chun Liu 、 Judy Y.C. Chang 、 Hualin Chi	Gwong-Yih Lee 、 Raoul Oyang 、 Deaxy Wang 、 Grace Lee 、 Hui-Chun Liu 、 Judy Y.C. Chang 、 Hualin Chi	Grace Lee 、 Hui-Chun Liu 、 Judy Y.C. Chang 、 Hualin Chi	Grace Lee 、 Hui-Chun Liu 、 Judy Y.C. Chang 、 Hualin Chi
NTD 1,000,000 (inclusive) ~ NTD 2,000,000 (exclusive)	-	-	-	-
NTD 2,000,000 (inclusive) ~ NTD 3,500,000 (exclusive)	-	-	-	-
NTD 3,500,000 (inclusive) ~ NTD 5,000,000 (exclusive)	-	-	Raoul Oyang 、 Deaxy Wang	Raoul Oyang 、 Deaxy Wang
NTD 5,000,000 (inclusive) ~ NTD 10,000,000 (exclusive)	-	-	Gwong-Yih Lee	Gwong-Yih Lee
NTD 10,000,000 (inclusive) ~ NTD 15,000,000 (exclusive)	-	-	-	-
NTD 15,000,000 (inclusive) ~ NTD 30,000,000 (exclusive)	-	-	-	-
NTD 30,000,000 (inclusive) ~ NTD 50,000,000 (exclusive)	-	-	-	-
NTD 50,000,000 (inclusive) ~ NTD 100,000,000 (exclusive)	-	-	-	-
Over NTD 100,000,000	-	-	-	-
Total	7 persons	7 persons	7 persons	7 persons

(II) Remuneration to the President and Vice President

December 31, 2025 Unit: NTD thousand

Title	Name	Salary (A)		Retirement pension (B)		Bonuses, special allowances, etc. (C)		Employee remuneration amount (D) (Note 3)				Ratio of sum of A, B, C and D to profit after tax (%)		Remuneration from investees beyond subsidiaries or the parent company
		The Company	All the companies included in the financial statements	The Company	All the companies included in the financial statements	The Company	All the companies included in the financial statements	The Company		All the companies included in the financial statements		The Company	All the companies included in the financial statements	
								Amount paid in cash	Amount paid in shares	Amount paid in cash	Amount paid in shares			
Chairman & CEO	Gwong-Yih Lee	12,784	12,784	324	324	4,581	4,581	1,726	0	1,726	0	19,415 8.74%	19,415 8.74%	None
President	Raoul Oyang													
Vice President	Deaxy Wang													
Vice President	Maxon Huang													

Range of Remuneration

Range of remuneration to the President and Vice President	Names of the President and Vice President	
	The Company	All the companies included in the financial statements E
Below NTD 1,000,000	-	-
NTD 1,000,000 (inclusive) ~ NTD 2,000,000 (exclusive)	-	-
NTD 2,000,000 (inclusive) ~ NTD 3,500,000 (exclusive)	-	-
NTD 3,500,000 (inclusive) ~ NTD 5,000,000 (exclusive)	Raoul Oyang 、 Deaxy Wang 、 Maxon Huang	Raoul Oyang 、 Deaxy Wang 、 Maxon Huang
NTD 5,000,000 (inclusive) ~ NTD 10,000,000 (exclusive)	Gwong-Yih Lee	Gwong-Yih Lee
NTD 10,000,000 (inclusive) ~ NTD 15,000,000 (exclusive)	-	-
NTD 15,000,000 (inclusive) ~ NTD 30,000,000 (exclusive)	-	-
NTD 30,000,000 (inclusive) ~ NTD 50,000,000 (exclusive)	-	-
NTD 50,000,000 (inclusive) ~ NTD 100,000,000 (exclusive)	-	-
Over NTD 100,000,000	-	-
Total	4 persons	4 persons

(III) Names of the managers receiving employee remuneration and the distribution thereof

December 31, 2025 Unit: NTD thousand

	Title	Name	Amount paid in shares	Amount paid in cash	Total	Ratio of total amount to profit after tax (%)
Manager	Chairman & CEO	Gwong-Yih Lee	0	1,806	1,806	0.81%
	President	Raoul Oyang				
	Vice President	Deaxy Wang				
	Vice President	Maxon Huang				
	Finance & Accounting Officer Corporate Governance Officer	Mandy Chen				

(IV) Comparison and analysis of the total remuneration to directors, supervisors, the President and Vice President of the Company in proportion to the profit after tax from the Company and companies included in the consolidated statements in the most recent two years shown in the separate or individual financial statements, and the policies, standards, and packages based on which they were paid, procedures of determining remunerations, and their correlation with operating performance and future risks.

1. Analysis of ratio of total remuneration to profit after tax

Unit: NTD thousand

Year Title	Total remuneration		Ratio of total remuneration to profit after tax	
	2025	2024	2025	2024
Director	1,810	1,696	0.82%	62.42%
President and Vice President	19,415	14,956	8.74%	550.46%

Note: The Company and all the companies included in the financial statement paid the same amount for the remunerations.

2. Policies, standards, and packages based on which remunerations are paid, procedures of determining remunerations, and their correlation with operating performance and future risks

- (1) Directors : The independent directors of the company receive fixed remuneration and attendance fees, while the other directors do not receive any remuneration. All directors do not receive any remuneration.
- (2) President and vice president: The ratio of the distribution of remuneration to the Company's managers is determined based on the profitability and revenue growth rate for the year, subject to Article 20 of the Company's Articles of Incorporation. The remuneration of the Company's managers is determined based on their degree of participation in the Company's operations and the evaluation of their performance. The aspects evaluated include: practices of the Company's core values and operational management skills, financial and operational performance indicators and comprehensive management indicators, and their participation in continuous education and sustainable management. Their other special contributions or significant negative events are also considered in the performance of evaluation and remuneration distribution.

III. Corporate Governance Implementation

(I) Operation of the Board of Directors

The Board of Directors convened five meetings in the most recent year (2025).

The attendance record of the directors is listed as follows:

Title	Name	Actual attendance	Proxy attendance	Actual attendance rate (%)	Remarks
Chairman	Gwong-Yih Lee	5	0	100	
Director	Foxconn Technology Co., Ltd. Representative: Raoul Oyang	5	0	100	
Director	Foxconn Technology Co., Ltd. Representative: Deaxy Wang	5	0	100	
Independent Director	Grace Lee	5	0	100	
Independent Director	Hui-Chun Liu	5	0	100	
Independent Director	Judy Y.C. Chang	4	1	80	
Independent Director	Hualin Chi	5	0	100	

Other particulars:

- Where the operations of the Board of Directors meet any of the following circumstances, the minutes concerned shall clearly state the meeting date, session, contents of proposals, opinions of all independent directors, and the Company's resolution of said opinions:
 - Matters specified in Article 14-3 of the Securities and Exchange Act: Not applicable, The Company has established the Audit Committee.
 - Any other resolution(s) passed but with independent directors voicing opposing or qualified opinions on the record or in writing other than those described above: None.
- Directors' avoidance of the proposals involving any conflict of interest, information including the director's name, contents of the proposals, causes of recusal, and participation in the voting process should be stated:
 - Board meeting on 2025/05/09
 - Proposal: Discussion of the proposal of the Company's remuneration to directors
 - Directors who recuse themselves due to a conflict of interest: Independent Director Grace Lee, Independent Director Hui-Chun Liu, Independent Director Judy Y.C. Chang, Independent Director Hualin Chi.
 - Reason for recusal: Remuneration to the aforementioned personnel.
 - Participation in voting: The directors mentioned recused themselves from the discussion and voting of this proposal.
 - Proposal: Discussion of the proposal of the remuneration to the Company's current Remuneration Committee members.
 - Directors who recuse themselves due to a conflict of interest: Independent Director Grace Lee, Independent Director Hui-Chun Liu, Independent Director Judy Y.C. Chang, Independent Director Hualin Chi.
 - Reason for recusal: Remuneration to the aforementioned personnel.
 - Participation in voting: The directors mentioned recused themselves from the discussion and voting of this proposal.

- ◎ Proposal: Discussing manager compensation cases.
 - Directors who recuse themselves due to a conflict of interest: Chairman Gwong-Yih Lee 、 Director Deaxy Wang 、 Director Raoul Oyang.
 - Reason for recusal: Remuneration to the aforementioned personnel.
 - Participation in voting: The directors mentioned recused themselves from the discussion and voting of this proposal.

(2) Board meeting on 2025/06/26

- ◎ Proposal: Appointment and Remuneration of the Company's General Manager.
 - Directors who recuse themselves due to a conflict of interest: Director Raoul Oyang.
 - Reason for recusal: The appointment and remuneration of the aforementioned personnel.
 - Participation in voting: The directors mentioned recused themselves from the discussion and voting of this proposal.

- ◎ Proposal: CEO Appointment.

- Directors who recuse themselves due to a conflict of interest: Chairman Gwong-Yih Lee.
- Reason for recusal: The appointment of the aforementioned personnel.
- Participation in voting: The directors mentioned recused themselves from the discussion and voting of this proposal.

- ◎ Proposal: Cases of the fifth to eighth repurchases of the company's shares and their transfer to employees.

- Directors who recuse themselves due to a conflict of interest: Chairman Gwong-Yih Lee 、 Director Deaxy Wang 、 Director Raoul Oyang.
- Reason for recusal: The repurchase of the Company's shares and the subscription of shares transferred to the aforementioned persons.
- Participation in voting: The directors mentioned recused themselves from the discussion and voting of this proposal.

(3) Board meeting on 2025/11/11

- ◎ Proposal: Proposal: Appointment of Members of the Company's Sustainable Development Committee.
 - Directors who recuse themselves due to a conflict of interest: Chairman Gwong-Yih Lee 、 Independent Director Hui-Chun Liu 、 Director Raoul Oyang.
 - Reason for recusal: The company appointed the aforementioned directors as members of the Sustainable Development Committee.
 - Participation in voting: The directors mentioned recused themselves from the discussion and voting of this proposal.

3. Information including the cycle, period, scope, method, and contents of the self-evaluation for the Board of Directors:

(1) Results of the external board performance evaluation in 2025

In November 2025, the Company conducted an external board performance evaluation and commissioned the Taiwan Institute of Ethical Business (the “TIEB”) to evaluate the performance of the Company’s Board of Directors. The institution and the experts conducting the evaluation have no business dealings with the Company and are independent. The board performance evaluation report was issued in January 2026. The implementation details are as follows:

Cycle	Once a year
Period	January 1, 2025 – December 31, 2025
Scope	Evaluation of the performances of the Board of Directors and individual director
Method	The TIEB conducted a written review of relevant Company documents, directors’ self-evaluation questionnaires, and on-site interviews with directors.
Evaluation criteria	The TIEB conducted the evaluation based on four major dimensions, namely board professional competencies (board composition and structure, election of directors, and continuing education of directors), board decision-making effectiveness (degree of participation in the Company’s operations and enhancement of the quality of board decisions), the board’s emphasis on and supervision of internal control, and the board’s attitude toward sustainable management, with reference to the documents reviewed, the results of the directors’ self-evaluation questionnaires, and the results of the on-site interviews.
Item	Based on the overall evaluation, the Company’s overall performance was rated as “Benchmark.” A summary is as follows: 1. Significant optimization of decision-making information and communication effectiveness: The quality of pre-meeting data analysis and the efficiency of meeting coordination effectively enhanced the Board’s decision-making effectiveness. The arrangement whereby non-independent directors concurrently serve as managerial officers helps bring real-time operating information to the Board and improves the quality and timeliness of decision-making. 2. The Board’s professional competencies and risk management demonstrate a high degree of legal compliance awareness: The composition of the Company’s Board includes two independent directors with legal expertise, giving the evaluated company a high degree of sensitivity in terms of regulatory compliance. With respect to major legal compliance risks such as insider trading, the management team has adopted rigorous weekly reminder measures, demonstrating its emphasis on ethical corporate management. The Board has a clear understanding of the risks faced by the evaluated company in its current period of strategic transformation, such as external competition and technology deployment. 3. Sustainability and talent issues have been elevated to the Board’s strategic level: The Board has resolved to elevate the Sustainability Committee to the level of a functional committee, thereby elevating sustainable development to the level of the Board’s strategic decision-making and supervision. The evaluated company has clear succession planning for senior managerial officers and regards talent cultivation and recruitment as one of the core risks affecting future operational

	success.	
Suggestions and Future plans	The TIEB provided optimization suggestions to the Company's Board of Directors, and the Company will use the evaluation results as a reference for continuously strengthening board functions.	
	Suggestions in the evaluation report	The Company's future plans
	Strengthen the Board's nomination policy	The Company will take its needs into consideration and will formulate an appropriate nomination policy in the future to facilitate the succession of independent directors' experience and a diversified composition.
	Strengthen the participation of Board members in the whistleblowing system	The Company will regularly report to the Board each year on the operation of the whistleblowing system and the handling of whistleblowing cases.
	Review the appropriateness of performance evaluation standards to attract diversified talents	The Company will submit the proposed adjustments to the remuneration system to the Compensation Committee and the Board of Directors for discussion, while also strengthening talent recruitment and formulating appropriate talent retention plans.

(2) In 2025 functional committee internal self-assessment performance evaluation results:

Cycle	Once a year
Period	January 1, 2025 – December 31, 2025
Scope	Evaluation of the performances of the functional committees
Method	Self-evaluation for the functional committees
Item	<p>Items of the performance evaluation for the Audit Committee include the following five major targets:</p> <ol style="list-style-type: none"> 1. Participation in the Company's operation; 2. Knowledge of the functional committees' duties; 3. Improvement of the functional committees' decision quality; 4. Composition and member election of the functional committees; 5. Internal control. <p>Items of the performance evaluation for the Remuneration Committee include the following four major targets:</p> <ol style="list-style-type: none"> 1. Participation in the Company's operation 2. Knowledge of the functional committees' duties 3. Improvement of the functional committees' decision quality 4. Composition and member election of the functional committees. <p>The performance evaluation results of the Audit Committee and the Compensation Committee were rated excellent, and both committees remain effectively operational.</p>

4. Enhancements to the functionality of the Board of Directors in the current and the most recent year (e.g. establishment of an audit committee, improvement of information transparency), and the progress of such enhancements:

- ◎ Establishment of the Remuneration Committee and Audit Committee: The Company established the Remuneration Committee on June 18, 2012 and the Audit Committee on June 22, 2015 to strengthen the Board's performance of its responsibilities.
- ◎ Enhancement of corporate governance: The Company established the "Ethical Corporate Management Best Practice Principles," "Corporate Governance Best-Practice Principles," "Sustainable Development Best-Practice Principles," "Regulations on the Performance Evaluation of the Board of Directors," "Rules of Procedure for Board of Directors Meetings" and "Standard Operation Procedures for Management of the Request from the Board of Directors," which were approved by the Board of Directors; these are assessed and reported the Board of Directors every year in accordance with the "Regulations on the Performance Evaluation of the Board of Directors".
- ◎ Enhancement of information transparency: The Company established the "Operation Procedures for Handling Internal Material Information" and it has been approved by the Board of Directors.
- ◎ The Company's directors consist of professional and diversified members who are attorneys, lecturers in colleges or universities and professional managers. In addition, independent directors represent 57.1% of the Board. The Company also pays attention to gender equality regarding the composition of Board members and the female directors currently account for about 57.1%.

(II) Operation of the Audit Committee

The Company's Audit Committee consists of four independent directors and shall convene at least one meeting per quarter. The independent directors are responsible for the adequate expression of the Company's financial statements, election (dismissal), independence and performance of CPAs, effective implementation of internal control, compliance with laws and rules and control over existing or potential risks. Their main responsibilities are described as follows:

- ⊙ Establishment or amendment of the Company's internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
- ⊙ Assessment of the validity of the internal control system.
- ⊙ Establishment or amendment of the handling procedures regarding significant financial business behaviors, including the acquisition and disposal of assets, trading of financial derivatives, loaning of funds to others, and endorsement/guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act.
- ⊙ Matters involving any directors' personal interests.
- ⊙ Significant transactions of assets or financial derivatives.
- ⊙ Significant loans of funds, and endorsement/guarantees.
- ⊙ The offering, issuance, or private placement of equity-type securities.
- ⊙ The hiring or dismissal of CPAs, or the compensation given thereto.
- ⊙ The appointment or discharge of a financial, accounting, or internal audit officer.
- ⊙ Annual financial statements
- ⊙ Any other material matter required by the Company or the competent authority.

The Audit Committee held five meetings in the most recent year (2025). The attendance record of the independent directors is listed below:

Title	Name	Actual attendance	Proxy attendance	Actual attendance rate (%)	Remarks
Independent Director	Grace Lee	5	0	100	
Independent Director	Hui-Chun Liu	5	0	100	
Independent Director	Judy Y.C. Chang	4	1	80	
Independent Director	Hualin Chi	5	0	100	

Other particulars:

1. Where the operations of the Audit Committee meet any of the following circumstances, the minutes concerned shall clearly state the meeting date, session, contents of proposals, resolutions made by the Audit Committee and the Company's resolution of the Audit Committee's opinions.

(1) Matters specified in Article 14-5 of the Securities and Exchange Act.

Meeting date (session)	Proposal
March 5, 2025 (The 4 session of the 4th Audit Committee)	Proposal of the Company's "Assessment for the Effectiveness of Internal Control Policies" and "Declaration of Internal Control System".
	Proposal of the 2024 financial statements.
	The company's 2024 annual business report.
	The company's 2024 Profit Distribution Plan.
	Proposal for assessment of the independence and competence of CPAs and relevant remuneration.
	The assessment of the amount of other receivables arising from the Company as of the end of December 2024, which was transferred to funds for loans to others.
	Amendment to the Company's "Organizational Rules of the Audit Committee".
	To meet the short-term financing needs of Hon Yao Fu Technology Company Limited, we plan to lend funds to others.
May 9, 2025 (The 5 session of the 4th Audit Committee)	The assessment of the amount of other receivables arising from the Company as of the end of March 2025, which was transferred to funds for loans to others.
June 26, 2025 (The 6 session of the 4th Audit Committee)	Appointment of the Company's Chief Financial Officer and Accountant.
	Proposal for amendment to the "Level Of Authority Table" of the Company.
	Proposal for the list of employees without managerial status to whom the shares repurchased from the fifth to the eighth buyback were transferred.
August 7, 2025 (The 7 session of the 4th Audit Committee)	The company's second quarter financial report for 2025.
	The assessment of the amount of other receivables arising from the Company as of the end of June 2025, which was transferred to funds for loans to others.
	Amendment to the Company's "Approval Authority Table".
November 11, 2025 (The 8 session of the 4th Audit Committee)	Appointment of the Company's Internal Audit Supervisor.
	Proposal of the 2026 audit plan.
	Amendment to the Company's "Internal Control System".
	The assessment of the amount of other receivables arising from the Company as of the end of September 2025, which was transferred to funds for loans to others.
	Establishment of the Company's "Operational

	Guidelines for Financial Transactions Between Related Parties".
	Amendment to the Company's "Accounting System"

If none of the independent directors objects or expresses qualified opinions to the proposals mentioned above, such proposals shall be approved unanimously by all attending members.

- (2) Other than those described above, any resolutions unapproved by the Audit Committee but passed by more than two-thirds of all the directors: None.

2. Independent directors' avoidance of proposals involving any conflict of interest, information including the director's name, contents of the proposals, causes of recusal, and participation in the voting process should be stated: None.

3. Communication of the independent directors with the internal audit officer and CPAs (e.g. the major matters, methods, and results of communication with regard to the financial and business affairs of the Company):

- (1) Policies of the communication between the independent directors and the internal audit officer: The internal audit officer shall submit audit reports to the independent directors on a regular basis and report the progress of the audit work thereto at least once per quarter. When any material irregularities occur, a report must be immediately prepared for review, and the independent directors shall be notified.
- (2) Policies of the communication between the independent directors and CPAs: CPAs shall meet with the independent directors at least once a year (at an Audit Committee meeting or a communication meeting) to report the Company's financial position and internal control implementation to the independent directors and explain accounting practice principles and matters causing major impacts on profits or losses and any recent amendments to relevant laws and regulations. In case of any material circumstances, such meeting may be convened at any time.
- (3) Communication between independent directors and the head of internal audit.

Audit Committee	Attendees	Key points of communication	Communication results
March 4, 2025 (a separate communication meeting)	Independent Director Grace Lee, Independent Director Hui-Chun Liu, Independent Director Judy Y.C. Chang, Independent Director Hualin Chi. Audit Supervisor Rita Shang	● Implementation status of 2025 audit plans	● No comments were received at this meeting.
March 5, 2025	Independent Director Grace Lee, Independent Director Hui-Chun Liu, Independent Director Judy Y.C. Chang, Independent Director Hualin Chi. Audit Supervisor Rita Shang	● Implementation status of 2025 audit plans ● Statement on Internal Control System for 2024	● No comments were received at this meeting. ● Agreed to pass as proposed.
May 9, 2025 (a separate communication meeting)	Independent Director Grace Lee, Independent Director Hui-Chun Liu,	● Implementation status of 2025 audit plans	● No comments were received at this meeting.

Audit Committee	Attendees	Key points of communication	Communication results
	Independent Director Judy Y.C. Chang, Independent Director Hualin Chi. Audit Supervisor Rita Shang		
August 7, 2025	Independent Director Grace Lee, Independent Director Hui-Chun Liu, Independent Director Judy Y.C. Chang, Independent Director Hualin Chi. Audit Supervisor Rita Shang	<ul style="list-style-type: none"> ●Implementation status of 2025 audit plans 	<ul style="list-style-type: none"> ●No comments were received at this meeting.
November 11, 2025	Independent Director Grace Lee, Independent Director Hui-Chun Liu, Independent Director Judy Y.C. Chang(Attendance by proxy) Independent Director Hualin Chi. Audit Supervisor Rita Shang	<ul style="list-style-type: none"> ●Implementation status of 2025 audit plans ●2026 Audit Plan 	<ul style="list-style-type: none"> ●No comments were received at this meeting. ●Agreed to pass as proposed.

Board of Directors	Key points of communication	Communication results
March 5, 2025	<ul style="list-style-type: none"> ●Implementation status of 2025 audit plans ●Statement on Internal Control System for 2024 	<ul style="list-style-type: none"> ●No comments were received at this meeting. ●Agreed to pass as proposed.
May 9, 2025	<ul style="list-style-type: none"> ●Implementation status of 2025 audit plans 	<ul style="list-style-type: none"> ●No comments were received at this meeting.
August 7, 2025	<ul style="list-style-type: none"> ●Implementation status of 2025 audit plans 	<ul style="list-style-type: none"> ●No comments were received at this meeting.
November 11, 2025	<ul style="list-style-type: none"> ●Implementation status of 2025 audit plans ●2026 Audit Plan 	<ul style="list-style-type: none"> ●No comments were received at this meeting. ●Agreed to pass as proposed.

(4) Communication between independent directors and visa accountants

Date	Attendees	Key points of communication	Communication results
March 4, 2025 (a separate communication meeting)	Independent Director Grace Lee, Independent Director Hui-Chun Liu, Independent	<ul style="list-style-type: none"> ●The CPAs reported and communicated to the independent directors on the audit results of the 2024 consolidated financial statements. ●The CPAs explained the 	<ul style="list-style-type: none"> ●No comments were received at this meeting.

Date	Attendees	Key points of communication	Communication results
	Director Judy Y.C. Chang, Independent Director Hualin Chi. CPA Po-chuan Lin	amendments to laws and regulations in 2025 and other related issues.	
August 7, 2025	Independent Director Grace Lee, Independent Director Hui-Chun Liu, Independent Director Judy Y.C. Chang, Independent Director Hualin Chi. CPA Po-chuan Lin	<ul style="list-style-type: none"> ●The accountant submitted a written report on the results of its review of the consolidated financial statements for the second quarter of fiscal year 2025. 	<ul style="list-style-type: none"> ●No comments were received at this meeting.

(III) Corporate governance implementation, any nonconformity to the Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies, and reasons thereof

Evaluation item	Implementation			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary	
I. Does the Company establish and disclose its corporate governance principles based on Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has established the “Corporate Governance Best-Practice Principles” in accordance with the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and disclosed the same on the Company’s website and MOPS after the approval of the Board of Directors.	No major difference.
II. Company’s equity structure and shareholders’ equity				
(I) Does the Company have any internal operating procedures regulated to deal with suggestions, questions, disputes, and legal actions from shareholders and implement the procedures?	✓		The Company has established the “Regulations on Shareholder Services Management” and the spokesperson, deputy spokesperson and designated personnel to handle the suggestions, questions, disputes and legal actions of shareholders.	(I) No major difference.
(II) Does the Company have a list of the major shareholders who actually control the Company and the persons who are their ultimate controllers?	✓		Part of the Company’s directors are the major shareholders of the Company and the changes in shareholding of the Company’s major shareholders, directors and managers are reported and disclosed on the MOPS according to laws. The Company also has a list of the major shareholders who actually control the Company and the persons who are their ultimate controllers.	(II) No major difference.
(III) Does the Company establish or implement any risk control measures and firewall mechanisms between the Company and the affiliates?	✓		As a listed company, the Company has established a comprehensive internal control system. The Company and its affiliates are individual legal entities with independent finance and business.	(III) No major difference.
(IV) Does the Company establish internal regulations to prohibit Company insiders from using information not available to the market to trade securities?	✓		The Company has established promotion information to prevent insider trading and the “Code of Ethical Conduct for Directors and Managers” to prevent the Company insiders from using information not available to the market to trade securities.	(IV) No major difference.
III. Composition and responsibilities of the Board of Directors				
(I) Does the Board established a diversity policy, specific management goals and	✓		Article 20 of the Company’s “Corporate Governance Best-Practice Principles” has specified the diversity policy for the composition of	(I) No major difference.

Evaluation item	Implementation			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary	
implemented it accordingly?			the Board of Directors. Currently, there are seven directors consisting of professional and diversified members of attorneys, lecturers in colleges or universities and professional managers. Directors who are also employees of the Company represent 42.86% of the Board and the independent directors represent 57.14% of the Board. The Company also pays attention to gender equality regarding the composition of Board members. The targeted ratio of female directors is above 25% and the female directors currently account for about 57.14%. More than half of the independent directors have served for no more than three consecutive terms, and directors under the age of 60 account for approximately 71,43%. Please refer to Page 9 of the related implementation is shown.	
(II) Is the Company, in addition to establishing the Remuneration Committee and Audit Committee, pursuant to laws, willing to voluntarily establish any other functional committees?	✓		The Company has established the Remuneration Committee and Audit Committee pursuant to laws and will establish other functional committees depending on the operation status.	(II) No major difference.
(III) Does the Company establish policies and methods for evaluating the performance of the Board of Directors, conduct regular performance evaluations every year and report the results to the Board of Directors? Does the Company utilize the results as the reference for the individual remuneration and reelection nomination of directors?	✓		The Company adopted the resolution by the Board of Directors to establish the “Regulations on the Performance Evaluation of the Board of Directors” on November 12, 2019. Please refer to Page 21 of the annual report for the evaluation method and contents. The evaluation results of 2025 have been reported to the Board of Directors in Q1, 2026. The performance of the Board of Directors (Functional Committee) was evaluated as excellent while the self-evaluations regarding the performance of Board members were also excellent. The overall Board of Directors (Functional Committee) functions effectively. For detailed information, please refer to the corporate governance section of the Company’s website.	(III) No major difference.
(IV) Does the Company assess the CPAs for their independence on a regular basis?	✓		The company's audit committee evaluates the independence and competency of its certified accountants every year. In addition to requiring the certified accountants to provide "Declaration of Detachment of Independence" and "Audit Quality Indicators	(IV) No major difference.

Evaluation item	Implementation			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof																		
	Yes	No	Summary																			
			<p>(AQIs)", it also relies on the standards and 13 AQI indicators in the table below. to evaluate. It is confirmed that the accountant has no other financial interests and business relationships with the company except for visa and financial tax case fees; the accountant's family members do not violate the independence requirements, and with reference to the AQI indicator information, it is confirmed that the accountant and the firm are in the verification experience and training The hours are better than the industry average.</p> <p>approved by the Audit Committee on March 5, 2026 was reported and resolved by the Board of Directors on March 5, 2026.</p> <p>Accountant independence assessment standards</p> <table border="1"> <thead> <tr> <th>evaluation items</th> <th>evaluation result</th> <th>Is it consistent with independence</th> </tr> </thead> <tbody> <tr> <td>Those who are currently employed by the client to perform regular work and receive a fixed salary</td> <td>no</td> <td>yes</td> </tr> <tr> <td>A person who once served as an employee of the client and was dismissed less than two years ago</td> <td>no</td> <td>yes</td> </tr> <tr> <td>The firm where he works and the client are related parties to each other</td> <td>no</td> <td>yes</td> </tr> <tr> <td>Those who have a spouse, direct blood relative, direct marriage relative, direct marriage relative, or brother or sister relationship with the chairman or general manager of the client</td> <td>no</td> <td>yes</td> </tr> <tr> <td>The person or his/her spouse has an investment interest or interest-sharing relationship with the principal</td> <td>no</td> <td>yes</td> </tr> </tbody> </table>	evaluation items	evaluation result	Is it consistent with independence	Those who are currently employed by the client to perform regular work and receive a fixed salary	no	yes	A person who once served as an employee of the client and was dismissed less than two years ago	no	yes	The firm where he works and the client are related parties to each other	no	yes	Those who have a spouse, direct blood relative, direct marriage relative, direct marriage relative, or brother or sister relationship with the chairman or general manager of the client	no	yes	The person or his/her spouse has an investment interest or interest-sharing relationship with the principal	no	yes	
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Evaluation item	Implementation			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary	
IV. If the Company is a TWSE/TPEX listed company, does the Company have qualified governance personnel in an appropriate number and designate one chief corporate governance officer to oversee corporate governance affairs (including but not limited to providing the directors and supervisors with information needed to perform their duties, assisting the legal compliance of the directors and supervisors, handling matters related to board meetings and shareholders' meetings according to laws and preparing minutes of board and shareholders' meetings)?	✓		<p>As the corporate governance unit of the Company, the management division is responsible for matters related to corporate governance to set up Corporate Governance Officer based on the resolution of Board of Directors on May 8, 2019. The major duties include handling matters related to board meetings and shareholders' meetings according to laws, preparing minutes of board and shareholders' meetings, assisting assumption of office and continuing education of directors, providing the directors with information needed to perform their duties, assisting the legal compliance of the directors, and other matters regulated in the Articles of Incorporation or contracts.</p> <p>The business implementation of the Company's corporate governance unit in 2025 is as follows:</p> <ul style="list-style-type: none"> (I) Dealing with change in registration of the Company. (II) Arranging matters regarding the continuing education for directors regularly, provision of information required for performance of duties by the directors and latest development of laws and regulations related to company management to assist the directors in legal compliance. (III) Implementing meeting procedures of the Board of Directors and the shareholders' meeting and resolution regarding legal compliance matters. (IV) Responsible for announcing material information of important resolutions after the Board meeting to ensure the legitimacy and accuracy of material information and secure the information equivalence in investor trading. <p>Further education of the Corporate Governance Supervisor for 2025: Completed 3 hours of continuous study on October 3, 2025, on "2025 Seminar on the Prevention of Insider Trading," 3 hours of continuous education on December 11, 2025, on "Corporate</p>	No major difference.

Evaluation item	Implementation			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary	
			Governance and Securities Regulations: Analysis of Corporate Governance Risks from a Prosecutor’s Perspective,” and 3 hours of continuous study on December 19, 2025, on “International Trends and Experience Sharing on Corporate Integrity Management and Senior Accountability Systems.”	
V. Does the Company build communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), establish a stakeholder section on the Company’s website, and duly respond to the stakeholders’ concerns on issues related to corporate social responsibilities?	✓		The Company has established a stakeholder section on the Company’s website to build the communication channels with stakeholders and duly respond to the stakeholders’ concerns on important issues.	No major difference.
VI. Does the Company commission a professional registrar to deal with the affairs of shareholders’ meetings?	✓		The Company has appointed the Share Administration Department of Grand Fortune Securities as the registrar to deal with the affairs of shareholders’ meetings of the Company.	No major difference.
VII. Information disclosure				
(I) Does the Company establish a corporate website to disclose information concerning financial affairs and corporate governance?	✓		The Company has established Chinese and English websites of the Company and disclosed information concerning financial affairs and corporate governance.	(I) No major difference.
(II) Does the Company use other information disclosure methods (e.g. establishment of an English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, and the broadcasting of investor conferences via the company website)?	✓		The Company has assigned specific personnel responsible for the collection and disclosure of corporate information and implemented a spokesperson system. We also have established an English website and held the investor conference to disclose information concerning financial affairs and business on December 5, 2025.	(II) No major difference.
(III) Does the Company publicly announce and file the annual financial report within two months after the close of fiscal year and announce and file the	✓		The Company publicly announces the annual financial report, quarterly financial reports and monthly operation status within the deadline according to the regulations without any announcement in advance.	(III) No major difference.

Evaluation item	Implementation			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and reasons thereof
	Yes	No	Summary	
financial reports of the first, second and third quarters and the monthly operation status prior to the regulated deadline?				
VIII. Does the Company have additional important information that is helpful to understand the implementation of the corporate governance (including but not limited to the interests and care of employees, investor relationships, supplier relationships, rights of stakeholders, continuing training of directors and supervisors, implementation of risk management policies and risk assessment standards, implementation of customer policies, and liability insurance coverage for directors and supervisors)?	✓		<p>1.The Company pays attention to the interests of employees and relations between the employer and employee by irregularly holding labor–management communication meetings.</p> <p>2.Focusing on the investor relationships, supplier relationships and the rights of stakeholders, the Company has established the spokesperson and designated personnel to handle the inquiry of the shareholders, suppliers and all stakeholders.</p> <p>3.The directors of the Company participate in the continuing education courses to strengthen their professional capabilities. Please refer to Attachment 1 and 2 for the continuing education status of directors and managers in 2025.</p> <p>4.The directors of the Company pay attention to proposals involving personal interests and avoid participation due to conflict of interests in accordance with the laws. The Board of Directors’ meetings of the Company are convened at least once every quarter with good participation of the directors. The internal control policies, risk management systems and necessary regulations of the Company are implemented faithfully after reported and approved by the Board of Directors.</p> <p>5.The Company has purchased liability insurance for all directors and relevant information is disclosed on MOPS.</p>	No major difference.
<p>IX. Please explain the improvements made based on the corporate governance assessment report released by the Corporate Governance Center of TWSE in the most recent year, and the priority corrective actions and measures for any issues that are yet to be rectified:</p> <p>1. The Company participates in the Corporate Governance Evaluation / ESG Evaluation every year and has participated in 12 Corporate Governance Evaluations and the 1st ESG Evaluation to date.</p> <p>2.The Company has enhanced the following corporate governance matters in 2025:</p> <p>(1) Report on remuneration received by directors at regular shareholders’ meeting.</p>				

Evaluation item	Implementation			Nonconformities to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof
	Yes	No	Summary	
<p>(2) Disclosure of policies linking the remuneration for senior managers to ESG-related performance evaluation.</p> <p>(3) Convening a physical annual shareholders' meeting assisted with video conferencing (video-assisted shareholders' meeting).</p> <p>3. The Company takes priority corrective actions for the following matters based on the result of corporate governance evaluation:</p> <p>(1) Disclosure of Scope 3 categories and annual emissions of GHG for the past year.</p> <p>(2) Establishing a personal data protection policy and disclosing its contents and status of implementation.</p>				

Attachment 1: In-service training of the Company’s Directors in 2025

Name	Course	Organizer	Date of Course	Hours
Director : Gwong-Yih Lee	The impact of the new international political and economic landscape on Taiwanese enterprises	Confederation of National Associations of Industries and Commerce, Republic of China	2025/09/19	3
	Cybersecurity governance and management under geopolitics	Taiwan Corporate Governance Association	2025/05/16	3
Director : Deaxy Wang	Corporate Governance and Securities Regulations: Analysis of Corporate Governance Risks from a Prosecutor’s Perspective	Corporate Operating and Sustainable Development Association	2025/12/11	3
	2025 Seminar on Preventing Insider Trading	Securities and Futures Institute, SFI	2025/11/21	3
Director : Raoul Oyang	The business value of generative AI and insights into digital risks	Taiwan Project Management Association	2025/11/14	3
	2025 Seminar on Preventing Insider Trading	Securities and Futures Institute, SFI	2025/09/26	3
Independent Director : Grace Lee	International trends and experience sharing on corporate integrity management and senior accountability systems	Taiwan Corporate Governance Association	2025/12/19	3
	Practical seminar on efficient and compliant board operations in corporate governance x AI	Independent Director Association Taiwan	2025/10/29	3
Independent Director : Hui-Chun Liu	Comprehensive analysis of control contests: what the competent authority is thinking	Confederation of National Associations of Industries and Commerce, Republic of China	2025/08/06	3
	Disclosure of material company information and responsibilities of directors and supervisors	Taiwan Corporate Governance Association	2025/06/26	3
Independent Director : Judy Y.C. Chang	2025 Seminar on Preventing Insider Trading	Securities and Futures Institute, SFI	2025/09/26	3
	2025 Conference on Awareness of the Prevention of Insider Trading	Taiwan Corporate Governance Association	2025/04/11	3
Independent Director : Hualin Chi	Practical discussion of the latest artificial intelligence development trends and risk management framework	Corporate Operating and Sustainable Development Association	2025/10/31	3
	Practice of hostile takeovers and corporate governance issues	Corporate Operating and Sustainable Development Association	2025/09/17	3

Attachment 2: In-service training of the Company’s managers and their proxies in 2025:

Name	Course	Organizer	Date of Course	Hours
Accounting Officer: Mandy Chen	Initial Training Course for Chief Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	Accounting Research and Development Foundation	2025/07/14 to 2025/07/23	30
Deputy Accounting Officer: May Chou	Continuing Education Program for the Accounting Managers of Issuers, Securities Firms and Exchanges	Accounting Research and Development Foundation	2025/12/04 to 2025/12/05	12

(IV) Disclosure of the composition, responsibility, operation of the Remuneration Committee (if any)

1. Information about Remuneration Committee members

Criteria Name/Title	Professional Qualification and Experience	Independent Directors' Independence Status	Number of Other Taiwanese Public Companies Concurrently Serving as a Compensation Committee Member
Convenor and Independent Director Grace Lee	CyberTan's Compensation Committee is comprised of all four independent directors. For members professional qualification and experience, please refer to page 5-7 of this Annual Report.	All the Compensation Committee members meet any of the following situations: 1. Satisfy the requirements of Article 14-6 of "Securities and Exchange Act" and the requirements of "Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" (Note) issued by Taiwan's Securities and Futures Bureau 2. Independent Director (or nominee arrangement) as well as his/her spouse and minor children do not hold any CyberTan shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"	0
Independent Director Hui-Chun Liu			1
Independent Director Judy Y.C. Chang			0
Independent Director Hualin Chi			0

Note : During the two years before being elected and during the term of office, meet any of the following situations:

- (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;
- (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 one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders;
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding (1) subparagraph, or of any of the above persons in the preceding subparagraphs (2) and (3);
- (5) Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law;
- (6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company;
- (7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent);
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company; and
- (9) Other than serving as a compensation committee member of the company, 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, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NT\$500,000".

2. Operation of the Remuneration Committee

- (1) The Company's Remuneration Committee consists of four independent directors (Grace Lee, Hui-Chun Liu, Judy Y.C. Chang and Hualin Chi).
- (2) Term of office: 2024/06/25–2027/06/24. The Remuneration Committee convened four meetings (A) in 2025, and the attendance of the Committee members are listed as follows:

Title	Name	Actual attendance (B)	Proxy attendance	Actual attendance rate (%) (B/A)	Remarks
Convener and independent director	Grace Lee	4	0	100	
Independent Director	Hui-Chun Liu	4	0	100	
Independent Director	Judy Y.C. Chang	3	1	75	
Independent Director	Hualin Chi	4	0	100	

Meeting date	Proposal
March 4, 2025	Remuneration and ESG-related performance evaluation plan for managers in 2025
	Company's 2024 Employee Compensation Distribution Plan
May 9, 2025	Proposed Salary Adjustment for Company Managers in 2025
	Directors' Remuneration
June 26, 2025	General Manager's Salary Plan
	Compensation Plan for the Company's Chief Financial Officer, Chief Accountant, and Chief Corporate Governance Officer
	Case involving the transfer of shares repurchased from the fifth to the eighth time to an employee stock ownership plan with managerial status.
November 11, 2025	Salary Adjustment Draft for the Company's Chief Financial Officer, Chief Accountant, and Chief Corporate Governance Officer.

Other particulars:

1. Scope of Duties of the Remuneration Committee:
 - (1) Establish and periodically review the policies, standards and structure of the performance evaluation and remuneration for the directors and managers of the Company.
 - (2) Regularly review and adjust the remunerations to the directors and managers.
2. If the Board of Directors does not adopt or amend the suggestions from the Remuneration Committee, the date and session of the Board meeting, contents of the proposals, meeting resolutions, and the Company's handling of the Remuneration Committee's opinions shall be specified (if the remuneration passed by the Board of Directors is higher than that suggested by the Remuneration Committee, the deviation and causes thereof shall be specified): None.
3. If any member objects or expresses qualified opinions to the resolution made by the Remuneration Committee, whether on-the-record or in writing, the date and session of the meeting, contents of the proposal, the entire members' opinions, and how their opinions are addressed shall be specified: None.

(V) Promote the implementation of sustainable development

Evaluation item	Implementation			Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No	Summary	
I. Does the Company establish a governance structure to promote sustainable development, established a dedicated (part-time) unit to promote sustainable development; and did the Board of Directors authorize senior management to handle it and report the supervisory status to the Board of Directors?	✓		<p>Sustainable governance framework The Board of Directors is the highest decision-making and supervisory body for the Company’s sustainability governance. It is responsible for reviewing the Company’s sustainability goals and strategies, regularly assessing performance achievements, supervising compliance with sustainability information disclosure, and reviewing the annual sustainability report to strengthen strategic orientation and supervisory governance. On November 11, 2025, the Company obtained Board approval to elevate the “Sustainability Committee” to a functional committee under the Board of Directors. The committee consists of three directors, including one independent director, and is responsible for formulating and strengthening the Company’s sustainable development policies and reviewing and tracking implementation results. At least one meeting shall be convened each year, and additional meetings may be convened as needed.</p> <p>Sustainable Development Unit To integrate resources and incorporate sustainability issues into daily operations, the Company has established a “Sustainability Promotion Office” to coordinate sustainability related information and keep abreast of changes in regulations and standards in a timely manner. At the implementation level, three task forces have been established, namely environmental sustainability, social engagement, and corporate governance, to formulate specific work plans and targets for each area and ensure implementation, review, optimization, and improvement.</p> <p>Supervision of the Board of Directors The Sustainability Office reports quarterly to the Board of Directors on the progress of sustainable development. The matters reported include (1) the implementation status of sustainable development and the performance of work plan execution; (2) the climate-related</p>	No major difference.

Evaluation item	Implementation			Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No	Summary	
			financial disclosure report; and (3) the assessment and implementation status of the greenhouse gas inventory. In addition, given the diversity of sustainability issues and the rights and interests of stakeholders, additional proposals may be submitted to the Board of Directors as needed. In the current year, proposals for the “Annual Sustainability Report” and the “Annual Human Rights Due Diligence Implementation Results” were also submitted to the Board of Directors for approval.	
II. Does the Company implement the risk assessment of environmental, social, and corporate governance issues related to corporate operation and establish relevant risk management policies or strategies based on the principle of materiality?	✓		<p>The data disclosures and risk assessment boundaries cover the consolidated company’s sustainable development performance from January to December 2025.</p> <p>In accordance with the principle of materiality, the Company uses the Risk Priority Number (RPN) to conduct a risk assessment regarding environmental, social, and corporate governance issues, and establishes the following related risk management policies or strategies based on the assessed risks:</p> <p>Operational risk:</p> <p>Changes in economic conditions</p> <ul style="list-style-type: none"> • Prudently increasing prices, enhancing automation capabilities, and improving the competitiveness of product prices. <p>Product competition in the market</p> <ul style="list-style-type: none"> • Give priority to keeping abreast of market trends, satisfying customer needs, and improving customer satisfaction. • When planning new products, carry out risk management plans to ensure timely risk management during product development. <p>Customer relationships</p> <ul style="list-style-type: none"> • Keep up with the market trends, understand customer needs, and make early preparations for the development of new products and core technologies. • Invest in related technology R&D to enhance R&D capabilities and investment. <p>Supply chain risk</p> <ul style="list-style-type: none"> • Establish a sustainable supply chain partnership, raw material price 	No major difference.

Evaluation item	Implementation			Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No	Summary	
			<p>risk management mechanism, and safety stock.</p> <ul style="list-style-type: none"> • Prudently assess and actively develop new sources of materials to avoid domination by a limited number of suppliers. • Understand the market situation and respond in advance through business intelligence gathering or market research. <p>Legal Compliance</p> <ul style="list-style-type: none"> • Regularly identify and keep abreast of international regulations relating to the environment, products, society, labor, and other relevant areas, so as to shorten the preparation period for response. <p>Human resource risk</p> <ul style="list-style-type: none"> • Establish effective human resource management mechanisms and introduce performance evaluation procedures. • Strengthen talent recruitment and education and training channels. <p>Information security risk</p> <ul style="list-style-type: none"> • Established the “Cybersecurity Committee” on November 13, 2025. • Enhance employees’ information security awareness and professional knowledge. • Strengthen information security management to ensure the confidentiality, integrity, and availability of information assets. • Obtained ISO/IEC 27001:2022 certification (valid from 2025/11/13 to 2028/11/12). <p>Strategic risk:</p> <p>Geopolitics</p> <ul style="list-style-type: none"> • In response to geopolitical risks, completed the deployment of new production sites in Southeast Asia. • Formulated a Business Continuity Plan (BCP) to address scenarios such as supply chain or production disruptions, and continue to review and optimize it through regular drills to ensure that crisis management and response mechanisms are incorporated into daily operations. • Assess markets in which geopolitical risks may arise and formulate corresponding strategies. <p>Financial risk:</p>	

Evaluation item	Implementation			Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No	Summary	
			<p>Exchange rate fluctuations</p> <ul style="list-style-type: none"> • As the Company has a high proportion of export sales, it keeps abreast of market information and exchange rate trends at all times to reduce foreign exchange risk, assesses the risks of foreign exchange positions, and adopts hedging operations when appropriate to mitigate adverse effects on operations. <p>Environmental risks:</p> <p>Demand for low-carbon products and services</p> <ul style="list-style-type: none"> • Implement substantive environmental protection actions throughout the entire product life cycle to avoid greenwashing. • Conduct transparent communication through quantitative data and third-party certification. • Incorporate sustainability concepts into core and long-term business strategies. • Build trust through real cases and consumer participation mechanisms and shape a consistent and credible green corporate image. <p>Carbon reduction and renewable energy</p> <ul style="list-style-type: none"> • Identify climate change risks and opportunities, implement risk mitigation measures, and assess operational and financial impacts. • Establish carbon reduction targets and strategies and initiate carbon emissions management. 	
<p>III. Environmental issue</p> <p>(I) Has the Company established environmental policies suitable for the Company's industrial characteristics?</p>	✓		<p>The Company has formulated the "Environmental Protection Policy" setting out management principles for various environmental matters, and has internally established management rules such as the "Energy Management Procedure," "Greenhouse Gas Inventory Management Procedures," and "Waste Management Operating Rules."</p> <p>The Vietnam manufacturing subsidiary has obtained ISO 14001 certification for its environmental management system and assesses and controls the potential impact of operations on the natural environment. During the current year, none of the operating sites violated any relevant environmental regulations. For execution</p>	(I) No major difference.

Evaluation item	Implementation			Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No	Summary	
(II) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		<p>performance, please refer to the full disclosure in the Sustainability Report.</p> <p>With respect to greenhouse gas management, the Company conducts inventory work in accordance with the ISO 14064-1 standard, and the inventory scope covers major operating sites. The Taiwan plant has continued to obtain third-party verification since 2023 and discloses the relevant information annually in the Sustainability Report.</p> <p>In accordance with the “Energy Management Procedures,” the Company identifies energy consumption hotspots and enhances energy use efficiency. For equipment identified as energy hotspots during the current year, the Company has established operating rules and implemented usage management. In addition, during the current year, the Vietnam subsidiary introduced an energy consumption hotspot analysis system and improved energy efficiency through data based management.</p> <p>With respect to raw material management, the Company uses raw materials that are 100% compliant with the RoHS and REACH standards and has met the WEEE standards for product recovery and recycling rates. In addition, the labels of the Company’s own products use laser engraving technology instead of adhesive labels. The packaging adopts a double layered carton design to reduce the use of plastic cushioning materials and uses 100% recyclable paper materials.</p>	(II) No major difference.
(III) Does the Company assess the present and future potential risk and opportunities of climate change in relation to the Company and adopt countermeasures related to climate issues?	✓		<p>The Company has incorporated climate change risks into its operational management system, introduced the Task Force on Climate-related Financial Disclosures (TCFD) framework, identified climate risks and opportunities, and formulated corresponding strategies, indicators, and targets accordingly. The Company conducts climate change information collection and identification once a year. Issues are classified into the short term (within 2 years), medium term (2 to 6 years), and long term (more than 6 years). Taking into account the business attributes of each operating unit and department, the Company assesses the likelihood and impact of climate issues and</p>	(III) No major difference.

Evaluation item	Implementation		Summary	Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No		
(IV) Does the Company gather statistics of the greenhouse gas emission, water consumption and the gross weight of waste of the past 2 years and establish policies for energy saving, carbon reduction, reduction of greenhouse gas emission and water consumption or other waste management?	✓		<p>formulates corresponding response measures based on where such issues affect operations and the value chain. During the current year, the Company also newly established climate scenario analysis for transition risks and opportunities. For details, please refer to the “Climate and Nature related Financial Disclosure Report” on the Company’s website.</p> <p>1. For our greenhouse gas emission, water consumption, and total weight of waste in 2025 and 2024, please refer to Attachment 1.</p> <p>2. (1) Greenhouse gas reduction strategy: With 2025 as the base year, the Company aims to reduce carbon emissions by 42% by 2030 and achieve net zero by 2050. The relevant carbon reduction measures are as follows:</p> <p>A. Energy transition: during the current year, the Company signed a renewable electricity and certificate purchase and sale contract.</p> <p>B. Adoption of LED lighting fixtures, with sensor switches installed in low activity areas.</p> <p>C. Replacement of the chilled water air conditioning unit to reduce energy consumption.</p> <p>D. Increase in the outlet water temperature of the air conditioning unit from 12 degrees to 14 degrees.</p> <p>E. Posting energy saving notices at power equipment switches for reminders and communication.</p> <p>(2) Water use management: The Company uses the World Resources Institute’s public database water risk tool to analyze water stress at each site and has confirmed that neither the Taiwan plant nor the Vietnam Plant is located in an area of high water stress. The Company’s water use mainly consists of employees’ domestic water use and air conditioning water use, and the source is entirely tap water. The Company does not generate process wastewater. Domestic wastewater is uniformly discharged to qualified treatment plants at the locations of operating sites and</p>	(IV) No major difference.

Evaluation item	Implementation		Summary	Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No		
			<p>has no related environmental impact on water resources or the ecological environment of water sources. The relevant water-saving measures are as follows:</p> <p>A.Suspend the cleaning of walls.</p> <p>B.Reduce the frequency of cleaning cooling towers (from twice a year to a frequency as appropriate)</p> <p>C.In 2025, a total of 33 sensor faucets were replaced.</p> <p>D.Daily water meter readings and leak inspections of water use facilities.</p> <p>E.Reduce the operational time of the water chiller and bring in outdoor fresh air in all the seasons other than summer (the operational time is reduced from 24 hours to 0–12 hours).</p> <p>F.In 2025, a total of 35 sets of Grade 1 water saving label equipment were installed in restrooms.</p> <p>(3)Waste management measures: In accordance with the Waste Disposal Plan, the Company carries out waste classification, storage, collection, and treatment. In addition, the Vietnam Plant manages waste in accordance with the ISO 14001 environmental management system, and all waste generated is subject to strict classification to avoid pollution risks. Waste reduction measures are as follows:</p> <p>A.Printers are set to duplex printing by default to improve the efficiency of paper resource use.</p> <p>B.Disposable tableware is not provided for employee meal service.</p> <p>C.Cartons, Styrofoam, and pallets are recycled and reused according to project needs or are directly returned to original suppliers for reuse.</p> <p>D.Coffee grounds are recycled for use as fertilizer for plantings within the plant area.</p> <p>E.Provide wastepaper to the Yuen Foong Yu Paper Factory for recycling.</p>	

Evaluation item	Implementation			Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No	Summary	
<p>IV. Social issue</p> <p>(I) Does the Company develop management policies and procedures in accordance with the relevant regulations and international human rights conventions?</p> <p>(II) Does the Company establish and implement proper employee welfare measures (including the salary, holidays and other welfare) and reflect the corporate business performance or achievements in the employee remuneration?</p>	<p>✓</p> <p>✓</p>		<p>With reference to international standards such as the United Nations Global Compact, the International Bill of Human Rights, the Guiding Principles on Business and Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, and the OECD Due Diligence Guidance for Responsible Business Conduct, the Company has formulated and publicly disclosed its human rights protection policy. Through the establishment of specific systems such as the “Child Labor Prohibition and Remediation Management Procedures,” the “Anti Human Trafficking Labor Management Procedures,” and the “Anti Discipline, Forced Labor, and Prison Labor Management Procedures,” as well as through the adoption of the “Declaration on Diversity, Equity and Inclusion,” the Company has incorporated human rights protection into the core of corporate governance and supply chain management. During the current year, the Company conducted human rights due diligence for both internal operations and suppliers. For details, please refer to the “Human Rights Risk Identification and Management Report” on the Company’s website.</p> <p>The company complies with the "Labor Standards Act" and related laws and regulations to formulate various welfare measures for employees, and provides market competitive benefits to motivate employees. In addition, regular performance appraisals are used as the basis for annual salary increases and promotions, and performance bonuses are issued to share with colleagues. Surplus results.</p> <p>The company attaches great importance to the salary and benefits of its colleagues. The overall salary includes basic salary, increment, allowances and bonuses. The company measures market salary levels through salary surveys and reference to overall economic indicators and price index evaluations every year to conduct competitive evaluations. Salary adjustment is expected to attract outstanding talents to join the company. The salary and remuneration evaluation of employees is based on their positions, professional skills, academic</p>	<p>(I) No major difference.</p> <p>(II) No major difference.</p>

Evaluation item	Implementation			Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No	Summary	
(III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	✓		<p>experience, professional years and personal performance. There will be no differential treatment based on gender, race, religion, or political affiliation. The average employee salary will be increased by 3.% in 2025.</p> <p>1. Our two plants are engaged in R&D, and thus, there is no use of toxic chemicals in production or manufacturing. The measures for personnel safety and environmental control are as follows:</p> <p>(1) Personnel safety measures:</p> <p>A. Our security guards work 24-hour shifts and inspect the plant after hours on a regular basis (every 2 hours from 22:00) to ensure the safety of employees working overtime and check if the electronic equipment in unused areas is turned off.</p> <p>B. Eight emergency push-buttons are installed in the motorcycle parking shed and car parking lot. Once a button is pressed, a call for assistance is sent to the security station.</p> <p>C. The entrances and exits of offices in each floor are equipped with an access control system. Surveillance equipment is also installed at entrances and exits. We provide an extension phone for employees to contact security or other employees in case they forget to bring their access card or are locked out.</p> <p>D. Occupational safety personnel conduct daily factory inspections and sign in at each inspection area</p> <p>E. We conduct education and training for new employees in accordance with the Occupational Safety and Health Act, informing new employees of relevant knowledge such as factory environmental safety, traffic safety, fire emergency evacuation assembly points, electrical appliances, and fire safety. This year, a total of 103 new employees participated in the education and training, with a total training time of 309 hours. Fire drills are conducted</p>	(III) No major difference.

Evaluation item	Implementation		Summary	Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No		
	✓		<p>twice a year, divided into fire group training and escape drills for all employees.</p> <p>F. Anti-slip strips are installed on the stairs, and safety nets and anti-collision cushions are installed at dangerous places in the stairwell.</p> <p>(2) Workplace protection measures:</p> <p>A. We conduct the operational environment inspection (CO2 and illumination) twice every year pursuant to the Occupational Safety and Health Act. The inspection report is regularly announced/reviewed, and all the inspection results are better than the requirement of the law.</p> <p>B. In the management of mechanical equipment, automatic inspection lists are established in accordance with the regulations and inspections are carried out at the same time.</p> <p>C. CO2 detectors are installed on each floor. We monitor the indoor air quality at any time, and employees may observe the air quality on their own, in order to provide the employees with the good air quality.</p> <p>D. Induction lamps are installed in the basement for energy saving/safety purpose.</p> <p>2. Occupational safety and health management system (ISO 45001:2018) Independently build and install occupational safety management system documents. Although it has not obtained ISO 45001 or CNS 45001 certification, it has written corresponding rules and regulations that are consistent with the occupational safety system according to the certification system and established annual occupational safety work. Plan and check regularly according to the plan every month.</p> <p>3. The number of occupational injuries to employees was 0, representing 0.0% of the total number of employees. Regular health examinations are conducted for current employees, and health</p>	

Evaluation item	Implementation		Summary	Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No		
(IV) Does the Company have an effective career capacity development training program established for the employees?			<p>related seminars and activities are held from time to time, including the "Operating Rules for the Prevention of Ergonomic Hazards," the "Operating Rules for the Prevention Plan for Diseases Triggered by Abnormal Workload," and the "Operating Rules for the Prevention of Unlawful Infringement in the Performance of Duties." A total of 22 persons completed the questionnaires. Participants included 5 persons in the health seminar on April 16, 27 persons in CPR+AED certificate education and training, 11 persons in the handicraft course on August 25, 6 persons in the physical therapist session on September 23, 23 persons in the October 1 seminar on Overwork vs. Overload and Strategies for Work Life Balance, and 15 persons in the handicraft course on December 5, with annual participation totaling 125 persons.</p> <p>4. The number of fires in the year was 0, and the number of casualties and the ratio of casualties to total employees was 0%. Every six months, we conduct simulated emergency response drills according to different situations. The fire response teams are divided into five major groups: reporting team/fire extinguishing team/safety protection team/evacuation guidance team/rescue team. Each group has its own responsibilities and conducts lectures and evacuation drills for the entire factory to avoid or minimize casualties when a disaster occurs and protect the safety of employees. The annual evacuation drill is given more importance by the company's top management. In addition to the participation of all employees in the plant on November 26, all employees "squatted" after the roll call, which effectively distinguished those who were called and those who were not. After that, the roll call was carried out in this mode, and all employees completed the assembly roll call in only 6 minutes and 11 seconds.</p> <p>1.New employee training: Provide new employees with courses such as "company introduction, management regulations, labor safety,..." to help new employees quickly integrate into the work team.</p> <p>2.The company's internal and external training programs for 2025</p>	(IV) No major difference.

Evaluation item	Implementation		Summary	Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No		
(V) Does the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, and marketing and labeling of products and services, and are relevant consumer protection and grievance procedure policies implemented	✓		<p>include the following categories:</p> <p>(1) General Knowledge: Training on company rules and regulations (including compliance with integrity management regulations, accounting systems, internal controls, and cybersecurity risks), system form operation, and essential knowledge and skills related to common work needs, occupational safety and health, and environmental management.</p> <p>(2) Product Application: Training on professional knowledge and skills related to products and their applications.</p> <p>(3) Professional Functions: Professional knowledge and skills related to various technologies or business operations.</p> <p>(4) Quality Management: Training on knowledge and skills related to quality.</p> <p>3.The total training hours held in 2025 amounted to 1,069 hours, with a total of 7,048 participants (including the head office and overseas factories) .</p> <p>4.Legal Compliance Notice: Our company periodically conducts publicity campaigns on integrity management and employee prevention of insider trading on its intranet, reminding colleagues of matters to be aware of when performing related business.</p> <p>Applicable laws and international standards The Company regularly updates its green product control specifications and establishes standards for the use of hazardous substances in products and environmental control requirements to ensure compliance with the EU RoHS Directive, the REACH list of substances of very high concern, battery and waste battery management requirements, the Batteries Directive, the Packaging and Packaging Waste Directive, the Perfluorooctane Sulfonates Directive, the U.S. TPCP packaging toxicity requirements, California Proposition 65, French packaging material regulations, and customer specified restrictions on hazardous substances, in order to safeguard the health and safety of product users.</p> <p>Management and implementation procedures</p>	(V) No major difference.

Evaluation item	Implementation		Summary	Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No		
(VI) Does the Company establish supplier management policies and require them to follow relevant regulations on the issues of environmental protection, occupational safety and health, or labor rights? How is the implementation?	✓		<p>To ensure full disclosure of the environmental and social impacts of products and services, and in accordance with the Company’s “Management Procedures for Product and Service Information and Labeling” and “Hazardous Substances and Materials Management Regulations,” all own brand products are required to disclose product names, manufacturer information, product contents and hazardous components, telecommunications certification marks, safety and environmental impact warning statements, information on safe use, and information on disposal and recycling. The following channels are selected for disclosure: product packaging, user manuals, advertisements, and official product websites.</p> <p>Communication and protection</p> <p>Each of the Company’s business units and operating manufacturing units has established communication windows for different customers and communicates according to customer or project needs. In addition, there were no complaints concerning infringement of customer privacy in 2025.</p> <p>To strengthen customer health and safety, privacy, and labeling management for products and services, “GRI 417-1 Requirements for product and service information and labeling” was an assurance indicator in the 2024 Sustainability Report. For details, please refer to the assurance statement in the appendix to the Sustainability Report.</p> <p>Suppliers must still diligently address environmental protection issues and declare material composition after entering the supplier chain system. Performance evaluation of suppliers is conducted according to the Company’s “Supplier Management Procedure,” and various indicators of suppliers are assessed periodically. If any supplier fails to reach the targets, such nonconforming supplier is warned, has their orders reduced, or suspended from trading with the Company to ensure green production in our supplier chain system, reduce pollution, maintain the environment, and fulfill our social responsibility. Suppliers are also invited to sign the Supplier Code of Conduct and the Environmental Protection and Social Responsibility</p>	(VI) No major difference.

Evaluation item	Implementation		Summary	Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEx Listed Companies and the reasons.
	Yes	No		
			<p>Acknowledgment Letter, which are required to be followed by suppliers. In addition, supplier conferences are convened periodically to convey and discuss various laws and regulations, as well as reaching a consensus on the achievement of the goal of a green supply chain.</p> <p>During the current year, in accordance with the human rights policy, the Responsible Business Alliance Code of Conduct, and international standards, the Company promoted supplier human rights risk assessments covering working hour management, wage reasonableness, occupational safety and health, mental health, employment discrimination, forced labor, and labor management communication. The assessment results showed that most suppliers were at medium to low risk levels and already had a certain level of management in place. For details, please refer to the “Human Rights Risk Identification and Management Report” on the Company’s website.</p> <p>For suppliers assessed as medium to high risk, the Company will conduct audits of quality, process, social and environmental responsibility, green products, and greenhouse gases. Only suppliers whose audit or improvement results meet the Company’s requirements may be included in the qualified supplier list. In addition, the Company implements key management on suppliers of crucial component. Through the supplier management platform, supplier online surveys and field audits are performed periodically. After an audit is completed, if a zero tolerance deficiency is discovered, the supplier will lose its qualification to be listed as a new supplier. If a non-zero tolerance deficiency is found, the supplier is requested to submit an improvement plan and measures within a prescribed time limit, and a follow-up review will be conducted in due course; however, if no improvement is made within the specified time limit, the supplier will be listed in the poor-performance supplier list.</p> <p>Conflict mineral management</p>	

Evaluation item	Implementation			Variations from the Sustainable Development Practice Principles for TWSE Listed and TPEX Listed Companies and the reasons.
	Yes	No	Summary	
V. Does the company reference internationally accepted reporting standards or guidelines, and prepare reports that disclose non-financial information of the company, such as corporate social responsibility reports? Do the reports above obtain assurance from a third party verification unit??	✓		<p>With respect to conflict minerals management, the Company strictly complies with relevant international and industry regulations and prohibits the use of tin (Sn), tungsten (W), tantalum (Ta), and gold (Au) sourced from the Democratic Republic of the Congo and its surrounding countries and regions. It also uses the Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT), jointly developed by the Responsible Minerals Initiative and the Responsible Business Alliance, to conduct supplier conflict mineral investigations. In 2025, a total of 338 CMRT/EMRT reports were collected, and the investigation results showed that there was no use of conflict minerals in the supply chain.</p> <p>With reference to the sustainability reporting standards issued by the Global Reporting Initiative and the “Technology & Communications” industry standard issued by the Sustainability Accounting Standards Board, the Company prepared the 2024 Sustainability Report and engaged Deloitte & Touche to conduct assurance in accordance with Standard on Assurance Engagements No. 3000 and issue a limited assurance report. The Company completed filing and uploading to the ESG section of its official website before August 31 of the current year.</p>	No major difference.
<p>VI. Whether the Company has instituted the sustainable development best practice principles in accordance with the "Sustainable Development Best Practice Principles for the TWSE Listed and TPEX Listed Companies," specify the implementation of these principles and the variation with the Sustainable Development Best Practice Principles for the TWSE/TPEX-listed Companies: The Company established the “Corporate Social Responsibility Best Practice Principles” to fulfill corporate social responsibilities. The actual operation has been consistent with such Principles.</p>				
<p>VII. Is there any other essential information that helps to understand the performance of sustainable development: The Company has pragmatically promoted sustainable development and achieved specific results across the three ESG dimensions. In the environmental dimension, it proactively participated in the CDP climate disclosure project and, in its first participation, obtained a B Management level in the Climate Change Questionnaire. In the social dimension, it completed human rights due diligence and issued its first “Human Rights Risk Identification and Management Report.” In the governance dimension, the Sustainability Committee was elevated to the level of a functional committee of the Board of Directors. In recognition of the substantive results achieved across all three ESG dimensions, the Company received the EcoVadis “Committed Badge.” For detailed sustainability information, please refer to the Company’s 2024 Sustainability Report. (https://esg.cybertan.com.tw/ > ESG sustainable development > Sustainability Report)</p>				

Attachment 1: CyberTAN Plant Greenhouse Gas Emission, Water Consumption and Total Weight of Waste in 2025 and 2024

◎ Whole year electricity expense and consumption

Year	2025(Note)	2024(Note)
Scope 1	141.4782 tCO ₂ e	141.4087 tCO ₂ e
Scope 2	454.2342 tCO ₂ e	432.2880 tCO ₂ e
Scope 3	3320.5675 tCO ₂ e	3300.8516 tCO ₂ e
total	3916.2799 tCO ₂ e	3874.5483 tCO ₂ e

Note: In 2025, the Company commissioned the Industrial Technology Research Institute to conduct verification in accordance with ISO 14064-1:2018, with verification opinion No. OC-0906-2026019-02-01.

Note: In 2024, the Industrial Technology Research Institute was commissioned to carry out verification in accordance with ISO 14064-1:2018, and the results were disclosed in the 2024 Sustainability Report. Based on this, the self-inventory data were updated as follows: Scope 1 emissions were revised from 150.7013 tCO₂e to 141.4087 tCO₂e; Scope 3 emissions were adjusted from 3277.3508 tCO₂e to 3309.8516 tCO₂e; total emissions were adjusted from 3860.3401 tCO₂e to 3874.5483 tCO₂e. Verification opinion No.: OC-0906-2025013-02-01.

◎ Whole year water expense and consumption

Year	2025(Note)	2024
CO ₂ emission (equivalent/kg) from water consumption in the period (whole year)	1,430.5	1,268
Water consumption in the period (whole year)	6,139.6	5,442

Note: In 2025, the Company commissioned the Industrial Technology Research Institute to conduct verification in accordance with ISO 14064-1:2018, with verification opinion No. OC-0906-2026019-02-01.

◎ Whole year waste tonnage

Year	2025	2024
Whole year waste tonnage	18.2	21.167

Note: Compiled based on the Company's Waste Disposal Plan and actual reported data.

Climate-related information for TWSE/TPEX-listed companies

1. Climate-related information implementation

Item	Implementation
1. Describe the board of directors and management's supervision and governance of climate-related risks and opportunities.	The Company's sustainability and climate governance structure is headed by the Board of Directors, the highest decision-making and supervisory body, responsible for reviewing and guiding the Company's management actions concerning climate-related risks and opportunities. A Sustainability Committee has been established under the Board of Directors to assist the Board in carrying out its sustainability governance responsibilities, including overseeing the governance performance of climate issues, target setting and achievement status, the progress of sustainability

management programs, the operation of risk management mechanisms, carbon management strategies, and the results of identifying climate change risks and opportunities. The Sustainability Committee regularly reports major sustainability performance to the Board of Directors, and the Board also reviews the relevant results through quarterly and annual meetings to ensure that climate-related issues receive full attention and are implemented in decision-making at the Company's highest level of management.

To strengthen issue management and cross departmental collaboration, ESG task forces have been established in three major areas: environmental sustainability, social engagement, and corporate governance. Among them, the Environmental Sustainability Task Force is responsible for communicating climate issues with internal and external stakeholders and, based on the results of identifying climate-related risks and opportunities, formulating response measures and implementation strategies. Each year, based on the inventory results of Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, the task force reviews the emissions performance of each plant and reports the relevant progress quarterly to the Sustainability Committee and the Board of Directors. At the same time, it discloses to the public climate targets, management indicators, and their achievement status, demonstrating the Company's transparency and accountability in climate governance.

Organization	Governance/Implementation	Frequency of discussion
Board of Directors	Supervise the management of climate and biodiversity issues and confirm the achievement status of climate-related targets.	<ul style="list-style-type: none"> ● Quarterly – Board of Directors meeting
Sustainability Committee	The Sustainability Committee participates in supervising and managing the Company's performance and risk management in relation to climate and biodiversity issues, makes decisions, and continuously promotes the Board of Directors' consideration of climate issues and their risks and opportunities, as well as stakeholder opinions, when resolving important matters.	<ul style="list-style-type: none"> ● At least once a year – Sustainability Committee meeting ● Convene ad hoc meetings as required
Sustainability Promotion Office	Responsible for identifying the Company's overall climate risks and opportunities and biodiversity issues, and, taking into account the characteristics of local communities at operating sites, regularly tracking and assessing implementation progress and effectiveness, so as to formulate response strategies and report to the Committee.	<ul style="list-style-type: none"> ● Quarterly – Report the progress of climate-related issues to the Board of Directors ● Annually – Issue the Climate and Nature related Financial Disclosure Report ● Convene ad hoc meetings as required
Environmental Sustainability Task Force	Implementing risk and opportunity management measures for climate change, and coordinating with internal and external stakeholders for communication over climate issues.	<ul style="list-style-type: none"> ● Convene ad hoc meetings as needed

2. Describe the board of directors and management’s supervision and governance of climate-related risks and opportunities.

The Company has initiated a climate risk questionnaire mechanism through the task forces under the Sustainability Committee. Based on international research reports, industry trends, and internal and external surveys of corporate stakeholders, relevant issues are compiled, and the related risks and opportunities are classified and identified by short term (within 2 years), medium term (2 to 6 years), and long term (more than 6 years). For the above issues, the Company formulates specific response measures and strategies according to the timing of impacts and the degree of potential financial impact.

In 2025, four risks and four opportunities were identified. The following analysis sets out the response measures and strategies formulated on the basis of such risks and opportunities:

(1) The four risks are summarized as follows:

Risks							
Category	Item	Risk description	Financial impact	Possibility of occurrence			Response strategy
				Short term	Medium term	Long term	

	Regulations and technology	Greenhouse gas pricing, tightening sustainability regulations, and stricter energy efficiency standards	Global sustainability regulations are becoming increasingly stringent. In addition to the Company's own compliance pressure, if upstream suppliers in the supply chain are charged carbon fees, costs may be passed on. Product energy efficiency standards are increasing and products must comply with domestic and foreign energy saving labels or international standards. If products fail to meet such standards, the Company may face market access barriers or loss of market opportunities.	<ul style="list-style-type: none"> ● Taxes and penalties ● Reduction of orders 	Medium to low	Medium	Medium	To respond to greenhouse gas pricing, the Company has introduced an internal carbon pricing mechanism using a shadow pricing model and, based on the NT\$300 per metric ton rate set by Taiwan's Ministry of Environment, internalizes external costs. In addition, the new Vietnam plant has established an energy management system, energy-efficient IT equipment, and a circulation system to improve energy efficiency in product manufacturing. The Taiwan plant has optimized energy-consuming equipment and signed a renewable energy procurement contract with a renewable energy provider in December 2025.
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	Market and reputation	Green supply chain pressure and brand reputation	Global corporate customers are increasingly incorporating sustainability into procurement standards, requiring suppliers to provide product carbon footprint data and even set carbon reduction targets. As climate issues receive increasing attention, if the Company fails to demonstrate active climate action, it may be regarded by investors, customers, and the public as lacking environmental responsibility, thereby affecting its brand image and investment valuation.	<ul style="list-style-type: none"> ● Increase in operational cost ● Risk of damage to goodwill and investment funding 	Medium to low	Medium	Medium to high	The Company enhances its organizational greenhouse gas inventory capabilities and assists in completing customers' ISO 14067 certification for products. Its own products incorporate product life cycle concepts to reduce negative environmental impacts over the product life cycle. Raw materials for all products are 100% compliant with RoHS and REACH hazardous substance standards and conflict minerals prohibition requirements, and are 100% compliant with the WEEE Directive. For packaging, 100% recyclable packaging materials are used, and outer cartons are made of 100% recyclable paper pulp. In addition, the recyclable and reusable rate of all parts of the Company's own brand switches exceeds 90%.
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	Market and reputation	Risk of supply chain disruption	Global supply chains are affected by climate events such as droughts, floods, and typhoons, causing key component suppliers to suspend operations or transportation to be disrupted, resulting in component shortages, rising costs, and production delays.	<ul style="list-style-type: none"> ●Decrease in operating revenue ●Increase in procurement cost 	Medium	Medium	Medium to high	The Company provides climate-related training for the supply chain to enhance suppliers' ability to adapt to climate risks. In 2024, a total of 258 suppliers participated in the training. In addition, through the supplier ESG digital management platform, the Company keeps abreast of suppliers' ability to adapt to climate risks.
	Physical	Extreme weather events and climate change	Climate change leads to acute risks and extreme weather events such as typhoons, floods, and warming, causing damage to equipment or the supply chain and directly impacting operations.	<ul style="list-style-type: none"> ●Damage to capital goods ●Increase in operational cost 	Medium to low	Medium	Medium	The Company uses IPCC AR6 SSP for climate risk scenario analysis and combines WRI mapping analysis of flooding to monitor the potential impacts of extreme climate on its operations, while implementing a business continuity plan to reduce the negative impacts caused by operational interruptions.
(2) The four opportunities are summarized as follows:								
	Category	Item	Opportunity description	Financial impact	Possibility of occurrence			Response strategy
					Short term	Medium term	Long term	

	Market	Product and service innovation	Develop low-carbon, high efficiency, and resilient green products to meet market demand, attract customers that value sustainable development, explore new markets, and gain advantages in government or corporate green procurement.	<ul style="list-style-type: none"> ●New sources of income ●Increased operating revenue 	Medium	Medium to high	Medium to high	By establishing energy monitoring equipment and replacing low energy consumption equipment, the Company reduces the greenhouse gas emission intensity of the manufacturing process and lowers the carbon footprint of contract manufacturing customers' products. Its own products adopt a fanless design and use AI to automatically adjust usage based on user demand so as to reduce energy consumption during equipment use, and 100% environmentally friendly cushioning materials and packaging materials are used.
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	Operations	Improvement in operating efficiency	Reducing energy consumption in operations not only directly reduces electricity expenses, but also lowers the carbon fee burden that may be faced in the future.	●Decreased operational cost	Medium to low	Medium	Medium	Through process optimization and improvements to production equipment such as air compressors and chilled water units, as well as lighting systems, the Taiwan plant has optimized energy consuming equipment to reduce energy consumption and electricity expenses, and has also procured renewable energy to reduce greenhouse gas emissions.
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	Operations	Energy transition	Increase the use of renewable energy to reduce Scope 2 emissions, stabilize energy costs, enhance the Company's sustainability image, and attract investment.	●Decreased operational cost	Medium to low	Medium	Medium to high	In response to the 2050 net zero target, the Company plans to use 50% renewable energy by 2030. The energy transition will be achieved by establishing its own solar power generation, signing renewable energy power purchase agreements, or purchasing renewable energy certificates. In 2026, the Taiwan plant has planned renewable energy procurement. The contract was completed in December 2025, and the planned procurement volume is expected to reach 6% of annual electricity consumption.
	Policy	Green finance and policy incentives	Government subsidies and incentive programs, such as those launched by the Ministry of Economic Affairs, the Ministry of Environment, and the National Science and Technology Council, relating to energy saving and carbon reduction, green technology R&D, and circular resource utilization.	●Increase in capital acquisition	Medium to low	Medium to low	Medium	Enhance the quality of sustainability information disclosure, obtain sustainability funding and support, and make good use of green financing products. In response to the Ministry of Environment's Net Zero Green Lifestyle initiative, the Company obtained green office certification.
3. Describe the financial impact of		Based on research from international climate organizations and historical climate data, our company conducts scenario						

<p>extreme weather events and transition actions.</p>	<p>analyses to examine the differences in financial impact under various scenarios and actions. We assess our risk tolerance and asset risk pricing, and establish climate risk monitoring indicators based on portfolio loss estimates to monitor value losses caused by extreme climate risks. In fiscal year 2025, our company conducted scenario analyses for two transformation risks, one entity risk, and one transformation opportunity. For a detailed explanation of the financial impact of these four scenario analyses, please refer to question 5.</p>			
<p>4. Describe how to integrate identification, evaluation and management process of climate risk in risk management system.</p>	<p>● Climate risk identification and assessment process</p> <p>The Company follows the four core elements of the TCFD framework in disclosing climate-related information and manages climate-related matters through four major steps, namely “issue collection, impact identification, strategy formulation, and monitoring and management.” Climate risk identification is conducted annually to ensure that risks and opportunities are effectively managed and controlled. The Office of Sustainable Development, together with the ESG task forces, collects and analyzes climate-related issues and international trends, and assesses the materiality of risks and opportunities and their potential financial impacts, based on which climate risks are identified. In addition to collecting climate-related issues and trends through the quarterly ESG task force meetings, the Company has also established a Risk Management Implementation Task Force under the Audit Committee, with one convener appointed. The Risk Management Implementation Task Force conducts a comprehensive assessment of the Company’s operational risks and emerging risks, and reports on the operation of risk management to the Audit Committee and the Board of Directors at least once a year. In addition to conducting rolling assessments of their impact on the Company, the Company performs comprehensive identification procedures, including inventory taking, assessment, and prioritization, for various climate change risks and opportunities once a year.</p> <p>For the material topics identified, the Company formulates response measures and management guidelines covering both operations and the value chain according to their relevance, and introduces the PDCA cycle mechanism to promote various action plans, ensuring comprehensive and timely risk control.</p>			
<p>STEP 01 Collecting issues: listing the climate-related risks and opportunities</p>	<p>STEP 02 Identifying impacts: assessing the materiality of risks/opportunities</p>	<p>STEP 03 Formulating strategies: developing corresponding strategies for material risks and opportunities</p>	<p>STEP 04 Monitoring and management: monitoring material risks and opportunities in accordance with the PDCA principles</p>	
<p>With reference to the topics in IFRS S2 Industry based Guidance for Electronic Manufacturing Services and Original Design Manufacturing, and taking into account their applicability, international trends, and the climate-related issues actually</p>	<p>A materiality assessment was conducted based on the “likelihood” of occurrence of each issue and the “degree of impact” on financial performance, on the basis of which the risks and opportunities to be prioritized for management were screened and ranked</p>	<p>With respect to the material risks and opportunities, feasible strategies and specific measures will be further formulated, and corresponding metrics and targets will be set to facilitate subsequent supervision.</p>	<p>The Company follows the PDCA principles to continue monitoring and managing material climate-related risks and opportunities, and regularly reviews and improves them, to ensure the appropriateness of relevant strategies and the</p>	

	encountered internally, the Company has organized and summarized the relevant climate risks and opportunities.	accordingly.		effectiveness of measures.									
5. If using scenario analysis to assess resilience to climate change risks, provide details of the scenarios, parameters, assumptions, analysis factors and key financial impacts.	<p>● Risk management system</p> <p>The Company classifies climate-related risks into two major categories: (1) “physical risks” directly caused by climate change, and (2) “transition risks” arising from the move toward a low-carbon economy. The Company conducts annual identification of climate risks and opportunities and integrates them with existing risks. Based on the assessment results, it adopts management strategies such as avoidance, mitigation, transfer, or control, and reports the implementation status to the Board of Directors each year.</p> <p>In terms of operations, the Company has introduced ISO 14064-1 greenhouse gas inventory verification and the ISO 14001 environmental management system, actively promotes energy conservation and carbon reduction, and has established business continuity plans to ensure its response capability in the face of climate-related disasters. In terms of supply chain management, the Company actively promotes localized procurement to enhance supply chain resilience. At the same time, through its supplier ESG management platform, it requires suppliers to conduct greenhouse gas inventories, set carbon reduction targets, and participate in education and training to strengthen suppliers’ sustainability awareness.</p> <p>● Selection of climate scenarios</p> <p>The Company selected climate scenarios with reference to international scientific reports and relevant policy trends, while also taking into account industry characteristics and current operating conditions. For scenario selection, the Company adopted the Shared Socioeconomic Pathways (SSP) scenarios in the IPCC Sixth Assessment Report (IPCC AR6, 2021) and the Net Zero Emissions scenario developed by the International Energy Agency (IEA) as the basis for scenario analysis, and included relevant uncertainties within the scope of analysis.</p> <table border="1" data-bbox="667 1086 2098 1428"> <thead> <tr> <th data-bbox="667 1086 965 1155">Context Selection</th> <th data-bbox="965 1086 1724 1155">Scenario description</th> <th data-bbox="1724 1086 2098 1155">Corresponding temperature rise by the end of the century</th> </tr> </thead> <tbody> <tr> <td data-bbox="667 1155 965 1361">SSP1-1.9 scenario: ultra-low emission (Corresponding to NGFS net-zero 2050 & IEA net-zero emissions scenario)</td> <td data-bbox="965 1155 1724 1361">In this scenario of mitigation, the world is undergoing an orderly transition, and it is expected to achieve net-zero emissions by 2050. Achieve the goal of the Paris Agreement to limit global warming to within 1.5°C. Provide a feasible pathway to “Net Zero by 2050” while balancing energy security, accessibility, and carbon reduction.</td> <td data-bbox="1724 1155 2098 1361">1.5°C</td> </tr> <tr> <td data-bbox="667 1361 965 1428">SSP1-2.6 scenario: low emission</td> <td data-bbox="965 1361 1724 1428">In this scenario of mitigation, the global carbon dioxide emissions have significantly reduced, but the results are</td> <td data-bbox="1724 1361 2098 1428">~2°C</td> </tr> </tbody> </table>				Context Selection	Scenario description	Corresponding temperature rise by the end of the century	SSP1-1.9 scenario: ultra-low emission (Corresponding to NGFS net-zero 2050 & IEA net-zero emissions scenario)	In this scenario of mitigation, the world is undergoing an orderly transition, and it is expected to achieve net-zero emissions by 2050. Achieve the goal of the Paris Agreement to limit global warming to within 1.5°C. Provide a feasible pathway to “Net Zero by 2050” while balancing energy security, accessibility, and carbon reduction.	1.5°C	SSP1-2.6 scenario: low emission	In this scenario of mitigation, the global carbon dioxide emissions have significantly reduced, but the results are	~2°C
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SSP1-2.6 scenario: low emission	In this scenario of mitigation, the global carbon dioxide emissions have significantly reduced, but the results are	~2°C											

	(Corresponding to the NGFS Delayed Transition and RCP 2.6)	unsatisfactory. It is expected to achieve net-zero emissions by 2075.	
	SSP5-8.5 scenario: ultra-high emission (Corresponding to RCP 8.5)	The rapid growth of the global economy is mainly dependent on the development of fossil fuels and high-energy-intensive industries, and there is almost no climate policy management. By 2050, global GHG emissions will double.	>4°C
<p>● Transition risk scenarios_Scenario analysis of energy cost impacts</p>			
	Analysis and assumptions	<p>In response to the Company’s carbon reduction targets, customers’ supply chain decarbonization requirements, and alignment with national policies, the Company has established phased low-carbon transition targets:</p> <p>The 2030 phase target: Reducing carbon emissions by 42%, and the use of renewable energy accounting for at least 50% (with 2025 as the base year).</p> <p>The 2050 long-term target: achieve net zero emissions (with the renewable energy usage ratio expected to reach 100%)</p>	
	Selected scenario	SSP1-1.9 ultra-low emission scenario (corresponding to NGFS net-zero 2050 & IEA net-zero emissions scenario)	
	Scope of analysis	Taiwan Plant, Vietnam Plant	Time setting: Baseline (2024), medium term (2030), and long term (2050)
	Financial impact	<p>The results of analysis based on the energy consumption cost in 2024 (set to 1.0) indicate:</p> <p>Medium-term impact in 2030: Vietnam Plant: costs are expected to rise to 1.87 times; Taiwan Plant: costs are expected to rise to 1.13 times.</p> <p>Long-term impact in 2050 Vietnam Plant: costs are expected to rise to 1.05 times; Taiwan Plant: costs are expected to decline to 0.34 times.</p>	
<p>● Physical risk scenarios_Scenario Analysis for Greenhouse Gas Pricing</p>			
	Analysis and assumptions	<p>On the premise that the carbon reduction target will be achieved by 2030 (a 42% reduction in Scope 1 and Scope 2 emissions from the base year) and net zero emissions will be achieved by 2050, the expected financial impacts under the BaU and transition strategy scenarios were assessed.</p>	
	Selected scenario	<ul style="list-style-type: none"> • BaU (Business as Usual) with no additional proactive actions: based on current carbon emissions, changes in carbon emissions through 2050 are estimated by incorporating revenue growth rates. Taking into account the carbon reduction targets and carbon pricing factors in each country, the expected annual financial impacts to be borne in order to meet progressive compliance requirements in the absence of additional carbon reduction actions are assessed. • Adoption of an energy transition strategy: in addition to the carbon pricing factors in each country, the Company also aligns with the vision of an “orderly net zero transition” under the IEA Net Zero 	

	Emissions Scenario (corresponding to the SSP1-1.9 ultra-low emissions scenario), and takes into account the related costs required to gradually increase the proportion of renewable energy use. The expected annual financial impacts to be borne by the Company under the smooth implementation of the transition strategy are assessed.		
Scope of analysis	Taiwan Plant, Vietnam Plant, USA Office, China Office		
Time setting	Short term (2025), medium term (2025–2040), long term (2041–2050)		
Financial impact	<ul style="list-style-type: none"> • BaU scenario: the degree of financial impact is limited in the short term. As expected carbon pricing continues to rise, the degree of financial impact becomes gradually more significant in the medium and long term. It is estimated that by 2050, the ratio of financial impact to revenue will reach 0.56%. • Transition scenario: the degree of financial impact remains limited in the short term. However, as carbon pricing and the proportion of renewable energy use gradually increase, the financial impact becomes more significant in the later stages. It is estimated that by 2050, the ratio of financial impact to revenue will reach 0.17%. 		
• Transition opportunity_scenario analysis of increased demand for green products			
Analysis and assumptions	In view of the growing market demand for equipment with AIoT functions, the RCP 2.6 and RCP 8.5 scenarios were adopted to assess the expected impact of changes in equipment demand caused by rising external temperatures on financial performance. Based on estimates in the IPCC Sixth Assessment Report, global warming is projected to reach 1.7°C and 2.4°C, respectively, by 2050.		
Selected scenario	<ul style="list-style-type: none"> • SSP1-2.6 low emissions scenario (corresponding to the NGFS Delayed Transition Scenario and RCP 2.6) • SSP5-8.5 very high emissions scenario (corresponding to RCP 8.5) 		
Scope of analysis	Proprietary products	Time setting	Short term (2025), medium term (2025–2040), long term (2041–2050)
Financial impact	Under the RCP 8.5 scenario, the proportion of additional sales revenue generated by equipment with AIoT functions to annual revenue is slightly higher than under the RCP 2.6 scenario. The overall assessment indicates that although the financial benefits are limited in the short term, the impacts will gradually become significant in the medium and long term as temperatures continue to rise. It is estimated that by 2050, the difference between the two scenarios in the ratio of financial impact to revenue will reach 3.2%.		
• Physical risk_acute climate hazard scenario analysis			
Analysis and assumptions	The 2024 National Climate Change Science Report was used as the basis for national and regional level variables. The report points out that in recent years, the pace of global warming has accelerated, and the frequency and intensity of extreme heat, heavy rainfall, and drought events have all shown an upward		

		trend. As overall warming intensifies, the likelihood of increased related risks also rises. By setting different scenarios, the Company examined the potential short-, medium-, and long-term risks at its major operating sites, including flooding, drought, high temperatures, and disasters caused by extreme rainfall.		
	Selected scenario	Climate Analytics – Climate impact explorer analysis tool • NGFS net-zero 2050 scenario (corresponding to SSP1-1.9) • NGFS delayed transition scenario (corresponding to SSP1-2.6)		
	Analysis Indicator	Flooding, drought, extreme heat, heavy rainfall		
	Scope of analysis	Taiwan Plant, Vietnam Plant	Significant Indicator	Extreme heat, heavy rainfall
	Financial impact	<p>•Extreme heat: according to the analysis results, for every 1 degree increase in temperature, electricity use needs to increase by 3%. With both plants experiencing a 1.5 to 2 degree increase, annual electricity costs will rise by NT\$215,000 to NT\$287,000 for the Taiwan Plant and by NT\$765,000 to NT\$1,002,000 for the Vietnam Plant.</p> <p>•Heavy rainfall: if it causes operational interruption, the Taiwan Plant will incur losses of NT\$927,642 per day, and the Vietnam Plant will incur losses of NT\$8,431,356 per day. Based on historical records over the past five years, annual losses from operational interruption are estimated at approximately NT\$1.37 million to NT\$1.55 million for the Taiwan Plant and approximately NT\$8.90 million to NT\$10.02 million for the Vietnam Plant.</p>		
<p>6. If there is a transformation plan for managing climate-related risks, provide an explanation of the plan’s contents and the indicators and objectives used to identify and manage physical and transition risks.</p>	<p>The Company’s climate-related metrics focus on two core areas: “GHG and energy management” and “green product and supply chain management.” In terms of greenhouse gas and energy management, the Company is committed to using 2025 emissions as the base year, reducing carbon emissions by 42% by 2030, and achieving net zero emissions by 2050. In terms of green products and supply chain management, the goals for 2030 are to launch the Company’s own carbon-neutral products, achieve the use of more than 50% renewable materials in the supply chain, and have green product revenue account for 40%. Details are provided in point 8 of the description of climate-related risk identification targets and metrics. The Company will disclose to the public annually the progress in implementing these climate metrics, demonstrating its commitment and concrete actions toward environmental sustainability.</p>			
<p>7. If using internal carbon pricing as planning instrument, provide an explanation of the basis of price setting.</p>	<p>In order to promote the goals of sustainable development, the Company uses shadow pricing as the basis for internal carbon pricing, and includes carbon fees as a reference factor for procurement decisions, which are applicable to equipment purchases equaling or exceeding NTD 100,000. Based on the carbon price announced by the Ministry of Environment of NT\$300 per metric ton, potential carbon costs are calculated accordingly (if the Ministry of Environment announces any change in the carbon fee, the sustainability department will promptly update the carbon price standard). This carbon cost will be used as one of the bases for decision-making, so as to internalize external costs, promote the priority adoption of low-carbon technologies and solutions, and accelerate the achievement of the Company’s medium and long-term carbon reduction targets.</p>			

<p>8. If climate-related targets are established, provide information on the covered activities, greenhouse gas emission scopes, planning timeline, annual progress. If carbon offsets or renewable energy certificates (RECs) are used to achieve these targets, the source and amount of carbon offsets or the number of RECs should be specified.</p>	<p>The Company formulates its carbon reduction pathway in accordance with the Science Based Targets (SBT). In 2025, the Company signed a power purchase agreement with a renewable energy provider. In 2026, it introduced the use of renewable energy and obtained Taiwan Renewable Energy Certificates (T-REC), which were implemented through the combined procurement of electricity and certificates. For detailed climate targets and actions, please refer to the table below:</p>														
<table border="1"> <thead> <tr> <th data-bbox="663 312 846 376" rowspan="2">Indicator</th> <th data-bbox="846 312 1099 376" rowspan="2">Commitment</th> <th colspan="3" data-bbox="1099 312 1803 344">Target</th> <th data-bbox="1803 312 2087 376" rowspan="2">Actual performance</th> </tr> <tr> <th data-bbox="1099 344 1339 376">Short term</th> <th data-bbox="1339 344 1579 376">Medium term</th> <th data-bbox="1579 344 1803 376">Long term</th> </tr> </thead> <tbody> <tr> <td data-bbox="663 376 846 1023">GHG and energy management</td> <td data-bbox="846 376 1099 1023"> <ul style="list-style-type: none"> ● Reducing GHG emissions at global factories by 42% by 2030 (with 2025 as the base year) ● Net-zero emissions by 2050 ● The use of green electricity accounts for at least 50% by 2030 </td> <td data-bbox="1099 376 1339 1023"> <ul style="list-style-type: none"> ● Participate in CDP carbon disclosure with a target of grade B. ● Formulate the “Regulations for Energy Management” in accordance with ISO 50001 ● Introducing energy-saving smart control systems and green energy at the new factories </td> <td data-bbox="1339 376 1579 1023"> <ul style="list-style-type: none"> ● The new factories acquire certifications for organizational GHG inventory ● Set reduction targets based on SBTs. </td> <td data-bbox="1579 376 1803 1023"> <ul style="list-style-type: none"> ● Renewable energy use accounts for more than 50% ● Reducing GHG emissions at global factories by at least 42% </td> <td data-bbox="1803 376 2087 1023"> <ul style="list-style-type: none"> ● Obtain a third-party assurance statement for the 2025 greenhouse gas inventory. ● In 2025, participate in CDP for the first time and obtain grade B, achieving the established target. </td> </tr> </tbody> </table>	Indicator	Commitment	Target			Actual performance	Short term	Medium term	Long term	GHG and energy management	<ul style="list-style-type: none"> ● Reducing GHG emissions at global factories by 42% by 2030 (with 2025 as the base year) ● Net-zero emissions by 2050 ● The use of green electricity accounts for at least 50% by 2030 	<ul style="list-style-type: none"> ● Participate in CDP carbon disclosure with a target of grade B. ● Formulate the “Regulations for Energy Management” in accordance with ISO 50001 ● Introducing energy-saving smart control systems and green energy at the new factories 	<ul style="list-style-type: none"> ● The new factories acquire certifications for organizational GHG inventory ● Set reduction targets based on SBTs. 	<ul style="list-style-type: none"> ● Renewable energy use accounts for more than 50% ● Reducing GHG emissions at global factories by at least 42% 	<ul style="list-style-type: none"> ● Obtain a third-party assurance statement for the 2025 greenhouse gas inventory. ● In 2025, participate in CDP for the first time and obtain grade B, achieving the established target.
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	Short term	Medium term		Long term											
GHG and energy management	<ul style="list-style-type: none"> ● Reducing GHG emissions at global factories by 42% by 2030 (with 2025 as the base year) ● Net-zero emissions by 2050 ● The use of green electricity accounts for at least 50% by 2030 	<ul style="list-style-type: none"> ● Participate in CDP carbon disclosure with a target of grade B. ● Formulate the “Regulations for Energy Management” in accordance with ISO 50001 ● Introducing energy-saving smart control systems and green energy at the new factories 	<ul style="list-style-type: none"> ● The new factories acquire certifications for organizational GHG inventory ● Set reduction targets based on SBTs. 	<ul style="list-style-type: none"> ● Renewable energy use accounts for more than 50% ● Reducing GHG emissions at global factories by at least 42% 	<ul style="list-style-type: none"> ● Obtain a third-party assurance statement for the 2025 greenhouse gas inventory. ● In 2025, participate in CDP for the first time and obtain grade B, achieving the established target. 										
<p>9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies, and concrete action plans (indicated in 1-1 and 1-2 separately).</p>	<p>To be filled in at 1-1 and 1-2</p>														

1-1 The Company's greenhouse gas inventory and assurance in the recent two years

1-1-1 Greenhouse gas inventory information

Describe the greenhouse gas emission volume (tCO ₂ e), intensity (tCO ₂ e/NTD million), and data coverage for the most recent two years.					
		2024		2025	
		Emissions in tCO ₂ e	Intensity (tCO ₂ e/NTD million)	Emissions in tCO ₂ e	Intensity (tCO ₂ e/NTD million)
Hsinchu Factory	Scope 1	141.4087		141.4782	
	Scope 2	432.2880		454.2342	
total		573.6967	0.1595	595.7124	0.1421

Note: The organizational carbon inventory has been conducted since 2023. The data coverage includes the Taiwan operations of CyberTAN Technology Inc., and the figures are calculated based on turnover (NTD million).

Note: In 2024, the Industrial Technology Research Institute was commissioned to carry out verification in accordance with ISO 14064-1:2018, and the results were disclosed in the 2024 Sustainability Report. Based on this, the self-inventory data were updated as follows: Scope 1 emissions were revised from 150.7013 tCO₂e to 141.4087 tCO₂e; Scope 3 emissions were adjusted from 3277.3508 tCO₂e to 3309.8516 tCO₂e; total emissions were adjusted from 3860.3401 tCO₂e to 3874.5483 tCO₂e. Verification opinion No.: OC-0906-2025013-02-01.

1-1-2 Greenhouse gas inventory assurance information

Describe the status of assurance in the last 2 years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.			
In order to strengthen climate change and greenhouse gas management, the company voluntarily carried out third-party greenhouse gas assurance in 2023. The implementation status in the past two years is as follows:			
Execution confidence range		Emissions in 2024 (tCO ₂ e)	Emissions in 2025 (tCO ₂ e)
Hsinchu Factory	Scope 1	141.4087	141.4782
	Scope 2	432.2880	454.2342
	total	573.6967	595.7124
	Percentage of the above 1-1-1 disclosed investigation data	100%	100%
Verification institution		Commissioned the Industrial Technology Research Institute	Commissioned the Industrial Technology Research Institute
Verification standard		ISO14064-1:2018	ISO14064-1:2018
Summary of the verification results for 2024:			
“The Industrial Technology Research Institute (Center for Measurement Standards)” conducted an independent verification of the greenhouse gas assertion reported by the Company. This engagement met the requirements of ISO 14064-1:2018. The verification results did not violate materiality limits. Categories 1 and 2 met the reasonable assurance level under the verification agreement, while Categories 3, 4, and 5 were at the limited assurance level. Greenhouse gas verification for 2025 is scheduled to be conducted in April of this year, and the verification results will be fully disclosed in the 2025 Sustainability Report.			

Note: In 2024, the Industrial Technology Research Institute was commissioned to carry out verification in accordance with ISO 14064-1:2018, and the results were disclosed in the 2024 Sustainability Report. Based on this, the self-inventory data were updated as follows: Scope 1 emissions were revised from 150.7013 tCO₂e to 141.4087 tCO₂e; Scope 3 emissions were adjusted from 3277.3508 tCO₂e to 3309.8516 tCO₂e; total emissions were adjusted from 3860.3401 tCO₂e to 3874.5483 tCO₂e. Verification opinion No.: OC-0906-2025013-02-01.

1-2 Greenhouse gas reduction goals, strategies and concrete action plans

Describe the greenhouse gas reduction base year and data, reduction goals, strategies, and concrete action plans and achievement of the reduction goals.

● Base year and targets for GHG reduction

The Company has proactively established greenhouse gas reduction policies and targets and commenced its greenhouse gas inventory ahead of the legally required timeline (2023). The scope covers the Company’s Hsinchu Plant, Taiwan. In 2025, the Hsinchu Plant recorded Scope 1 emissions of 141.4782 tons of CO₂e and Scope 2 emissions of 454.2342 tons of CO₂e. In the current year, greenhouse gas inventory work has also been launched for subsidiaries at major operating sites including Vietnam, Guangzhou, and California in the United States, and relevant verification is being planned. Based on the results of the 2025 consolidated inventory, the Company will set the base year, target a 42% reduction from the base year by 2030, and pursue net zero by 2050 as its long-term goal.

● Strategies and specific action plans for GHG reduction

The Company has established the stages of “transition introduction period,” “carbon reduction implementation period,” and “value chain net zero” as its promotion strategy. Based on this, transition actions have been planned, and corresponding net zero emission reduction strategies and supervisory mechanisms have been proposed from both the Company and value chain perspectives, with corresponding carbon reduction actions implemented in accordance with the net zero strategy.

1. Greenhouse gas reduction strategies :

	Transition introduction phase (2023–2025)	Carbon reduction implementation phase (2026–2029)	Value chain net zero (after 2030)
Operation	<ul style="list-style-type: none"> ◆ ISO 14064 training and introduction ◆ Publish ESG and TCFD reports ◆ Formulate the “Regulations for Energy Management” ◆ Submit the CDP carbon disclosure questionnaire voluntarily ◆ Formulate an internal carbon pricing mechanism 	<ul style="list-style-type: none"> ◆ Introduce renewable energy ◆ Formulate a carbon reduction pathway in accordance with SBT ◆ Expanded Scope 3 inventory categories ◆ Introduce ISO 50001 	<ul style="list-style-type: none"> ◆ Implement carbon reduction in accordance with the pathway set under SBT ◆ Purchase renewable energy certificates ◆ Achieve a 42% reduction in greenhouse gas emissions by 2030 ◆ Achieve a 50% renewable energy ratio by 2030 ◆ Achieve net zero in Scope 1 and Scope 2 by 2050
Supply chain	<ul style="list-style-type: none"> ◆ Establish and sign the “Supplier Code of Conduct” ◆ Establish and sign the “Environmental Protection and Social Responsibility Commitment Letter” 	<ul style="list-style-type: none"> ◆ Establish a supplier carbon management mechanism ◆ Conduct supplier training and engagement on a regular basis ◆ Increase the ratio of supplier ESG audits 	<ul style="list-style-type: none"> ◆ Enhance suppliers’ carbon reduction capabilities ◆ Set supplier carbon reduction targets

	◆ Introduce a supplier management platform		
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2. Specific actions to reduce greenhouse gases

	Taiwan Plant	Vietnam Factory
Implemented	<ul style="list-style-type: none"> ◆ Signing of a renewable energy power purchase agreement ◆ Replacement of the chiller unit ◆ Replacement of the lighting system with energy saving LED fixtures ◆ Smart sensor lighting system ◆ Sleep mode control for office equipment 	<ul style="list-style-type: none"> ◆ Smart air conditioning management system ◆ Smart energy management system ◆ Solar outdoor lighting equipment ◆ Replacement of the lighting system with energy saving LED fixtures and a lighting time control system ◆ Sleep mode control for office equipment
Under planning		<ul style="list-style-type: none"> ◆ Smart air compressor station control system ◆ Construction of renewable energy power generation system equipment

(VI) Fulfillment of integrity management and measures taken

Evaluation item	Implementation			Nonconformities to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof
	Yes	No	Summary	
I. Enactment of ethical management policy and program				
(I) Does the Company establish ethical corporate management policies that are adopted by the Board of Directors and explicitly state such policies and the implementation methods in its Articles of Incorporation and external documents? Do the Board of Directors and top management actively implement their commitment to implementing the operating policies?	✓		The Company is committed to ethical corporate management and complies with relevant laws and regulations. We adopted the “Ethical Corporate Management Best-Practice Principles” approved by the Board of Directors as the corporate management policies of the Company and disclosed the same on the Company’s website and MOPS to actively fulfill and supervise the execution of ethical corporate management policies committed.	(I) No major difference.
(II) For the risk of unethical conduct, does the Company establish an assessment mechanism and regularly analyze and assess the business activities within its business scope which are possibly at a higher risk of being involved in unethical conduct to establish preventive solutions that at least cover the conduct specified in each subparagraph under Paragraph 2 in Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”?	✓		The Company adopts proper preventive measures such as the establishment of “Code of Ethical Conduct for Directors and Managers” and “Employee Work Rules.”	(II) No major difference.
(III) Whether the Company explicitly defines procedures, guides of conduct, and disciplinary and reporting systems in case of a violation in the preventive solutions of unethical conduct, implements them accordingly, and	✓		The Company has established the “Employee Work Rules” to specify that employees shall be ethical and fulfill their duties without accepting bribes and keeping a disorderly house to enhance the prevention of unethical conduct. We also conduct irregular promotions and have established the “Code of Ethical Conduct for Directors and Managers.” The Board of Directors and management	(III) No major difference.

Evaluation item	Implementation			Nonconformities to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof
	Yes	No	Summary	
carries out reviews and modifications of these solutions?			also commits to actively fulfill and supervise the execution of ethical corporate management policies.	
II. Implementation of ethical business practices				
(I) Does the Company have the integrity record of the trading counterparty assessed and with the clauses of ethical conduct expressed in the contract signed between them?	✓		The business unit and procurement unit of the Company has respectively conducted the credit and loan investigations of the customers based on the internal control system of the Company and conducted the service quality control of the suppliers.	(I) No major difference.
(II) Whether the Company establishes a unit dedicated to promoting ethical corporate management under supervision by the Board of Directors and whether such unit reports the ethical corporate management policies and the preventive solutions of unethical conduct, as well as the supervision of the implementation effectiveness to the Board of Directors (at least once a year)?	✓		To implement the supervision responsibility of ethical corporate management, the HR unit of the Company is dedicated to managing operations related to the amendments, explanations and consultation services of relevant operating procedures and guides of conduct. The unit also conducts audit and follow-up based on the “Ethical Corporate Management Best-Practice Principles” and regularly reports the implementation status to the Board of Directors once every year. In addition, the Audit Committee of the Company has established regulations regarding the supervision and implementation of accounting, audit, financial report procedures to ensure the internal control procedure and integrity. 2. The Company has implemented an ethical management policy. The relevant status is as follows: (1) Education and training: Upon the training of newcomers, the Company promotes employee management principles. By doing this, the employees are aware of relevant laws, regulations and policies, of which the employees are reminded for strict compliance. (2) Compliance: The Company promotes ethical management and prevention of employee insider trading from time to time via intranet website. This way, our employees are able to pay attention to relevant matters when carrying out their duties.	(II) No major difference.
(III) Does the Company define any policy against	✓		The “Rules of Procedure for Board of Directors Meetings” of the	(III) No major difference.

Evaluation item	Implementation			Nonconformities to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof
	Yes	No	Summary	
<p>conflict of interest, provide adequate channels thereof, and fulfill the same precisely?</p> <p>(IV) Has the Company fulfilled ethical management by establishing an effective accounting system and internal control system, and had an internal audit unit develop relevant audit plans according to the risk assessment results of unethical conduct and audited the compliance with the preventive solutions of unethical conduct accordingly, or appointed a CPA to do so?</p> <p>(V) Has the Company organized internal/external educational training for ethical management periodically?</p>	<p>✓</p> <p>✓</p>		<p>Company has specified the policy against conflict of interests and the Company’s website also provides adequate channels thereof to prevent conflict of interest and implement accordingly. Also, the Company has established the “Code of Ethical Conduct” specifying that employees shall not exploit their authorities for improper gains. To fulfill the ethical corporate management, the Company has established effective accounting system and internal control system, and had an internal audit unit to conduct the audit. In the future, we may appoint the CPA to perform the audit depending on the situation.</p> <p>The Company has conducted the promotion and education of the employee management rules during the new employee training; the Company promotes the prevention of insider trading for the employees on the internal website of the Company on an irregular basis; we also promote the notices of “Personal Data Protection Act” for the employees on a irregular basis.</p>	<p>(IV) No major difference.</p> <p>(V) No major difference.</p>
<p>III. Implementation of the Company’s whistleblowing system</p> <p>(I) Does the Company define a specific whistleblowing and rewarding system, and establish convenient whistleblowing channels, and assign competent dedicated personnel to deal with the situation?</p> <p>(II) Has the Company defined the standard operating procedure for investigation</p>	<p>✓</p> <p>✓</p>		<p>The HR unit of the Company has established a specific whistleblowing mechanism and channel to handle various whistleblowing matters and assigned dedicated personnel to deal with the situation.</p> <p>The HR unit of the Company has established a specific whistleblowing mechanism and channel with confidentiality</p>	<p>(I) No major difference.</p> <p>(II) No major difference.</p>

Evaluation item	Implementation			Nonconformities to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof
	Yes	No	Summary	
<p>after acceptance of a reported misconduct, the follow-up actions to be taken after the investigation, and relevant confidentiality mechanism?</p> <p>(III) Has the Company adopted any measures to prevent the whistleblowers from being abused after reporting misconduct?</p>	✓		<p>measures throughout the process.</p> <p>The Company has adopted measures to prevent the whistleblowers from being abused after reporting misconduct.</p>	(III) No major difference.
<p>(IV) Enhancing information disclosure</p> <p>Has the Company disclosed the Ethical Management Best Practice Principles and the effect of implementation thereof on its website and Market Observation Post System?</p>	✓		<p>The Company has established the Ethical Corporate Management Best-Practice Principles and disclosed thereof on the Company's website and MOPS.</p>	No major difference.
<p>V.If the Company has established ethical management best practice principles based on “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” please describe any discrepancy between the principles and their implementation: The Company formulated the “Ethical Corporate Management Best Practice Principles” and “Code of Ethical Conduct for Directors and Managers.” The actual operation has been consistent with such Principles and Code.</p>				
<p>VI. Other important information useful to the understanding of the corporate ethical management implementation: (e.g. the Company's review and amendment of the Ethical Corporate Management Best Practice Principles established thereby)Please refer to the Company's website and Market Observation Post System (MOPS).</p>				

(VII) If the Company has corporate governance principles and related regulations in place, the access to such principles and regulations shall be disclosed: Please refer to the Company's website and MOPS.

(VIII) Other important information enabling better understanding of the Company's corporate governance implementation may also be disclosed: Please refer to the Company's website and MOPS.

(IX) Implementation of the internal control system:

1. Declaration of an Internal Control System : Please go to the MOPS (<https://mops.twse.com.tw>) and click on "Single Company" under "Corporate Governance" and "Company Regulations/Internal Control" and click on the internal control statement announcement for query.
2. If a CPA is appointed to review the Company's internal control system, the CPA's review report shall be disclosed: None.

(XI) Major resolutions made by shareholders' meetings and the Board of Directors in the most recent year up to the publication date of this annual report:

1. Important resolutions made by the shareholders' meeting in 2025

Important resolution:	Implementation
Proposal for ratification of the 2024 business report and financial statements	As the vote showed that the number of votes in favor exceeded the statutory limit, the case was accepted as is.
Company's 2024 Profit Distribution Plan	As the vote showed that the number of votes in favor exceeded the statutory limit, the case was accepted as is.
Amendment to the Company's Articles of Association	The vote was passed as the number of votes in favor exceeded the statutory limit, and the change of registration was completed on June 13.
Case of transferring shares to employees at a price lower than the average price of the shares actually repurchased.	As resolved by the board of directors on June 26, the shares were transferred to employees at a price of NT\$15 per share, with the subscription base date being June 26.

2. Important resolutions made by the Board of Directors

Date	Important resolution:	Implementation
March 05, 2025	<ul style="list-style-type: none"> ● Proposal of the Company's "Assessment for the Effectiveness of Internal Control Policies" and "Declaration of Internal Control System" ● Proposal of the Company's 2025 budget ● Proposal of the 2024 financial statements ● The company's 2024 annual business report ● Company's 2024 Employee Compensation Distribution Plan ● Company's 2024 Profit Distribution Plan ● No cash dividend will be distributed from the 2024 earnings. ● Proposal for assessment of the independence and competence of CPAs and relevant remuneration ● The assessment of the amount of other receivables arising from the Company as of the end of December 2024, which was transferred to funds for loans to others. ● Amendment to the Company's Articles of Association ● Proposal for defining the scope of the Company's "rank-and-file employees". ● Proposal for amendment to the "Organizational Rules of the Audit Committee" of the Company. ● Case of transferring shares to employees at a price lower than the average price of the shares actually repurchased. ● Proposal for holding the annual meeting of shareholders in 2025. ● Shareholders' proposal handling procedures at the shareholders' meeting 	Completed in accordance with the resolution

	<ul style="list-style-type: none"> ● Set the base date for cancellation and capital reduction of the company's issued new shares with restricted employee rights. ● Proposal of contracts with financial institutions ● In order to meet the needs of short-term financing of Hon Yao Fu Technology Company Limited, it is planned to provide fund loans to others ● Remuneration and ESG-related performance evaluation plan for managers in 2025 	
May 09, 2025	<ul style="list-style-type: none"> ● Proposal of the 2025 Q1 financial statements. ● The assessment of the amount of other receivables arising from the Company as of the end of March 2025, which was transferred to funds for loans to others. ● Set the base date for cancellation and capital reduction of the company's issued new shares with restricted employee rights. ● Discussion of the Company's Directors' Remuneration ● Discussion of the current Salary and Compensation Committee's remuneration proposal ● Discussion of the proposal of the managers' bonus 	Completed in accordance with the resolution
June 26, 2025	<ul style="list-style-type: none"> ● Appointment and remuneration of the Company's General Manager ● Appointment of the Company's CEO ● Appointment and remuneration of the Company's Chief Financial Officer, Chief Accountant, and Chief Corporate Governance Officer ● Fifth to Eighth Share Buybacks and Transfers to Employees ● Amendment to the Company's "Approval Authority Table" 	Completed in accordance with the resolution
August 7, 2025	<ul style="list-style-type: none"> ● 2024 Annual Sustainability Report. ● Formulate the Company's information security policy. ● Establish the Company's quantitative information security management indicators. ● Proposal of the 2025 Q2 financial statements. ● Assessment and transfer of funds from other receivables of the Company as of the end of June 2025 to other loans to others ● Amendment to the Company's "Approval Authority Table" ● Dissolution and liquidation of subsidiary HON YAO FU Technology Company Limited ● Set the base date for cancellation and capital reduction of the company's issued new shares with restricted employee rights ● Amendments to the Company's "Board of Directors Performance Evaluation Method" 	Completed in accordance with the resolution

	<ul style="list-style-type: none"> ● Amendments to the Company's "Corporate Governance Practice Code ● Personnel Planning for the Company's Subsidiaries 	
November 11, 2025	<ul style="list-style-type: none"> ● Draft of the Company's Sustainability Committee and its Organizational Regulations ● Draft of the Company's Sustainability Committee Members Appointment ● Draft of the Company's Internal Audit Chief Appointment ● Proposal of the 2026 audit plan. ● Proposed revision of the company's "Internal Audit System" ● Proposal of the 2025 Q3 financial statements. ● As of the end of September 2014, the company's other receivables balance exceeded the overdue amount of more than three months under normal credit lines, and it is proposed to classify this as a case not related to loans. ● Set the base date for cancellation and capital reduction of the company's issued new shares with restricted employee rights ● Establishment of the Company's "Operational Guidelines for Financial Transactions Between Related Parties" ● Amendments to the Company's "Accounting System" ● Amendments to the Company's "Code of Corporate Governance Practices" ● Application for Credit Lines from Financial Institutions and Signing of Contracts ● Salary Adjustments for the Company's Chief Financial Officer, Chief Accountant, and Chief Corporate Governance Officer 	Completed in accordance with the resolution
March 5, 2026	<ul style="list-style-type: none"> ● Proposal for the materiality assessment results of the Company's 2025 Sustainability Report and its sustainable development strategies and annual targets. ● Amendments to the Company's "Code of Practice for Sustainable Development" ● Amendments to the Company's "Internal Control System" ● The Company's "Internal Control System Effectiveness Assessment" and "Internal Control System Statement" ● The Company's 2026 Budget ● The Company's 2025 Financial Statement ● The Company's 2025 Business Report ● Amendments to the Scope of the Company's "Junior Staff" ● The Company's 2025 Employee Compensation Distribution ● The Company's 2024 Profit Distribution 	Completed in accordance with the resolution

- Proposal to Convene the Company's 2026 Annual General Meeting of Shareholders
- Auditor Independence and Competency Assessment and Appointment Remuneration Proposal
- Proposal to classify the Company's other receivables balance as of the end of December 2025 as not being in the form of loans exceeding three months of overdue normal credit lines.
- Set the base date for cancellation and capital reduction of the company's issued new shares with restricted employee rights.
- Amendment to the Company's "Approval Authority Table".
- Amendment to the Company's "Board of Directors Performance Evaluation Method".
- Proposal to apply for credit lines from financial institutions and sign contracts.
- Proposal for the distribution of managerial and employee remuneration for 2025.

(XII) Documented opinions or declarations in writing made by directors against important board resolutions in the most recent year up to the publication date of this annual report: None.

IV. Information of CPA Fees

Unit: NTD thousand

Name of CPA office	Name of CPA	Examination Period	Audit fees	Non-audit fees	Total	Remark
PwC Taiwan	Po-chuan Lin	2025/1/1~2025/12/31	4,285	1,230	5,515	non-audit fees mainly for the transfer pricing report and Master File.
	Chih-hua Hu					

(I) If replacement of a CPA firm results in a lower audit fee in that year compared to the previous year, the amount, percentage and reason of the reduction shall be disclosed: None.

(II) If an audit fee is reduced by more than 15% compared to the previous year, the amount, percentage and reason of the reduction shall be disclosed: None.

V. Information on Replacement of CPA

(I) Former CPA:

Replacement Date	2024/11/13		
Reasons and explanations for replacement	Due to the rotation of internal accountants at CPA Singapore, the accountants certifying the Company's financial statements will be changed to Po-chuan Lin and Chih-hua Hu from the third quarter of 2024.		
Indicates that the client or accountant terminates or does not accept the appointment	litigant	Accountant	Appointment
	Condition		
	Voluntary termination of appointment		✓
	No longer accept the commission		
Audit report opinions other than unqualified opinions issued within the last two years and the reasons therefor	No such situation		
Any disagreement with the issuer?	yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or steps
			other
	NO	✓	
	illustrate		
Other disclosure matters (those that should be disclosed in accordance with Article 10, Paragraph 6, Item 1-4 to Item 1-7 of these Regulations)	No such situation		

(II) Succeeding CPA:

Firm Name	PwC Taiwan
Accountant's Name	Po-chuan Lin and Chih-hua Hu
Date of appointment	2024/11/13
Pre-appointment accounting for specific transactions	No such situation
Treatment methods or accounting principles and	No such situation

(III) The former CPA's written response to the items referred to in Items 1 and 2-3, Subparagraphs 6, Article 10 of the Guidelines: None.

VI. The Company's Chairman, President, or any financial or accounting managers who have been employed by a CPA firm or any of its affiliated companies in the most recent year: None.

VII. Any transfer of equities and/or pledge of or change in equities by a director, supervisor, manager, or shareholder with a stake of more than 10% in the most recent year up to the publication date of this annual report

(I) Any change in equities of directors, managers, and major shareholders: For equity changes, please go to MOPS (<https://mops.twse.com.tw>) and click on "Equity Changes/Securities Issuance" under "Single Company", "Equity Transfer Information Inquiry", and click on "Post-Insider Shareholding Change Report Form" to query.

(II) Counterparts of the shares transferred or pledged are related parties: None.

VIII. Information on the top-ten shareholders who are related parties to each other, in a spousal relationship or within the second degree of kinship

Name	Shares held by the shareholder		Shares held by spouse and minor children		Total shares held in the names of others		The title or name and relation in case of the top-ten shareholders who are related parties to each other, in a spousal relationship or within the second degree of kinship.		Remarks
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Title (or name)	Relationship	
LGT Bank AG	13,189,000	4.00%	0	0	0	0	None	None	
Foxconn Technology Co., Ltd.	10,035,348	3.04%	0	0	0	0	Hyield Venture Capital Co., Ltd. Hon Yuan International Investment Co., Ltd.	Major Shareholder of Foxconn Technology	
Representative: Kuo-Pao Ceen	0	0	0	0	0	0	None	None	
Hyield Venture Capital Co., Ltd.	10,035,348	3.04%	0	0	0	0	Foxconn Technology Co., Ltd. Hon Yuan International Investment Co., Ltd.	Hon Hai Precision Industry's major shareholders and chairman are the same person.	
Representative: Te-Tsai Huang	0	0	0	0	0	0	None	None	
Hon Yuan International Investment Co., Ltd.	6,694,348	2.03%	0	0	0	0	Foxconn Technology Co., Ltd. Hon Yuan Hyield Venture Capital Co., Ltd.	Hon Hai Precision Industry's major shareholders and chairman are the same person.	
Representative: Te-Tsai Huang	0	0	0	0	0	0	None	None	
Vanguard Total International Stock Index Fund a series of Vanguard Star Funds	3,255,006	0.99%	0	0	0	0	None	None	
VANGUARD EMERGING MARKETS STOCK INDEX FUND A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	3,239,000	0.98%	0	0	0	0	None	None	
Barclays Capital Securities Limited--Barclays Capital Securities Limited SBL/PB	2,687,000	0.81%	0	0	0	0	None	None	
CyberTAN Technology, Inc. Treasury Stock Account	2,040,000	0.62%	0	0	0	0	None	None	
Ming-Chung Lee	2,000,000	0.61%	0	0	0	0	None	None	
Gwong-Yih Lee	1,952,000	0.59%	0	0	0	0	None	None	

IX. For the total number of shares held in any single enterprise invested in by the Company, its directors and supervisors, managers, and any enterprises controlled directly or indirectly by the Company, the general shareholding ratio is calculated in a consolidated manner

December 31, 2025

Invested enterprise	The Company's investment		Investment by directors, supervisors and managers, or by directly or indirectly controlled enterprises		Combined investment	
	Amount of investment	Shareholding ratio	Amount of investment	Shareholding ratio	Amount of investment	Shareholding ratio
CyberTAN(B.V.I) Investment Corp.	USD71,044,000	100%	—	—	USD71,044,000	100%
CyberTAN Corp.(USA)	USD600,000	100%	—	—	USD600,000	100%
Cyber Touch Investment Inc.	NTD100,000,000	100%	—	—	NTD100,000,000	100%
SonicFi Inc.	NTD5,000,000	100%	—	—	NTD5,000,000	100%
CyberTAN Technology (Hong Kong)Limited	—	—	USD6,644,000	100%	USD6,644,000	100%
Fu Hong Kang Technology Precision Industry(Shenzhen) Co., Ltd.	—	—	USD6,344,000	100%	USD6,344,000	100%
Chongqing Hongdaofu Technology Co.,Ltd.	—	—	CNY67,500,000	100%	CNY67,500,000	100%
HON YAO FU TECHNOLOGY COMPANY LIMITED	—	—	USD9,000,000	100%	USD9,000,000	100%
FU HAI Technology Company Limited	—	—	USD49,000,000	100%	USD49,000,000	100%
Guangzhou Fuguang Communication Technology Co., Ltd.	—	—	USD300,000	100%	USD300,000	100%

Three. Financing Status

I. Capital and shares

(I) Source of capital

1. Formation of capital

Date	Issue price (dollars)	Authorized capital		Paid-in capital		Remarks	
		Number of shares (thousand shares)	Amount (thousand dollars)	Number of shares (thousand shares)	Amount (thousand dollars)	Source of capital	Offset against payments of shares by any property other than cash
March 2025	10	500,000	5,000,000	330,310	3,303,104	Cancellation of new shares with restricted employee rights (Note 1)	-
May 2025	10	500,000	5,000,000	330,299	3,302,994	I Cancellation of new shares with restricted employee rights (Note 2)	-
August 2025	10	500,000	5,000,000	330,177	3,301,774	Cancellation of new shares with restricted employee rights (Note 3)	-
November 2025	10	500,000	5,000,000	330,136	3,301,360	Cancellation of new shares with restricted employee rights (Note 4)	-
March 2026	10	500,000	5,000,000	330,091	3,300,918	Cancellation of new shares with restricted employee rights (Note 5)	-

Note 1: The capital increase was approved by the Zhu-Shang-Zi Letter No. 1140008690 issued by the Hsinchu Science Park Bureau, National Science and Technology Council, MOST on March 20, 2025.

Note 2: The capital increase was approved by the Zhu-Shang-Zi Letter No. 1140016079 issued by the Hsinchu Science Park Bureau, National Science and Technology Council, MOST on May 26, 2025.

Note 3: The capital increase was approved by the Zhu-Shang-Zi Letter No. 114002686 issued by the Hsinchu Science Park Bureau, National Science and Technology Council, MOST on August 26, 2025.

Note 4: The capital increase was approved by the Zhu-Shang-Zi Letter No. 1140037457 issued by the Hsinchu Science Park Bureau, National Science and Technology Council, MOST on November 26, 2025.

Note 5: The capital increase was approved by the Zhu-Shang-Zi Letter No. 1150007727 issued by the Hsinchu Science Park Bureau, National Science and Technology Council, MOST on March 17, 2026.

2. Type of issued shares

Type	Shares	Authorized capital			Remarks	
		Outstanding shares (Listed)	Unissued shares	Shares reserved for issuing employee warrants		Total
Common stock		330,091,818 shares	155,908,182 shares	14,000,000 shares	500,000,000 shares	-

3. Information relevant to reporting: None.

(II) List of major shareholders

Names of major shareholders	Shares	Number of shares held	Shareholding ratio
LGT Bank AG		13,189,000	4.00%
Foxconn Technology Co., Ltd.		10,035,348	3.04%
Hyield Venture Capital Co., Ltd.		10,035,348	3.04%
Hon Yuan International Investment Co., Ltd.		6,694,348	2.03%
Vanguard Total International Stock Index Fund a series of Vanguard Star Funds		3,255,006	0.99%
VANGUARD EMERGING MARKETS STOCK INDEX FUND A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS		3,239,000	0.98%
Barclays Capital Securities Limited--Barclays Capital Securities Limited SBL/PB		2,687,000	0.81%
CyberTAN Technology, Inc. Treasury Stock Account		2,040,000	0.62%
Ming-Chung Lee		2,000,000	0.61%
Gwong-Yih Lee		1,952,000	0.59%

(III) Dividend policy and implementation thereof

1. Dividend policy defined by the Articles of Incorporation

The dividend policy defined by Article 20-1 of the Company's Articles of Incorporation is specified as follows:

If the Company has profit at the year's final accounting, it shall first be used to pay the income tax and make up any cumulative losses in accordance with laws, and 10% of the balance shall be appropriated as legal reserve, unless the existing legal reserve reaches the amount of the Company's paid-in capital. The rest of the balance shall be used for provision/reversal of special reserves pursuant to laws. The residual balance, if any, shall be added to cumulative undistributed earnings. The Board of Directors shall draft a motion for allocation of the residual balance plus the undistributed earnings, and submit the same to the shareholders' meeting to resolve whether shareholder bonus shall be distributed.

CyberTAN authorizes the Board of Directors to make a resolution with respect to payment of all or part of the distributable dividends, bonuses, capital reserves or legal reserves in cash by a majority vote at a meeting attended by over two-thirds of the directors and report such payment to the shareholders' meeting without being subject to the resolution of the shareholders' meeting referred to in the preceding paragraph.

CyberTAN is currently at the growth stage. Its policy for distribution of bonuses to shareholders must be based on the current and future investment environment, funding needs, domestic and international competition, capital budget and other factors, and must take into account shareholders' interests and CyberTAN's long-term financial plan. Bonuses to shareholders shall be allocated from the accumulated distributable earnings and shall be no less than 15% of the distributable earnings of the current year. No distribution is required if the distributable earnings of the current year are less than 3% of the paid-in capital.

Cash dividends shall account for no less than 10% of the bonuses to shareholders.

2. Dividend distribution proposed at the shareholders' meeting

CyberTAN resolved at the board meeting held on Mar 5, 2026 no appropriations of earnings in cash dividends.

3. Explain the effect of expected significant changes in the dividend policy: None.

(VII) Impacts of stock dividends proposed at the shareholders' meeting on the Company's business performance and EPS: N/A.

(VIII) Remuneration to employees and directors

1. Percentage and range of the remuneration to employees, directors, and supervisors stated in the Articles of Incorporation:

Article 20 of the Company's Articles of Incorporation is shown below:

Where the Company records a profit in a year, it shall allocate no less than 6% thereof as the remuneration for employees, and shall further allocate no less than 25% of the total amount actually allocated as the remuneration for employees as the remuneration for junior employees. The remuneration for employees shall be distributed in shares or cash subject to a resolution of the Board of Directors. The recipients of such remuneration may include the employees of any controlled or subordinate company who have met certain requirements. Any proposal for distribution of the remuneration for employees shall be submitted in a report to a shareholders' meeting.

However, earnings must first be used to offset cumulative losses, if any, before being distributed to the employees and directors as their remuneration at the percentage mentioned above.

2. The basis of estimating the amount of employee, director and supervisor remuneration, the basis for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of any difference

between the actual distributed amount and the estimated figure, in the current period: Such differences were treated as changes in accounting estimates and recognized as the profit or loss in the year of distribution.

3. Distribution of the remuneration approved by the Board of Directors:

- (1) CyberTAN Board of Directors resolved to distribute NTD 29,158,821 as employee remuneration and NTD 0 as director remuneration in 2025.
- (2) The Company expected to allocate NTD 29,158,821 and NTD 0 to employee bonuses and director remuneration in 2025, respectively.
- (3) The accounting treatment of any difference between the actual distributed amount and the estimated figure: The differences were treated as changes in accounting estimates and recognized as the profit or loss in the year of distribution.
- (4) The proposed amount of employee remuneration paid in shares and the ratio thereof to the total of profit after tax and employee bonuses in the current year: The Company did not distribute stock dividends to employees.
- (5) Estimated earnings per share after distribution of the proposed employee remuneration and director remuneration:
Since the employee remuneration was recognized as expenses and the Company was to distribute NTD 0 as director remuneration, the earnings per share were not affected.

4. Actual distribution of remuneration to employees, directors, and supervisors in the previous year:

- (1) NTD 1,476,135 for employee bonuses; NTD 0 for director remuneration.
- (2) The Company's estimated amount of allocation for employee bonuses and director remuneration in 2024 was NTD1,476,135 and NTD 0 respectively (Both amounts were estimated in consideration of legal reserves and calculated based on the profit after tax up to the current period and the percentage specified in the Articles of Incorporation).
- (3) There is no difference between the actual allotment amount and the estimated amount .

(IX) Repurchase of the Company's shares: None.

II. Issuance of corporate bonds: None.

III. Issuance of preferred shares: None.

IV. Issuance of overseas depository receipts: None.

V. Issuance of employee stock option certificates: None.

VI. Issuance of restricted stock awards for employees:

1. For all new restricted employee shares for which the vesting conditions have not yet been met for the full number of shares, the effect on shareholders' equity:

March 30, 2026

Category of new restricted employee shares	Third issuance (2022) new restricted employee shares	Fourth issuance (2022) new restricted employee shares	Fifth issuance (2022) new restricted employee shares
Date of approval by competent authorities and total number of shares	July 22, 2022 2,000,000 common shares	July 22, 2022 2,000,000 common shares	July 22, 2022 2,000,000 common shares
Issue date	August 11, 2023	November 10, 2023	May 10, 2024
Number of outstanding new restricted employee shares	100,000 common shares	30,000 common shares	260,000 common shares
New restricted employee shares to be issued	0 common shares	0 common shares	0 common shares
Issue price	NT\$0 per shar	NT\$0 per shar	NT\$0 per shar
Outstanding new restricted employee shares to total outstanding shares (Note)	0.03%	0.01%	0.08%
Vesting conditions for new restricted employee shares	Where an employee, after having been offered restricted stock awards (i.e. on the record date for capital increase), remains in service at the end of any of the following periods, the percentage of shares that may meet the vesting criteria for the respective period is as follows: 1. 1 year: 40% of the shares received may be vested. 2. 2 years: 30% of the shares received may be vested. 3. 3 years: 30% of the shares received may be vested.	Where an employee, after having been offered restricted stock awards (i.e. on the record date for capital increase), remains in service at the end of any of the following periods, the percentage of shares that may meet the vesting criteria for the respective period is as follows: 1. 1 year: 40% of the shares received may be vested. 2. 2 years: 30% of the shares received may be vested. 3. 3 years: 30% of the shares received may be vested.	Where an employee, after having been offered restricted stock awards (i.e. on the record date for capital increase), remains in service at the end of any of the following periods, the percentage of shares that may meet the vesting criteria for the respective period is as follows: 1. 1 year: 40% of the shares received may be vested. 2. 2 years: 30% of the shares received may be vested. 3. 3 years: 30% of the shares received may be vested.
Restricted rights for new restricted employee shares	1. Before employees meet the vesting conditions, employees cannot transfer, sale, or give new restricted employee shares to others or any other methods.	1. Before employees meet the vesting conditions, employees cannot transfer, sale, or give new restricted employee shares to others or any other methods.	1. Before employees meet the vesting conditions, employees cannot transfer, sale, or give new restricted employee shares to others or any other methods.

	<p>2. The rights to attend, submit a proposal, speak, vote, and be elected at shareholders' meetings are identical to those for outstanding common shares. The rights are exercised according to the trust agreement.</p> <p>3. Other rights include but are not limited to: the right to receive interests, dividends, statutory reserve, and capital surplus and the right to subscribe to cash issues. The rights are identical to those for the outstanding common shares. The shares are not required to be kept in trusts or be subject to a vesting period.</p> <p>4. Regarding the period between the ex-dividend date for dividend distribution, exdividend date for cash dividends, ex-dividend date for cash issue subscription, ex-dividend date for shareholders' meeting in Article 165, Paragraph 3 of the Company Act, or other statutory ex-dividend date and the exrights date, the timing and procedure for removing restrictions for employee who meet the vesting conditions during this period will be executed according to the trust agreement or related regulations</p>	<p>2. The rights to attend, submit a proposal, speak, vote, and be elected at shareholders' meetings are identical to those for outstanding common shares. The rights are exercised according to the trust agreement.</p> <p>3. Other rights include but are not limited to: the right to receive interests, dividends, statutory reserve, and capital surplus and the right to subscribe to cash issues. The rights are identical to those for the outstanding common shares. The shares are not required to be kept in trusts or be subject to a vesting period.</p> <p>4. Regarding the period between the ex-dividend date for dividend distribution, exdividend date for cash dividends, ex-dividend date for cash issue subscription, ex-dividend date for shareholders' meeting in Article 165, Paragraph 3 of the Company Act, or other statutory ex-dividend date and the exrights date, the timing and procedure for removing restrictions for employee who meet the vesting conditions during this period will be executed according to the trust agreement or related regulations</p>	<p>2. The rights to attend, submit a proposal, speak, vote, and be elected at shareholders' meetings are identical to those for outstanding common shares. The rights are exercised according to the trust agreement.</p> <p>3. Other rights include but are not limited to: the right to receive interests, dividends, statutory reserve, and capital surplus and the right to subscribe to cash issues. The rights are identical to those for the outstanding common shares. The shares are not required to be kept in trusts or be subject to a vesting period.</p> <p>4. Regarding the period between the ex-dividend date for dividend distribution, exdividend date for cash dividends, ex-dividend date for cash issue subscription, ex-dividend date for shareholders' meeting in Article 165, Paragraph 3 of the Company Act, or other statutory ex-dividend date and the exrights date, the timing and procedure for removing restrictions for employee who meet the vesting conditions during this period will be executed according to the trust agreement or related regulations</p>
Custody of new restricted employee shares	Restricting employees' rights After the new shares are issued, they must be directly handed over to the trust custody immediately, and the company or the person designated by the company will sign a trust custody contract with the stock trust custodian on behalf of the employees. The person or custodian agency requests the return of new shares	Restricting employees' rights After the new shares are issued, they must be directly handed over to the trust custody immediately, and the company or the person designated by the company will sign a trust custody contract with the stock trust custodian on behalf of the employees. The person or custodian agency requests the return of new shares	Restricting employees' rights After the new shares are issued, they must be directly handed over to the trust custody immediately, and the company or the person designated by the company will sign a trust custody contract with the stock trust custodian on behalf of the employees. The person or custodian agency requests the return of new shares

	that restrict employee rights.	that restrict employee rights.	that restrict employee rights.
Handling of shares received or subscribed by employees who subsequently fail to meet the vesting conditions	The Company will revoke and cancel the unvested new restricted employee shares.	The Company will revoke and cancel the unvested new restricted employee shares.	The Company will revoke and cancel the unvested new restricted employee shares.
Revoked or bought back Number of new restricted employee shares	65,000 shares	0 shares	31,600 shares
Number of new restricted shares with restrictions removed	20,000 shares	21,000 shares	97,600 shares
Number of new restricted shares with restrictions not removed	15,000 shares	9,000 shares	130,800 shares
New restricted shares with restrictions not removed to total outstanding shares (%) (Note)	0.01%	0.00%	0.04%
Impact on shareholders' equity	They have no material effect on shareholders' equity	They have no material effect on shareholders' equity	They have no material effect on shareholders' equity

Note: Based on 330,091,818 current outstanding shares (common shares) on Mar 31, 2026.

2.Names and acquisition status of managerial officers who have acquired new restricted employee shares and of employees who rank among the top ten in the number of new restricted employee shares acquired:

Title	Name	Number of new restricted employee shares acquired	Units of new restricted employee shares exercised to total outstanding shares (Note)	Restrictions removed				Restrictions not removed				
				Number of shares with restrictions removed	Issue price	Issue amount	Units with restrictions removed to total outstanding shares (Note)	Number of shares with restrictions not removed	Issue price	Issue amount	Units with restrictions not removed to total outstanding shares (Note)	
Executive officers	CEO	Gwong-Yih Lee	880,000	0.27%	868,000	0	0	0.26%	12,000	0	0	0.00%
	President	Raoul Oyang										
	Vice President	Deaxy Wang										
	Vice President	Maxon Huang										
	manager	Mandy Chen										
Employee	Director	Eric Liao	337,000	0.10%	236,800	0	0	0.07%	100,200	0	0	0.03%
	Deputy Director	Weiyu Tai										
	Deputy Director	Jack Tsai										
	Deputy Director	Kello Wu										
	special assistant	Even Lee										
	Senior Manager	Pc Fu										
	Senior Manager	Cheng Chao										
	Senior Manager	Jeffrey Liu										
	manager	Charlene Yu										
	manager	Roger Wu										
Assistant manager	sam chen											
Assistant manager	Norman Hsieh											

Note: Based on 330,091,818 current outstanding shares (common shares) on Mar 31, 2026.

VII. Issuance of new shares in connection with mergers or acquisitions or with the acquisition of shares of another company: None.

VIII. Implementation of Capital Utilization Plan: None.

Four. Business Operation

I. Business Content

(I) Scope of Business

1. Principal business activities
 - (1) Wired communication equipment and apparatus manufacturing
 - (2) Manufacturing of electronics components
 - (3) Restrained telecom radio frequency equipments and materials manufacturing (radio transceiver only)
 - (4) Restrained telecom radio frequency equipments and materials import (radio transceiver only)
 - (5) Computer and peripheral equipment manufacturing.
 - (6) Data storage media manufacturing and duplicating.
 - (7) Wireless communication equipment and apparatus manufacturing
 - (8) International trade
 - (9) Software design servicesResearch, development, production, manufacturing and sale of the following products:
 - (1) Broadband Internet router/gateway
 - (2) Virtual private network
 - (3) Firewall
 - (4) Layer 3/Layer 4 switch
 - (5) Wired high-end broadband network security router
 - (6) Wireless high-end broadband network security router
 - (7) LEO Satellite Broadband Network Service Gateway
 - (8) Network service matching platform
 - (9) Backbone network switch OEM
 - (10) OEM production of indoor/outdoor network cameras and doorbell network cameras
 - (11) Contract manufacturing and production of Video Over IP audio and video extenders
2. The Company's major products and their weights:

Unit: NTD thousand

Product type	2025 turnover	Weight of business
Communication product	4,002,964	95.53%
Others	187,345	4.47%
Net operating revenue	4,190,309	100.00%

3. Present products of the Company:
 - (1) DOCSIS 3.0/3.1 Cable Modem
 - (2) IoT Module/Gateway/Sensor
 - (3) Mesh Wi-Fi Router
 - (4) GPON HGU Gateway
 - (5) Outdoor WiFi AP
 - (6) Security Router
 - (7) Wireless xDSL Router
 - (8) Wireless AP/Bridge/Router
 - (9) Smart Router
 - (10) VPN Router
 - (11) VoIP Gateway/Router
 - (12) Satellite Gateway
 - (13) Satellite Router
 - (14) SMB Indoor/Outdoor AP
 - (15) Wi-Fi 6 Router/Gateway
 - (16) NB IOT Tracker
 - (17) Small and medium-sized enterprise network switches and spine switches
 - (18) Indoor/outdoor network cameras, doorbell network cameras

(19) Wi-Fi 7 Double, 3 Frequency wireless router, Mesh wireless router, and Mesh network node expansion device

4. New products planned for development

- (1) WiFi8 AP Router
- (2) WiFi8 Mesh Router
- (3) 5G Redcap CPE/FWA
- (4) Home Surveillance Camera
- (5) SMB IP Camera
- (6) Security Surveillance Camera
- (7) SMB Controller with AI FAE
- (8) SMB WiFi8 EAP
- (9) SMB 8-48 Port Switch
- (10) SMB SD-Branch Solution
- (11) 100G-400G Enterprise Switch

(II) Industry Overview

1. Current status and development of the industry:

5G will continue to develop in 2023. According to the data of GSMA, the global average 5G adoption rate is 16%. Ericsson stated that in 2023, the global number of 5G users increased by over 1.67 billion. Additionally, with the acceleration of global urbanization, smart cities are continuously evolving. Many smart city initiatives and measures are being implemented globally, encouraging investments in urbanization worldwide. According to the forecast of the Organization for Economic Co-operation and Development (OECD), between 2010 and 2030, investments in global smart city metropolitan infrastructure projects will reach approximately \$1.8 trillion. This initiative is expected to drive the demand for 5G base stations to ensure uninterrupted services for customers.

Due to its high investment rate in 5G deployment, the United States is a major innovator and investor in the 5G base station market. The country's telecommunications industry accounts for a significant portion of the global consumption of 5G technology. In the regional 5G base station market, investments and deployments in the United States have been significant. U.S. telecommunications companies such as AT&T, Verizon, and T-Mobile have signed agreements worth USD 1 billion with network equipment suppliers like Ericsson, Samsung, Nokia, Huawei, and ZTE to participate in the construction of 5G network infrastructure in the United States.

Ericsson expects that by 2026, the number of 5G users worldwide will exceed 195 million. In the United States, it is projected that by 2029, 5G will account for approximately 71.5% of the overall mobile market. CTIA indicated that rapid growth will lay the foundation for the 5G economy in the United States. This will bring about USD 275 billion in investment and 3 million new job positions, contributing to a USD 500 billion economic growth in employment opportunities.

On the other hand, in 2023, Taiwan successfully hosted its first 3GPP plenary meeting, attracting top executives from leading technology and telecommunications companies such as Intel, Qualcomm, Samsung, Apple, Vodafone, SoftBank, and T-Mobile, among others. These executives traveled to Taiwan specifically to participate in the 3GPP plenary meeting, including Younsun Kim, Vice President of Technology of Samsung Research Institute; Juho Lee, Executive Vice President of Samsung Technology Department; Chen Wan-Shih, Senior Vice President of Qualcomm Technology Department and Chairman of

3GPP TSG-RAN; Yusuke Nakano, Head of KDDI 3GPP Standards Department; Hiroki Takeda, Business Manager, Department of Commerce, KDDI; Lionel Morand, Chairman of 3GPP TSG CT; Antti Toskala, Head of Wireless Communication Standards, Nokia Bell Laboratories; Sari Nielsen, Head of Communication Standards Department, Nokia; JAIN Puneet, Senior Director of the Technical Standards in the Next Generation and Standards (NGS) Group at Intel and Chairman of 3GPP SA; Adrian Scrase, CTO of ETSI, and Chris Pudney, Head of Wireless Communication Architecture and Standards Department, Vodafone.

The development of 5G enters the era of space communication

One of the key focuses of the meeting was the integration and development of 5G with space communication, specifically with LEO, MEO, and GEO satellites. Discussions revolved around the new 5G Non-Terrestrial Network (NTN) technology standards. Before the advent of 6G, 5G NTN is poised to become the new battleground for global technology giants in the coming years, attracting significant attention. At the 2023 World Mobile Congress (MWC), MediaTek unveiled the world's first 3GPP 5G NTN smartphone. MediaTek's groundbreaking achievement primarily drove the choice of Taiwan as the venue for the 3GPP member meeting.

NTN technology originates from the Third Generation Partnership Project (3GPP). In late March 2022, it announced the formal completion of the Phase 3 protocols for 5G New Radio (NR) Release 17 (R17). The development of wireless access technology by 3GPP in R17 can be summarized as continuous evolution and accelerated expansion of 5G.

After the completion of R17, the long-awaited satellite network standard for mobile devices should be completed in 2022, and commercial services are expected to be available within two years. By formally incorporating satellites as part of the 3GPP specifications, supporting the commitment to global access to 5G networks, this development is poised to accelerate the rapid growth of the satellite industry. During the 3GPP R18 workshop in June, stakeholders actively promoting NTN discussed plans to further confirm the use of frequencies above 10 GHz for satellite access based on NR. This initiative aims to serve both fixed and mobile platforms such as airplanes, ships, drones, and stationary equipment installed on buildings.

Wi-Fi mainstream specification development enters the stage of Wi-Fi 7

Wi-Fi Alliance® launched Wi-Fi CERTIFIED 7™ in early 2025, a powerful new feature that enhances Wi-Fi® performance and improves connectivity in various environments. The cutting-edge features of Wi-Fi CERTIFIED 7 enable innovations that rely on high throughput, deterministic latency, and higher reliability for critical traffic. New use cases – including multi-user AR/VR/XR, immersive 3D training, video gaming, hybrid work, IIoT, and automotive – will be facilitated by the development of the latest generation of Wi-Fi. Wi-Fi CERTIFIED 7 represents the pinnacle of the extensive collaboration and innovation within the Wi-Fi Alliance®, which promotes global product interoperability and a robust and complex device ecosystem.

Wi-Fi 7 will be rapidly adopted in a wide range of ecosystems. More than 233 million devices are expected to enter the market by 2025, and the number will

grow to 2.1 billion devices by 2028. Smartphones, PCs, tablets, and access points (APs) are expected to be among the first devices to adopt Wi-Fi 7. Additionally, users of client devices (CPE) and enhanced and virtual reality (AR/VR) devices will continue to be attracted to the early market opportunities [1]. Wi-Fi CERTIFIED 7 pushes the boundaries of today's wireless connectivity. Wi-Fi CERTIFIED™ helps ensure that advanced features are deployed in a consistent manner to provide a high-quality user experience. Advanced features include:

- 320 MHz channel: Available in countries where the 6 GHz band is available to Wi-Fi, the ultra-wide channel is twice the size of today's widest channel to facilitate multi-gigabit device speeds and high throughput
- Multilink operation (MLO): Allows equipment to transmit and receive data over multiple links simultaneously to increase throughput, reduce latency, and improve reliability
- 4K QAM: 20% higher transmission rate than 1024 QAM
- 512 Compressed Block Ack: Improve efficiency and reduce overhead
- Multiple RUs corresponding to one STA: Improve the flexibility of spectrum resource scheduling and improve spectrum efficiency
- Triggered Uplink Access: Optimize the Triggered Uplink Access defined by Wi-Fi 6 to accommodate delay-sensitive flows and satisfy QoS requirements
- Emergency Preparedness Communication Service (EPCS): Provide users with a seamless National Security and Emergency Preparedness (NSEP) service experience while maintaining Wi-Fi access network priorities and service quality.

Wi-Fi still holds an irreplaceable position

First, in terms of the cost of use for users, a lot of the 5G online service charges of mobile telecommunication providers in most countries adopt the design of service packages according to different transmission volume limits, and unlimited transmission volume is the highest service package offered to users. For most of users, selection of a reasonable monthly charge along with the use of Wi-Fi has been the widely accepted use model. In addition, business operators, such as T-Mobile, are developing their 5G FWA service. Nevertheless, in terms of the fixed broadband service providers based on local Comcast with the average monthly consumption of several hundred GB bandwidth volume, mobile telecommunication service providers must be able to provide sufficient Wi-Fi volume to reduce the burden of base stations, in order to cope with the increasing number of 5G FWA users.

The second factor is related to the product development cost. Since Wi-Fi uses unauthorized bands, for equipment developers, they are not required to invest a great amount in the chip market entrance fee and patent royalty fee, and the large industrial ecosystem has been established under such relatively low entrance barrier. However, 5G mobile communication development requires relatively higher entrance cost. Except for smartphones and PC devices of higher selling prices being widely developed by manufacturers, the diversity of the rest of the products is still limited. In the network-connected era, the connection of numerous devices through Wi-Fi and 5G is a more effective and beneficial method.

Lastly, according to the above, it can be understood that the Wi-Fi technology is improving continuously, and a new version is released approximately every 5 years. The transmission rate for the next generation of Wi-Fi 7 is expected to have a significant improvement in the wireless network technology group, and it will be closely tied to the evolution of fixed optical fiber specification. Accordingly, business operators will seize opportunities in the enormous broadband application market. In general, the situation where Wi-Fi being replaced by 5G may still occur in some markets (such as corporate exclusive network); however, as Wi-Fi still has its advantages in various aspects, both technologies are more likely to develop in

the co-existence state in the future.

Growing demand for enhanced network, low-latency, and broadband communication among enterprises is driving market development

According to the forecast of GII Global Information, the global Wi-Fi 7 market will grow at a compound annual growth rate of 52% during the forecast period from 2023 to 2030.

In addition, the significant increase in data traffic has accelerated the demand for excellent network connections in multiple vertical industries such as enterprise and industrial in order to obtain instant and fast updates anytime, anywhere. For example, Wi-Fi 7 can connect smart home appliances such as thermostats, lights and security cameras. It can also connect IIoT devices such as robots and sensors. These new initiatives are increasing interest in Wi-Fi 7 and expanding the market. However, one of the biggest commercial constraints is the high cost of Wi-Fi 7 equipment. The complexity of Wi-Fi 7 devices makes deployment more challenging than previous generations of Wi-Fi devices. Installers may end up paying more for the service.

In terms of regional outlook, North America is still the main market to promote Wi-Fi technology. The number of smartphone users in the region is huge and growing, and the demand for high-speed Internet connections in homes and businesses is high. However, the Asia Pacific region is expected to become the largest region in the Wi-Fi 7 market. In just a few decades, Asia has rapidly transformed from a global power in the wireless field to a leader in innovation and application. This rapid development is attributable to several factors. On the one hand, it is the scale of the Asian market. In addition, Asia has a population of more than 4.5 billion, accounting for half of the world's population. This has expanded the size of the potential market for wireless services, helped reduce prices, and made wireless technology more widely available to all consumers.

Network Solutions for Small and Medium Enterprises

The SMB network equipment market for small and medium enterprises has always been an active and competitive field. The scale of this market has been growing steadily, and will continue to maintain this growth momentum in the future. The main driving factors behind this growth include the continuous growth of data traffic, increasing needs for security, diversity of enterprise applications, and the rise of remote working trends.

As data traffic continues to increase, SMB needs faster and more reliable network equipment to deal with this challenge. At the same time, with the frequent occurrence of network attacks and data leakage incidents, SMB's demand for network security is also increasing. Therefore, network devices with powerful security functions will be popular. In addition, with the rising trend of remote work, the demand for remote access and network connection will also increase. Therefore, SMBs need to update and expand their network equipment to support this new work style.

In terms of technology trends, the SMB network equipment market continues to iteratively update some key technologies. For example, Wi-Fi 6 and Wi-Fi 7 technologies provide higher wireless network speed, better capacity, and lower latency. In addition, centralized network management and cloud management technology make network management more flexible and easier to manage. Additionally, with the popularity of IoT devices, SMBs also need to update their network equipment to support these new devices. This includes better security flexibility, better connectivity, and better management functions.

CyberTAN's SMB solution design philosophy is to meet the needs of SMBs and solve the pain points of SMB network use and management. It has the following features:

- (1) Simple and easy-to-use unified cloud management: Most SMBs may not have a dedicated IT team to manage network devices. Therefore, the cloud-based design of CyberTAN's SMB solution is very intuitive and easy to use, which can be easily configured, managed, and debugged, even by non-technical personnel.
- (2) Cost-Effectiveness: SMBs are usually cost-sensitive. The SMB solution of CyberTAN can provide a good price/performance ratio, integrating R&D with the efficient production of the self-factory, in order to provide SMB products with competitive prices.
- (3) Scalability: As the enterprise grows, the network requirements will also increase. CyberTAN's SMB solution has good extensibility. Through OpenAPI, partner equipment can be flexibly expanded and integrated to meet the new needs of enterprises without large-scale equipment replacement. Cloud management makes it easy to perform large-scale equipment software updates without interrupting network services.
- (4) Security: For SMBs, network security is very important. CyberTAN's SMB solutions provide powerful security functions, including a firewall, intrusion detection system, and virtual private network (VPN), to protect corporate data and systems from threats.
- (5) Performance and reliability: CyberTAN's SMB solutions provide good performance and reliability to meet the daily operational needs of enterprises. This includes fast data transfer speeds, stable connections, as well as good troubleshooting and support services.

Artificial Intelligence (AI) is a very popular technology recently. A large scale of R&D resources are also invested by CyberTAN to introduce AI technology into SMB solutions. By integrating the professional knowledge of network, Wi-Fi, and cloud management accumulated over time, the introduction of AI will greatly enhance the product strength and differentiation of SMB solutions, which are specifically reflected in the following areas:

- (1) Network security enhancements: Use AI to analyze traffic patterns, detect abnormal activities, and block potential threats to improve network security. This helps protect SMBs' networks from malicious attacks and data breaches.
- (2) Network management optimization: AI algorithm optimizes network usage to help SMBs better manage their network equipment and resources. Optimize network performance through automatic monitoring, data collection and calculation, and adjust network bandwidth to ensure more efficient network operation of enterprises.
- (3) Failure prediction and prevention: AI analyzes network device data to predict possible failures. This helps SMBs identify and resolve potential problems in a timely manner, thereby reducing downtime and maintenance costs.
- (4) Smart customer service and support: CyberTAN applies AI technology to customer service and technical support to provide smart solutions. Through natural language processing and machine learning, AI can help SMBs solve user problems faster and more accurately, increasing customer satisfaction.
- (5) Predictive analytics and business insights: CyberTAN utilizes AI algorithms to analyze large volumes of network data, extracting valuable information and providing business insights. This helps SMBs better understand their network operations and find potential room for improvement and optimization.

2. Correlation among upstream, midstream and downstream in the industry:

We are a supplier specialized in the product development, design, and manufacturing of wired and wireless broadband network equipment as well as the development, design and after-sale service of relevant software and firmware. The upstream of all product lines includes materials such as processors, network interface controller chips, broadband exchange/router chipsets, data encryption chips, power supplies and printed circuit boards and the downstream includes network equipment distributors and regional carriers.

3. Development trends of products:

LEO satellite communication

Due to the gradual development of the LEO satellite market, MIC estimated that market scale will reach USD 24.78 billion in 2027. Analysis of Euroconsult: The demand for broadband communications satellite will increase 5 times in the future 10 years and 1,250 satellites will be launched per year. Compared to the 260 satellites launched in the previous 10 years, the rapid increase of number clearly proved the prospering development of the satellite broadband market and industry. This change not only reflected on the demand for satellites but also reflected on the main usage of satellite and the current status of satellite broadband operators regarding the government and purpose.

The 5G mobile communication era begins and how to meet the demand for 5G communication in various terrains and regions around the world while maintaining good 5G communication quality becomes the new issue for vendors in various industrial supply chains strive to conquer. The development of LEO satellite attracts much attention because the satellite signal can travel over mountains and oceans to make up for the deficiency of 5G wave. However, due to the restriction of geographical space, there are about 70% of regions without network coverage in the world. In most of these places, this is due to factors such as precipitous geographic environment, remote location or being located at sea or in the mountains; these areas increase the difficulty and cost for network infrastructure establishment and maintenance. Also, most internet service providers are unwilling to invest in these areas due to the low population, meaning poor potential user number and network traffic.

The satellite communication can be classified from high to low as HEO, MEO and LEO according to the orbit distance. Featured with low latency and increasingly low cost due to the investment of multiple vendors, LEO can assist in strengthening the disadvantage of difficult establishment of 5G AP in harsh environments since its transmission rate is better than 4G communication after testing.

The orbit distance of GEO satellite is about 36,000km from earth. Therefore, GEO satellite provides wider signal coverage on earth due to the long distance between the orbit and the earth. Thus, only three broadband satellites are required for orbiting to cover the world with broadband signal. The establishment and maintenance cost of the satellite is greatly reduced because its lifetime can reach 15 years. However, the long delay time of data communication is the disadvantage of the satellite.

The orbit distance of MEO satellite is about 8,000km from earth. The required satellite numbers in the system are slightly higher than the GEO system due to its closer orbit distance from earth. Every satellite has shorter service time than the GEO satellite in the covering region. Thus, the control and switching of system is simpler, the satellite and earth station cost is lower and the satellite lifetime is slightly shorter than GEO.

The orbit distance of LEO satellite is about 1,000km from earth. The low orbit

distance of the satellite provides shorter transmission delay time and less path loss. However, this requires thousands of satellites to form the network structure to realize true global coverage. Therefore, due to the feature of shortest transmission delay time, LEO satellite broadband technology is considered as the satellite broadband technology with most development potentiality.

However, the LEO system requires more satellites, has higher launching cost with relatively short satellite lifetime and complicated system technology. This is also the problem that present LEO satellite operators striving to conquer.

The market scale of global broadband satellite service was settled to be USD 226.5 million in 2019. According to NSR's analysis of satellite broadband market, it is estimated that the industrial scale will be promoted with a compound annual growth rate of 27.0% from 2021 to 2026 and expected to reach USD 79.07 billion by the end of 2026. Therefore, many emerging broadband satellite service providers are established one after another and the entire industrial chain of broadband satellite service begins to enter the ascending stage.

Latest development of main low-earth-orbit (LEO) satellite business operators

The main International low-earth-orbit satellite (LEO) satellite service operators nowadays include SpaceX's Starlink, Amazon's Kuiper in the U.S., and Oneweb jointly invested by the British government and Bharti Airtel, the largest telecommunication service operator in India, satellite broadband service provider Telesat, and the U.S. satellite business operators of Indium and Globalstar providing the mobile satellite communication service. In addition to the aforementioned main LEO satellite business operators, GSO satellite business operators, such as Viasat, are also optimistic about the LEO satellite market business opportunities. It is expected to develop the LEO satellite for the next generation of satellite, and relevant network deployment will be started in 2026.

Starlink LEO satellite star-system planning progress

SpaceX is a space technology company established by the founder of Tesla, Elon Musk, the wealthiest man in the world according to the ranking of the 2022 Forbes World's Billionaires. The goal of the company is to reduce space transportation cost and to achieve the vision of manned spacecrafts for mars immigration. The company is committed to the development of space technologies, including the manufacturing of satellites and rocket recovery technology, etc.

According to SpaceX's LEO satellite star-system planning, it is divided into four stages, including the stage of massive applications for launch permits before 2020, the intensive launch stage for 2020–2025, the global network trial operation stage for 2025–2027, and the final goal of the full commercial service operation stage expected to commence in 2027. Starlink plans to complete the deployment of more than 5,000 LEO satellites in 2025, and is expected to complete the deployment of the remaining 7,518 satellites in 2027, for a total of 12,000 LEO satellites.

As of March 2025, SpaceX has launched a total of 5,504 Starlink satellites into orbit. Although this statistic includes prototypes and failed satellites, the number of Starlink satellites in operation has reached 5,442 satellites. This makes Starlink the operator of the largest constellation of LEO satellites for broadband internet services, with global coverage and the highest number of satellites in service.

Oneweb LEO satellite star-system deployment progress

Oneweb was established in 2012 and its headquarters are located in London, U.K. and Virginia, U.S.A. Under the impact of the withdrawal of the original investor

Softbank at the end of March 2020, Oneweb announced the application for its bankruptcy protection. Subsequently, in July 2020, the British government and the Indian telecommunication group Bharti Global respectively acquired 45% of the shares of Oneweb with GBP 800 million (approximately USD 1 billion) (GBP 400 million of investment from each, approximately USD 500 million), and the remaining 10% of shares were held by the existing creditors, including SoftBank. In general, Oneweb is one of the main competitors of SpaceX, and its star-system communication performance and deployment speed at the initial stage are next to SpaceX. Oneweb plans to launch 716 units of LEO satellites during the first stage. It originally planned to send 32–36 satellites into orbits in one launch per month in 2020; however, Oneweb announced bankruptcy after the satellite launch in March 2020, such that its satellite launch was suspended. It wasn't until December 2020 that Oneweb resumed its operation deployment. In May 2021, 36 units of Oneweb satellites were launched with Arianespace, and as of March 2022, a total of 428 satellites had been launched completely. In the latest planning, Oneweb has reduced the number of satellite launches for the first stage, and it is expected to deploy all 649 units of satellites to achieve the global coverage in 2022. For the second stage, presently, it plans to divided it into three sessions of launches in order to deploy a total of 6,372 units of satellites.

Oneweb commercial service development

Oneweb's LEO satellite service is mainly targeted at the niche market of corporate and government applications. It expects to provide network coverage for regions above the north latitude of 50 degrees. Presently, it has completed the coverage for the regions of the U.K., northern Europe, Greenland, Iceland and Canada, and it plans to provide commercial service at the end of 2021. After the acquisition of Oneweb by the largest telecommunication group in India, Bharti Global, Oneweb also includes India in its latest global communication service plan, and it expects to provide its service in India in 2022.

The application scenarios provided by Oneweb cover the feedback network, aerospace, marine applications and government use. Among such applications, the field of marine use is the key planning focus for Oneweb, and it includes marine applications aimed to satisfy different demands of commercial vessels, cruises, recreation boats and fishery. It expects to provide marine satellite communication service of large volume and low latency.

Amazon Kuiper LEO satellite star-system deployment progress

In April 2020, Amazon announced to reach the largest rocket transaction in the commercial aerospace industry, and it had signed with agreements with three companies for a maximum of 83 launches of its Kuiper project IoT satellites.

This technology giant signed agreements with United Launch Alliance (ULA), a joint venture of Boeing and Lockheed Martin for 38 launches. It also cooperated with the European company Arianespace 18 times, and cooperated with Blue Origin invested by the founder of Amazon, Jeff Bezos, 12 times, with an additional option of 15 times of cooperation.

Kuiper's plan is to establish a network formed by 3,236 satellites at the low-earth orbit for Amazon in order to provide high-speed internet network for all areas around the globe. FCC granted its permission in 2020, and Amazon indicated that "the investment will exceed USD 10 billion" to construct the system.

By 2026, it plans to deploy 1,600 satellites.

At the beginning, Amazon will start its test of two units of Kuiper prototype satellites, and it is planned to launch by the RS1 rocket of ABL Space at the end of this year, following which it will deploy satellites in space orbit. Although

Amazon has not explained when the Kuiper launch activity will start, according to the FCC rules, the company is required to deploy half of the satellites of its project in 6 years. In other words, by July 2026, it will have approximately 1,600 satellites entering orbit.

Amazon's equipment and service senior vice president, Dave Limp, stated that "We still have a lot of works to be done. Nevertheless, we have achieved milestones one after another in all aspects of our satellite system. All of the cooperation agreements have reflected our unbelievable commitment and faith in the Kuiper project."

4. Competition

The Company has a complete product line, including wired/wireless broadband, wireless client, telecommunication client, digital home, IoT and SMB products. The Company has routing and wireless RF technology, broadband router, xDSL, PON and Cable routers, integrated access device (IAD) and VoIP router. The main competitors are Sercomm Corp., Arcadyan and Wistron NeWebl the main competitors of wireless network card/module are AZUREWAVE and Gemtek; the main competitors of digital home products are Alpha Networks, Arcadyan and Pegatron. Looking to the future, the Company will continue to research and develop new products meeting the fashion and trend of the market in the hope of pulling the distance from the competitors to create better performance.

(III) Overview of Technology and R&D

1. R&D expenses during the most recent year and up to the publication date of this annual report:

Unit: NTD thousand		
Item/Year	2025	Up to March 31, 2026 (Self-signed number)
R&D expenses	359,456	82,254

2. Technology and products developed successfully in the most recent year and up to the publication date of this annual report:

January 2015	DTA HD Gen2 Set-top Box was shipped
February 2015	1750Mbps 3x3 802.11ac Dual-mode Indoor Base Station for Small Businesses was firstly shipped
April 2015	Wi-Fi 802.11ac MU-MIMO 4x4/4x4 Wireless Router was shipped
April 2015	First batch of 2600Mbps 4x4 802.11ac Wave-2 Dual-band Dual-mode High-speed Wireless Router was shipped
September 2015	Ka-band Satellite Broadband Router was shipped
March 2016	DOSIS 3.0 Cable Modem was shipped
October 2016	IoT Wireless Smart Home Sensor Kits was shipped
November 2016	4K Set-top Box was shipped
December 2016	First batch of Home Mesh Wi-Fi Router Kits was shipped
February 2017	High-end Cable Set-top Box was shipped
April 2017	IoT Enterprise WSN Gateway was shipped
July 2017	Home Antivirus Firewall Dual-band Wireless Router was shipped
September 2017	Second version of High-speed Satellite Broadband Wireless Router was shipped
February 2019	High-speed Satellite Broadband Wireless Extender
March 2019	Mesh Wi-Fi Router for Chinese customers was shipped
April 2019	NB-IoT Tracker for North American customers was

	shipped
May 2019	DOCSIS 3.1 Wi-Fi 6 Cable Gateway was shipped
December 2019	First testing machine of new generation High-end Smart Set-top Box was shipped
May 2020	Wi-Fi 6 Router for North American customers was shipped
June 2020	Mass production model of new generation High-end Smart Set-top Box was shipped
September 2020	5G Wi-Fi 6 Gateway was shipped
October 2020	Shipment test of 5G FWA testing machine for North American customers
April 2021	Wi-Fi 6 Dual-band Mesh Full Coverage Router was shipped
June 2021	Sample of LEO Satellite Broadband Trial Operation was delivered
October 2021	Sample of 5G FWA SD-WAN WIFI 6 Router was delivered to European customers for testing
January 2022	WiFi 6 Mesh packages of brand customers were shipped
February 2022	Indoor mass production began for North American customers
February 2022	LEO Satellite Broadband Bridge was shipped
July 2022	Sample of Wi-Fi 7 4x4 Tri-band High Performance Router was delivered
August 2022	Outdoor AP was shipped for North American customers
November 2022	Sample of LEO Satellite Broadband Maritime Broadband Gateway was delivered
May 2023	Launched the AI (ChatGPT 3.5) powered customer service forum
July 2023	Started sample delivery of SMB Controller + Ceiling EAP set
August 2023	Sample delivery of SMB Controller + Wall-mounted EAP set
September 2023	SMB Controller microservice successfully integrated with client's SD-WAN products
October 2023	Entry-level 24-port switch that supports OpenWi-Fi/OLS cloud management
October 2023	AI engine-optimized wireless roaming experience (patent pending)
October 2023	Completed the 5G CPE development completed and started sample delivery
December 2023	Brand customer OpenWRT software version test
December 2023	SMB Controller + EAP + 24 port switch set is under sampling process
February 2024	USB-C PD power supply design is introduced into home router products
March 2024	NMEA2000 CAN bus is introduced to satellite products
March 2024	Trial production and sampling of multiple outdoor models for Wi-Fi 7
April 2024	Trial production and sampling is completed for 8 port OLS switch machine
June 2024	Patent application is submitted for the design of trademark antenna
August 2024	Patent application is submitted for the anti-dismantling

	device for net-com switch box line materials
September 2024	Production capacity for GPON optical calibration automated production test program has increased by 50%
October 2024	Promotion has started for GPON products with integrated OpenWiFi technology
November 2024	The software platform of CyberTAN is integrated with telecommunication standard management protocol TR069/TR369
November 2024	Patent for AI Auto cell size is filed
2025 Q1	Software contract design for LinksysWrt, with full introduction across the Linksys WiFi7 product line
2025 Q1	Completed a telecom software platform based on OpenWrt, integrating TR069/TR369
2025 Q1	Self-developed factory production traceability system officially introduced at the Fuhai Plant
2025 Q1	Low Earth Orbit satellite bandwidth aggregation gateway shipped to an Australian 5G mobile broadband operator
2025 Q2	WiFi 7 dual band Mesh whole home coverage router shipped to a UK optical communications operator
2025 Q2	Completed AI intelligent customer service robot AI FAE May, enhancing the competitiveness of Ronto products
2025 Q3	Outdoor AP directional antenna design can reach a distance of 1.5 km, superior to competing products
2025 Q3	First introduction of Realtek WiFi7 GPON product development
2025 Q3	High end switch production line transferred to the Fuhai Plant, customer audit passed, and full line entered mass production
2025 Q3	Operator network camera production line transferred to the Fuhai Plant, customer audit passed, and full line entered mass production
2025 Q4	WiFi 7 tri band Mesh whole home coverage router shipped to a UK optical communications operator
2025 Q4	EMC pre-test cost reduction, saving nearly 10% in certification laboratory expenses
2025 Q4	Metal tube + screw antenna design obtained a U.S. patent
2025 Q4	WiFi 7 2+4+2 tri band enterprise outdoor EAP samples delivered for North American field testing
2025 Q4	Contract products 400G 2 Ports, 100G 2 Ports, 25G 24 Port Cellular base station backhaul router mass production shipments
2025 Q4	Design savings, with 60% enclosure commonality and 79% shielding commonality

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

1. Long-term business development plan

(1) Product development:

- a. Accelerating the development of new generation wireless broadband products based on strong technology capability. For example, 5G mobile broadband “8K+5G” smart home audiovisual equipment, satellite communications, SDWAN and Wi-Fi 6/6E; integrating various product technologies and combining the deployment of new markets to further create new growth dynamism.

- b. Continuing to enhance the collaboration with leading international chip companies to maintain the leading position of new product launching and exploring new business opportunities based on the relationship.
 - c. Continuing to strengthen the seamless connection between the market and the customer and grasping the development direction of first-hand product application to plan the product and technology blueprint meeting the entering time of the market at the beginning of new technology development.
 - d. High-end core network switch, backbone network router, and switch OEM.
 - e. Management Wi-Fi total solution for SMEs, including network controllers, Wi-Fi APs, L2/L3 switches, and cloud management software, focusing on software and hardware integration, AI optimized user experience and cloud architecture software design, moving toward the development of high value-added products.
 - f. Aiming at the rising information security market, the Company is planning to enhance the security functions of the SMB Ronto product line, including the new product line of SD-WAN Gateway, DPI firewall, access control, and other software functions.
- (2) Marketing strategy:
- a. Expanding the market deployment in America, Europe and Asia to acquire the best strategic position in emerging technologies and markets.
 - b. Providing customers forward-looking and comprehensive product planning project to maintain present customer source and actively expand the weight of operating revenue.
 - c. Expanding the new sales model to approach end customers and establish niche.
 - d. Integrating technology and intelligentization for export strategy and paying attention to consumer experience, understanding local demands and preferences to design and manufacture customized services or products.
 - e. Expand the proportion of the no-brand and OBL business scope of WIFI6/6e/7 base stations for small- and medium-sized enterprises.
 - f. Strengthen the management in the market separated from software and hardware, and cooperate with mainstream cloud service providers to expand sales channels.
 - g. The SMB Ronto product line integrates SD-WAN to form a WAN/LAN integration ecosystem, targeting small and medium-sized office environments to provide affordable, full-featured, highly integrated, easy-to-use and easy-to-manage full-solution products.
- (3) Production strategy:
- a. By the manufacturing and supply chain systems of the groups, we reduce the production cost of the Company and increase the essential competitiveness and actual yield rate.
 - b. Enhancement of inventory management to achieve inventory optimization.
 - c. Understanding the changes in the demand of end customers to create maximum flexibility for the supply chain and provide best strategic efficacy for the customer.
 - d. Accelerating the introduction of IIoT solutions and continuing the expansion of production automation.
 - e. Aiming at the trade war to deploy plants outside China to reduce the impact of external environment on the customer.
- (4) Operation and financial planning strategy:

- a. Promoting internationalized ideas and strengthening the business management capability of the enterprise to actively cultivate internationalized talents and march toward the goal of an internationalized enterprise.
 - b. Continuing the reduction of expense ratio to increase the profitability.
 - c. Properly utilizing the hedging instruments to reduce the exchange rate risk and avoid exchange losses.
2. Short-term business development plan:
- (1) Product development:
 - a. Following the market trend, the short-term product development plan of the Company will continue to strengthen the technology of fixed-line broadband, Wi-Fi module and router. We also focus on the deployment in new product fields such as 5G mobile and satellite broadband, WIFI6/6e/7 base stations for small- and medium-sized enterprises, low-power IoT, network function virtualization, intelligent video and networks to become an innovative integrated design service provider that provides the customer with overall solutions including the development, design and production services of software and hardware.
 - a. Improving the collaboration with the customer by providing resources complement for each other to introduce the product in the market as soon as possible.
 - (2) Marketing strategy:
 - a. Understanding the supply and demand information of the supplier and customer markets and shortening the marketing decision process to achieve the best decision-making benefit.
 - b. Providing multiple products for existing customers to assist them in expanding new markets and accelerating the expansion of operating scale for each other.
 - c. Assisting the customer in the problems regarding the optimization of product cost structure and technology to increase market competitiveness and establish stable partnership.
 - d. Expanding the sales channels of existing products.
 - (3) Production strategy:
 - a. Implementing the carbon reduction plant in response to the global environmental protection.
 - b. Full improvement of product yield rate and enhancement of personnel education and training.
 - c. Strengthening the plant automation to improve production efficiency and intelligentization.
 - (4) Operation and financial planning strategy:
 - a. Continuing the promotion of six sigma, KPI and TQM systems to improve individual and department management performance and quality system to achieve the objectives of the enterprise.
 - b. To respond to the policy of the FSC and be in line with the international trend, we introduced the IFRS system to prepare the financial report and provide more transparent and reliable financial information for the capital markets at home and abroad.
 - c. Assessing suitable item for merger or acquisition to expand the market and customer shares.

II. Market and sales overview

(I) Market analysis

1. Regions where our main products (services) are sold (provided)

The Company mainly focuses on the foreign OEM/ODM customers and most products are for sale abroad. The distribution of sales region is as follows:

Sales region \ Year	2025		2024	
	Amount	Ratio (%)	Amount	Ratio (%)
America	896,372	21.39%	2,201,231	61.23%
Asia	1,731,716	41.33%	412,570	11.48%
Europe	1,562,047	37.28%	981,400	27.29%
Australia	174	0.00%	-	-
Total	4,190,309	100.00%	3,595,201	100.00%

2. Market share

Overall network communication industry

According to the ITRI IEK, the production value of Taiwan's communication industry is expected to reach NTD 1.294 trillion in 2025, up by 1.2% from 2025, due to the end of the inventory adjustment of net-com products, as well as the demand for cloud computing and infrastructure.

Furthermore, the ITRI IEK indicated that after the inventory adjustment of net-com products ends in the second half of 2025, the global demand for the net-com industry is expected to return to normal levels in 2025. Coupled with the continuation of the demand for cloud and communication infrastructure in 2025, it will lead to the continued export of equipment such as high-speed fiber optic access equipment, DOCSIS 3.x cable products, Wi-Fi 6/6E wireless equipment, 5G FWA fixed wireless access equipment, and 5G small cells.

Driving force for upgrade

According to the report from Digitimes and the summaries of suppliers' investor conferences, the two leading IC designers, MediaTek and Realtek, both have a positive view of the net-com chips and believe that the follow-up momentum in 2025 is quite promising. Without mentioning the medium- and long-term demand outlook, Q1 of the current year has already seen the momentum of "pulling in" due to the effects of tariff prevention.

But the real source of steady growth comes from the market's steady upgrading of net-com specifications, and Wi-Fi 7 is of course the most anticipated part. However, as Realtek indicated, many different connectivity standards and specification levels will be followed by a stronger wave of upgrades in 2025.

Market of wireless routers

Global Information Inc. (GII) forecasts that the market scale of wireless routers will be USD 16.62 billion in 2025 and is expected to reach USD 25.81 billion by 2030, with a compound annual growth rate of 9.2% during the forecast period (2025 to 2030). As work from home (WFH) becomes more and more popular, businesses and individual consumers need to purchase various IT products for their employees. Therefore, the demand for IT peripheral devices, including wireless routers, has increased.

Market of LEO satellites

According to the ITRI IEK, the size of the global satellite network market in 2023 was about USD 4.01 billion, and it is expected to move toward the integration of multi-orbit satellite resources and communication resilience, with the dominating user ends shifting from exclusive satellite operators to integrated operators or even carrier manufacturers.

According to Markets&Markets' estimates for the global satellite network market, the market is expected to grow at a compound annual growth rate (CAGR) of approximately 34% from 2023 to 2028. The main growth factors are from the expansion of the business satellite system, the seamless connection of the global network, the growth of the demand for marine and aviation connection, the backup demand for resilient network, and the maturing satellite communication technology.

Among the vertical application markets, the growth of "national defense" is the strongest. The demand for communication resilience primarily comes from the investment and commercial innovation applications of governments. The network communication industry in Taiwan has a solid foundation and a reliable supply chain partner relationship, and is an important partner of satellite system operators. Taiwan's supply chains for LEO satellite broadband and 3GPP IoT-NTN solutions are launching products, combined with drones as communication platforms or for inspection, and the environmental monitoring function of satellite IoT sensors, bringing business opportunities for the international market to seek close cooperation.

3. Future supply & demand and growth in the market

Wi-Fi market

Take the indicator Wi-Fi 7 chips, for example. Although the development of products that have completed Wi-Fi 7 has been completed by CyberTAN since 2023, according to market estimates, the revenue from Wi-Fi 7 in 2025 will only account for 2% to 5% of the total revenue of network communication manufacturers in Taiwan. Even though the market share of the overall Wi-Fi 7 wireless communication standard is estimated to be not particularly high in 2025, it is considered that the market will be able to surpass the 10% barrier, which is a very good result.

According to further analysis by Digitimes, all specifications of Wi-Fi chips have the opportunity for upward growth in 2025, and there will be no significant replacement, which has limited the speed of growth of Wi-Fi 7. Although Wi-Fi 7's growth speed is not as good as that of Wi-Fi 6/6E in the past years, the industry generally emphasizes that the introduction of Wi-Fi 7 is much better than that of many other older specification standards.

Wi-Fi drives the overall upgrade

MediaTek clearly indicated that to meet the diverse needs of customers, all product technologies must be upgraded. Therefore the comprehensive growth of specifications and demand for net-com chips will inevitably occur, and in 2025 there is a good chance to witness a "comprehensive upgrade and pulling in." As Realtek pointed out recently, Wi-Fi and Ethernet chips have obvious demand for specification upgrades in most applications.

In terms of the Ethernet chips, there are two aspects of specification upgrade and application expansion. 2.5G and 5G specifications are quickly replacing the

traditional, old models of technology. The most advanced 10G will also start to be put into mass production from the end of 2025 to the beginning of 2026.

The upgrade of these two types of network technologies, namely Wi-Fi and Ethernet, will also enhance the switch chip technology. According to Digitimes, the full recovery of net-com chips has finally occurred in 2025. In 2025, telecommunication operators worldwide will have a clear understanding of the driving forces behind specification upgrades and equipment replacement. This will create greater growth momentum for network communication companies.

The effect of geopolitics

Since Trump was re-elected in 2025, he has announced to continue the clean network policy. In addition to strengthening the local information security policy and reducing taxes, it is expected that digital transformation and communication infrastructure will be promoted further, including support for the deployment of Wi-Fi 7, 5G and FTTX technologies.

Taiwan is a “clean network” partner of the U.S. and is expected to become an important beneficiary of the expansion of the U.S. broadband network market. This is why Taiwanese net-com equipment manufacturers will further improve their competitiveness in the global market, and achieve growth in terms of both revenue and profit in the mass production of Wi-Fi 7 related products.

However, geopolitical instability is also a major risk for business operations. KPMG’s 2025 “Taiwan Sustainability Risk Survey” report ranked geopolitical risk as 1st among the sustainability risks, indicating a significant increase in the aspects and levels of impact of the instability of political risks.

With the continuation of the U.S.–China trade war, the conflicts between the world’s major powers, national security, and protectionism, the network communication industry, as a critical part of information and national security, will be directly subjected to scrutiny. Economic Daily News quoted an interview with U.S. industry expert O’Donnell, who said that if Trump imposes tariffs on Taiwan’s chips, it will only have a “huge negative impact” on the overall technology industry. This is also one of the important aspects that CyberTAN must carefully observe and conservatively respond to this year.

Wi-Fi Analytics Market

In 2025, CyberTAN will continue to focus on and invest in the Wi-Fi analysis market. According to the forecast of GII (Global Information), the size of the Wi-Fi analysis market is expected to reach USD 6.12 billion by 2025, and USD 15.4 billion by 2030. The compound annual growth rate is expected to reach 20.26% during the forecast period (2025–2030).

Wi-Fi Analytics Market analytics refers to the process of analyzing and collecting customer data from Wi-Fi APs (such as smartphones and laptops) to access detailed information about customer traffic, retention time, and likelihood of churn. The unique signal broadcast by the device is used to identify the associated device ID to track whether a person logs into the Wi-Fi or not. Enterprise mass data software uses the data collected through the associated equipment to clean, process and apply high-level algorithm. Wi-Fi analytics aim to improve operations, trigger marketing, and track campaign results. Therefore, the global demand for Wi-Fi analytics is increasing as it enables organizations to use the information provided over the wireless network to make better decisions.

Wi-Fi Analytics Market Trends:

GII further analyzed the trend of the Wi-Fi analysis market as follows:

- 1) The area of market analysis will show significant growth. The use of Wi-Fi analysis in market analysis is growing significantly as more companies focus on understanding their customers and turning that data into practical insights. With Wi-Fi analysis, you can determine which devices and applications consume the most bandwidth and decide how to allocate bandwidth to students and projects while ensuring appropriate service levels elsewhere.
- 2) North America is expected to become the largest market. The strong financial condition of the region enables businesses to invest in advanced solutions and technologies such as IoT and big data analysis. Due to the existence of several major Wi-Fi analysis suppliers, including Cisco Systems Inc. (U.S.), Zebra Technologies (U.S.), Fortinet (U.S.) and Ruckus Wireless (U.S.), the region has won a huge market share.
- 3) The Wi-Fi analysis market is highly dispersed. Overall, the competition among existing competitors is extremely fierce. Therefore, GII expects the market participants to adopt strategies such as alliances, innovation, and acquisition to strengthen their product supply and gain sustainable competitive edges.

4. Competitive niche

(1) Professional OEM

The Company is a professional OEM but also provides standard products to expand the customer base and reduce the risk of marketing. We are also devoted to providing solutions for customers via the resources of the Company by setting the final goal as to meet the demand of the customer. This also relatively increases the reliability, dependence and stickiness between the Company and the customer.

(2) Provision of complete product line

By the integration of wireless and router technology, the Company provides complete product line, including wired broadband (PON, Cable, xDSL, Gateway), wireless broadband products (5G, LTE, Satellite Gateway, Satellite Communication Switch Module), Wi-Fi AP, Small Cell, remote Wi-Fi bridge, WAN series products and basic to high-end routers, VoIP products, wireless modules, SiP and home digital audiovisual products; in addition, in aspect of digital home products, we provide set-top boxes and satellite routers and actively develop products related to IoT (M2M module, IoT module, sensor, gateway and tracker) to meet the needs of the customer via diversified and complete product lines.

(3) Advantage of manufacturing and supply chain

By the collaboration with groups and seeking the assistance of their manufacturing and supply chain systems, we effectively reduce the production cost of the Company and increase the competitiveness and actual yield rate of the Company.

(4) Outstanding R&D team

The R&D team of the Company not only specialized in their fields but also have years of experience in the industry. They are dedicated to the development of new communication technology and build strong integration and development capabilities of software, firmware and hardware to establish the core competitiveness of the Company and the new thinking of product by adopting software as the core. By the outstanding technical R&D capability, the Company integrates network communication technologies related to wired

and wireless broadband (Fixed/Mobile Broadband), routing, RF, IoT and digital home. Therefore, we can quickly transform the understanding of the industry with appropriate product functions to the most advanced solutions in the market and provide the customer with products meeting the demand of the market.

(5) Strict quality control to provide the best quality product

The Company has received the certificates of ISO9001, ISO14001, TL9000 and OHSAS18001 and truly complies with the strict requirements in fields of design, manufacturing, knowledge and technical assurance to provide the advanced and superior products meeting the environmental laws and regulations. We were awarded the Green Partner certificate by Sony in Japan and our quality and R&D technology was recognized by international manufacturers. These may assist the Company in acquiring more cooperation opportunities with international manufacturers.

(6) Excellent after-sale service

The Company's return of products for repair is reduced to the PPM level to provide high quality after-sale service, including logistics department and engineering service department. In addition, we have other professional personnel to improve our product performance so that the customer can feel at ease without any worry.

5. Positive, negative factors for development outlook and responsive strategies:

Positive factors:

(1) Investment of Foxconn Technology Group

Since November, 2005, Foxconn Technology Group had invested in the Company and currently became the largest shareholder of the Company. Besides controlling the wired, wireless and core routers, software and hardware technology as well as the talents, the Company will continue to integrate the manufacturing and production, R&D and marketing resources of Foxconn Technology Group to expand the market share and customer base. Therefore, the Company is expected to develop increasingly in the future.

(2) Global economic recovery and industrial trend

The EU, affected by the Russo-Ukrainian War, oil prices, and green inflation, has seen the emergence of pressures from stagnant inflation, thus showing a weak recovery phenomenon in 2025. In general, the GDP forecasts of the three of the four major economies in the world (the United States, China, India, and the European Union) are expected to be worse than that in 2023; coupled with the fact that ASEAN countries are closer to China, they are relatively less affected by it. China's economy is trending toward a soft landing, and Southeast Asian countries also show no outstanding performance. Various indicators suggest that the economy may recover in 2025, but it won't be a robust recovery.

In 2025, there will be high inflation, high interest rates, and expansion of economic sanctions between the U.S. and China, such as chip and rare earth metal bans. There will also be rising geopolitical risks, including the prolonged Russo-Ukrainian War, conflict in Gaza Strip, the Red Sea crisis, and the ongoing military conflict between Israel and Iran. Global economic performance is expected to be weaker compared to 2023. The IMF maintains a relatively optimistic view, holding at 3.1%. The IMF forecasts global economic growth to be 3.1% in 2025, remaining flat compared to 2023. The IMF's "World Economic Outlook" (WEO) report released in January predicts global economic growth of 3.1% in 2025 and 3.2% in 2025, with the 2025 forecast being 0.2 percentage points higher than the October 2023 WEO forecast. This adjustment is primarily due to the IMF raising economic growth expectations for countries such as the U.S., China, and India. However, the

global economic growth in 2025–2025 will be lower than the average level of 3.8% in 2000–2019. This is due to central banks implementing high-interest-rate policies to combat persistent inflation, countries reducing fiscal expenditures to address mounting debt burdens, and geopolitical constraints dampening momentum in the manufacturing sector.

Looking into the future of global industrial development trend and forecast in 2025:

It is estimated that the annual growth rate of the global communication industry will further increase to 7.2% in 2025, with an output value of USD 2.49 trillion. The global user end broadband communication industry will still focus on the upgrade of XG SPON 10G optical communication broadband, and the coverage of 5G Fixed Wireless Access (FWA) broadband access services continues to expand. 2025 will be a year of significant growth for 5G broadband equipment and Fiber-to-the-Home (FTTH) equipment in the European and American markets. The expected improvement in household bandwidth will also drive demand for upgraded broadband user equipment such as Wi-Fi 6 to Wi-Fi 7 and high-end products. In particular, the 5G industry will continue to grow significantly for the following reasons:

- I. From 2021 to 2022, the capital expenditure of the global telecommunications industry increased by 4.2% in 2022 to USD 319.1 billion, and the growth will moderate in 2023. It is expected to continue to grow in 2025.
- II. 5G will become the mainstream specification for mobile phone networking by 2025. Nearly 200 telecom operators worldwide have launched 5G network services by 2023: 5G is expected to dominate both mobile connectivity and FWA broadband access specifications with a market share exceeding 50% in 2025, and possibly reaching two thirds of the market by 2027.
- III. At MWC 2025, advanced technologies in the fields of 5G, 6G, vRAN, and Open RAN continued to be showcased, with a focus on cloud-native approaches facilitated by systems based on vRAN and Open RAN. Therefore, more and more leading companies in the communication industry will provide solutions that support today's 5G open and virtual networks.
- IV. 2025 will continue to be a year of flourishing development for the mobile communication industry, especially in Europe where many unfinished businesses from 2023 will be taken up. Additionally, there will be successive launches of Open Radio Access Network (RAN), Generative Artificial Intelligence (GenAI), and standalone 5G core technologies.

Based on the analysis of global trends by the major research and development companies referred to above, the combination of “6G,” “satellite communication,” “Internet of Things,” “network function virtualization,” “AI” and other technologies; The management team will continue to formulate a corporate strategy for continuous growth based on the strategic framework of building software and hardware integration core capabilities.

Negative factors and responsive strategies:

- (1) Prolonged Russo-Ukrainian War and huge impact on inflation

The Russo-Ukrainian War has been ongoing for over two years, triggering chain reactions that have led to issues such as soaring energy prices, rising raw material costs, and inflation. Consequently, the global economy has fallen into a state of stagnation and downturn. Since the Federal Reserve announced a rate hike in March 2022, it has raised rates 11 times continuously. In February, the U.S. Consumer Price Index (CPI) annual growth rate increased from 3.1%

in January to 3.2%, the highest since December 2023. The core CPI annual growth rate decreased from 3.9% in January to 3.8%, the lowest since May 2021. According to the U.S. Department of Labor's Bureau of Labor Statistics (BLS), the housing index and gasoline index together contributed more than 60% of the increase in CPI in February. Overall, the U.S. CPI announced in March 2025 will show that not much progress has been made in the war against inflation. However, the experts are still optimistic. Since the two years of the Russo-Ukrainian War, countries have actively revitalized their economies, raising hopes that they can bid farewell to the economic downturn this year.

Responsive strategy:

The communication industry is currently at a critical stage of the evolution of new technologies. The convergence of technologies such as 6G, satellite communication, IoT, and AI, along with ongoing updates to cloud data center capacity and data analytics technology, is reshaping the landscape. Whether it's broadband service providers, enterprise users, or end users, all will be participating in the latest trends of the industry in this technological evolution in 2025. Therefore, actively investing in technologies such as "6G satellite broadband communication," "emerging opportunities in the IoT," and "the integration of AI with high-speed network equipment" will remain the only viable solutions for stimulating continuous capital expenditure growth for broadband service providers and enterprise users under the significant inflationary pressures globally, and creating feasible solutions for end-user willingness to upgrade their used equipment continuously.

- (2) Increase in production costs of manpower and oil price and decrease in gross profits of products

The global material and labor costs continue to increase with the shortage of components such as main chips and semiconductors, greatly compressing the operating revenue and profitability of OEM/ODM. In addition, as the technology of broadband access equipment and products for the client becomes more mature, the technical barrier of competitors is also reduced and homogeneous products in the market continue to increase, resulting in the impact on the growth of profitability due to the compression of product price and gross profit.

Responsive strategy:

By actively collaborating with the supply chain and production platform via the Group, we seek information exchange on common procurement platforms to reduce critical component shortages and improve production efficiency, thereby lowering manufacturing costs. We invest in research and development of products with higher technical integration and complexity to get ahead of market competition through high-value-added products.

(II) Important purpose and manufacturing processes of main products

1. Important purpose of main products:

Products category	Purpose
Broadband communication product	The wired and wireless network equipment with path selection function used as the intermediary to connect LAN and WAN.
WAN product	Products are classified as (1) M.2 PCIe network card and Wi-Fi module is the application of internet connection mainly used in smart mobile devices such as notebook. (2) Wi-Fi AP and router are applied to internet access of users and wireless coverage. Various connection terminal equipment in the subnet can exchange data conveniently via the wireless router. (3) Mesh AP is applied to internet access of users and wireless coverage that provides video experience without any disconnection.
Set-top box products	The main products include IP, Cable, OTT and Hybrid set-top boxes mainly used for the application of digital home audio multimedia.
IoT products	The main products include WSN IoT gateway, IoT/M2M/NB-IOT module, sensor and smart router to provide interoperability between various communication protocols and standards and realize the applications related to IoT.

2. Manufacturing process:

Step	Manufacturing process	Process description
1	R&D and design	1. Determination of the plan based on the demands of the market and the customer 2. Production of PCBA based on the circuit diagram designed by the R&D personnel 3. Mold design based on the machinery diagram required by the customer 4. Introduction of mass production after completing the design verification
2	Kitting	Material preparation via All parts/SAP/SFC systems based on the material list of product order
3	SMT	1. The electronic components which can be manufactured by SMD equipment are automatically mounted to the PCB surface via mounting equipment and technology. 2. The PCBA with completed mounting forms effective and reliable electrical connection by reflow process.
4	DIP	1. The electronic components requiring artificial/automatic plug-in are inserted in PCBA. 2. The PCBA with completed plug-in forms effective and reliable electrical connection by wave process.
5	Preliminary testing	1. Initially determining the yield rate in the front-end process to screen qualified products for the yield rate in the back end. 2. Basic function testing and guarantee to find out PCBA products with cold welding, empty solder or short circuit (e.g. whether it can start up normally and whether the version is correct).

6	RF commissioning	Conducting calibration and testing of frequency and output power for wireless RF products to ensure the RF signal, frequency and output power complying with the requirements of the regulations to meet the needs of the customer.
7	Assembly	Assembling the PCBA and the antenna and machinery based on the SOP of machinery design to complete the finished product.
8	Buru-in	Accelerating the aging test of the electronic product components within a certain duty cycle (usually 48–168 hours) with power on and in extreme environments (load and high temperature) to test potential failure of the product.
9	Final testing	After the PCBA undergone burn-in and integration with the case, conduct the final function and information testing and the customized overall testing of the product.
10	Packing	Adding required packing attachments based on the functions and characteristics of the product.
11	Shipment	Sale of finished products

(I) **Supply of main materials**

Name of main materials	Primary source	Status of supply	Price tend
Integrated circuit, memory	From import and the domestic	Ordered procurement	Determined by the market supply and demand
PCB	From import and the domestic	Ordered procurement	Determined by the market supply and demand
Transistor, diode	From import and the domestic	Ordered procurement	Determined by the market supply and demand
Various capacitors, resistances	From import and the domestic	Ordered procurement	Determined by the market supply and demand
Transformer, inductance, connector	From import and the domestic	Ordered procurement	Determined by the market supply and demand

The Company directly negotiates with the agent or the original equipment manufacturer to purchase the critical components for the products of the Company. All materials have undergone the process of part approval and qualified supplier evaluation to ensure stable quality. Each material has more than two suppliers because the separated procurement from various suppliers can prevent the lack of materials and maintain the flexibility of bargain. To the present day, the Company continues to maintain long-term cooperation and excellent relationship with all suppliers for stable supply. The Company adequately manages resources and implements rigorous control on the quality and delivery date of suppliers, in order to ensure smooth and proper supply of key raw materials.

(III) Customers accounted for more than 10% of total purchase/sales amount in the most recent two years

1.Name of suppliers accounted for more than 10% of total purchase/sales amount in the most recent two years and the purchase/sales amount and ratio thereof:

Unit: NTD thousand

Item	2025				2024			
	Name	Amount	Annual net purchase percentage (%)	Relationship with the issuer	Name	Amount	Annual net purchase percentage up to the last quarter of the current year (%)	Relationship with the issuer
1	B	572,948	16.89	None	A	363,618	12.62	None
2	A	321,010	9.47	None	B	298,993	10.38	None
3	Others	2,497,363	73.64		Others	2,218,118	77.00	
Total	Net purchase amount	3,391,321	100.00		Net purchase amount	2,880,729	100.00	

Analysis of changes in major purchase counterparty: In 2025, there were no major changes in the suppliers.

2.Name of customers accounted for more than 10% of total sales in the most recent two years and the sales and ratio thereof:

Unit: NTD thousand

Item	2025				Item	2024			
	Name	Amount	Annual net sales percentage (%)	Item		Name	Amount	Annual net sales percentage (%)	Item
1	D	1,057,602	25.24	None	D	1,510,438	42.01	None	
2	Cloud	859,894	20.52	Note	Cloud	981,400	27.30	Note	
3	A	1,235,264	29.48	None	A	468,402	13.03	None	
4	Hon Hai	573,923	13.70	None	E	180,971	5.03	None	
5					C	62,662	1.74	None	
6	Others	463,626	11.06		Others	391,328	10.89		
Total	Net sales	4,190,309	100.00		Net sales	3,595,201	100.00		

Note : The customer is the affiliate of Foxconn.

Analysis of changes in major sales counterparty: In 2025, due to new customers and new product development, along with increased customer demand, the amount of sales in 2025 increased.

III. The number of employees, their average service seniority, average age, and education level distribution ratio in the most recent two years up to the publication date of this annual report

Year		2025.03.05	2025	2024
Number of employees	Indirect personnel	273	274	223
	Direct personnel	0	0	0
	Total	273	274	223
Average age		43.3	43.1	42.5
Average years of service		5.6	5.7	6.8
Education level distribution	Doctorate	1(0.73%)	1(0.73%)	1(0.45%)
	Master	105(38.46%)	103(37.59%)	92(41.26%)
	University/college	162(59.34%)	166(60.58%)	126(56.5%)
	High school	4(1.47%)	3(1.09%)	4(1.79%)
	Below high school	None	None	None

IV. Information on environmental expenditure

- (I) Losses incurred due to environmental pollution in the most recent two years: None.
- (II) Countermeasures: N/A.

V. Labor relation

(I) The Company's current important employee benefits and the agreement made between employers and employees

1. Implementation of employee insurance:

In addition to taking out labor insurance and health insurance for our employees, the Company has also formulated employee group insurance plans, including life insurance, accident insurance and hospitalization.

2. Improvement of employees' health and safety:

A. Employee Health Checks: All full-time employees of our company enjoy company-paid health checkups. The company emphasizes employee health management and proactively assists employees with abnormal health check results for further examination and treatment to ensure their physical, mental, and spiritual well-being.

B. Visually Impaired Massage Therapists: Our company employs visually impaired massage therapists to provide massage services to employees. This not only provides job opportunities for visually impaired individuals but also helps relieve work stress and promotes their physical health.

C. Implementing Various Health Promotion Activities: Our company regularly organizes employee weight loss competitions, encouraging mutual support and promoting healthy weight loss in a competitive environment. We also regularly share the latest and most timely health information on the company website, fostering good health concepts and improving health and safety.

D. An Automated External Defibrillator (AED) is available on the 3rd floor of the company building: Medical research has proven that if an electric shock is delivered within one minute of sudden cardiac arrest due to arrhythmia, the success rate of resuscitation can reach over 90%, reducing employee health and safety risks and improving the healthy working environment.

E. Occupational Safety and Health Promotion: Our company regularly conducts various occupational safety and traffic safety training sessions to ensure employee personal safety. We also periodically share health information and reminders on our intranet to promote healthy eating, regular exercise, and a healthy lifestyle for all employees.

F. Fire Safety and Disaster Prevention Promotion: To enhance employees' fire safety and disaster prevention awareness, our company regularly conducts promotional activities on our website and establishes correct escape procedures for employees in the event of natural disasters such as earthquakes and fires..

3. Incentive trip

The company's Employee Welfare Committee subsidizes employee travel expenses annually, encouraging employees to spend more time outdoors for physical and mental well-being.

4. Annual leave system

The company's Employee Welfare Committee provides subsidies for various clubs and activities, encouraging employees to participate in diverse extracurricular activities. The company has established yoga, golf, badminton, cycling, gardening, film appreciation, and craft clubs, allowing employees to enjoy various classes and activities outside of work.

5. Retirement system

The company provides leave in accordance with the Labor Standards Act. Unused special leave is compensated in lieu of leave.

6. Retirement Policy

On December 1, 1989, the company established a Labor Retirement Reserve Fund Supervision Committee with approval from the Science Park Administration (Letter No. 027487 of 1989). The company legally allocates labor

retirement reserve funds, which are stored in a special retirement account for future employee retirement payments. After actuarial calculations, as of the end of 2025, the company's labor retirement reserve, after deducting payment obligations, had exceeded the limit by NT\$63,972,000.

The Labor Retirement Act has been in effect since July 1, 2005, and adopts a fixed contribution system. After its implementation, employees may choose to apply the retirement provisions of the Labor Standards Act, or apply the retirement system of this Act and retain their years of service prior to applying the Act. For employees applying the Act, the company's monthly contribution rate to employee retirement funds shall not be less than six percent of the employee's monthly salary.

(II) Losses incurred due to labor disputes in the most recent three years: None.

VI. Cyber Security Management:

(I) State clearly the cybersecurity risk management structure, cybersecurity policy, specific management plan, and resources invested in the management of cybersecurity:

- ◎ The Company has introduced the ISO/IEC 27001:2022 information security management system and obtained certification recognized by IAS (International Accreditation Service), an international accreditation body. (Certificate No.: ARES/TW/I2511053I, certificate issue date: 2025-11-13, certificate expiry date: 2028-11-12)
- ◎ Cyber Security Risk Management Structure
The Company has established an “Information Security Management Review Committee,” convened by the General Manager and composed of the management representative, risk management team, document management team, audit team, and others. It is responsible for promoting the information security policy; formulating and issuing related management system documents; identifying and assessing risks; conducting contingency plan drills; and reviewing and auditing the implementation of operational management, so as to confirm the effectiveness of the information security management system.
- ◎ Information security policy
To ensure the Company’s continuous operations and customer service, the Company has established the following directions for its information security policy:
 - Protect the information system from unauthorized access
 - Prevent unauthorized modifications in order to protect data integrity
 - Ensure that authorized users can securely and stably access information
 - Ensure that the procedures comply with regulatory requirements and remain subject to ongoing effectiveness verification
- ◎ Concrete management plan
The Company follows the ISO 27001 management system to implement access control, encryption technology, data backup, education and training, outsourced management, and audits, so as to maintain the “confidentiality, integrity, and availability” of data:
 1. Information and account management: To ensure the integrity, confidentiality and availability of information accounts.
 2. Information service management: Information system, domain and email account application and management requirements.
 3. Information equipment security control: Personnel of the Information Department conduct daily inspection of the server room and check system log records to ensure servers and network equipment are operating normally.

4. Security control of computer facilities: Access control system for computer facilities, registration for entry and exit and uninterruptible power supply systems.
 5. Legal software copyright control: Installment and control of legal software authorization.
 6. Computer virus prevention: Deploy anti-virus software to avoid computers from being attacked or infected by viruses.
 7. Backup operations: Carry out daily and weekly backups and implement backup operations and records.
 8. Disaster recovery: Draw up disaster recovery and reconstruction plans, conduct exercises, and review the results of implementation.
- ◎ Resources invested for cyber security management
1. The Company has an information technology department and an information security officer dedicated to information security management affairs.
 2. The Company has deployed various software and hardware facilities for antivirus, firewalls, endpoint protection, encryption, backup and restoration, monitoring and alerting, and tracking management, so as to automate the management of routine information security operations.
 3. The Company regularly conducts employee information security education and training, social engineering drills, and disaster recovery drills to enhance employees' awareness of information security threats and response capabilities.

The Company works together with the Taiwan Computer Emergency Response Team/Coordination Center, the Science Park Information Sharing and Analysis Center, and other information security organizations to share cyber threat intelligence and jointly respond to alerts and defense.

(II) Any loss incurred due to material cyber security events, possible impacts and countermeasures during the most recent year and as of the publication date of this annual report: None.

VII.Important Contract:

Nature of the contract	litigant	Contract start and end date	Main content	Restrictions
Outsourced processing	Customer	2025.01.23~2030.01.22	Outsourced processing and assembly of products	In accordance with industry standards for processing and assembly.
Trademark co-ownership	Subsidiaries	2025.04.22~the date either party intends to terminate the contract	The trademarks of subsidiaries are jointly owned by the subsidiaries and the Company.	In accordance with trademark use guidelines.
Investment agreement	Venture capital	2025.04.24~2030.04.23	Strategic technology investment	If shares are sold or transferred within less than five years of investment, written notice is required.
Technology licensing	American Megatrends International LLC	2025.06.20~2026.06.19	Licensing the use of BIOS/firmware/software in the development, production and sales of products.	No sublicense, no reverse engineering, only for use in specific products, confidentiality, and post-termination destruction of all licensed technological data.
Renewable energy	Sunnyfounder	2025.12.12~2026.12.31	Purchase and sale of renewable energy and certificates.	Restriction on minimum annual purchase quantity.

Five. Review and Analysis of Financial Position and Financial Performance and Risk Matters

I. Financial position

Unit: NT\$ thousand

Item	Year	2025	2024	Difference	
				Amount	%
Current assets		3,715,981	3,447,658	268,323	7.78
Property, plant and equipment		1,886,124	1,699,963	186,161	10.95
Intangible assets		3,198	7,915	(4,717)	(59.60)
Other assets		1,120,710	1,424,373	(303,663)	(21.32)
Total assets		6,726,013	6,579,909	146,104	2.22
Current liabilities		2,207,684	1,525,547	682,137	44.71
Non-current liabilities		210,517	415,497	(204,980)	(49.33)
Total liabilities		2,418,201	1,941,044	477,157	24.58
Share capital		3,301,360	3,303,254	(1,894)	(0.06)
Capital reserves		560,569	598,676	(38,107)	(6.37)
Retained earnings		1,139,959	1,007,433	132,526	13.15
Other equity		(628,794)	(64,804)	(563,990)	870.03
treasury stocks		(65,282)	(205,694)	140,412	68.26
Non-controlling equity		-	-	-	-
Total equity		4,307,812	4,638,865	(331,053)	(7.14)
Analysis of main reason, impact and future correlative plans regarding changes from one period to the next					

reaches above 20% and the amount of variance reaches NTD 10,000,000. The description is as follows:

- 1.Other assets: mainly due to the reclassification of certain investments previously accounted for using the equity method to financial assets at fair value through other comprehensive income upon the loss of significant influence, resulting in a decrease in the amount of investments accounted for using the equity method.
- 2.Current liabilities and total liabilities: mainly due to increased inventory preparation for the next quarter and more purchases at the end of the current period, resulting in an increase in accounts payable.
- 3.Non-current liabilities: mainly due to a decrease in non-current lease liabilities.
- 4.Other equity: mainly due to increased valuation losses on listed company shares held.
- 5.Treasury shares: mainly due to the transfer of treasury shares to employees during the current period.

II. Financial performance

Unit: NT\$ thousand

Item	Year	2025	2024	Difference	
				Amount	%
Operating revenue		4,190,309	3,595,201	595,108	16.55
Operating cost		3,994,694	3,288,051	706,643	21.49
Operating gross profit		195,615	307,150	(111,535)	(36.31)
Operating expense		719,440	535,036	184,404	34.47
Operating losses		(523,825)	(227,886)	(295,939)	(129.86)
Non-operating revenue and expenses		838,413	246,605	591,808	239.98
Net profit (loss) before tax		314,588	18,719	295,869	1,580.58
Income tax benefits (expenses)		(92,533)	(16,002)	(76,531)	(478.26)
Net profit (loss) for the current period		222,055	2,717	219,338	8,072.80
Other comprehensive income (net amount)		(616,530)	83,419	(699,949)	(839.08)
Total comprehensive income for the year		(394,475)	86,136	(480,611)	(557.97)
Net profit attributable to the owner of the parent company		222,055	2,717	219,338	8,072.80
Total comprehensive income attributable to the owner of the parent company		(394,475)	86,136	(480,611)	(557.97)

Analysis and description regarding changes in increase/decrease reaching 20% and the amount of variance reaching NTD 10,000,000:

- 1.Increase in operating costs: mainly due to increased operating revenue and increased fixed production costs resulting from the addition of a new plant.
- 2.Decrease in gross profit: mainly due to increased fixed costs caused by the addition of a new plant to production, resulting in a lower gross profit margin and a decrease in gross profit.
- 3.Increase in operating expenses and operating loss: mainly due to the expansion of the Company's operations and the research and development of new products, resulting in increased expenses.
- 4.Increase in non-operating income, profit before tax, and net profit after tax: mainly due to gains from lease modifications of subsidiaries and increased gains from the disposal of Microelectronics Technology shares.
- 5.Increase in income tax expense: mainly due to the reversal of deferred tax assets.
- 6.Decrease in other comprehensive income (net), total comprehensive income for the period, and total comprehensive income attributable to owners of the parent: mainly due to the effects of exchange rate fluctuations and increased valuation losses on listed company shares held.

III. Cash flow

(I) Cash flows for the year

Unit: NT\$ thousand

Cash balance at beginning of period	Annual net cash flow from operating activities	Annual net cash flows from investing and financing activities	Foreign exchange rate effect	Cash surplus (deficit)	Corrective measures against cash deficit	
					Investment plan	Financing Plan
1,204,915	(468,806)	172,229	(11,305)	897,033	None	

(II) Analysis of changes in cash flow of the current year

Unit: NT\$ thousand

Item \ Year	2025	2024	Difference	
			Amount	Description
Operating activities	(468,806)	(26,824)	(441,982)	Mainly due to a substantial increase in accounts receivable and inventories in the current period as compared to the previous period.
Investing activities	(191,798)	456,585	(648,383)	Mainly due to the absence of acquisitions of financial assets measured at amortized cost in the current period and a decrease in proceeds from the disposal of investments compared to the same period last year.
Financing activities	364,027	(753,449)	1,117,476	Mainly due to an increase in short term borrowings and the transfer of treasury shares.
Foreign exchange rate effect	(11,305)	26,020	(37,325)	Mainly due to the effect of exchange rate changes.
Net cash flows	(307,882)	(297,668)	(10,214)	

(III) Analysis of the liquidity of cash for the coming year

Unit: NT\$ thousand

Cash balance at beginning of period	Annual net cash flow from operating activities	Annual net cash flows from investing and financing activities	Cash surplus (deficit)	Corrective measures against cash deficit	
				Investment plan	Financing Plan
897,033	(145,000)	(76,400)	675,633	None	

IV. Impacts of material capital expenditure in the most recent year on the financial and business status:

On a consolidated basis, the Company and its subsidiaries purchased approximately NT\$435,712 thousands in real estate, plants and equipment in 2025, accounting for approximately 10.40% of net sales, mainly for the Company to build a new plant in Vietnam as a future production base.

V. The main reasons for the gains or losses of investments in the most recent year, the improvement plan and the investment plans for the next year

- (I) Investment policy: The company mainly makes strategic investments in business entities related to the extension of the company's business in order to improve the efficiency of manufacturing and production and expand the scope of sales.
- (II) Main reasons for the gains or losses and improvement plans: The losses of subsidiaries in the current period were mainly attributable to losses at the production plants. The Company will strive to obtain orders from existing customers and develop new customers so that revenue can grow steadily.
- (III) Investment plans for the coming year: None.

VI. Analysis and assessment of risk matters

- (I) Impacts of interest rate and exchange rate changes and inflation in the most recent year on the income of the Company, and future countermeasures:
 - 1. Impacts of interest rate changes: Due to the low ratio (less than 1%) of interest income and expenses to the Company's turnover, even though our interest income has decreased as a result of decreasing interest rates in recent years, it barely affected the Company's income. In addition to investment of required funds into the expansion of our business and retaining sufficient working funds, the Company will invest residual NT Dollar funds mainly into conservative investments, such as fixed deposits and bond funds.
 - 2. Exchange rate changes: In response to the impacts from changes in exchange rates, the Company determined an optimal hedge ratio according to the current exchange rate trend and selected simple hedging instruments mainly for hedging purposes, such as forward foreign exchange contracts or option transactions to reduce losses incurred due to the exchange rates and minimize the impacts on the profit or loss.
 - 3. Inflation: Since the Company has made proper adjustments in customers' quoted price based on market conditions, allowing us to grasp the fluctuations of the market price, the inflation barely affected the Company.
- (II) Policies regarding high-risk, high-leverage investments, loaning of funds to others, endorsement/guarantees as well as derivatives trading, main reasons for gains or losses, and future countermeasures:
 - 1. High-risk investments: None.
 - 2. High-leverage investments: None.
 - 3. Loans to others: The Company has established the Procedures for Loaning of Funds to Others, based on which it engages in the above transactions, with the objectives of improving the Company's operating performance and reducing financial risks.
 - 4. Endorsement/guarantees: Guarantees for customs duties only.
 - 5. Trading of financial derivatives: The Company and the affiliates engaged in trading of financial derivatives only for hedging exchange rate risks in foreign currency liabilities.
- (III) Future R&D plans and further expenditures expected for R&D:
 - 1. The Company expects to research and develop the following plans in recent years:
 - (1) Wi-Fi 7, Wi-Fi 8 series products
 - (2) IP Camera for household use series products
 - (3) IP Camera security and surveillance products
 - (4) SMB total solution products, including controller, EAP, and switch.
 - (5) (5) TIP OpenLAN series products
 - (6) (Corporate 100G/400G switches
 - (7) 5G modules, Redcap CPE/FWA
 - (8) GPON/XGSPON fiber routers

2. Expected investment for R&D: The Company expected to further invest an estimated 10% of the turnover in our R&D.

(IV) Financial impacts and responsive measures in the event of changes in local and foreign important policies and regulations:

The Company has continuously monitored the government policies and laws in the locations where our business sites are situated and has paid close attention to the direction of government policies and legislation. Each division has dedicated personnel to perform such activities and report to the officer any impact of new policies or new regulations on the Company's operation. In addition, the Company has engaged legal counsel to provide consultation and proactively propose responsive measures in a timely manner, and there has been no material impact on the Company's financial position or business operations.

(V) Impacts of technology changes on the Company's finance and business, and countermeasures thereof: Please refer to the descriptions in I、II and VI of Four. Overview of Operation.

(VI) Impacts from changes in corporate image on the Company's crisis management, and countermeasures thereof: The Company has appointed dedicated personnel to formulate relevant plans and countermeasures, and therefore, we could minimize uncertain business risks.

(VII) Expected benefits and potential risks of any merger or acquisition: None.

(VIII) Expected benefits and potential risks of any plant expansion: None.

(IX) Risks of concentrated sales or purchases:

1. Purchase: More than 10% of the suppliers from which the Company purchased products were designated by our customers, and such suppliers are internationally known brands with stable supply. Therefore, there were no significant risks to the Company's purchases.

2. Sale: CyberTAN will take consideration based on global customer development. Even though our shipment to North America has not been available so far, we have continually shipped our products to Europe, Asia and China. Therefore, our shipment is expected to grow increasingly in the future.

(X) Impacts and risks to the Company with regard to any major transfer or change of equities by directors, supervisors, or major shareholders holding more than 10% of the Company's shares: None.

(XI) Impacts and risks to the Company with regard to any change in management rights: None for the Company.

(XII) In case of any litigious and non-litigious matters, material litigious, non-litigious or administrative disputes that involve the Company and/or any director, supervisor, the President, de facto responsible person, major shareholder holding a stake of more than 10% of the Company or subordinate company thereof, and that were finalized or remained pending, shall be listed; if these disputes may eventually cause a substantial impact on shareholders' equity or the price of securities, the nature of the disputes, the amount involved, the date on which the litigation first started, the main parties involved and the progress as of the publication of this annual report shall be disclosed: None for the Company.

(XIII) Other important risks: None.

VII. Other important matters: None.

Six. Special Items

I. Information on affiliates:

Please go to the MOPS (<https://mops.twse.com.tw>) and click on "Single Company" under "Electronic Document Download" and then "Three Forms and Documents of Related Enterprises" to search.

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.

Seven. Events Materially Affecting Shareholders' Equity or the Price of Securities

Any events materially affecting shareholders' equity or the price of securities as defined in Sub-Paragraph 2, Paragraph 3, Article 36 of the Act in the most recent year up to the publication date of this annual report: None.