



一詮精密工業股份有限公司
I-CHIUN PRECISION INDUSTRY CO., LTD

Stock code: 2486

I-Chiun Precision Industry Co., Ltd.

2025 Annual Report

Date of publication: April 22, 2026

To access this annual report, please visit: <http://mops.twse.com.tw> or <http://www.i-chiun.com.tw>

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V. Name of any exchange where the Company's securities are traded overseas and the method to access information on the overseas securities:
None.

VI. Company Website:

<http://www.i-chiun.com.tw>

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One. Letter to Shareholders

In 2025, global economic conditions were significantly affected by U.S. tariff policies. While industries related to artificial intelligence (AI) recorded growth, other sectors experienced contraction due to weakened consumer demand. Against this backdrop, the Company's principal product line of thermal management components recorded substantial growth, driven by advancements in AI-related technology and a series of newly developed products that secured customer qualification and generated increased order demand. Revenue from LED lead frames, ceramic substrates, and IC lead frames declined due to reduced consumer demand; however, the strong growth in thermal management component revenue enabled the Company's overall revenue to continue its upward trajectory through the concerted efforts of all employees.

Looking ahead to 2026, the Russo-Ukrainian war remains unresolved, China's economic slowdown continues, and uncertainty surrounding U.S. tariff policies persists. Nevertheless, the AI industry is at a pivotal inflection point, transitioning from technological research and development into scaled commercial deployment. Global market scale continues to expand, with generative AI and agentic AI emerging as the dominant paradigms. Taiwan maintains its position as a core hub of global AI infrastructure, leveraging its strengths across the semiconductor, server, and hardware supply chain ecosystem. The vertically integrated industry chain – spanning chip design, thermal management, PCBs, and cloud applications – continues to demonstrate strong growth momentum. The Company will sustain its commitment to research and development, expand development capacity, and continue facility expansion to increase production capacity in response to customer demand. In close collaboration with customers, the Company will strive to develop next-generation products, build automated production equipment, and enhance production efficiency and effectiveness. Through the collective dedication and proactive ambition of all employees, supported by quality human and financial resources, the Company will endeavor to exceed its targets and enhance shareholder value.

I. The Company's 2025 operating overview is as follows:

(I) 2025 Business Plan Implementation Results (Consolidated Financial Statements):

1. Comparative analysis of business results

Unit: NTD thousand

| | 2025 | 2024 | Increase (decrease) in Amount | Change in Percentage (%) |
|-------------------------------------|-----------|-----------|-------------------------------------|-----------------------------|
| Net operating revenue | 6,046,419 | 5,492,378 | 554,041 | 10.09% |
| Operating costs | 5,186,854 | 4,721,507 | 465,347 | 9.86% |
| Operating gross profit | 859,565 | 770,871 | 88,694 | 11.51% |
| Operating expense | 740,993 | 793,640 | (52,647) | (6.63%) |
| Operating profit | 118,572 | (22,769) | 141,341 | (620.76%) |
| Non-operating revenues and expenses | (30,975) | 88,957 | (119,932) | (134.82%) |
| Net profit before tax | 87,597 | 66,188 | 21,409 | 32.35% |
| Income tax expense | 17,327 | 36,484 | (19,157) | (52.51%) |
| Current net profit | 70,270 | 29,704 | 40,566 | 136.57% |
| Non-controlling equity | 19,652 | 10,897 | 8,755 | 80.34% |
| Current net profit or loss | 50,618 | 18,807 | 31,811 | 169.14% |

The Company's product lines comprise LED lead frames, thermal management components, direct-lit TV backlight modules, ceramic substrates, and IC lead frames. Consolidated revenue for 2025 was NTD 6,046,419 thousand, an increase of NTD 554,041 thousand or 10.09% from NTD 5,492,378 thousand in 2024. The increase was primarily attributable to thermal management component revenue of NTD 1,745,805 thousand in 2025, representing a substantial increase of NTD 755,492 thousand or 76.29% from NTD 990,313 thousand in 2024.

Gross margin for the two most recent fiscal years was approximately 14%. Despite the significant increase in semiconductor thermal management component revenue in 2025, which would ordinarily have driven a substantial improvement in gross margin, the appreciation of the New Taiwan dollar adversely affected USD-denominated revenue under U.S. tariff conditions, and the sharp rise in international precious metals prices drove up the cost of copper and silver used in the production of LED lead frames, thermal management components, and IC lead frames, resulting in only a marginal improvement in gross margin compared to 2024. Although share-based payment expenses and expected credit loss provisions decreased in 2025, the appreciation of the New Taiwan dollar resulted in recognized foreign exchange losses and higher interest expense in non-operating income and expenses, such that the Company's pre-tax net profit for 2025 recorded only a marginal increase over 2024.

(II) 2025 Budget Execution: The Company did not publish financial forecasts for 2025.

(III) Analysis on financial revenue and expenditure, and profitability

| Items | | Year | |
|------------------------------|--|-----------|-----------|
| | | 2025 | 2024 |
| Financial income and expense | Operating revenue (NTD thousand) | 6,046,419 | 5,492,378 |
| | Gross profit (loss) (NTD thousand) | 859,565 | 770,871 |
| | Profit after tax (loss) (NTD thousand) | 70,270 | 29,704 |
| Profitability Analysis | Asset return ratio (%) | 1.27 | 0.75 |
| | Return on equity (%) | 1.29 | 0.61 |
| | Income before tax as a percentage of paid-in capital (%) | 3.74 | 2.83 |
| | Net profit ratio (%) | 1.16 | 0.54 |
| | Earnings per share (losses) (NTD) | 0.22 | 0.08 |

(IV) R&D status

The Company's thermal management component business has undergone a strategic transformation, shifting its focus from conventional computer and communications components to become a key leading supplier of thermal management solutions for high-performance computing (HPC) and AI server applications. Its core competitiveness lies in vertically integrated manufacturing capabilities and systematic management capacity. Thermal management component revenue has increased significantly as a proportion of total revenue compared to 2025, reflecting a fundamental shift in the Company's thermal management product mix, with its revenue contribution rising substantially. The two principal product categories are as follows:

1. Integrated Heat Spreaders (IHS): Applied in PCs, networking equipment, servers, and AI chips, IHS products protect chips and rapidly conduct heat both horizontally and vertically to the thermal dissipation module. As power consumption in next-generation AI chips from NVIDIA and multiple advanced packaging houses surges to 1,000W and is projected to exceed 2,000W in the future, the increased wattage demands larger, thicker, flatter, and higher-precision heat spreaders and thermal modules to improve packaging yield and post-packaging heat dissipation capabilities while simultaneously preventing chip and substrate warping. This also substantially enhances thermal conductivity efficiency, significantly increasing the value of the Company's IHS and thermal module products.
2. Liquid Cooling: Applied in advanced thermal systems including liquid cooling modules, cold plates, manifolds, and immersion cooling modules. Next-generation technologies under development represent a key focus for the Company going forward: the 2,000W microchannel liquid (MCL) heat spreader and the 3,000W+ bidirectional cooling module integrate cooling channels directly onto the heat spreader, bringing the coolant into closer proximity to the chip and shortening the thermal conduction path. By combining the functions of a heat spreader and a cold plate in a single component, these solutions significantly enhance thermal dissipation performance to meet the extreme heat rejection demands of future AI computing workloads.

II. 2026 Business Plan Overview

(I) Business policy

1. Key points

- (1) Persistence: Cultivation of talents, development of new products, rapid improvement, and a growth rate of more than 20%.
- (2) With the aforementioned four pillars, we establish our obligations for long-term development and implement improved administration as the method of sustainable development in corporate governance and management.
- (3) With refining, we focus on strategies to create core values. From a macro perspective, we shall think about how to achieve company goals.
- (4) Select the topics, measure the value created, and conduct business activities.
- (5) Focus on specific research areas, so that urgency and importance can be determined consistently. Achieve a balance between long-term and short-term goals. Lead decision-making, and reach the achievement of the overall goals.

2. Operation strategy

- (1) Success comes from change.
- (2) Proactive change brings greater opportunity and lower risk
- (3) With high sensitivity to changes, one can actively anticipate developments. Compared to reactive change, proactive change presents higher chances of success.
- (4) Proactive adaptation – “when one path closes, another opens; master one and all others follow”

3. Business philosophy

- (1) Honesty: the beginning and the end
- (2) Integrity: the process
- (3) Consistency: the results

Grounded in integrity, people-first, advancing high technology, committed to talent cultivation and research and development.

Guided by strategic objectives, the philosophy of focused excellence, and innovative thinking to drive sustained corporate growth.

Maintain a positive and optimistic outlook; embrace accountability; create value together; share equitably; advance with integrity; build the future together; achieve sustainable operations that contribute to society

(II) Expected sales volume

Projected sales volumes are derived from existing orders and anticipated customer orders, with reference to new product development plans and progress, and in consideration of future production capacity planning. Based on current international conditions, the prevailing economic environment, and historical experience, sales for 2026 are expected to achieve a meaningful level of growth.

(III) Key production and marketing policies

1. Production policy

- (1) Target-based management system to improve production capacity.
- (2) Performance accountability system to meet quality requirements.
- (3) Budget-based cost system to effectively reduce costs.
- (4) Research and develop low-cost, high-value-added, and competitive products.

2. Sales policy

- (1) Develop new products and develop new customers.
- (2) Expand the share of existing customers.
- (3) Develop new products, improve products, reduce costs, and create benefits.
- (4) Train talents and internationalize marketing
 - (A) Implement education and training based on the knowledge and skills required by job duties.
 - (B) Pay attention to customer services, keep abreast of information, and expand the market.
 - (C) Cultivation and training of talents.
 - (D) Cultivation and training of talents with organizational leadership, promotion of growth and planning.

III. Future development strategy

With the rapid advancement of the AI industry, the demand for high-performance thermal management solutions continues to grow, and the strategic importance of thermal management products within AI computing infrastructure is becoming increasingly pronounced. The Company will continue to enhance its manufacturing technology, expand its presence in the AI thermal management market, and deepen customer relationships in order to strengthen market competitiveness and create long-term growth opportunities. The Company's thermal management products will be developed along the following strategic directions:

1. Continued accumulation of manufacturing experience in semiconductor thermal management products;
2. precision manufacturing and processing capabilities;
3. high-quality process management;
4. and stable customer relationships

IV. Impact of external competition environment, legal environment, and overall business environment

The rapid advancement of artificial intelligence, high-performance computing, and cloud data centers has driven a continuous increase in semiconductor chip power density, generating substantial growth in demand for high-performance thermal management products and establishing the thermal management industry as an increasingly critical enabling technology within AI infrastructure. The global thermal management industry is currently comprised of three principal categories of competitors: international thermal solution providers, Taiwanese thermal module manufacturers, and specialized manufacturers focused on semiconductor thermal management components. The competitive landscape as a whole is characterized by technology differentiation and customer qualification as the primary axes of competition.

In addition, amid evolving regulatory requirements and increasing environmental mandates related to sustainability metrics and net-zero carbon emissions, governments worldwide have established implementation timelines requiring industries to meet progressive compliance milestones. Domestic and international competitors alike face these challenges; the Company addresses them through continuous new product development, ongoing improvements in process capabilities and operational efficiency, and cost reduction initiatives.

Adhering to the business philosophy of integrity, respect, and consistency between words and actions, the Company responds to changes in the international market and industry to meet customer needs, enhance product supply flexibility, and achieve the benefits of the international division of labor. In the spirit of pragmatism and integrity promoted by the Company's leaders, the Company as a whole will lay a solid foundation for sustainable development.

Chairman: Chou, Wan-Shun

Two. Corporate Governance Report

I. Directors, Supervisors, President, Vice President, Assistant Vice President and Supervisors of Departments and Branches

(I) Directors and supervisors:

March 27, 2026

| Position | Nationality or place of registration | Name | Gender/ Age | Date of election (appointment) date | Term of office | Date of first elected | Shareholding when elected | | Current shareholding | | Shareholdings of spouse and underage children | | Shareholding under other's name | | Education and selected past positions | Concurrent positions held in the Company and other companies | Managers, directors or supervisors who are spouses or relatives within the second degree of kinship | | | Remarks |
|----------------------|--------------------------------------|-------------------|-------------|-------------------------------------|----------------|-----------------------|---------------------------|----------------------------|----------------------|----------------------------|---|----------------------------|---------------------------------|----------------------------|---|---|---|----------------|--------------------------|----------|
| | | | | | | | Shares | Percentage of shareholding | Shares | Percentage of shareholding | Shares | Percentage of shareholding | Shares | Percentage of shareholding | | | Position | Name | Relationship | |
| Chairman | Republic of China | Chou, Wan-Shun | M 71-80 | 2023.5.30 | 3 | 1992.10.11 | 21,575,157 | 9.72 | 23,032,644 | 9.93 | 90,584 | 0.04 | 0 | 0 | Doctoral Degree in Business Administration, Pacific Western University, U.S. | (Note 1) | Vice Chairman | Lee, Chung-Yi | Second degree of kinship | (Note 5) |
| Vice Chairman | Republic of China | Lee, Chung-Yi | M 61-70 | 2023.5.30 | 3 | 1992.10.11 | 16,007,705 | 7.21 | 14,156,787 | 6.10 | 2,032,391 | 0.88 | 0 | 0 | EMBA, National Chengchi University | (Note 2) | Chairman | Chou, Wan-Shun | Second degree of kinship | None |
| Director | Republic of China | Lin, Wu-Chun | M 81-90 | 2023.5.30 | 3 | 2008.7.1 | 516,693 | 0.23 | 740,931 | 0.32 | 0 | 0 | 0 | 0 | Department of Political Science, National Taiwan University Associate Professor, Shih Chien University | Director of SFI Electronics Technology Inc. | None | None | None | None |
| Director | Republic of China | Yeh, Chwei-Jing | M 61-70 | 2023.5.30 | 3 | 2008.7.1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Master's Degree, Stevens Institute of Technology | (Note 3) | None | None | None | None |
| Independent Director | Republic of China | Lee, Jih-Chien | M 61-70 | 2023.5.30 | 3 | 2017.6.13 | 500,000 | 0.23 | 300,264 | 0.13 | 0 | 0 | 0 | 0 | Doctor of Commerce, Chinese Culture University; Assistant Professor, Chinese Culture University; Vice President of Ming Yuan Certified Public Accountants | Director of Ming-Yuan Enterprise Director of Ming-Yuan Enterprise Management Consulting | None | None | None | None |
| Independent Director | Republic of China | Kuo, Chung-Chien | M 71-80 | 2023.5.30 | 3 | 2017.6.13 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (Note 4) | Director of Jin-Yuan-San Automobile Independent Director of U-TECH Independent Director, Anbogen Therapeutics, Inc. | None | None | None | None |
| Independent Director | Republic of China | Chang, Hsien-Sung | M 61-70 | 2023.5.30 | 3 | 2017.6.13 | 107,922 | 0.05 | 112,298 | 0.05 | 0 | 0 | 0 | 0 | Chairman of Song Lei Precision Industries Co., Ltd. | Chairman of Song Lei Precision Industries Co., Ltd. | None | None | None | None |

| Position | Nationality or place of registration | Name | Gender/ Age | Date of election (appointment) date | Term of office | Date of first elected | Shareholding when elected | | Current shareholding | | Shareholdings of spouse and underage children | | Shareholding under other's name | | Education and selected past positions | Concurrent positions held in the Company and other companies | Managers, directors or supervisors who are spouses or relatives within the second degree of kinship | | | Remarks |
|----------------------|--------------------------------------|------------------|-------------|-------------------------------------|----------------|-----------------------|---------------------------|----------------------------|----------------------|----------------------------|---|----------------------------|---------------------------------|----------------------------|---|--|---|------|--------------|---------|
| | | | | | | | Shares | Percentage of shareholding | Shares | Percentage of shareholding | Shares | Percentage of shareholding | Shares | Percentage of shareholding | | | Position | Name | Relationship | |
| Independent Director | Republic of China | Hung, Shun-Ching | M 61-70 | 2023.5.30 | 3 | 2023.5.30 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Doctor of Marketing, Northwestern University; Professor Department of Business Administration at National Chengchi University | Independent Director, RiTdisplay Corporation | None | None | None | None |

- Note 1: Chairman of I-Zou Hi-Tech (SZN) Co., Ltd.; Chairman of I-Chiun Precision Electric (Nanjing) Co., Ltd.; Chairman of I-Chiun Precision Electric Industry (China) Co., Ltd.; Chairman of I-Chiun Technology (China) Co., Ltd.; Chairman of Ecocera Optronics Co., Ltd.; Director of Aimcore Technology Co., Ltd.; Chairman of Jen Yung Investment Co., Ltd.
- Note 2: Director of I-Zou Hi-Tech (SZN) Co., Ltd.; Director of I-Chiun Precision Electric (Nanjing) Co., Ltd.; Director / President of Ecocera Optronics Co., Ltd.; Director of I-Chiun Technology (China) Co., Ltd.
- Note 3: Chairman of RITEK Corporation; Chairman of Zhongfu Investment Co. Ltd.; Chairman of Zhongyuan International Venture Capital; Chairman of RiTdisplay Corporation; Director of Keynes Investment Co. Ltd.; Chairman of Aimcore Technology Co., Ltd.; Chairman of Ritedia Corporation; Chairman of Welltech Energy Inc.; Chairman of Evergreat E&C Co., Ltd.; Chairman of Ritfast Corporation; Director of Dingsheng Investment Co., Ltd.; Director of Yusheng Investment & Development Co., Ltd.; Chairman of Ritwin Corporation; Chairman of AimCHIP Co., Ltd.
- Note 4: Standing Director of the Taiwan Securities Association and Convener of its Research and Development Committee and Education and Training Committee; Supervisor of AimCore Technology Co., Ltd.; Independent Director of Joyin Co., Ltd.; Director of Human Cultural Enterprise Co., Ltd.; Independent Director of Ecocera Optronics Co., Ltd.; Supervisor of InnoPharmax Inc.
- Note 5: Chairman Chou, Wan-Shun is a first-degree relative of President Chou, Meng-Hsien. President Chou, Meng-Hsien assumed the position of President on December 1, 2025, and has served the Company for over 20 years. He possesses a strong understanding of overall industry dynamics, the Company's operating conditions, risk management, and strategic direction, and is able to efficiently propose optimal solutions for major operational decisions. Additionally, only one of the eight directors has the employee ID of the Company, while the remaining seven are outside directors (including independent directors). Therefore, the Board of Directors still acts objectively in making decisions.

1. Disclosure of information on professional qualifications of directors and supervisors and independence of independent directors:

| Qualification Name | Professional Qualifications and Experience | Compliance of Independence | Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director |
|--|--|---|---|
| Chou, Wan-Shun (Director) | <ol style="list-style-type: none"> With working experience in business, legal, finance and accounting; currently serving as the Company's chairman and president. Does not meet any of the conditions stated in Article 30 of the Company Act. | Not applicable | 0 |
| Lee, Chung-Yi (Director) | <ol style="list-style-type: none"> With working experience in business, legal, finance and accounting; currently serving as Ecocera Optronics Co., Ltd.'s director and president. Does not meet any of the conditions stated in Article 30 of the Company Act. | Not applicable | 0 |
| Lin, Wu-Chun (Director) | <ol style="list-style-type: none"> With working experience in business, legal, finance and accounting; currently serving as Director of SFI Electronics Technology Inc. Does not meet any of the conditions stated in Article 30 of the Company Act. | Not applicable | 0 |
| Yeh, Chwei-Jing (Director) | <ol style="list-style-type: none"> With working experience in business, legal, finance and accounting; currently serving as chairman of Ritek. Does not meet any of the conditions stated in Article 30 of the Company Act. | Not applicable | 0 |
| Lee, Jih-Chien (Independent director) | <ol style="list-style-type: none"> With experience in finance, accounting or subjects required by the business of the company in public or private colleges or universities. Does not meet any of the conditions stated in Article 30 of the Company Act. | <ol style="list-style-type: none"> Whether the independent director himself/herself, his/her spouse or relative within 2nd degree of kinship serve as a director, supervisor or employee in the Company or affiliates. Yes. Li, Chia-Wei serves as an Independent Director of Ecocera Optronics Co., Ltd. The proportion of shares held by the independent director himself, his/her spouse, or second-degree relatives (or in the name of others): 300,264 shares of the Company were held, with a shareholding ratio of 0.13%. Acting for a company specifically related to the Company: None. The amount of remuneration received for business, legal, financial, and accounting services provided by the Company or its affiliates in the past two years: None. | 0 |

| Qualification Name | Professional Qualifications and Experience | Compliance of Independence | Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director |
|---|---|--|---|
| Kuo, Chung-Chien (Independent director) | <ol style="list-style-type: none"> 1. With experience in finance, accounting or subjects required by the business of the company in public or private colleges or universities. 2. Does not meet any of the conditions stated in Article 30 of the Company Act. | <ol style="list-style-type: none"> 1. Whether the independent director themselves, their spouse, or second-degree relatives serve as a director, supervisor, or employer in the Company or affiliates: None. 2. The proportion of shares held by the independent director themselves, his/her spouse, or second-degree relatives (or in the name of others): None. 3. Acting for a company specifically related to the Company: None. 4. The amount of remuneration received for business, legal, financial, and accounting services provided by the Company or its affiliates in the past two years: None. | 2 |
| Chang, Hsien-Sung (Independent director) | <ol style="list-style-type: none"> 1. With working experience in business, legal, finance and accounting 2. Does not meet any of the conditions stated in Article 30 of the Company Act | <ol style="list-style-type: none"> 1. Whether the independent director themselves, their spouse, or second-degree relatives serve as a director, supervisor, or employer in the Company or affiliates: None. 2. The proportion of shares held by the independent director themselves, his/her spouse, or second-degree relatives (or in the name of others): 112,298 shares of the Company were held, with a shareholding ratio of 0.05%. 3. Acting for a company specifically related to the Company: None. 4. The amount of remuneration received for business, legal, financial, and accounting services provided by the Company or its affiliates in the past two years: None. | 0 |
| Hung, Shun-Ching (Independent director) | <ol style="list-style-type: none"> 1. With experience in marketing, commerce, or subjects required by the business of the Company in public or private colleges or universities 2. Does not meet any of the conditions stated in Article 30 of the Company Act | <ol style="list-style-type: none"> 1. Whether the independent director themselves, their spouse, or second-degree relatives serve as a director, supervisor, or employer in the Company or affiliates: None. 2. The proportion of shares held by the independent director themselves, his/her spouse, or second-degree relatives (or in the name of others): None. 3. Acting for a company specifically related to the Company: None. 4. The amount of remuneration received for business, legal, financial, and accounting services provided by the Company or its affiliates in the past two years: None. | 1 |

2. Diversity and independence of the Board of Directors:

(1) Diversity of the Board of Directors:

According to the Company's Corporate Governance Best Practice Principles, the composition of the board of directors shall be determined by taking diversity into consideration. The directors who hold positions as the Company's managers shall be no more than one-third of all directors, and an appropriate policy on diversity shall be formulated based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy includes, but is not limited to, the following two general standards:

- A. Basic conditions and values: gender, age, nationality and culture, among which, the ratio of female directors should reach one-third of the board seats.
- B. Professional knowledge and skills: Professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills, and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties. To achieve the ideal objectives of corporate governance, the Board of Directors as a whole should possess the following competencies: A. Operational judgment, B. Accounting and financial analysis, C. Business management, D. Crisis management, E. Industry knowledge, F. International market perspective, G. Leadership, H. Decision-making abilities, and I. Sustainability management.

The Company currently has eight directors, all of whom are Taiwanese nationals. The Board comprises four independent directors, no female directors, and one director with employee status. Going forward, the Company plans to promote board diversity and gender equality, and expects to appoint at least one female director in the next board re-election scheduled for 2026. The core of director diversity is as follows:

| Name | Nationality | Gender | Age | Whether concurrently serving as an employee of the Company or its subsidiaries | The ability to make judgments about operations | Accounting and financial analysis ability | Business management ability | Crisis management ability | Industry knowledge | International market perspective | Leadership ability | Decision-making ability | Sustainability management capabilities |
|-------------------|-------------------|--------|-------|--|--|---|-----------------------------|---------------------------|--------------------|----------------------------------|--------------------|-------------------------|--|
| Chou, Wan-Shun | Republic of China | M | 71–80 | V | V | V | V | V | V | V | V | V | V |
| Lee, Chung-Yi | Republic of China | M | 61–70 | V | V | V | V | V | V | V | V | V | V |
| Yeh, Chwei-Jing | Republic of China | M | 61–70 | | V | V | V | V | V | V | V | V | V |
| Lin, Wu-Chun | Republic of China | M | 81–90 | | V | | V | V | | V | | | V |
| Kuo, Chung-Chien | Republic of China | M | 71–80 | | V | V | V | V | | V | V | V | V |
| Lee, Jih-Chien | Republic of China | M | 61–70 | | V | V | V | V | | V | | | |
| Chang, Hsien-Sung | Republic of China | M | 61–70 | | V | V | V | V | V | V | V | V | V |
| Hung, Shun-Ching | Republic of China | M | 61–70 | | V | V | V | V | | V | V | V | V |

(2) Independence of the Board:

The election process of the Company's directors is open and fair, in line with regulations stipulated in the Company's "Articles of Incorporation," "Rules for Director Elections," "Corporate Governance Best Practice Principles," "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and "Article 14-2 of the Securities and Exchange Act." The composition of the current Board is four independent directors (50%) and four non-independent directors (50%). Among them, only Chairman Chou, Wan-Shun and Director Lee, Chung-Yi have relationships with spouses or second-degree relatives. Therefore, more than half of the seats on the board are held by individuals who do not have such relationships.

The Company's Board of Directors guides company strategies, supervises management, and is responsible for the Company and its shareholders. The Board of Directors exercises its responsibilities in all operations and arrangements of the corporate governance system in accordance with the law, the Articles of Incorporation, and the resolutions of the shareholders' meeting. The Company's Board emphasizes its independent operations and transparency functions. Moreover, all directors and independent directors are independent individuals exercising their responsibilities independently. In conjunction with the responsibilities of the Audit Committee, the four independent directors review the control of the Company's existing or potential risks as required by applicable laws and regulations. By doing so, the Audit Committee ensures the effective implementation of supervision over the Company's internal controls, the appointment (and dismissal) of CPAs and their independence, as well as the appropriate interpretation of financial statements. According to the Company's "Rules for Director Elections," the cumulative voting system and candidate nomination system have been adopted to elect directors and independent directors, with which shareholders are engaged. Shareholders holding a certain number of shares may propose a list of candidates and review the qualifications of these candidates and check whether they violate any of the matters listed in Article 30 of the Company Act. Related acceptance of proposals is carried out and announced according to the law to ensure the rights and interests of shareholders as a means to avoid monopoly or excessive nomination rights and maintain independence.

The Company has established the "Regulations Governing the Performance Evaluation of the Board of Directors" and conducts an annual performance evaluation of the entire Board, individual directors, the Audit Committee, and the Remuneration Committee. The results are submitted to the Board for review and improvement, and disclosed in the Company's annual report.

(II) President, Vice President, Assistant Vice President and Supervisors of Departments and Branches:

March 27, 2026

| Position | Nationality | Name | Gender | Date of (Election) Appointment Date | Shares held | | Shares held by spouse or minor children | | Shareholding under other's name | | Education and selected past positions | Concurrent positions at other companies | Managers who are spouses or relatives within the second degree of kinship | | | Remarks | |
|--------------------------|-------------------|-------------------|--------|-------------------------------------|-------------|----------------------------|---|----------------------------|---------------------------------|----------------------------|---|---|---|------------------|-------------------------|---------|------|
| | | | | | Shares | Percentage of shareholding | Shares | Percentage of shareholding | Shares | Percentage of shareholding | | | Position | Name | Relationship | | |
| Chairman / President | Republic of China | Chou, Wan-Shun | M | 2026.3.8 | 23,032,644 | 9.93 | 90,584 | 0.04 | 0 | 0 | Doctoral Degree in Business Administration, Pacific Western University, U.S. | Note 1 | President | Chou, Meng-Hsien | First degree of kinship | None | |
| President | Republic of China | Chou, Meng-Hsien | M | 2025.12.1 | 250,802 | 0.11 | 0 | 0 | 0 | 0 | Department of Mathematics, Tamkang University Special Assistant, I-Chiun Precision Industry Co., Ltd. | Note 2 | Chairman | Chou, Wan-Shun | First degree of kinship | None | |
| Vice President | Republic of China | Huang, Pei-Feng | M | 2011.1.1 | 105,139 | 0.05 | 0 | 0 | 0 | 0 | Information Engineering, Lee-Ming Institute of Technology Vice President of I-Chiun Precision Industry Co., Ltd. | None | None | None | None | None | None |
| Vice President | Republic of China | Liu, Hsiu-Hsing | M | 2026.1.1 | 42,920 | 0.02 | 0 | 0 | 0 | 0 | Master's in International Marketing, Bournemouth University, U.K. | None | None | None | None | None | None |
| Assistant Vice President | Republic of China | Tsai, Min-Chen | M | 2013.4.1 | 12,000 | 0.01 | 0 | 0 | 0 | 0 | Vice President of I-Zou Hi-Tech (SZN) Co., Ltd. | None | None | None | None | None | None |
| Assistant Vice President | Republic of China | Yang, Pai-Jung | M | 2007.9.1 | 190,203 | 0.08 | 0 | 0 | 0 | 0 | Department of Accounting, Fu Jen Catholic University More than 20 years of work experience in finance and accounting | Supervisor, I-Chiun Precision Electric Industry (China) Co., Ltd. | None | None | None | None | None |
| Assistant Vice President | Republic of China | Chen, Chih-Yung | M | 2013.4.1 | 63,000 | 0.03 | 0 | 0 | 0 | 0 | Department of International Trade/Business Administration, University of Technology Sydney, Australia; More than 20 years of experience in business development at I-Chiun Precision Industry Co., Ltd. | None | None | None | None | None | None |
| Assistant Vice President | Republic of China | Lu, Tsung-Wei | M | 2013.4.1 | 77,000 | 0.03 | 1,000 | 0.00 | 0 | 0 | Automatic Control, Lughwa University of Science and Technology More than 15 years of experience in mold processing at I-Chiun Precision Industry Co., Ltd. | None | None | None | None | None | None |
| Assistant Vice President | Republic of China | Huang, Li-Wei | M | 2018.7.1 | 11,758 | 0.01 | 0 | 0 | 0 | 0 | Information, Tung Hai Senior High School More than 15 years of experience in the mold-related business | None | None | None | None | None | None |
| Assistant Vice President | Republic of China | Lee, Chia-Ming | M | 2019.8.1 | 283 | 0.00 | 0 | 0 | 0 | 0 | Mold Engineering, New Taipei Municipal San-Chung Commercial and Industrial Vocational High School More than 15 years of experience in the mold-related business | None | None | None | None | None | None |
| Assistant Vice President | Republic of China | Li, Ting-Hsi | M | 2025.9.1 | 10,000 | 0.00 | 532 | 0.00 | 0 | 0 | Department of Industrial Engineering, Lughwa University of Science and Technology More than 20 years of experience in the mold-related business | None | None | None | None | None | None |
| Assistant Vice President | Republic of China | Chen, Hsien-Cheng | M | 2026.1.1 | 11,000 | 0.00 | 0 | 0 | 0 | 0 | Department of Chemical and Materials Engineering, Lughwa University of Science and Technology More than 15 years of experience in manufacturing at I-Chiun Precision Industry Co., Ltd. | None | None | None | None | None | None |

Note 1: Chairman of I-Zou Hi-Tech (SZN) Co., Ltd.; Chairman of I-Chiun Precision Electric (Nanjing) Co., Ltd.; Chairman of I-Chiun Precision Electric Industry (China) Co., Ltd.; Chairman of I-Chiun Technology (China) Co., Ltd.; Chairman of Ecocera Optronics Co., Ltd.; Director of Aimcore Technology Co., Ltd.; Chairman of Jen Yung Investment Co., Ltd. Chairman Chou, Wan-Shun stepped down from the position of President on December 1, 2025.

Note 2: Director of I-Chiun Precision Electric Industry (China) Co., Ltd.; Director of I-Chiun Precision Electric (Nanjing) Co., Ltd.; Director of I-Chiun Technology (China) Co., Ltd.; Director of Ecocera Optronics Co., Ltd.; Director of CMTEK Co., Ltd.; Director of AimCHIP Co., Ltd.; Director of Long Yao Investment Co., Ltd.; Supervisor of Jen Yung Investment Co., Ltd. President Chou, Meng-Hsien assumed office on December 1, 2025.

(III) If the Chairman and the President (or an equivalent high-level executive) are the same person, spouses, or first-degree relatives, an explanation must be provided addressing the reasons for such an arrangement, its reasonableness, necessity, and the corresponding response measures:
Chairman Chou, Wan-Shun is a first-degree relative of President Chou, Meng-Hsien. President Chou, Meng-Hsien has served the Company for over 20 years. He possesses a strong understanding of overall industry dynamics, the Company's operating conditions, risk management, and strategic direction, and is able to efficiently propose optimal solutions for major operational decisions. Additionally, only one of the eight directors has the employee ID of the Company, while the remaining seven are outside directors (including independent directors). Therefore, the Board of Directors still acts objectively in making decisions.

II. Remuneration Paid During the Most Recent Fiscal Year to Directors, Supervisors, President, and Vice Presidents:

(I) Remuneration to Directors and Independent Directors

Unit: NTD thousand

| Position | Name | Remuneration to Directors | | | | | | | | Sum of A, B, C, and D and percentage of net profit margin (%) | | Remuneration to directors also holding employee positions | | | | | | | | The sum of A, B, C, D, E, F and G and percentage of net profit margin (%) | | Remuneration from Invested Businesses Other than Subsidiaries or from Parent Company |
|----------------------|-------------------|---------------------------|--|-----------------------------|--|-----------------------------|--|----------------------|--|---|--|---|--|-----------------------------|--|---------------------------|------------------|--|------------------|---|--|--|
| | | Remuneration (A) | | Pension upon retirement (B) | | Directors' remuneration (C) | | Service Expenses (D) | | | | Wages, bonuses, and special allowances, etc. (E) | | Pension upon retirement (F) | | Employee Compensation (G) | | | | | | |
| | | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | | All companies included in the financial statements | | The Company | All companies included in the financial statements | |
| | | | | | | | | | | | | | | | | Amount of cash | Amount of shares | Amount of cash | Amount of shares | | | |
| Chairman | Chou, Wan-Shun | 6,876 | 9,036 | 0 | 0 | 52 | 837 | 60 | 140 | 6,988 13.81% | 10,013 19.78% | 0 | 0 | 0 | 0 | 62 | 0 | 62 | 0 | 7,050 13.93% | 10,075 19.90% | None |
| Vice Chairman | Lee, Chung-Yi | 0 | 0 | 0 | 0 | 100 | 300 | 60 | 140 | 160 0.32% | 440 0.87% | 0 | 3,648 | 0 | 0 | 0 | 0 | 300 | 0 | 160 0.32% | 4,388 8.67% | None |
| Director | Lin, Wu-Chun | 0 | 0 | 0 | 0 | 150 | 150 | 60 | 60 | 210 0.41% | 210 0.41% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 210 0.41% | 210 0.41% | None |
| Director | Yeh, Chwei-Jing | 0 | 0 | 0 | 0 | 150 | 150 | 40 | 40 | 190 0.38% | 190 0.38% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 190 0.38% | 190 0.38% | None |
| Independent Director | Lee, Jih-Chien | 120 | 120 | 0 | 0 | 170 | 170 | 60 | 60 | 350 0.69% | 350 0.69% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 350 0.69% | 350 0.69% | None |
| Independent Director | Kuo, Chung-Chien | 120 | 120 | 0 | 0 | 200 | 200 | 60 | 60 | 380 0.75% | 380 0.75% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 380 0.75% | 380 0.75% | None |
| Independent Director | Chang, Hsien-Sung | 120 | 120 | 0 | 0 | 150 | 150 | 50 | 50 | 320 0.63% | 320 0.63% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 320 0.63% | 320 0.63% | None |
| Independent Director | Hung, Shun-Ching | 120 | 120 | 0 | 0 | 150 | 150 | 60 | 60 | 330 0.65% | 330 0.65% | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 330 0.65% | 330 0.65% | None |
| | Total | 7,356 | 9,516 | 0 | 0 | 1,122 | 2,107 | 450 | 610 | 8,928 17.64% | 12,233 24.16% | 0 | 3,648 | 0 | 0 | 62 | 0 | 362 | 0 | 8,990 17.76% | 16,243 32.08% | None |

- Please describe the remuneration policies, systems, standards and packages for independent directors, and the connection of factors such as responsibilities, risks and hours spent with the amount of remuneration.
 - Under the Articles of Incorporation, all Directors and Supervisors of the Company may receive regular compensation, including transportation allowances and salaries. The Board of Directors is authorized to determine the specific amounts based on each member's level of participation in and contribution to the Company's operations. Such compensation shall be provided in accordance with standard industry practices, regardless of whether the Company operates at a profit or a loss.
 - If the Company makes a profit, up to 3% of the profit may be allocated as directors' remuneration, as stipulated in the Articles of Incorporation.
- Other than the remuneration disclosed in said table, the remuneration received by any of the Company's directors for providing services (e.g. as an advisor other than employee in the parent company/all companies included in the financial statements/Invested businesses) in the most recent year: None.

(II) Remuneration to Supervisors: Not applicable. Since July 1, 2017, the Audit Committee has been responsible for implementing the supervisors' functions and powers as stipulated in relevant laws and regulations.

(III) Remuneration to President and Vice Presidents

Unit: NTD thousand

| Position | Name | Salary (A) | | Pension upon retirement (B) | | Bonuses and special allowances (C) | | Employee Compensation (D) | | | | Sum of A, B, C, and D and percentage of net profit margin (%) | | Remuneration from Invested Businesses Other than Subsidiaries or from Parent Company |
|----------------------|------------------|-------------|--|-----------------------------|--|------------------------------------|--|---------------------------|------------------|--|------------------|---|--|--|
| | | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | | All companies included in the financial statements | | The Company | All companies included in the financial statements | |
| | | | | | | | | Amount of cash | Amount of shares | Amount of cash | Amount of shares | | | |
| Chairman / President | Chou, Wan-Shun | 5,033 | 7,113 | 0 | 0 | 1,844 | 1,923 | 62 | 0 | 62 | 0 | 6,939 13.71% | 9,098 17.97% | None |
| President (Note) | Chou, Meng-Hsien | 2,327 | 2,327 | 0 | 0 | 1,881 | 1,881 | 72 | 0 | 72 | 0 | 4,280 8.46% | 4,280 8.46% | None |
| Vice President | Huang, Pei-Feng | 1,380 | 1,380 | 0 | 0 | 250 | 250 | 46 | 0 | 46 | 0 | 1,676 3.31% | 1,676 3.31% | None |
| | Total | 8,740 | 10,820 | 0 | 0 | 3,975 | 4,054 | 180 | 0 | 180 | 0 | 12,895 25.48% | 15,054 29.74% | None |

Note: Chou, Meng-Hsien assumed the position of President on December 1, 2025, while the former President, Chou, Wan-Shun, stepped down concurrently.

(IV) Top Five Managers of the Company with the Highest Remuneration

Unit: NTD thousand

| Position | Name | Salary (A) | | Pension upon retirement (B) | | Bonuses and special allowances (C) | | Employee Compensation (D) | | | | Sum of A, B, C, and D and percentage of net profit margin (%) | | Remuneration from Invested Businesses Other than Subsidiaries or from Parent Company |
|--------------------------|------------------|-------------|--|-----------------------------|--|------------------------------------|--|---------------------------|------------------|--|------------------|---|--|--|
| | | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | All companies included in the financial statements | The Company | | All companies included in the financial statements | | The Company | All companies included in the financial statements | |
| | | | | | | | | Amount of cash | Amount of shares | Amount of cash | Amount of shares | | | |
| Chairman | Chou, Wan-Shun | 5,033 | 7,113 | 0 | 0 | 1,844 | 1,923 | 62 | 0 | 62 | 0 | 6,939 13.71% | 9,098 17.97% | None |
| President | Chou, Meng-Hsien | 2,327 | 2,327 | 0 | 0 | 1,881 | 1,881 | 72 | 0 | 72 | 0 | 4,280 8.46% | 4,280 8.46% | None |
| Vice President | Liu, Hsiu-Hsing | 1,920 | 1,920 | 0 | 0 | 925 | 925 | 41 | 0 | 41 | 0 | 2,886 5.70% | 2,886 5.70% | None |
| Assistant Vice President | Lu, Tsung-Wei | 1,224 | 1,224 | 0 | 0 | 817 | 817 | 35 | 0 | 35 | 0 | 2,076 4.10% | 2,076 4.10% | None |
| Assistant Vice President | Yang, Pai-Jung | 1,245 | 1,245 | 0 | 0 | 428 | 428 | 35 | 0 | 35 | 0 | 1,708 3.37% | 1,708 3.37% | None |
| | Total | 11,749 | 13,829 | 0 | 0 | 5,895 | 5,974 | 245 | 0 | 245 | 0 | 17,889 35.34% | 20,048 39.60% | None |

Note: Liu, Hsiu-Hsing was promoted to Vice President on January 1, 2026.

(V) Managers receiving employee compensation and state of distribution:

December 31, 2025; Unit: NTD Thousand

| | Position | Name | Amount of shares | Amount of cash | Total | The total amount as a percentage of net income (%) |
|----------|--------------------------|------------------|------------------|----------------|-------|--|
| Managers | Chairman / President | Chou, Wan-Shun | 0 | 478 | 478 | 0.94% |
| | President | Chou, Meng-Hsien | | | | |
| | Vice President | Huang, Pei-Feng | | | | |
| | Vice President | Liu, Hsiu-Hsing | | | | |
| | Assistant Vice President | Tsai, Min-Chen | | | | |
| | Assistant Vice President | Yang, Pai-Jung | | | | |
| | Assistant Vice President | Chen, Chih-Yung | | | | |
| | Assistant Vice President | Lu, Tsung-Wei | | | | |
| | Assistant Vice President | Huang, Li-Wei | | | | |
| | Assistant Vice President | Lee, Chia-Ming | | | | |
| | Assistant Vice President | Li, Ting-Hsi | | | | |
| | Accounting Manager | Huang, Chih-Chun | | | | |

Note: Chou, Meng-Hsien assumed the position of President on December 1, 2025, while the former President, Chou, Wan-Shun, stepped down concurrently.

(VI) Separately compare and describe total remuneration, as a percentage of net income stated in the standalone or individual financial reports, paid by this company and by each other company included in the consolidated financial statements during the past two fiscal years to directors, supervisors, presidents, and vice presidents. Additionally, analyze and describe the remuneration policies, standards, and packages; the procedure for determining remuneration; and its linkage to operating performance and future risk exposure.

1. Analysis on the total remuneration paid to directors, supervisors, President, and Vice Presidents of the Company in latest two years by the Company and all companies in the consolidated financial statements as a percentage of the net income after tax

Unit: NTD thousand

| Items \ Year | 2025 | | 2024 | |
|---------------------------|-------------|---|-------------|---|
| | The Company | All companies included into the consolidated financial statements | The Company | All companies included into the consolidated financial statements |
| Total remuneration | 12,586 | 19,839 | 11,474 | 20,849 |
| Net earnings after tax | 50,618 | 50,618 | 18,807 | 18,807 |
| % to after-tax net profit | 24.86% | 39.19% | 61.01% | 110.86% |

2. The Company's remuneration policies, standards, and packages, the procedures through which remunerations were determined, and their linkage to business performance and future risks:

- (1) The regulations governing the payment of remuneration to the Company's directors, supervisors, and employees are as follows:

According to the Company's Articles of Incorporation, the Company shall first deduct the distribution of employee remuneration and director remuneration from the income before tax of the current fiscal year, followed by compensating for any accumulated losses. If there is any remaining amount after such deductions, no less than 10% of that amount shall be appropriated as employee remuneration, and no more than 3% shall be appropriated as director remuneration. The distribution shall be approved per resolution of the Board of Directors and then reported to a shareholders' meeting.

- (2) The Company has established the Remuneration Committee to assist the Board of Directors in determining the remuneration of the Company's directors and managers, as well as the Company's remuneration policy. If the Company retains earnings at the end of the year, remuneration shall be distributed to directors upon review by the Remuneration Committee and in accordance with the resolution of the Board of Directors, subject to the Company's operating performance, each director's involvement in the Company's operations, and the value of their contribution. The income and remuneration are linked to the reasonableness and fairness of the performance risk. The Remuneration Committee also regularly evaluates the content and reasonableness of the payment standards applicable to directors.
- (3) All Directors and Supervisors of the Company may receive recurring remuneration, such as transportation allowances and salaries. The Board of Directors is authorized to determine the amounts of such remuneration based on the level of their involvement in and the value of their contributions to the operation of the Company. Such remuneration shall be paid according to the common standard adopted in the industry, regardless of whether there is an operating profit or loss.

- (4) The remuneration to managers is determined with reference to the human resources market, the industry of the same type, and the Company's salary and welfare policies. Additionally, other bonuses and rewards are distributed based on the profitability of the year. The reasonable amount of bonus and remuneration distributable to each manager is determined with reference to the remuneration and benefits common in the same industry, and is also subject to the Company's business performance, individual job duties, and contributions during the year. This determination is reviewed by the Remuneration Committee and then presented to the Board of Directors for approval.
- (5) Linkage to business performance and future risks:
The Company conducts performance evaluations on directors and functional committees regularly each year, in accordance with the "Regulations Governing Performance Evaluation of the Board of Directors," and submits the evaluation results to the Board of Directors in the following year for review, reference for improvement, and also as the basis for determination of remuneration and salary. The remuneration to directors, president, and vice presidents has been determined by fully taking into account their professional abilities, the Company's operations and financial position, and their other special contributions to the Company, linked with the Company's performance and personal performance as the standard for determination of the remuneration. The remuneration system for the Company's directors and managers will be reviewed in a timely manner depending on the overall environment, corporate business strategies, and future business risk assessments, in order to maintain a balance between the Company's sustainable operation and risk management.

III. Status of corporate governance

(I) Information concerning the Board of Directors

1. A total of six (A) meetings were held in the last year; below are directors' attendance records: (2025.1.1 – 2025.12.31)

| Position | Name | Actual attendance (B) | Attendance by proxy | Attendance Rate (%) [B/A] | Remarks |
|----------------------|-------------------|-----------------------|---------------------|---------------------------|---------------------------|
| Chairman | Chou, Wan-Shun | 6 | 0 | 100% | Reelected (2023.5.30) |
| Vice Chairman | Lee, Chung-Yi | 6 | 0 | 100% | Reelected (2023.5.30) |
| Director | Lin, Wu-Chun | 6 | 0 | 100% | Reelected (2023.5.30) |
| Director | Yeh, Chwei-Jing | 4 | 0 | 67% | Reelected (2023.5.30) |
| Independent Director | Lee, Jih-Chien | 6 | 0 | 100% | Reelected (2023.5.30) |
| Independent Director | Kuo, Chung-Chien | 6 | 0 | 100% | Reelected (2023.5.30) |
| Independent Director | Chang, Hsien-Sung | 5 | 1 | 83% | Reelected (2023.5.30) |
| Independent Director | Hung, Shun-Ching | 6 | 0 | 100% | Newly elected (2023.5.30) |

Other matters required to be recorded:

- I. For board of directors meetings that meet any of the following circumstances, specify the date, session, the content of the proposal, independent directors' opinions and the Company's response to such opinions:
- (I) Conditions described in Article 14-3 of the Securities and Exchange Act: The Company has established the Audit Committee. Therefore, Article 14-3 of the Securities and Exchange Act shall not apply. For related information, please refer to the Operation of Audit Committee in the annual report.
- (II) Except for said matters, independent directors had any dissenting or reserved opinions regarding other resolutions approved by the board of directors, for which there is a record or declaration in writing: None.
- II. Regarding recusals of directors from voting due to conflicts of interests, the names of directors, details of the relevant agendas, reasons for recusals, and the results of voting:

| Date of meetings | Term | Motions | Name of Director | Reasons of the recusal for conflict of interest | Participation on voting |
|------------------|-----------|--|------------------|---|--|
| January 21, 2025 | 13rd time | Distribution of the 2024 year-end bonus | Chou, Wan-Shun | President of the Company concurrently | The director recused himself for conflict of interest pursuant to laws and from the discussion and voting. |
| March 4, 2025 | 14th time | Distribution of the 2024 year-end bonus for supervisors | Chou, Wan-Shun | President of the Company concurrently | The director recused himself for conflict of interest pursuant to laws and from the discussion and voting. |
| May 12, 2025 | 15th time | Distribution of employee compensation for 2024 | Chou, Wan-Shun | President of the Company concurrently | The director recused himself for conflict of interest pursuant to laws and from the discussion and voting. |
| November 4, 2025 | 18th time | Acquisition of transferable development rights for land purchase | Chou, Wan-Shun | Stakeholder | The director recused himself for conflict of interest pursuant to laws and from the discussion and voting. |
| March 10, 2026 | 20th time | Distribution of the 2025 year-end bonus for supervisors | Chou, Wan-Shun | Stakeholder | The director recused himself for conflict of interest pursuant to laws and from the discussion and voting. |
| April 14, 2026 | 21st | Distribution of directors' and employee compensation (management) for 2025 | Chou, Wan-Shun | Stakeholder | The director recused himself for conflict of interest pursuant to laws and from the discussion and voting. |

- III. The information on the frequency, period, scope, method and content of TWSE/TPEx listed company's Board of Director self-evaluation (or peer assessment) shall be disclosed. State the status of the Company's Board evaluation in Table 2(2): Please refer to the explanation in 2. Execution status of the board evaluation.
- IV. Targets for strengthening of the functions of the Board during the current and the most recent years
- (I) The Company has established an Audit Committee since July 1, 2017.
- (II) The Company's Board of Directors shall meet at least once per quarter and is responsible for the fair presentation of the Company's financial statements, the independence and performance of external auditors, the effective implementation of the Company's internal control system, the Company's compliance with relevant laws and regulations, and the control over the Company's existing or potential risks. The Board of Directors' operation is considered successful.

(III) In order to enhance new operational knowledge and knowledge about laws, the Company arranges lectures and related securities laws and regulations training for its directors and officers from time to time. To enhance information transparency, the Company's internal auditors submit audit reports to independent directors on a regular basis. Independent directors communicate with the financial officer and internal auditors from time to time to understand the Company's overview of operations.

Implementation evaluation: Attendance status of independent directors in the current year and the most recent year: V (attended in person)

| 2025 | 1/21 | 3/4 | 4/10 | 5/12 | 8/5 | 11/4 |
|-------------------|------|-----|------|------|-----------|------|
| Lee, Jih-Chien | V | V | V | V | V (Video) | V |
| Kuo, Chung-Chien | V | V | V | V | V | V |
| Chang, Hsien-Sung | V | V | V | V | | V |
| Hung, Shun-Ching | V | V | V | V | V | V |

| 2026 | 1/29 | 3/10 | 4/14 | | | |
|-------------------|------|------|-----------|--|--|--|
| Lee, Jih-Chien | V | V | V (Video) | | | |
| Kuo, Chung-Chien | V | V | V | | | |
| Chang, Hsien-Sung | V | V | V | | | |
| Hung, Shun-Ching | V | V | V | | | |

2. The implementation status of the performance evaluation of the board of directors

| Evaluation cycles | Evaluation periods | Evaluation scope | Evaluation method | Evaluation content |
|----------------------|---|--|--|--|
| Enforced once a year | From January 1, 2025 to December 31, 2025 | <ol style="list-style-type: none"> Self-evaluation of the performance of the Board of Directors Self-evaluation by individual directors Self-evaluation on performance evaluation of functional committee members (Audit Committee, Remuneration Committee) | Questionnaires were sent to directors and functional committee members to complete | <ol style="list-style-type: none"> Self-evaluation of the performance of the Board of Directors: <ol style="list-style-type: none"> Participation in the operation of the Company; Improving the quality of the board's decision-making; Composition and structure of the Board of Directors; The director's professionalism and continuing education. Internal control. Self-evaluation by individual directors: <ol style="list-style-type: none"> Alignment of the goals and mission of the company; Awareness of the duties of a director; Participation in the operation of the company; Management of internal relationship and communication; The director's professionalism and continuing education; and Internal control. Self-evaluation on performance evaluation of functional committee members (Audit Committee, Remuneration Committee): <ol style="list-style-type: none"> Participation in the operation of the company. Awareness of the duties of the functional committee; Improving the quality of decision-making by functional committees; Composition of functional committees and election of members; Internal control. |

Conclusions and Improvement Recommendations for Board Performance Evaluation:

The Company's 2025 Board of Directors and functional committee performance evaluations were conducted using a questionnaire approach. The results were submitted to the Board of Directors on March 10, 2026 for review and improvement. The overall operation of the Board and its functional committees is sound and in compliance with corporate governance requirements. Members of the Board and committees have duly fulfilled their responsibilities in supporting the Company's operational development and have effectively enhanced the Board's functions.

Based on the evaluation results, certain directors noted that (1) understanding of the Company's objectives and mission, and (2) directors' professional expertise and continuing education require further improvement. The following recommendations are proposed to enable directors to more fully and promptly understand the Company's operations and to enhance their professional capabilities, thereby meeting the expectations of the Board.

| Items for Improvement | Improvement Recommendations |
|--|---|
| (1) Alignment of the goals and mission of the company; | The Management Department presented the 2026 Annual Operating Plan to the Board of Directors at the meeting held on January 29, 2026, and has commenced implementation of the various initiatives under the "Annual Planning Guidelines" as instructed by the Chairman. It is recommended that the management team ensure the effective execution of established objectives and tasks, regularly report on implementation progress to the Board, and solicit valuable input from each director. Such practices are expected to enhance directors' engagement in the Company's operations and contribute positively to corporate governance. |
| (2) Directors' Professional Development and Continuing Education | The Company arranged director training programs in 2025 that included the "21st (2025) Corporate Governance Summit Forum" organized by the Taiwan Corporate Governance Association, as well as the "AI Development and Cybersecurity Risks" course offered by the Securities and Futures Institute. These programs were designed to enhance corporate governance effectiveness and strengthen the Company's ability to respond to emerging risks. In 2026, the Company will continue to arrange similar training programs to further support directors in deepening their focus on AI technology applications, cybersecurity governance, and evolving trends in modern corporate governance. |

(II) Information on the operation of the Audit Committee

A total of five Audit Committee meetings (A) were held in the last year; independent directors' attendance records are summarized below: (2025.1.1–2025.12.31)

| Position | Name | Attendance in person (B) | Attendance by proxy | Actual attendance (%) (B/A) | Remarks |
|--|--|--------------------------|---|--|---------------------------|
| Independent Director | Kuo, Chung-Chien | 5 | 0 | 100% | Reelected (2023.5.30) |
| Independent Director | Lee, Jih-Chien | 5 | 0 | 100% | Reelected (2023.5.30) |
| Independent Director | Chang, Hsien-Sung | 4 | 1 | 88% | Reelected (2023.5.30) |
| Independent Director | Hung, Shun-Ching | 5 | 0 | 100% | Newly elected (2023.5.30) |
| Other matters required to be recorded: | | | | | |
| I. For Audit Committee meetings that meet any of the following descriptions, state the date, session, the discussed topics, the independent directors' recommendation or objection, independent directors' opinions, and how the Company has responded to such opinions. | | | | | |
| (I) The circumstances referred to in Article 14-5 of the Securities and Exchange Act: | | | | | |
| Audit Committee | Contents of Motion and Follow-up Actions | | Resolution | The Company's handling of Audit Committee feedback | |
| January 21, 2025 (12th meeting of the 3rd term) | <ol style="list-style-type: none"> Application for renewal of a NTD 200 million short-term credit facility from First Bank Application for renewal of a NTD 50 million short-term credit facility from Cathay United Bank Amendment to the "Group Performance Bonus Distribution Guidelines" (Version T) Financing plan for the Company's acquisition of land and real estate | | The proposal was approved unanimously by all attending members. | Not applicable | |
| March 4, 2025 (the 13th meeting of the 3rd term) | <ol style="list-style-type: none"> 2024 Business Report and Financial Statements 2024 Statement on Internal Control System 2024 Earnings Distribution Proposal 2024 Cash Dividend Distribution Proposal Distribution of cash from capital surplus Amendments to the Articles of Incorporation Amendments to the Corporate Governance Best Practice Principles Amendment to the Company's Regulations Governing the Prevention of Insider Trading. Amendments to the Company's Rules of Procedure for Board of Director Meetings Amendments to the Company's Audit Committee Charter Establishment of the Sustainable Development Committee Charter Application by the Company for renewal of a NTD 80 million short-term credit facility from Far Eastern International Bank Application by the Company for renewal of credit facilities, export bill negotiation, and derivatives trading limits with Mega International Commercial Bank Application by the Company for a guarantee facility from Mega International Commercial Bank Application by the Company for a short-term loan facility from Yuanta Commercial Bank | | The proposal was approved unanimously by all attending members. | Not applicable | |
| May 12, 2025 (14th meeting of the 3rd term) | <ol style="list-style-type: none"> The result of evaluation on independence and competence of the Company's external auditors. The appointment and professional fees to the Company's CPAs for 2025 Q1 2025 consolidated financial statements Amendment to the "Regulations Governing Remuneration to Employees" (Version F) Amendments to the Company's Regulations Governing the Management of Sustainable Information Application of the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for a discounted note line of RMB 10 million from the Industrial and Commercial Bank of China Jiangmen Jianghai Branch. In response to business development and operational needs, application for renewal of credit facilities with financial institutions In response to business development and operational needs, application for a short-term secured loan facility from First Bank | | The proposal was approved unanimously by all attending members. | Not applicable | |

| | | | |
|--|--|---|----------------|
| August 5, 2025 (15th meeting of the 3rd term) | <ol style="list-style-type: none"> Q2 2025 consolidated financial statements Establishment of the Company's Nomination Committee Charter Amendment to the conversion terms of the Company's 6th domestic unsecured convertible bonds issued in 2024, in line with regulatory relaxation allowing conversions during the share transfer suspension period, and submission for approval in accordance with the procedures Changes in Accounting Officer, Spokesperson, and Acting Spokesperson Approval of limits and duration for short-term securities investments Increase in derivatives trading limits for the subsidiary in China, I-Chiun Technology (China) Co., Ltd. Second amendment to the "Employee Shareholding Trust Committee Charter" Application of the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for renewal of a RMB 10 million credit facility from the Bank of China Application for increase of the short-term loan facility with Taiwan Cooperative Bank to NTD 100 million and its renewal | The proposal was approved unanimously by all attending members. | Not applicable |
| November 4, 2025 (16th meeting of the 3rd term) | <ol style="list-style-type: none"> Q3 2025 consolidated financial statements 2026 audit plan Communication principles between the Company's independent directors, Internal Audit Officer, and CPAs, and the implementation status in 2025 Revisions to the conversion terms of the Company's 6th domestic unsecured convertible bonds issued in 2024 Acquisition of transferable development rights for land purchase Application by the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for renewal of a RMB 10 million credit facility from the Industrial and Commercial Bank of China Jiangmen Jianghai Branch Amendment to the Company's "Regulations Governing Remuneration to Employees" (Version G) | The proposal was approved unanimously by all attending members. | Not applicable |

(II) In addition to the aforementioned motions, other motions without approval by the Audit Committee but passed by the Board with two-thirds of the Directors: None.

II. Regarding recusals of independent directors from voting due to conflicts of interests, the names of independent directors, details of the relevant agendas, reasons for recusals, and the results of voting: None.

III. Communication between independent directors and internal/external auditors (e.g. discussions concerning the Company's financial and business affairs, the method of communication used, and the outcome).

(I) The Company has established an Audit Committee through which independent directors communicate with the CPAs. Prior to each quarterly Audit Committee meeting, the CPAs provide explanations of the quarterly financial reports and update the independent directors on regulatory amendments and relevant trends.

| Date | Meeting Type | Communication Matters | Communication Outcomes |
|------------------|-----------------|---|--|
| May 12, 2025 | Audit Committee | <ol style="list-style-type: none"> The CPAs communicated the review results of the Q1 2025 financial report Audit Quality Indicators (AQIs) Newly amended IFRSs Reminder of key corporate governance initiatives for 2025 | No objections were raised at the meeting |
| August 5, 2025 | Audit Committee | <ol style="list-style-type: none"> The CPAs communicated the review results of the Q2 2025 financial report Newly amended regulations | No objections were raised at the meeting |
| November 4, 2025 | Audit Committee | <ol style="list-style-type: none"> The CPAs communicated the review results of the Q3 2025 financial report Corporate governance communication during the 2025 audit planning stage | No objections were raised at the meeting |
| March 10, 2026 | Audit Committee | <ol style="list-style-type: none"> The CPAs communicated the audit results of the 2025 annual financial statements Audit Quality Indicators (AQIs) Newly amended regulations | No objections were raised at the meeting |

(II) The Internal Audit Officer executes audit activities in accordance with the audit plan. Upon completion of each audit engagement, audit reports and follow-up reports are submitted for approval and provided to each independent director via email by the end of the following month for review. Should independent directors have any questions or instructions, they may communicate with the Internal Audit Officer via telephone or email. The Internal Audit Officer attends Board meetings as required to report on audit activities and has attended Audit Committee meetings since the third quarter of 2025 to communicate with independent directors.

| Date | Meeting Type | Communication Matters | Communication Outcomes |
|------------------|--------------------|---------------------------|--|
| January 21, 2025 | Board of Directors | Report on audit execution | No objections were raised at the meeting |
| March 4, 2025 | Board of Directors | Report on audit execution | No objections were raised at the meeting |
| May 12, 2025 | Board of Directors | Report on audit execution | No objections were raised at the meeting |
| August 5, 2025 | Board of Directors | Report on audit execution | No objections were raised at the meeting |
| November 4, 2025 | Audit Committee | 2026 audit plan | No objections were raised at the meeting |

(III) Corporate governance implementation and the difference from the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons

| Evaluation Item | Status | | | Discrepancies from the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof. |
|---|------------------|----|--|--|
| | Yes | No | Summary | |
| I. Does the Company establish and disclose the corporate governance practices pursuant to the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies? | V | | The Company has established its “Corporate Governance Best Practice Principles,” and published it on the Company’s website. | No material discrepancy. |
| II. Shareholding structure and shareholder’s equity (I) Internal procedures for suggestions, questions, disputes and litigation from shareholders. (II) Does the Company keep abreast of the list of major shareholders and the ultimate controlling parties of such shareholders? (III) Does the Company establish and implement a risk control mechanism and firewalls between its affiliates and itself? (IV) Whether the Company established internal regulations prohibiting insider trading against non-public information? | V V V V | | The Company has established a spokesperson system and fully disclosed the spokesperson’s contact information on its website. Shareholders may provide their feedback via phone or email. The Company will handle the matter in accordance with relevant operating procedures. Any matters involving legal issues will be referred to the legal affairs personnel. The Company confirms the changes in the shareholdings of directors, managers, and major shareholders every month to keep abreast of the status of their shareholdings. The Company also publishes the list of the top ten shareholders in the annual report. The Company maintains financial and business independence from its subsidiaries, and has established the regulations governing the supervision of subsidiaries as the basis to be followed in transactions. The Company has established the “Regulations Governing the Prevention of Insider Trading,” which prohibits insiders from exploiting undisclosed information to trade securities. | No material discrepancy. No material discrepancy. No material discrepancy. No material discrepancy. |
| III. Composition and responsibilities of the board of directors (I) Has the board of directors formulated a diversity policy, and specific management objectives and are they implemented? | V | | The provisions of Article 20 of the Company’s Corporate Governance Best Practice Principles stipulate the diversity policy of board members, including operations, finances and accounting, management, crisis management, industry knowledge, international perspectives, leadership, and decision-making ability. | No material discrepancy. |

| Evaluation Item | Status | | | Discrepancies from the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof. |
|--|--------|----|---|--|
| | Yes | No | Summary | |
| (II) In addition to the remuneration committee and the audit committee set up in accordance with the law, does the Company set up other functional committees voluntarily? | V | | The Company established a Sustainable Development Committee on May 12, 2025, and a Nomination Committee on August 4, 2025. | No material discrepancy. |
| (III) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis? Are the results of the evaluation reported at the Board Meeting and used as reference for remuneration and the nomination for re-election? | V | | The Company has established the “Regulations for Performance Evaluation of the Board of Directors” and conducts evaluations annually. The results of the evaluations are reported to the Board of Directors. The 2025 Board performance evaluation was reported at the Board meeting held on March 10, 2026. For details on the evaluation method and content, please refer to the “Information concerning the Board of Directors” section in this annual report. | No material discrepancy. |
| (IV) Does the Company regularly assess the independence of CPAs? | V | | The Company has also established the “Regulations for Assessing the Independence and Competence of Certified Public Accountants (CPAs).” The General Administration Division conducts annual evaluations of the independence and competence of the CPAs. In addition to requiring the CPAs to submit a “Declaration of Independence” and provide Audit Quality Indicators (AQIs), the evaluation is conducted based on the standards listed in the table below, along with 13 AQI metrics. It has been confirmed that the CPAs have no financial interests or business relationships with the Company other than for audit and tax-related fees. No family members of the CPAs are in violation of independence requirements. Based on the AQI indicators, it was also confirmed that both the CPAs and their firms exceed the industry average in terms of audit experience and training hours. Furthermore, over the past three years, the firm has continued implementing digital audit tools to enhance audit quality. The most recent evaluation was approved by the Audit Committee on May 12, 2025, and subsequently by the Board of Directors on the same day. The evaluation confirmed that the CPAs meet the Company’s standards for independence and are qualified to serve as the Company’s auditors. | No material discrepancy. |

| Evaluation Item | Status | | | Discrepancies from the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof. | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--------------------|----|---|--|--------------------|--|-----|--|-----|--|-----|--|-----|--|-----|--|-----|--|-----|---|-----|--|-----|---|-----|---|-----|--|-----|--|
| | Yes | No | Summary | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | <p>Review of the independence criteria:</p> <table border="1"> <thead> <tr> <th>Evaluation Item</th> <th>Meets Requirements</th> </tr> </thead> <tbody> <tr> <td>The CPA, their spouse, and minor children have no investment in or financial interests with the Company.</td> <td>Yes</td> </tr> <tr> <td>The CPA, their spouse, and minor children have no loan transactions with the Company. This excludes cases where the counterparty is a financial institution with a normal business relationship.</td> <td>Yes</td> </tr> <tr> <td>The CPA firm has not issued any assurance service reports on the effective operation of financial information systems it has designed or helped implement.</td> <td>Yes</td> </tr> <tr> <td>The CPA or any member of the audit engagement team has not served as a director, manager, or in any position with significant influence over the audit engagement for the Company during the current year or the past two years.</td> <td>Yes</td> </tr> <tr> <td>Non-audit services provided by the CPA do not directly affect any key items in the audit engagement.</td> <td>Yes</td> </tr> <tr> <td>The CPA or any audit engagement team member has not promoted or acted as an agent for the Company's issued shares or other securities.</td> <td>Yes</td> </tr> <tr> <td>The CPA or any audit engagement team member has not represented the Company in legal matters or disputes with third parties, except for services permitted by law.</td> <td>Yes</td> </tr> <tr> <td>The CPA or any audit engagement team member has no spousal, direct blood relative, direct in-law, or second-degree collateral relative relationship with any Company director, manager, or person with significant influence over the audit engagement.</td> <td>Yes</td> </tr> <tr> <td>No former partner of the CPA firm who left the firm within the past year currently serves as a director, manager, or in a position with significant influence over the audit engagement.</td> <td>Yes</td> </tr> <tr> <td>The CPA or any audit engagement team member has not received significant gifts, gratuities, or special favors from the Company, its directors, managers, or major shareholders.</td> <td>Yes</td> </tr> <tr> <td>The CPA does not perform regular work, receive a fixed salary, or serve as a director or supervisor for the client.</td> <td>Yes</td> </tr> <tr> <td>Publicly listed companies: The CPA has not provided audit services to the Company for seven consecutive years. Non-publicly listed companies: The CPA has not provided audit services to the Company for ten consecutive years.</td> <td>Yes</td> </tr> </tbody> </table> | Evaluation Item | Meets Requirements | The CPA, their spouse, and minor children have no investment in or financial interests with the Company. | Yes | The CPA, their spouse, and minor children have no loan transactions with the Company. This excludes cases where the counterparty is a financial institution with a normal business relationship. | Yes | The CPA firm has not issued any assurance service reports on the effective operation of financial information systems it has designed or helped implement. | Yes | The CPA or any member of the audit engagement team has not served as a director, manager, or in any position with significant influence over the audit engagement for the Company during the current year or the past two years. | Yes | Non-audit services provided by the CPA do not directly affect any key items in the audit engagement. | Yes | The CPA or any audit engagement team member has not promoted or acted as an agent for the Company's issued shares or other securities. | Yes | The CPA or any audit engagement team member has not represented the Company in legal matters or disputes with third parties, except for services permitted by law. | Yes | The CPA or any audit engagement team member has no spousal, direct blood relative, direct in-law, or second-degree collateral relative relationship with any Company director, manager, or person with significant influence over the audit engagement. | Yes | No former partner of the CPA firm who left the firm within the past year currently serves as a director, manager, or in a position with significant influence over the audit engagement. | Yes | The CPA or any audit engagement team member has not received significant gifts, gratuities, or special favors from the Company, its directors, managers, or major shareholders. | Yes | The CPA does not perform regular work, receive a fixed salary, or serve as a director or supervisor for the client. | Yes | Publicly listed companies: The CPA has not provided audit services to the Company for seven consecutive years. Non-publicly listed companies: The CPA has not provided audit services to the Company for ten consecutive years. | Yes | |
| Evaluation Item | Meets Requirements | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA, their spouse, and minor children have no investment in or financial interests with the Company. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA, their spouse, and minor children have no loan transactions with the Company. This excludes cases where the counterparty is a financial institution with a normal business relationship. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA firm has not issued any assurance service reports on the effective operation of financial information systems it has designed or helped implement. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA or any member of the audit engagement team has not served as a director, manager, or in any position with significant influence over the audit engagement for the Company during the current year or the past two years. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non-audit services provided by the CPA do not directly affect any key items in the audit engagement. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA or any audit engagement team member has not promoted or acted as an agent for the Company's issued shares or other securities. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA or any audit engagement team member has not represented the Company in legal matters or disputes with third parties, except for services permitted by law. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA or any audit engagement team member has no spousal, direct blood relative, direct in-law, or second-degree collateral relative relationship with any Company director, manager, or person with significant influence over the audit engagement. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| No former partner of the CPA firm who left the firm within the past year currently serves as a director, manager, or in a position with significant influence over the audit engagement. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA or any audit engagement team member has not received significant gifts, gratuities, or special favors from the Company, its directors, managers, or major shareholders. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| The CPA does not perform regular work, receive a fixed salary, or serve as a director or supervisor for the client. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Publicly listed companies: The CPA has not provided audit services to the Company for seven consecutive years. Non-publicly listed companies: The CPA has not provided audit services to the Company for ten consecutive years. | Yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Evaluation Item | Status | | | Discrepancies from the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof. | | | | | | | | | | |
|---|--------------------|----|--|--|--------------------|--|-----|--|-----|---|-----|---|-----|--|
| | Yes | No | Summary | | | | | | | | | | | |
| | | | <p>Review of Qualification Criteria:</p> <table border="1"> <thead> <tr> <th>Evaluation Item</th> <th>Meets Requirements</th> </tr> </thead> <tbody> <tr> <td>The CPA has not been subject to any disciplinary action by the CPA Disciplinary Committee in the past two years. The CPA firm has not been involved in any litigation in the last two years.</td> <td>Yes</td> </tr> <tr> <td>The CPA firm possesses sufficient scale, resources, and regional coverage to effectively provide audit services for the Company.</td> <td>Yes</td> </tr> <tr> <td>The CPA firm has established clear quality control procedures, including the hierarchy and key aspects of audit procedures, methods for addressing audit issues and exercising judgment, independence quality control reviews, and risk management.</td> <td>Yes</td> </tr> <tr> <td>The CPA firm has promptly informed the Audit Committee of any significant issues or developments related to risk management, corporate governance, financial accounting, or relevant risk controls.</td> <td>Yes</td> </tr> </tbody> </table> | Evaluation Item | Meets Requirements | The CPA has not been subject to any disciplinary action by the CPA Disciplinary Committee in the past two years. The CPA firm has not been involved in any litigation in the last two years. | Yes | The CPA firm possesses sufficient scale, resources, and regional coverage to effectively provide audit services for the Company. | Yes | The CPA firm has established clear quality control procedures, including the hierarchy and key aspects of audit procedures, methods for addressing audit issues and exercising judgment, independence quality control reviews, and risk management. | Yes | The CPA firm has promptly informed the Audit Committee of any significant issues or developments related to risk management, corporate governance, financial accounting, or relevant risk controls. | Yes | |
| Evaluation Item | Meets Requirements | | | | | | | | | | | | | |
| The CPA has not been subject to any disciplinary action by the CPA Disciplinary Committee in the past two years. The CPA firm has not been involved in any litigation in the last two years. | Yes | | | | | | | | | | | | | |
| The CPA firm possesses sufficient scale, resources, and regional coverage to effectively provide audit services for the Company. | Yes | | | | | | | | | | | | | |
| The CPA firm has established clear quality control procedures, including the hierarchy and key aspects of audit procedures, methods for addressing audit issues and exercising judgment, independence quality control reviews, and risk management. | Yes | | | | | | | | | | | | | |
| The CPA firm has promptly informed the Audit Committee of any significant issues or developments related to risk management, corporate governance, financial accounting, or relevant risk controls. | Yes | | | | | | | | | | | | | |
| IV. Does the TWSE/TPEX listed company have an adequate number of corporate governance personnel with appropriate qualifications to be in charge of corporate governance affairs, including, but not limited to, providing directors and supervisors with the required information for business execution; handling relevant matters related to board meetings and shareholders' meetings according to the laws; processing corporate registration and amendment registration; and preparing minutes of board meetings and shareholders' meetings? | V | | <p>The Company's General Management Unit is responsible for business related to corporate governance. The motion was reported to the Board of Directors on April 19, 2021 for approval of the appointment of Assistant Vice President Yang, Pai-Jung as the Chief Corporate Governance Officer, who has worked as the management in charge of legal affairs, finance and shareholders service in public companies for more than two decades.</p> <p>Terms of reference and implementation:</p> <ol style="list-style-type: none"> Organize meetings of the Board of Directors, Audit Committee, and Shareholders' Meeting as required by law. <ol style="list-style-type: none"> Responsible for preparing and convening meetings, assisting in drafting agendas and compiling information on proposals, providing meeting details and relevant information to members in a timely and appropriate manner, assisting with meeting proceedings and minutes, and issuing reminders for recusal due to conflicts of interest, if necessary. Assisting in compliance matters such as announcement or release of matters resolved at the meeting, and follow up on the implementation of matters resolved in the meeting. | No material discrepancy. | | | | | | | | | | |

| Evaluation Item | Status | | | Discrepancies from the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof. |
|--|--------|----|---|--|
| | Yes | No | Summary | |
| | | | 2. Prepare the minutes of the Board of Directors and Shareholders' Meetings and provide the minutes of the Board of Directors' and Shareholders' Meetings within 20 days after the meeting. 3. Assisting in onboarding and continuing education of directors. 4. Providing directors with the information needed to perform their duties. 5. Reporting to the Board of Directors whether the qualifications of independent directors complied with relevant laws and regulations during the nomination, election, and term of office. 6. Assisting directors in complying with laws and regulations, and reminding directors of their rights and obligations under relevant laws and regulations and regulatory developments. 7. Other matters stipulated in the Articles of Incorporation or contracts. | |
| V. Does the Company establish communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers), and set up a dedicated area for stakeholders on the Company's website, and respond to important corporate social responsibility issues that stakeholders are concerned about appropriately? | V | | The Company regularly discloses its financial reports and business information on the Market Observatory Post System (MOPS) and the Company's website, has engaged a spokesperson for external communication, and provides a contact mailbox for stakeholders on the Company's website. | No material discrepancy. |
| VI. Does the Company appoint a professional stock affairs agency to handle the affairs of shareholders' meetings? | V | | The Company appoints the Shareholders Service Department, Grand Fortune Securities Co., Ltd., to handle shareholders service affairs. | No material discrepancy. |
| VII. Public Disclosure of Information (I) Does the Company set up a website to disclose financial business and corporate governance information? | V | | The Company discloses financial business and corporate governance information on its website at http://www.i-chiun.com.tw . | No material discrepancy. |

| Evaluation Item | Status | | | Discrepancies from the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof. |
|---|--------|----|---|--|
| | Yes | No | Summary | |
| (II) Does the Company adopt other information disclosure methods (such as setting up an English website, designating a person for collection and disclosure of information, implementing a spokesperson system, and publishing the process of investor conferences on the website)? | V | | The Company has established a website in Chinese and has engaged a spokesperson and an acting spokesperson for information collection and disclosure, serving as a bridge for external communication. | No material discrepancy. |
| (III) Does the company publicly announce and file the annual financial reports within two months after the close of the given fiscal year and publicly announce and file the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline? | | V | The Company currently discloses and files its financial reports and monthly operating results in accordance with Article 36 of the Securities and Exchange Act and relevant directives issued by the Securities and Futures Bureau. | No material discrepancy. |
| VIII. Does the Company have additional important information that is helpful to understand the operation of the corporate governance (including but not limited to the employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, further education of directors and supervisors, implementation of risk management policies and evaluation measures, implementation of customer policies and liability insurance coverage for directors and supervisors)? | V | | <p>(I) Employees' rights and care to employees:</p> <ol style="list-style-type: none"> 1. The Company has established an Employee Welfare Committee and appropriated welfare funds as per the laws. 2. For information on employee rights and employee care, please refer to this annual report – Labor–Management Relations. <p>(II) Investor relations</p> <ol style="list-style-type: none"> 1. The Company has created an investor relations section on its official website to provide two-way information exchange. 2. The Company has established the Internal Material Information Processing Procedures to avoid improper disclosure of information, and to ensure the consistency and accuracy of the information published by the company to the public. <p>(III) The Company has maintained a positive relationship with its suppliers.</p> <p>(IV) The continuing education of directors has been disclosed on the MOPS.</p> | No material discrepancy. |

| Evaluation Item | Status | | | Discrepancies from the Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies and reasons thereof. |
|--|--------|----|--|--|
| | Yes | No | Summary | |
| | | | <p>(V) Directors' liability insurance has been enshrined in the Articles of Incorporation of the Company and was duly implemented. Important details such as the insured amount, scope and premium rate are reported to the Board of Directors on a regular basis.</p> <p>(VI) In order to improve the supervision and management functions of the Board of Directors, the Company has established the "Rules of Procedure for Board of Directors Meetings" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies" promulgated by the competent authority.</p> | |
| <p>IX. Please specify the status of the corrections based on the corporate governance assessment report released by the Corporate Governance Center of TWSE in the most recent year, as well as the priority corrective actions and measures addressing the remaining deficiencies. The Company's General Management Unit is responsible for corporate governance-related matters and putting forth improvement measures based on the unimproved items in the corporate governance evaluation.</p> | | | | |

(IV) Where the Company has set up a remuneration committee or nomination committee, their composition and operational status shall be disclosed

1. Information on the Remuneration Committee members

| Identity | Qualification Name | Professional Qualifications and Experience | Compliance of Independence | Number of other public companies with concurrent position as a Remuneration Committee member |
|---------------------------------|-----------------------|---|---|--|
| Independent Director (Convener) | Lee, Jih-Chien | <p>Education:</p> <p>Master, Graduate Institute of International Business Administration College of Business Chinese Culture University</p> <p>Ph.D., Graduate Institute of International Business Administration College of Business Chinese Culture University</p> <p>Experience:</p> <ol style="list-style-type: none"> 1. Vice President of Ming Yuan Certified Public Accountants (December 2004 –December 2017) 2. Lecturer, Chinese Culture University – Department of International Business Administration 3. Director of Ming-Yang Enterprise Management Consulting Co., Ltd. (June 21, 2016 – June 10, 2025) 4. Director of Yuan-Dong Business Co., Ltd. (January 21, 2021 – June 12, 2025) <p>Current job:</p> <ol style="list-style-type: none"> 1. Assistant Professor, Chinese Culture University – Department of International Business Administration (August 2016–) 2. Independent Director, Audit Committee member, Remuneration Committee convener of I-Chiun Precision Industry Co., Ltd. (July 2017–) 3. Director of Ming-Yuan Enterprise Management Consulting Co., Ltd. (December 2017–) 4. Director of Ming-Yuan Enterprise Co., Ltd. (September 20, 2019 –) | <ol style="list-style-type: none"> 1. The independent director himself/herself, his/her spouse or relative within 2nd degree of kinship does not serve as a director, supervisor or employee in the Company or affiliates. 2. The proportion of shares held by the independent director himself/herself, his/her spouse or second-degree relatives (or in the name of others): 300,264 share, 0.13% 3. Does not serve as a director, supervisor, or employee in a company specifically related to the Company (please refer to Subparagraph 5–8, Paragraph 1, Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange). 4. The amount of remuneration received for business, legal, financial and accounting services provided to the Company or its affiliates in the past two years. | 0 |

| | | | | |
|----------------------|------------------|---|--|---|
| Independent Director | Kuo, Chung-Chien | <p>Education:</p> <p>Master, College of Business Administration, Chinese Culture University</p> <p>Bachelor, Tatung Institute of Technology (Tatung University) / Department of Business Administration</p> <p>Experience:</p> <ol style="list-style-type: none"> 1. Over 30 years of experience in securities authorities and securities-related organizations and served as a broker-dealer 2. Awarded the 2nd Top 10 Securities and Futures Talent (June 1997; now renamed as Golden Goblet Award) 3. Awarded Distinguished Alumni by Tatung University (1997) 4. Awarded the 5th Distinguished Alumni of Beipu Elementary School, Hsinchu County (October 2018) (120th anniversary of the school) 5. Has over 20 years of experience serving as a part-time lecturer teaching securities-related courses at universities in Taiwan 6. Previously served as a director and supervisor for several companies 7. Independent director of Joyin. Co., Ltd. (public company) (September 2011 – June 27, 2021) 8. Supervisor of Zhi-Fu Car Hire Co., Ltd. (July 2017 – May 29, 2020) <p>Current job:</p> <ol style="list-style-type: none"> 1. Independent Director and Audit Committee convener, Remuneration Committee member of I-Chiun Precision Industry Co., Ltd. (public company) (July 2017–) 2. Director of Jin-Yuan-San Automobile Co., Ltd. (April 2002–) 3. Taiwan Securities Association (member of R&D Committee) (September 2016–) 4. Independent Director of U-Tech Media Co., Ltd. (June 14, 2024–) 5. Independent Director of Anbogen Therapeutics, Inc. | <ol style="list-style-type: none"> 1. The independent director himself/herself, his/her spouse or relative within 2nd degree of kinship does not serve as a director, supervisor or employee in the Company or affiliates. 2. The proportion of shares held by the independent director himself/herself, his/her spouse or second-degree relatives (or in the name of others): 0 share, 0% 3. Does not serve as a director, supervisor, or employee in a company specifically related to the Company (please refer to Subparagraph 5–8, Paragraph 1, Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange). 4. The amount of remuneration received for business, legal, financial and accounting services provided to the Company or its affiliates in the past two years. | 2 |
|----------------------|------------------|---|--|---|

| Identity | Qualification Name | Professional Qualifications and Experience | Compliance of Independence | Number of other public companies with concurrent position as a Remuneration Committee member |
|----------------------|-----------------------|---|---|--|
| | | (June 27, 2025-) | | |
| Independent Director | Chang, Hsien-Sung | Education: Dongfang High School of Industry and Commerce Experience: 1. Chairman of Song Lei Precision Industries Co., Ltd. (May 1994-present) Current job: 1. Chairman of Song Lei Precision Industries Co., Ltd. (May 1994-present) 2. Independent Director, Audit Committee member, Remuneration Committee member of I-Chiun Precision Industry Co., Ltd. (July 2017-) | 1. The independent director himself/herself, his/her spouse or relative within 2nd degree of kinship does not serve as a director, supervisor or employee in the Company or affiliates. 2. The proportion of shares held by the independent director himself/herself, his/her spouse or second-degree relatives (or in the name of others): 112,298 share, 0.05% 3. Does not serve as a director, supervisor, or employee in a company specifically related to the Company (please refer to Subparagraph 5-8, Paragraph 1, Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange). 4. The amount of remuneration received for business, legal, financial and accounting services provided to the Company or its affiliates in the past two years. | 0 |

| Identity | Qualification Name | Professional Qualifications and Experience | Compliance of Independence | Number of other public companies with concurrent position as a Remuneration Committee member |
|----------------------|-----------------------|--|--|--|
| Independent Director | Hung, Shun-Ching | <p>Education:</p> <p>Ph.D., Marketing, Northwestern University</p> <p>MBA, National Chengchi University</p> <p>Bachelor of Statistics, National Chengchi University</p> <p>Experience:</p> <ol style="list-style-type: none"> 1. Independent Director of AimCore Technology Co., Ltd. 2. Independent Director of Le Young Construction Co., Ltd. 3. Independent Director of E-life Mall Corporation 4. Independent Director of U-Tech Media Co., Ltd. 5. Senior Marketing Scientist of ZS Associates, Inc., USA 6. Professor, Dean and Director, MBA Program at National Chengchi University 7. Associate Professor, Department of Business Management, National Sun Yat-sen University <p>Current job:</p> <ol style="list-style-type: none"> 1. Independent Director, Audit Committee member, Remuneration Committee member of I-Chiun Precision Industry Co., Ltd. (30 May, 2023–) 2. Independent Director, Audit Committee member, Remuneration Committee member of RiTdisplay Corporation (June 24, 2025–) | <ol style="list-style-type: none"> 1. The independent director himself/herself, his/her spouse or relative within 2nd degree of kinship does not serve as a director, supervisor or employee in the Company or affiliates. 2. The proportion of shares held by the independent director himself/herself, his/her spouse or second-degree relatives (or in the name of others): 0 share, 0% 3. Does not serve as a director, supervisor, or employee in a company specifically related to the Company (please refer to Subparagraph 5–8, Paragraph 1, Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange). 4. The amount of remuneration received for business, legal, financial and accounting services provided to the Company or its affiliates in the past two years. | 1 |

2. Information on the operation of the Remuneration Committee

- (1) The Company's Remuneration Committee consists of four members.
 (2) The term of office of the current members: May 30, 2023 to May 29, 2026. A total of 5 (A) Remuneration Committee meetings were held during the most recent fiscal year. Information on committee members and their attendance is as follows: (2025.1.1 – 2025.12.31)

| Position | Name | Attendance in person (B) | Attendance by proxy | Actual attendance (%) (B/A) | Remarks |
|----------|-------------------|--------------------------|---------------------|-----------------------------|--------------------------|
| Convener | Lee, Jih-Chien | 5 | 0 | 100% | Reelected (2023.5.30) |
| Member | Kuo, Chung-Chien | 5 | 0 | 100% | Reelected (2023.5.30) |
| Member | Chang, Hsien-Sung | 4 | 1 | 80% | Reelected (2023.5.30) |
| Member | Hung, Shun-Ching | 5 | 0 | 100% | Newly elected (2023.8.3) |

Other matters required to be recorded:

- I. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (e.g. the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.
- II. If there were any resolutions of the remuneration committee to which members objected or about which they expressed reservations, and for which there is a written record or declaration, the date of the meeting, the contents of the motion, all members' opinions, and the responses to members' opinions shall be specified: No members objected or expressed reservations.

(3) Duties of the Remuneration Committee

The Committee shall submit its recommendations for deliberation at the Board Meetings with due diligence as a good administrator.

- A. Formulate and regularly review the policies, systems, standards, and structures for the performance evaluation and compensation of directors and managers.
- B. Evaluate and establish the compensation and remuneration of directors and managers on a regular basis.

(4) Resolutions made by the Remuneration Committee

| Remuneration Committee | Contents of Motion and Follow-up Actions | Resolution | The Company's response to the Remuneration Committee's opinions the opinions of the committee, |
|--|---|--|--|
| January 21, 2025 (9th meeting of the 5th term) | <ol style="list-style-type: none"> Review of the amendment to the Company's "Group Performance Bonus Distribution Guidelines" (Version T) Review of the Company's distribution of the 2024 year-end bonus. Review of changes in the Company's professional managerial officers | All other proposals were submitted to the Board and unanimously approved by all attending directors. | Regarding the 2024 year-end bonus for managerial personnel, Chairperson Chou, Wan-Shun, who concurrently serves as President, recused himself from the discussion and voting due to a conflict of interest. Other proposals presented to the Board of Directors were approved by the attending directors unanimously |

| Remuneration Committee | Contents of Motion and Follow-up Actions | Resolution | The Company's response to the Remuneration Committee's opinions the opinions of the committee, |
|---|--|--|---|
| March 4, 2025 (10th meeting of the 5th term) | <ol style="list-style-type: none"> Review of the Company's distribution of 2024 performance bonus to managerial officers Review of changes in the Company's professional managerial officers | All other proposals were submitted to the Board and unanimously approved by all attending directors. | Regarding the 2024 performance bonus for managerial personnel, Chairperson Chou, Wan-Shun, who concurrently serves as President, recused himself from the discussion and voting due to a conflict of interest. Other proposals presented to the Board of Directors were approved by the attending directors unanimously |
| May 12, 2025 (11th meeting of the 5th term) | <ol style="list-style-type: none"> Approved the Company's distribution of 2024 remuneration to directors and employees Review of the amendment to the Company's "Regulations Governing Remuneration to Employees" (Version F) Review of changes in the Company's professional managerial officers | All other proposals were submitted to the Board and unanimously approved by all attending directors. | For the distribution of directors' and employees' remuneration of 2024, Chairperson Chou, Wan-Shun recused himself from the discussion and voting due to a conflict of interest. Other proposals presented to the Board of Directors were approved by the attending directors unanimously |
| August 5, 2025 (12th meeting of the 5th term) | <ol style="list-style-type: none"> Review of the second amendment to the "Employee Shareholding Trust Committee Charter" Review of changes in the Company's professional managerial officers | All other proposals were submitted to the Board and unanimously approved by all attending directors. | Proposed to the Board of Directors and approved by the attending directors unanimously |
| November 4, 2025 (13th meeting of the 5th term) | <ol style="list-style-type: none"> Review of the amendment to the Company's "Regulations Governing Remuneration to Employees" (Version G) Review of changes in the Company's professional managerial officers | All other proposals were submitted to the Board and unanimously approved by all attending directors. | Proposed to the Board of Directors and approved by the attending directors unanimously |

- Information on the Composition and Operation of the Nomination Committee

The Nomination Committee is a functional committee under the Board of Directors. It was established on August 5, 2025, and is composed of at least three directors appointed by the Board, with a majority of independent directors. The Nomination Committee is required to convene at least once annually and may hold additional meetings as necessary.

 - The Company's Nomination Committee consists of three members.

- (2) The current term of office of the committee members is from August 5, 2025 to May 29, 2026. A total of 1 (A) Nomination Committee meetings were held during the last year. Information on committee members and their attendance is as follows: (2026.1.1 – 2026.12.31)

| Position | Name | Professional Qualifications and Experience | Attendance in person (B) | Attendance by proxy | Actual attendance (%) (B/A) | Remarks |
|---|------------------|--|--------------------------|---------------------|-----------------------------|--------------------------|
| Convener (Independent Director) | Kuo, Chung-Chien | With experience in finance, accounting or subjects required by the business of the company in public or private colleges or universities | 2 | 0 | 100% | Newly elected (2025.8.5) |
| Committee Member (Chairman) | Chou, Wan-Shun | Possesses professional experience in business management, legal affairs, finance, and accounting; currently serves as Chairman of the Company. | 2 | 0 | 100% | Newly elected (2025.8.5) |
| Committee Member (Independent Director) | Hung, Shun-Ching | With experience in marketing, commerce, or subjects required by the business of the Company in public or private colleges or universities | 2 | 0 | 100% | Newly elected (2025.8.5) |

Other matters required to be recorded:

Details of the meeting dates, session details, agenda items, opinions or objections raised by Nomination Committee members, resolutions, and the Company's handling of the Nomination Committee's opinions are set out below:

| Meeting Date | Motions | Resolution | The Company's Handling of Nomination Committee Opinions |
|--|--|---|--|
| January 29, 2026 (1st meeting of the 1st term) | Discussion on the number of directors to be elected in 2026 | The proposal was reviewed by all three attending committee members, who recommended that the Board of Directors consist of nine members. The proposal was approved without objection and submitted to the Board of Directors for consideration. | Proposed to the Board of Directors and approved by the attending directors unanimously |
| March 10, 2026 (2nd meeting of the 1st term) | Nomination and approval of the list of director candidates (including independent directors) | The proposal was reviewed by all three attending committee members and approved as proposed without objection. | Proposed to the Board of Directors and approved by the attending directors unanimously |

(3) Duties of the Nomination Committee

Pursuant to the authorization of the Board of Directors, the Committee shall exercise the due care of a prudent administrator, faithfully perform the following duties, and submit its recommendations to the Board for discussion:

- I. To identify and review qualified candidates for directors, assess the independence of independent directors, and submit a list of recommended candidates to the Board of Directors
- II. To review the performance evaluations of the Board of Directors, its committees, and individual directors
- III. To annually assess the independence of independent directors
- IV. To formulate and review succession plans for directors and senior management
- V. To plan and implement continuing education programs for directors
- VI. To handle any other matters assigned by the Board of Directors

(V) Promotion of sustainable development and Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|--|-----------------------|----|---|--|
| | Yes | No | Summary | |
| <p>I. Has the Company established a governance framework dedicated to promoting sustainability and has it delegated full-time (part-time) functional units to promote corporate sustainability? Has the Board of Directors authorized senior management to deal with it and how does the Board of Directors supervise it? (For TWSE/TPEX listed companies, the status of implementation should be reported instead of compliance or interpretation.)</p> | V | | <p>1. To implement the Company's sustainable development objectives and strengthen sustainability governance, the Company established a Sustainable Development Committee on May 12, 2025. The Committee is composed of independent directors and senior management. The Committee is responsible for coordinating the preparation of the sustainability report, which is submitted to the Board of Directors for approval and, upon approval, disclosed and filed on the website designated by the Taiwan Stock Exchange. The Committee operates in accordance with the principles of corporate sustainability and is primarily tasked with guiding and overseeing: (1) the implementation of corporate governance, (2) the development of a sustainable environment, (3) the promotion of social welfare, and (4) the disclosure of sustainability-related information. The Committee reports to the Board of Directors at least once annually on the execution results of sustainability initiatives.</p> <p>2. The 2024 Sustainability Report was submitted to and approved by the Board of Directors on May 12, 2025, and was uploaded to the Market Observation Post System and the Company's website prior to August 31, 2025.</p> | No material discrepancy |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons | | | | | | |
|--|---|---|--|--|--------------------------|-------------|-------------------------|---|---|-------------------------|
| | Yes | No | Summary | | | | | | | |
| <p>II. Does the Company implement the risk assessment of environmental, social, and corporate governance issues related to corporate operations and establish relevant risk management policies or strategies based on the principle of materiality? (Note 2) (For TWSE/TPEX listed companies, the status of implementation should be reported instead of compliance or interpretation.)</p> | V | | <p>With respect to environmental, social and corporate governance aspects and issues related to the Company's operations, the Company reviewed the organization's operational activities, business relationships, and the process of identifying stakeholders, in order to gain an understanding of the overall situation of the organization and related impacts, and identify the sustainable stakeholders. Based on the overall overview of the organization and business relationships, the Company identified the actual and potential impacts on the economy, the environment, and the population. The Company identified issues of concern for materiality analysis, and conducted risk assessment and planning, including risk identification, risk analysis and assessment, risk response and control, and risk monitoring.</p> <table border="1"> <thead> <tr> <th>Major issues</th> <th>Scope of Risk Assessment</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Sustainable Environment</td> <td>Greenhouse gas emission continues to increase</td> <td> <p>Risk Management Strategy:</p> <ol style="list-style-type: none"> 1. Identify regions, processes, or facilities with high carbon emissions 2. Implement risk control measures targeting the identified areas, processes, and equipment 3. Continuously monitor the effectiveness of risk controls and implement improvements <p>Response measures:</p> <ol style="list-style-type: none"> 1. Improve manufacturing scheduling and optimize production procedures to enhance energy efficiency, reduce high-emission processes, and minimize energy waste 2. Timely replacement of outdated, inefficient, high-emission machinery and equipment </td> </tr> </tbody> </table> | Major issues | Scope of Risk Assessment | Description | Sustainable Environment | Greenhouse gas emission continues to increase | <p>Risk Management Strategy:</p> <ol style="list-style-type: none"> 1. Identify regions, processes, or facilities with high carbon emissions 2. Implement risk control measures targeting the identified areas, processes, and equipment 3. Continuously monitor the effectiveness of risk controls and implement improvements <p>Response measures:</p> <ol style="list-style-type: none"> 1. Improve manufacturing scheduling and optimize production procedures to enhance energy efficiency, reduce high-emission processes, and minimize energy waste 2. Timely replacement of outdated, inefficient, high-emission machinery and equipment | No material discrepancy |
| Major issues | Scope of Risk Assessment | Description | | | | | | | | |
| Sustainable Environment | Greenhouse gas emission continues to increase | <p>Risk Management Strategy:</p> <ol style="list-style-type: none"> 1. Identify regions, processes, or facilities with high carbon emissions 2. Implement risk control measures targeting the identified areas, processes, and equipment 3. Continuously monitor the effectiveness of risk controls and implement improvements <p>Response measures:</p> <ol style="list-style-type: none"> 1. Improve manufacturing scheduling and optimize production procedures to enhance energy efficiency, reduce high-emission processes, and minimize energy waste 2. Timely replacement of outdated, inefficient, high-emission machinery and equipment | | | | | | | | |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|---------------|-----------------------|----|--|--|
| | Yes | No | Summary | |
| | | | <p>3. During the phased replacement of air conditioning systems, prioritize energy-efficient, inverter-based units with Class 1 energy labels to reduce electricity consumption, improve energy utilization efficiency, and mitigate potential future increases in operational costs related to carbon taxes or emissions trading.</p> <p>4. Adopted the ISO 14064-1 Greenhouse Gas Inventory Standard, with third-party verification successfully completed</p> | |
| | | | <p>Sustainable Environment</p> <p>Effluent discharge continues to increase</p> <p>Risk Management Strategy: 1. Monitor wastewater recycling processes 2. Upgrade and improve wastewater recycling equipment 3. Enhance wastewater recycling technologies</p> <p>Response measures: As of 2024, the Company has achieved an average wastewater recycling rate of 80%, representing a high industry benchmark. Efforts will continue to maintain this level of efficiency going forward.</p> | |
| | | | <p>Employee Care</p> <p>Overload (long-term work)</p> <p>Risk Management Strategy: 1. Ensure compliance with, and promote awareness of, labor and human rights laws and regulations 2. Properly plan production processes and personnel allocation 3. Adopt flexible human resource management practices</p> <p>Response measures:</p> | |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|---------------|-----------------------|----|---|--|
| | Yes | No | Summary | |
| | | | <p>1. The management unit actively promotes and enforces compliance with labor-related laws and emphasizes the need to prevent excessive working hours</p> <p>2. Strengthen rolling management mechanisms to closely monitor order volumes, production progress, and capacity utilization, allowing for timely manpower adjustments</p> <p>3. The Human Resources Department should maintain a clear understanding of labor market conditions and cultivate strong relationships with staffing agencies, enabling the Company to dynamically adjust workforce levels based on order volume and production needs – thereby preventing overtime and improving overall labor efficiency</p> | |
| | | | <p>Employee Care</p> <p>Occurrence of occupational disasters</p> <p>Risk Management Strategy:</p> <p>1. Prioritize employee well-being</p> <p>2. Provide comprehensive safety education</p> <p>3. Strengthen employee support and care</p> <p>Response measures:</p> <p>1. Prioritizing Employees: The Company holds regular labor-management meetings, where labor representatives raise relevant topics for discussion. Resolutions and the progress of their implementation are communicated to all employees via the internal network.</p> <p>2. Safety Education: (1) Standardized operating procedures are established, and comprehensive operational manuals are provided.</p> | |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|---------------|-----------------------|----|---|--|
| | Yes | No | Summary | |
| | | | <p>(2) Workplace safety education is promoted on an ongoing, ad hoc basis.</p> <p>3. Employee Care:</p> <p>(1) Listen to employees' views: Quarterly labor-management meetings as well as online and offline employee suggestion boxes.</p> <p>(2) Legal employee care: A sound labor insurance/health insurance system, and a complete pension system.</p> <p>(3) Medical care and consultation: Free annual health examination for all employees, and a medical room and on-site medical staff.</p> <p>(4) Sharing the burden on the dual-career family: Childcare subsidies, unpaid parental leave, paternity leave, family care leave, and breastfeeding rooms.</p> | |
| | | | <p>Operating performance</p> <p>Occurrence of information security incidents</p> <p>Risk Management Strategy:</p> <p>1. Enforce comprehensive information security management</p> <p>2. Enhance employees' awareness and knowledge of information security</p> <p>3. Conduct ongoing audits and monitoring of cybersecurity practices</p> <p>Response measures:</p> <p>1. Strictly implement the Company's Information Security Management Regulations</p> <p>2. Ensure the security of the Company's data, systems, equipment, and networks</p> | |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|---------------------------|-----------------------|----|---|--|
| | Yes | No | Summary | |
| | | | <p>3. Strengthen the overall level of information security to support uninterrupted business operations</p> <p>4. Optimize both internal and external network security defenses</p> <p>5. Promote information security awareness among employees and ensure compliance with internal security protocols</p> <p>6. Conduct regular and ad hoc information security audits by designated audit and information security personnel</p> | |
| | | | <p>Operating performance</p> <p>Supply chain interruption</p> <p>Risk Management Strategy:</p> <p>1. Conduct thorough and prudent supplier evaluations</p> <p>2. Foster long-term, sustainable partnerships</p> <p>Response measures:</p> <p>To maintain proactive and sustainable cooperation with suppliers, the Company adopts the following measures</p> <p>1. Prioritize partnerships with suppliers certified under ISO 9001 and ISO 14001</p> <p>2. Require all suppliers to comply with the Responsible Business Alliance (RBA) Code of Conduct</p> <p>3. Conduct annual performance evaluations of qualified suppliers</p> | |
| III. Environmental issues | | | | |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|---|-----------------------|----|--|--|
| | Yes | No | Summary | |
| (I) Does the Company establish an appropriate environmental management system based on its industrial characteristics? | V | | The Company has established appropriate management systems tailored to the characteristics of its industry, including the ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, ISO 14064-1 Greenhouse Gas Inventory Standard, and IECQ QC 080000 Hazardous Substance Process Management System. These systems have been effectively implemented and strictly followed each year in accordance with their respective standards and requirements. | No material discrepancy. |
| (II) Does the Company endeavor to upgrade the efficient use of available energy, and use environmentally friendly materials? | V | | <ol style="list-style-type: none"> The Company is committed to the promotion and improvement of a sustainable environment. Through promotion and implementation, the Company improves the efficiency of reuse of resources, achieves its goals, such as those of energy conservation and waste reduction, and mitigates the impact posed to the environment. Details will be disclosed in the Sustainability Report. The Company has appointed qualified businesses to recycle and dispose of waste resources to mitigate the burden on the environment. | No material discrepancy. The Company's 2024 Sustainability Report has been publicly disclosed on the Company's website. |
| (III) Does the Company assess the potential risks and opportunities posed by climate change to the enterprise, both now and in the future, and take responsive measures related to these issues? | V | | The Company will complete the identification and verification of climate change risks and opportunities, and formulate management plans for key risks and opportunities, this year. The General Administration will evaluate, follow up and manage the Company's risks and opportunities of climate change continuously and report them to the Board of Directors on a regular basis. | No material discrepancy. The Company's 2024 Sustainability Report has been publicly disclosed on the Company's website. |
| (IV) Does the Company make statistics on greenhouse gas emissions, water consumption, and total waste weight in the past two years, and formulate policies for energy conservation, greenhouse gas reduction, water reduction, or other waste management? | V | | It also recycles resources, reduces waste, and manages and controls water and power consumption per the ISO 14001 environmental management system. However, greenhouse gas emissions have been disclosed in the Sustainability Report. | No material discrepancy. The Company's 2024 Sustainability Report has been publicly disclosed on the Company's website. |
| IV. Social issues | | | | |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|--|-----------------------|----|---|--|
| | Yes | No | Summary | |
| (I) Does the Company formulate relevant management policies and procedures in accordance with relevant laws and the International Bill of Human Rights? | V | | The Company holds labor-management meetings regularly, in which labor representatives put forth relevant issues for discussion, and notifies all employees of the resolutions adopted at such meetings and implementation progress of the resolutions through the internal network. | No material discrepancy. |
| (II) Does the Company establish and implement proper employee benefit measures (including the salary, holidays, and other benefits) and reflect the corporate business performance or achievements in the employee remuneration? | V | | <ol style="list-style-type: none"> 1. The Company has formulated the relevant employee welfare measures, and also regulated the employee remuneration in the Articles of Incorporation to share the operating results with the employees. 2. The Group has established Performance Bonus Distribution Guidelines, ensuring that operating performance is appropriately reflected in employee remuneration. 3. Article 17 of the Company's Articles of Incorporation provides that: The Company shall, after offsetting accumulated losses, appropriate no less than 10% of the profit before tax before deduction of employee compensation and remuneration to directors and supervisors as employee compensation, of which no less than 4.5% shall be distributed to entry-level employees, and no more than 3% shall be appropriated as remuneration to directors and supervisors. The distribution of the employee remuneration in shares or cash shall be executed in accordance with the resolution of the Board of Directors' Meeting attended by more than two-thirds of the Directors and the consents of a majority of the attending Directors. In addition, report to the shareholders' meeting shall also be made. Employees are entitled to receive employee remuneration distributed in the form of shares or cash, and the subjects may be employees of the parent or subsidiaries of the Company meeting certain specific requirements. 4. The Company has implemented employee shareholding trust since September 2024. | No material discrepancy. |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|--|-----------------------|----|--|--|
| | Yes | No | Summary | |
| (III) Does the Company provide employees with a safe and healthy work environment, and provide employees with regular safety and health education? | V | | <ol style="list-style-type: none"> 1. The Company conducts tests and inspections of the work environment every six months and organizes employee health examinations annually, while regularly holding fire safety awareness activities in accordance with the law. 2. In addition to establishing an occupational safety and health unit in accordance with the law, the Company has maintained certification under the ISO 45001 occupational safety and health management system and has conducted occupational safety and health education and training for new employees, in-service employees, and contractors' personnel to ensure the safety and health of all employees. 3. For the time being, the effective period of the Company's ISO 45001:2015 occupational safety and health management system commences from September 28, 2023 to September 27, 2026. | No material discrepancy. |
| (IV) Is an effective career development and training program established for employees by the Company? | V | | The Company has established employee education and training operating procedures, and each unit can organize internal and external training sessions based on the needs at work. | No material discrepancy. |
| (V) Does the Company comply with related laws and international practices in regard to customer health and safety, customer privacy, marketing and labeling of its products and services, and does it have related consumer protection policies and complaint procedures in place? | V | | <ol style="list-style-type: none"> 1. The Company has passed certification for the ISO 9001 quality management system and ISO 14001 environmental management system to ensure that its products and services comply with relevant global regulations and standards. Meanwhile, customer privacy and data security are protected under the "Privacy Policy." 2. The Company has established the "Customer Management Procedures" and provided the information about the contact person for stakeholders on the Company's website to provide customer with services and protect consumers' or customers' interests and rights. | No material discrepancy. |

| Current items | Implementation Status | | | Deviation from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|---|-----------------------|----|---|--|
| | Yes | No | Summary | |
| (VI) Does the Company establish the supplier management policy to require suppliers to comply with relevant regulations on issues of environmental protection, occupational safety and health, or labor rights, and the status of implementation? | V | | The Company has established the Supplier Evaluation and Performance Management Procedures, which requires suppliers to comply with the Hazardous Substance Free (HSF) standards and environmental protection laws and regulations. The Company has also formulated supplier social responsibility management procedures. Through the promotion of suppliers' awareness toward social responsibility and execution of the written undertaking, and the regular assessment of suppliers by virtue of the supplier RBA audit form, the Company urges the suppliers to understand the spirit of social responsibility and respond to the company's social responsibility management activities. This is expected to achieve a green and sustainable supply chain. | No material discrepancy. |
| V. Does the Company refer to the international standards or guidelines for report preparation to prepare its sustainability report and other reports that disclose its non-financial information? Have the aforesaid reports been assured or certified by a third-party verification agency? | V | | In accordance with the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" issued by the Taiwan Stock Exchange, the Company has prepared and filed Chinese-language sustainability reports since 2023. The 2022 to 2024 reports have been completed and published on the Company's website. All reports are prepared in accordance with the Global Reporting Initiative (GRI) Universal Standards, Sector Standards, and Topic Standards. The Company has not yet completed the inventory and assurance of GHG under Scope 1 and Scope 2; therefore, there is no assurance or assurance opinion from a third-party certifying unit for the time being. | No material discrepancy. The Company's 2024 Sustainability Report has been publicly disclosed on the Company's website. |
| <p>VI. If the Company has established its own sustainable development principles based on "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe any discrepancy between the principles and their implementation: The Company established its Sustainable Development Best Practice Principles in accordance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and prepared its ESG in accordance with the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies. Now, it is actively working in the direction set by the Principles.</p> | | | | |
| <p>VII. Other information material to the understanding of sustainable development: The Board of Directors of the Company approved the establishment of the Company's "Sustainability Development Strategy" and the "Sustainability Development Implementation Plan" on January 29, 2026. All relevant information will be published on the Company's website: http://www.i-chiun.com.tw/.</p> | | | | |

(VI) Implementation of ethical management and deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons thereof

| Evaluation Item | Status | | | Deviations from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons thereof |
|---|--------|----|---|--|
| | Yes | No | Summary | |
| I. Enactment of ethical management policy and program | | | | |
| (I) Does the Company formulate an ethical management policy approved by the board of directors and clearly indicate the ethical management policy and practice in rules and external documents? Are the board of directors and the senior management committed to implementing said policy actively? | V | | The Company engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency, and in order to fully implement a policy of ethical management and actively prevent unethical conduct, these “Procedures for Ethical Management and Guidelines for Conduct” (hereinafter, “Procedures and Guidelines”) are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the applicable laws and regulations of the places where the Company and its business groups and organizations operate, with a view to providing all personnel of the Company with clear directions for the performance of their duties. | No material discrepancy. |
| (II) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish a prevention program accordingly with the inclusion of the preventive measures against each behavior specified in Paragraph 2 of Article 7 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”? | V | | The Company has implemented relevant accounting systems and internal control systems to prevent the transaction involving unethical conduct from occurring. Meanwhile, the Company also established the “Work Rules” and “Employee Code of Ethical Conduct” to regulate various ethical conducts and prevent employees from engaging in unethical practices. | No material discrepancy. |
| (III) Does the Company specify the operating procedures, behavior guidelines, disciplinary actions for violation, and complaint system in the prevention program for unethical conduct, and implement the program accordingly? Does the Company review and modify the program mentioned above regularly? | V | | The Company has established the “Procedures for Ethical Management and Guidelines for Conduct,” the “ Internal Material Information Processing Procedures,” the “Regulations Governing the Prevention of Insider Trading,” and the “Procedures for Insider Trading Prevention.” The General Management Unit serves as the responsible unit for the amendment, implementation, interpretation, consultation services, and the registration and record-keeping of reported matters under these procedures and guidelines, as well as for overseeing their execution. | No material discrepancy. |

| Evaluation Item | Status | | | Deviations from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons thereof |
|---|--------|----|---|--|
| | Yes | No | Summary | |
| II. Implementation of ethical corporate management | | | | |
| (I) Does the Company assess its counterparties' record of ethical conduct and specify the ethical conduct clause in the contracts that it signs with its counterparties? | V | | The Company reviews the status of transactions with customers and suppliers from time to time to prevent unethical conduct from occurring. | No material discrepancy. |
| (II) Does the Company establish a dedicated unit under board of directors to promote ethical corporate management and to report on the ethical management policy, prevention program of unethical conduct, and status of supervision to board of directors regularly (at least once a year)? | V | | The Company's General Management Unit is responsible for implementing the Company's ethical corporate management and reported the implementation status for 2025 to the Board of Directors on January 29, 2026. | No material discrepancy. |
| (III) Does the Company formulate policies to prevent conflicts of interest, provide appropriate channels for opinions, and implement them accordingly? | V | | The Company has not yet established a policy to prevent conflicts of interest. In the case of a conflict of interest, any employee can file an opinion with the General Management Unit. | No material discrepancy. |
| (IV) Has the Company established an effective accounting system and internal control system to implement ethical management? Have relevant audit plans been drafted by the internal audit unit based on the risk assessment results of unethical conduct? Has the compliance of the prevention program for unethical conduct been audited accordingly by the internal audit unit or CPAs appointed? | V | | To ensure the implementation of ethical management, the Company has established effective accounting and internal control systems. Internal auditors formulate an annual audit plan, execute audit procedures in accordance with the plan, and report the results to the Board of Directors. | No material discrepancy. |
| (V) Does the Company organize internal and external education and training on ethical corporate management regularly? | V | | (1) Upon onboarding, the Company provides new employees with an introduction to its rules and regulations and requires them to execute employment contracts that include provisions promoting ethical conduct. Relevant policies are also communicated periodically through departmental meetings and training programs. (2) The Company has disclosed documents such as the "Procedures for Ethical Management and Guidelines for Conduct" on its internal website for employees' reference. (3) In 2025, a total of 13 sessions were conducted, with an aggregate attendance of 164 participants. (4) Directors and the corporate governance officer registered to attend the "2025 Insider Trading Prevention Seminar" organized by the Securities and Futures Institute on September 26 and October 3, 2025. | No material discrepancy. |

| Evaluation Item | Status | | | Deviations from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons thereof |
|---|--------|----|---|--|
| | Yes | No | Summary | |
| | | | On November 21, 2025, the Company registered to attend the “2025 Legal Compliance Seminar on Insider Shareholding Transactions” organized by the Securities and Futures Institute. A total of 12 internal personnel participated in the online live seminar. | |
| III. The operation of the whistleblowing system | | | | |
| (I) Does the Company formulate a specific whistleblowing and reward system, and establish an accessible whistleblowing channel, while designating personnel to be responsible for investigating accused parties? | V | | The Company has established external reporting channels on its corporate website, as well as internal employee complaint mailboxes and dedicated email addresses, for employees to submit reports and complaints. | No material discrepancy. |
| (II) Has the Company established standard operating procedures for investigations on reports, follow-up measures to be taken after the investigation is completed, and related confidentiality mechanisms? | V | | To encourage the reporting of unethical or improper conduct, the Company has adopted the “Procedures for Whistleblowing, Complaints, Suggestions, and Employee Participation Feedback Management” and the “Whistleblower Protection and Anti-Retaliation Procedures.” | No material discrepancy. |
| (III) Has the Company adopted any measures to prevent the complainants from being abused after filing complaints? | V | | Under these procedures, the Company provides protection to individuals who report violations of ethical management requirements or participate in related investigations to prevent them from being subjected to unfair treatment or retaliation. | No material discrepancy. |
| IV. Enhanced information disclosure | | | | |
| Does the Company disclose on its website and MOPS the content and effectiveness of implementation of its Ethical Corporate Management Best Practice Principles? | V | | The company has disclosed the Procedures for Ethical Management and Guidelines for Conduct and the Employee Codes of Ethical Conduct on its website. | No material discrepancy. |
| V. If the Company has established its own corporate management principles in accordance with “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” please describe its current practices and any discrepancies from the Best Practice Principles: None. | | | | |
| VI. Other information material to the understanding of ethical business operation (e.g. the discussion and amendment to the ethical business best practice principles defined by the Company) | | | | |
| The Company’s business philosophy is based on the business principle of “doing business with integrity; respect; consistency of words and action.” | | | | |

(VII) Other important information to increase the understanding of corporate governance: None.

(VIII) Matters to be disclosed regarding the status of internal control system:

1. Statement of Internal Control System: The Company's 2025 Statement of Internal Control System has been disclosed on the Market Observation Post System (MOPS) at <http://mops.twse.com.tw>.
2. Where CPAs are appointed to review the internal control system, the CPAs' review report shall be disclosed: None.

(IX) Important resolutions of the shareholders' meeting and board meetings in the most recent year and as of the date of the publication of the annual report:

1. Important resolutions of Shareholders' meeting

| Date | Important resolutions | Following implementation Status |
|--------------|---|--|
| May 26, 2025 | Approved the Company's 2024 financial statements. | The 2024 financial statements were approved and served as the basis for the distribution of 2024 earnings. |
| | Approved the Company's 2024 earnings distribution proposal. | The Chairman designated July 4, 2025 as the record date, and the distribution was fully completed on July 22, 2025. (Cash dividend of NTD 0.15 per share from earnings and NTD 0.35 per share distributed from capital surplus.) |
| | Approved the amendment to the "Articles of Incorporation." | The amendment was registered and completed on June 11, 2025 under Approval Jing-Shang-Shou-Zi No. 11430075760. |
| | Approved the amendment to the "Procedures for Endorsements and Guarantees." | Uploaded to the Market Observation Post System and the Company's website on May 26, 2025. |

2. Important resolutions of Board of Directors

| Date | Important resolutions |
|--|--|
| January 21, 2025 (13th meeting of the current term) | <ol style="list-style-type: none"> 1. Approved the extension of a short-term loan facility of NTD 200 million with First Commercial Bank. 2. Approved the extension of a short-term loan facility of NTD 50 million with Cathay United Bank. 3. Approved the revised Version T of the "Group Performance Bonus Distribution Guidelines." 4. Approved the distribution of 2024 year-end bonuses. 5. Approved the changes in the positions and salaries of professional managers. 6. Approved the 2025 annual plan. 7. Approved the financing plan for the acquisition of land real estate. |
| March 4, 2025 (14th meeting of the current term) | <ol style="list-style-type: none"> 1. Acknowledged the 2024 balance of endorsements and guarantees 2. Acknowledged the 2024 report on indirect investments in mainland China. 3. Acknowledged the 2024 Statement on Internal Control System. 4. Approved the 2024 Business Report and Financial Statements. 5. Approved the 2024 earnings distribution proposal. 6. Approved the payment of 2024 cash dividends from earnings. 7. Approved the Company's cash distribution of capital reserve. 8. Approved the 2024 directors' and employees' compensation distribution proposal. 9. Approved the 2024 managerial bonus distribution proposal. 10. Approved the changes in the positions and salaries of professional managers. 11. Approved the definition of "entry-level employees." 12. Approved amendments to the "Articles of Incorporation." 13. Approved amendments to the "Corporate Governance Best Practice Principles." 14. Approved amendments to the "Regulations Governing the Prevention of Insider Trading." 15. Approved amendments to the "Rules of Procedure for Board of Directors Meetings." 16. Approved amendments to the "Audit Committee Charter." 17. Approved the establishment of the "Sustainable Development Committee Charter." 18. Approved the date, venue, and agenda of the 2025 annual shareholders' meeting. 19. Approved the Company's application to the Far Eastern International Bank for the extension of the comprehensive borrowing facilities of NTD 80 million |

| Date | Important resolutions |
|--|---|
| | <ol style="list-style-type: none"> 20. Approved the application for the extension of the credit line, export negotiation facility, and derivative financial product trading limit with Mega International Commercial Bank. 21. Approved the application for a guarantee facility with Mega International Commercial Bank. 22. Approved the application for a short-term loan facility with Yuanta Commercial Bank. |
| <p>April 10, 2025 (15th meeting of the current term)</p> | <ol style="list-style-type: none"> 1. Approved the repurchase of the Company’s shares for transfer to employees |
| <p>May 12, 2025 (16th meeting of the current term)</p> | <ol style="list-style-type: none"> 1. Approved the result of evaluation on independence and competence of the Company’s external auditors. 2. Approved the appointment of CPAs and CPA professional fees for 2025. 3. Approved the Q1 2025 consolidated financial statements 4. Approved the amendment to the “Regulations Governing Remuneration to Employees” (Version F) 5. Approved the 2024 directors’ and employees’ compensation distribution proposal. 6. Approved amendments to the Company’s Regulations Governing the Management of Sustainable Information. 7. Approved the appointment of members of the Sustainable Development Committee and the Chief Sustainability Officer. 8. Approved the application of the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for a discounted note line of RMB 10 million from the Industrial and Commercial Bank of China Jiangmen Jianghai Branch. 9. Approved the renewal of credit facilities with financial institutions to support business development and operational needs. 10. Approved the application for a short-term secured loan facility from First Bank to support business development and operational needs. 11. Approved the changes in the positions and salaries of professional managers. 12. Approved the draft of the 2024 Sustainability Report. |
| <p>August 5, 2025 (17th meeting of the current term)</p> | <ol style="list-style-type: none"> 1. Approved the Q2 2025 consolidated financial statements 2. Approved the establishment of the Nomination Committee Charter 3. Approved the appointment of Nomination Committee members 4. Approved the revisions to the conversion terms of the Company’s 6th domestic unsecured convertible bonds issued in 2024 5. Approved changes in Accounting Officer, Spokesperson, and Acting Spokesperson 6. Approved the limit and duration for short-term investments in marketable securities (acquisition or disposal). 7. Approved the increase in derivatives trading limits for the subsidiary in China, I-Chiun Technology (China) Co., Ltd. 8. Approved the second amendment to the “Employee Shareholding Trust Committee Charter.” 9. Approved the changes in the positions and salaries of professional managers. 10. Approved the application of the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for renewal of a RMB 10 million credit facility from the Bank of China. 11. Approved the application for increase of the short-term loan facility with Taiwan Cooperative Bank to NTD 100 million and its renewal. |
| <p>November 4, 2025 (18th meeting of the current term)</p> | <ol style="list-style-type: none"> 1. Approved the Q3 2025 consolidated financial statements 2. Approved the 2026 audit plan 3. Approved the specific management objectives and implementation status of the Board diversity policy 4. Approved the succession planning and implementation status for Board members and key management 5. Approved the revisions to the conversion terms of the Company’s 6th domestic unsecured convertible bonds issued in 2024. 6. Approved the acquisition of transferable development rights for land purchase. 7. Approved the application by the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for renewal of a RMB 10 million credit facility from the Industrial and Commercial Bank of China Jiangmen Jianghai Branch. 8. Approved the amendment to the “Regulations Governing Remuneration to Employees” (Version G) |

| Date | Important resolutions |
|--|---|
| January 29, 2026 (19th meeting of the current term) | <p>9. Approved the changes in the positions and salaries of professional managers.</p> <p>1. Approved (A) a NTD 700 million short-term secured loan facility and (B) the renewal of a NTD 200 million short-term loan facility from First Bank.</p> <p>2. Approved the increase of the credit facility with Cathay United Bank from NTD 50 million to NTD 100 million and its renewal.</p> <p>3. Approved the application for the renewal of (A) credit facilities, (B) export bill negotiation facilities, and (C) derivatives trading limits with Mega International Commercial Bank.</p> <p>4. Approved the application by the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for a RMB50 million credit facility from CTBC Bank Jiangmen Branch.</p> <p>5. Approved the acquisition of right-of-use assets for plant leasing.</p> <p>6. Approved the investment in plant renovation works.</p> <p>7. Approved the procurement of major equipment for 2026.</p> <p>8. Approved the amendment to the “Regulations Governing Remuneration to Employees” (Version H).</p> <p>9. Approved the amendment to the “Group Performance Bonus Distribution Guidelines” (Version U).</p> <p>10. Approved the 2025 year-end bonus distribution proposal.</p> <p>11. Approved the changes in the positions and salaries of professional managers.</p> <p>12. Approved the establishment of the Sustainability Development Strategy.</p> <p>13. Approved the Sustainability Development Implementation Plan.</p> <p>14. Approved the number of directors to be elected in 2026.</p> <p>15. Approved the application for change of registered address.</p> <p>16. Approved the 2026 annual plan.</p> <p>17. Approved the increase of the credit facility with Land Bank from NT\$50 million to NTD 100 million and its renewal.</p> |
| March 10, 2026 (20th meeting of the current term) | <p>1. Acknowledged the 2025 balance of endorsements and guarantees °</p> <p>2. Acknowledged the 2025 report on indirect investments in mainland China.</p> <p>3. Acknowledged the 2025 Statement on Internal Control System.</p> <p>4. Approved the 2025 Business Report and Financial Statements.</p> <p>5. Approved the 2025 earnings distribution proposal.</p> <p>6. Approved the 2025 cash dividend distribution proposal.</p> <p>7. Approved the Company’s cash distribution of capital reserve.</p> <p>8. Approved the nomination and election of director candidates (including independent directors).</p> <p>9. Approved the lifting of non-compete restrictions for nominated directors.</p> <p>10. Approved the amendment to the “Group Performance Bonus Distribution Guidelines” (Version U).</p> <p>11. Approved the 2025 directors’ and employees’ compensation distribution proposal.</p> <p>12. Approved the 2025 managerial performance bonus distribution proposal.</p> <p>13. Approved the changes in the positions and salaries of professional managers.</p> <p>14. Approved the date, venue, and agenda of the 2026 annual shareholders’ meeting.</p> <p>15. Approved credit facilities with financial institutions</p> <p>16. Approved the application by the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for renewal of a RMB 10 million credit facility from the Agricultural Bank of China Jiangmen Jianghai Branch.</p> <p>17. Approved the increase in derivatives trading limits for the subsidiary in China, I-Chiun Technology (China) Co., Ltd.</p> |
| April 10, 2026 (21st meeting of the current term) | <p>1. Approved the issuance of the Company’s 7th domestic unsecured convertible bonds.</p> <p>2. Approved the issuance of restricted stock for employees in 2026.</p> <p>3. Approved additional agenda items for the 2026 general shareholders’ meeting.</p> <p>4. Approved the 2025 directors’ and employees’ compensation (management) distribution proposal</p> <p>5. Approved the evaluation of the independence of the Company’s appointed CPAs for non-audit and review services.</p> <p>6. Approved the application of the subsidiary in China, I-Chiun Technology (China) Co., Ltd., for renewal of a RMB 10 million credit facility from the Bank of China.</p> <p>7. Approved credit facilities with financial institutions.</p> |

- (X) In the event that any director or supervisor expressed a dissenting opinion regarding any of the important resolutions passed at the Board Meeting during the most recent fiscal year and up to the date on which this Annual Report was printed, and the opinion was recorded or delivered in writing, please provide its main content: None.

IV. Independent Auditor Fee Information:

Unit: NTD thousand

| Name of accounting firm | Name of CPA | Audit period | Audit professional fees | Non-Audit professional fees | Total | Remarks |
|----------------------------------|-----------------|--------------------------|-------------------------|--|-------|---------|
| PricewaterhouseCoopers Taiwan | Lin, Ya-Hui | 2025.1.1 – 2025.12.31 | 3,860 | 940 (Tax certification, transfer pricing, retirement of fixed assets and inventory, audit of undistributed earnings in substance) | 4,800 | |
| | Juan Lu, Man-Yu | | | | | |

In the case of any of the following circumstances, the following shall be disclosed:

- (I) If the CPA firm is replaced and the audit fee paid during the year in which the replacement occurs is less than the audit fee paid in the previous year, the amount of the audit fee before and after the replacement and the reason thereof shall be disclosed:
None.
- (II) If the audit fee paid decreased by at least 10% compared with that in the previous year, the amount, proportion, and reason for the decrease of the audit fee shall be disclosed:
None.

V. Information on the Replacement of Independent Auditors:

| | | | |
|---|---|----------------|------------------|
| Date of Change | May 12, 2025 | | |
| Reasons for Change and Description | In response to internal organizational adjustments of PricewaterhouseCoopers Taiwan, the Company changed its attesting CPAs effective 2025 from CPA Feng, Min-Chuan and CPA Juan Lu, Man-Yu to CPA Lin, Ya-Hui and CPA Juan Lu, Man-Yu. | | |
| Explanation of Whether the Engagement Was Terminated or Not Accepted by the Appointing Party or the CPAs | Circumstances / Parties Involved | CPAs | Appointing Party |
| | Voluntary termination of engagement | Not applicable | Not applicable |
| | Refusal to accept (or continue) engagement | Not applicable | Not applicable |
| Audit Opinions Other Than Unqualified Opinions Issued in the Most Recent Two Years and the Reasons Therefor | The audit reports for the most recent two years contained unqualified opinions with an emphasis of matter paragraph. This was due to certain investee companies accounted for using the equity method, whose financial statements were audited by auditors other than the Company's CPAs. Accordingly, the opinion expressed by the Company's CPAs on the aforementioned financial statements, with respect to the amounts included for such investee companies, was based on the audit reports issued by other auditors. | | |
| Whether There Were Any Disagreements with the Issuer | None | | |

- VI. Where the Company's chairman, president, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm, the name and position of the person, and the period during which the position was held, shall be disclosed: None.
- VII. Any Transfer of Equity Interests and/or Pledge of or Change in Equity Interests (During the Most Recent Fiscal Year or During the Current Fiscal Year up to the Date of Publication of the Annual Report) by a Director, Supervisor, Managerial Officer, or Shareholder with a Stake of More than 10%. Where the counterparty to an equity transfer or equity pledge is a related party, the following information shall be disclosed: the name of the counterparty, their relationship with the Company, directors, supervisors, managers, or shareholders holding more than 10% of the shares, and the number of shares acquired or pledged. Relevant information has been disclosed on the Market Observation Post System (MOPS) at <http://mops.twse.com.tw>.
- VIII. Information on shareholders holding positions among the top ten, who are related parties or have relationships within the second degree of kinship, including spouses and relatives

March 27, 2026

| Name | Own Shareholding | | Shares held by spouse or minor children | | Total shareholding under other's name | | Relationship characterized as spouse or relative of second degree or closer among the top-10 shareholders. | | Remarks |
|--|------------------|----------------------------|---|----------------------------|---------------------------------------|----------------------------|--|--------------------------|---------|
| | Shares | Percentage of shareholding | Shares | Percentage of shareholding | Shares | Percentage of shareholding | Name | Relationship | |
| Chou, Wan-Shun | 23,032,644 | 9.93% | 90,584 | 0.04% | - | - | Lee, Chung-Yi | Second degree of kinship | - |
| Lee, Chung-Yi | 14,156,787 | 6.10% | 2,032,391 | 0.88% | - | - | Chou, Wan-Shun | Second degree of kinship | - |
| HSBC (Taiwan) Commercial Bank the custodian of the investment account of Morgan Stanley & Co. International Ltd. | 8,151,656 | 3.51% | - | - | - | - | - | - | - |
| Citibank (Taiwan) Commercial Bank, the custodian of the investment account of UBS Europe SE | 4,252,082 | 1.83% | - | - | - | - | - | - | - |
| HSBC Bank (Taiwan) Limited, the custodian of the investment account of Goldman Sachs International | 4,106,752 | 1.77% | - | - | - | - | - | - | - |
| Citibank (Taiwan) Commercial Bank, the custodian of the investment account of Barclays Capital Securities Limited | 2,932,198 | 1.26% | - | - | - | - | - | - | - |
| Business Department of Standard Chartered International Commercial Bank, acting as custodian for the Advanced Starlight Funds – Advanced Total International Stock Index Fund investment account | 2,692,016 | 1.16% | - | - | - | - | - | - | - |
| Standard Chartered Bank (Taiwan) Limited, the custodian of the investment account of The Vanguard Group, Inc. – Vanguard Emerging Markets Stock Index Fund | 2,542,000 | 1.10% | - | - | - | - | - | - | - |
| Wu, Chih-Wei | 2,487,000 | 1.07% | - | - | - | - | - | - | - |
| Citibank (Taiwan) Commercial Bank, the custodian of the investment account of iShares Core MSCI Emerging Markets ETF | 2,367,000 | 1.02% | - | - | - | - | - | - | - |

IX. Total Number of Shares and Total Equity Stake Held in any Single Invested Businesses by the Company, Its Directors and Supervisors, Managers, and Any Companies Controlled Either Directly or Indirectly by the Company

December 31, 2025; Unit: Thousand shares; %

| Investee Companies (Note 1) | Invested by the Company | | Held by directors, supervisors, managers, and businesses directly or indirectly controlled (Note 2, 3) | | Comprehensive investment | |
|------------------------------|-------------------------|--------------------|--|--------------------|--------------------------|--------------------|
| | Shares | Shareholding ratio | Shares | Shareholding ratio | Shares | Shareholding ratio |
| MORE FORTUNE PROFITS LIMITED | 36,179 | 100% | 0 | 0 | 36,179 | 100% |
| Ecocera Optronics Co., Ltd. | 18,606 | 63.713% | 1,617 | 5.54% | 20,223 | 69.253% |
| CMTEK Co., Ltd. | 5,087 | 28.253% | 0 | 0 | 5,087 | 28.253% |

Note 1: It is the Company's long-term equity investment recognized using the equity method.

Note 2: Where directors and managers hold Ecocera Optronics Co., Ltd.'s shares: Chou, Wan-Shun: 394 thousand shares; Lee, Chung-Yi: 421 thousand shares; Chou, Meng-Hsien: 101 thousand shares; Long Yao Investment Co., Ltd.: 421 thousand shares.

Three. Fundraising Status:

- I. Share capital and shares
 (I) Source of share capital:
 1. Type of Share

Unit: Shares

| Type of Share | Authorized share capital | | | Remarks |
|---------------|---|------------------|-------------|---------------|
| | Outstanding shares (TPEX listed) (Note) | Un-issued shares | Total | |
| Common Stock | 233,958,579 | 66,041,421 | 300,000,000 | Listed stocks |

Note: Outstanding shares (excluding treasury shares). The Company has repurchased 2,000,000 treasury shares to date.

2. Formation process of share capital

| Year/ Month | Issue price | Authorized share capital | | Paid-in capital | | Remarks | | |
|-------------|-------------|--------------------------|---------------|-----------------|-------------|---|--|---|
| | | Shares | Amount | Shares | Amount | Source of share capital | Offset by any property other than cash | Others |
| 2001.01 | 10 | 56,000,000 | 560,000,000 | 56,000,000 | 560,000,000 | Capital increase in cash and capitalization of employee bonus and capital surplus | — | Tai-Cai-Zeng (I) No. 105596 dated January 3, 2001 |
| 2001.07 | 10 | 61,244,032 | 612,440,320 | 61,244,032 | 612,440,320 | Capitalization of earnings, employee bonus, and capital surplus | — | Tai-Cai-Zeng (I) No. 138128 dated June 14, 2001 |
| 2001.09 | 10 | 62,820,500 | 628,205,000 | 62,820,500 | 628,205,000 | Merged with the capital of the I-Zhan Industrial Co., Ltd. | — | Tai-Cai-Zeng (I) No. 144580 dated August 7, 2001 |
| 2002.08 | 10 | 105,000,000 | 1,050,000,000 | 66,050,000 | 660,650,000 | Capitalization of earnings, employee bonus, and capital surplus | — | Tai-Cai-Zeng (I) No. 0910136825 dated July 4, 2002 |
| 2003.08 | 10 | 105,000,000 | 1,050,000,000 | 86,805,720 | 868,057,200 | Capitalization of earnings, employee bonus, and capital surplus, as well as conversion of convertible corporate bonds | — | Jing-Shou-Shang-Zi No. 09201245200, August 13, 2003. |
| 2003.10 | 10 | 105,000,000 | 1,050,000,000 | 88,014,857 | 880,148,570 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09201288080, October 8, 2003. |
| 2004.01 | 10 | 105,000,000 | 1,050,000,000 | 88,197,862 | 881,978,620 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09301002160, January 8, 2004. |
| 2004.03 | 10 | 105,000,000 | 1,050,000,000 | 88,341,646 | 883,416,460 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09301040080, March 10, 2004. |
| 2004.07 | 10 | 98,341,646 | 983,416,460 | 88,838,361 | 888,383,610 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09301118210, July 5, 2004. |
| 2004.08 | 10 | 150,000,000 | 1,500,000,000 | 93,374,956 | 933,749,560 | Capitalization of earnings, employee bonus, and capital surplus | — | Jing-Shou-Shang-Zi No. 09301159590, August 30, 2004. |
| 2004.10 | 10 | 150,000,000 | 1,500,000,000 | 97,202,271 | 972,022,710 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09301194750, October 13, 2004. |
| 2005.01 | 10 | 150,000,000 | 1,500,000,000 | 98,295,785 | 982,957,850 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09401006710, January 13, 2005. |

| Year/ Month | Issue price | Authorized share capital | | Paid-in capital | | Remarks | | |
|----------------|----------------|--------------------------|---------------|-----------------|---------------|--|--|---|
| | | Shares | Amount | Shares | Amount | Source of share capital | Offset by any property other than cash | Others |
| 2005.04 | 10 | 150,000,000 | 1,500,000,000 | 99,737,444 | 997,374,440 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09401065060, April 18, 2005. |
| 2005.07 | 10 | 150,000,000 | 1,500,000,000 | 109,295,765 | 1,092,957,650 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09401133930, July 19, 2005. |
| 2005.09 | 10 | 170,000,000 | 1,700,000,000 | 117,434,507 | 1,174,345,070 | Capitalization of earnings, employee bonus, and capital surplus | — | Jing-Shou-Shang-Zi No. 09401170540, September 2, 2005. |
| 2005.09 | 10 | 170,000,000 | 1,700,000,000 | 121,573,788 | 1,215,737,880 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09401178850, September 15, 2005. |
| 2006.08 | 10 | 170,000,000 | 1,700,000,000 | 139,573,788 | 1,395,737,880 | Capital increase in cash | — | Jing-Shou-Shang-Zi No. 09501167730, August 2, 2006. |
| 2006.08 | 10 | 200,000,000 | 2,000,000,000 | 153,000,000 | 1,530,000,000 | Capitalization of earnings, employee bonus, and capital surplus | — | Jing-Shou-Shang-Zi No. 09501194770, August 31, 2006. |
| 2007.08 | 10 | 200,000,000 | 2,000,000,000 | 161,600,000 | 1,616,000,000 | Capitalization of earnings and employee bonus | — | Jing-Shou-Shang-Zi No. 09601191570, August 7, 2007. |
| 2008.08 | 10 | 200,000,000 | 2,000,000,000 | 170,800,000 | 1,708,000,000 | Capitalization of earnings and employee bonus | — | Jing-Shou-Shang-Zi No. 09701216530, August 26, 2008. |
| 2009.09 | 10 | 200,000,000 | 2,000,000,000 | 179,542,034 | 1,795,420,340 | Capitalization of earnings and employee bonus | — | Jing-Shou-Shang-Zi No. 09801202160, September 2, 2009. |
| 2009.11 | 10 | 300,000,000 | 3,000,000,000 | 202,204,922 | 2,022,049,220 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09801272320, November 25, 2009. |
| 2010.03 | 10 | 300,000,000 | 3,000,000,000 | 207,198,329 | 2,071,983,290 | Corporate bond conversion | — | Jing-Shou-Shang-Zi No. 09901054000, March 22, 2010. |
| 2011.11 | 10 | 300,000,000 | 3,000,000,000 | 205,696,329 | 2,056,963,290 | Cancellation of treasury stock | — | Jing-Shou-Shang-Zi No. 10001263810, November 22, 2011. |
| 2013.11 | 10 | 300,000,000 | 3,000,000,000 | 203,196,329 | 2,031,963,290 | Cancellation of treasury stock | — | Jing-Shou-Shang-Zi No. 10201234710, November 18, 2013. |
| 2014.05 | 10 | 300,000,000 | 3,000,000,000 | 204,582,329 | 2,045,823,290 | Employee stock option | — | Jing-Shou-Shang-Zi No. 10301089610, May 16, 2014. |
| 2014.07 | 10 | 300,000,000 | 3,000,000,000 | 204,747,329 | 2,047,473,290 | Employee stock option | — | Jing-Shou-Shang-Zi No. 10301146990, July 24, 2014. |
| 2014.11 | 10 | 300,000,000 | 3,000,000,000 | 204,858,329 | 2,048,583,290 | Employee stock option | — | Jing-Shou-Shang-Zi No. 10301240300, November 24, 2014. |
| 2015.03 | 10 | 300,000,000 | 3,000,000,000 | 204,896,329 | 2,048,963,290 | Employee stock option | — | Jing-Shou-Shang-Zi No. 10401051700, March 30, 2015. |
| 2015.05 | 10 | 300,000,000 | 3,000,000,000 | 205,245,329 | 2,052,453,290 | Employee stock option | — | Jing-Shou-Shang-Zi No. 10401091970, May 21, 2015. |
| 2015.08 | 10 | 300,000,000 | 3,000,000,000 | 205,254,579 | 2,052,545,790 | Employee stock option | — | Jing-Shou-Shang-Zi No. 10401172450, August 17, 2015. |
| 2018.08 | 10 | 300,000,000 | 3,000,000,000 | 201,958,579 | 2,019,585,790 | Cancellation of treasury stock | — | Jing-Shou-Shang-Zi No. 10701102650, August 15, 2018. |
| 2021.08 | 10 | 300,000,000 | 3,000,000,000 | 221,958,579 | 2,219,585,790 | Capital increase in cash | — | Jing-Shou-Shang-Zi No. 11001153050, August 31, 2021. |
| 2024.07 | 10 | 300,000,000 | 3,000,000,000 | 233,958,579 | 2,339,585,790 | Capital increase in cash | — | Jing-Shou-Shang-Zi No. 11330115190, July 16, 2024. |

(II) List of Major Shareholders:

March 27, 2026

| Share Name of major shareholders | Number of shares held | Shareholding ratio (%) |
|--|-----------------------|------------------------|
| | Chou, Wan-Shun | 23,032,644 |
| Lee, Chung-Yi | 14,156,787 | 6.10% |
| HSBC (Taiwan) Commercial Bank the custodian of the investment account of Morgan Stanley & Co. International Ltd. | 8,151,656 | 3.51% |
| Citibank (Taiwan) Commercial Bank, the custodian of the investment account of UBS Europe SE | 4,252,082 | 1.83% |
| HSBC Bank (Taiwan) Limited, the custodian of the investment account of Goldman Sachs International | 4,106,752 | 1.77% |
| Citibank (Taiwan) Commercial Bank, the custodian of the investment account of Barclays Capital Securities Limited | 2,932,198 | 1.26% |
| Business Department of Standard Chartered International Commercial Bank, acting as custodian for the Advanced Starlight Funds – Advanced Total International Stock Index Fund investment account | 2,692,016 | 1.16% |
| Standard Chartered Bank (Taiwan) Limited, the custodian of the investment account of The Vanguard Group, Inc. – Vanguard Emerging Markets Stock Index Fund | 2,542,000 | 1.10% |
| Wu, Chih-Wei | 2,487,000 | 1.07% |
| Citibank (Taiwan) Commercial Bank, the custodian of the investment account of iShares Core MSCI Emerging Markets ETF | 2,367,000 | 1.02% |

(III) The Company's Dividend Policy and Implementation:

1. Dividend policy stipulated in the Company's Articles of Incorporation:

(1) Article 17 of the Company's Articles of Incorporation stipulates that:

The Company shall, after offsetting accumulated losses, appropriate no less than 10% of the profit before tax before deduction of employee compensation and remuneration to directors and supervisors as employee compensation, of which no less than 4.5% shall be distributed to entry-level employees, and no more than 3% shall be appropriated as remuneration to directors and supervisors. The distribution of the employee remuneration in shares or cash shall be executed in accordance with the resolution of the Board of Directors' Meeting attended by more than two-thirds of the Directors and the consent of a majority of the attending Directors. In addition, a report to the shareholders' meeting shall be made. Employees are entitled to receive employee remuneration distributed in the form of shares or cash, and the subjects may be employees of the parent or subsidiaries of the Company meeting certain specific requirements.

(2) Article 17-1 of the Company's Articles of Incorporation stipulates that:

Where the Company has a net profit in the current period after the settlement of a fiscal year, the accumulated loss shall be covered first, and 10% thereof shall be set aside as the legal reserve; however, when the legal reserve has reached the paid-in capital of the Company, it may be exempted from such appropriation. For the remaining amount, a special reserve shall be set aside or reversed in accordance with the laws or regulations of the competent authority. Subsequently, if there is still a remaining amount, such remaining amount and the accumulated undistributed surplus at the beginning of the same period may be combined with the undistributed earnings as the accumulated distributable earnings for shareholders. This amount is submitted to the Board of Directors for the preparation of an earnings distribution proposal, which is then submitted to the shareholders' meeting for resolution on the distribution thereof, if the earnings are distributed in the form of new shares.

The Company, in accordance with Paragraph 5 of Article 240 of the Company Act, authorizes the Board of Directors to pay, in whole or in part, distributable dividends and bonuses or the legal reserve and the capital reserve, as described in Paragraph 1 of Article 241 of the Act, in cash, after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors. In addition, a report of such distribution shall be submitted to the shareholders' meeting.

The Company is in the technology industry and the industrial environment change is rapid. With consideration of the future capital demand and sound financial planning for the sustainable development of the Company, it is preferable to adopt a stable dividend policy. The dividend rate is expected to be above 20%, and cash dividend accounts for more than 20% of the total shareholders' bonus. Nevertheless, when the price per share for the cash dividend is lower than NTD 0.10 (inclusive), no cash dividends are to be issued, but stock dividends are issued instead.

2. Distribution of the dividends proposed at the shareholders' meeting

Under the Company's Articles of Incorporation, the Company's Board meeting held on March 10, 2026 resolved to distribute the bonus of shareholders for NTD 57,989,645 at NTD 0.25 per share.

(IV) The impact of the stock dividend proposed for the shareholders' meeting on the Company's operating performance and earnings per share: Not applicable.

- (V) Remuneration of employees, directors and supervisors:
1. The percentage or range of remuneration to the employees, directors and supervisors are delineated under the Articles of Incorporation:
Article 17 of the Company's Articles of Incorporation stipulates that:
The Company shall, after offsetting accumulated losses, appropriate no less than 10% of the profit before tax before deduction of employee compensation and remuneration to directors and supervisors as employee compensation, of which no less than 4.5% shall be distributed to entry-level employees, and no more than 3% shall be appropriated as remuneration to directors and supervisors. The distribution of the employee remuneration in shares or cash shall be executed in accordance with the resolution of the Board of Directors' Meeting attended by more than two-thirds of the Directors and the consent of a majority of the attending Directors. In addition, a report to the shareholders' meeting shall be made. Employees are entitled to receive employee remuneration distributed in the form of shares or cash, and the subjects may be employees of the parent or subsidiaries of the Company meeting certain specific requirements.
 2. The basis for estimating the amount of remuneration for employees, directors, and supervisors for the current period, the basis for calculating the quantity of stock dividends to be allocated, and the accounting treatment of any discrepancy between the actual distributed amount and the estimated figure thereof.
 - (1) In 2025, the Company first deducted the remuneration to employees and directors from the income before tax of the current fiscal year, followed by covering the accumulated loss amount. Then, no less than 10% of the remaining amount was appropriated as remuneration to employees, totaling NTD 3,739,642, and no more than 3% was appropriated as remuneration to directors, totaling NTD 1,121,892, both distributed in cash.
 - (2) The differences between the actual distribution and estimated amount are accounted for as a change in accounting estimate, and recognized as an adjustment in the year at distribution.
 3. Information on distribution of bonuses resolved by the board of directors:
 - (1) Amount of remuneration to employees, directors and supervisors distributed in cash or in shares. If the amount estimated in the year of the recognized expenses is different, the difference, the cause and the treatment shall be disclosed:
The Company's 2025 remuneration to employees and directors was resolved by the Board meeting held on March 10, 2026. The remuneration to employees was NTD 3,739,642 and remuneration to directors was NTD 1,121,892, both distributed in cash. There is no difference from the amount estimated in the year when the expenses were recognized.
 - (2) The amount of employee remuneration distributed in stock and the ratio to the net income after tax and the total amount of employee remuneration in the parent company only or individual financial statements of the current term: No employee remuneration distributed in stock, thus not applicable.
 4. The actual allocation of the remuneration to employee, directors and supervisors in the previous year (including the number, amount and stock price of allocated shares), the deviation between the actual allocation and the estimated figures, if any, and cause and treatment thereof:
 - (1) The actual distribution of remuneration to employees and directors for the previous year:
The actual amount of remuneration distributed to employees and directors in 2024 was NTD 2,245,236 and NTD 673,570 respectively.
 - (2) The difference between the actual amount distributed referred to in the preceding paragraph and recognized remuneration to employees and directors: None.

(VI) Share repurchases:

1. Execution completed:

| | |
|---|--|
| No. of shares repurchased | 7th |
| Purpose of share repurchase | Repurchase the shares and transfer the same to employees for the purpose of motivating and enhancing the employees' loyalty. |
| Duration of share repurchase | April 11, 2025 to June 10, 2025 |
| Range of prices at which the shares were repurchased | NTD 60 to NTD 120 |
| Type and quantity of shares repurchased | Ordinary share: 2,000,000 shares |
| Amount of shares repurchased | NTD 154,397,494 |
| Percentage of shares repurchased to planned repurchase quantity (%) | 100% |
| Quantity of shares canceled and transferred | 0 shares |
| Cumulative quantity of the Company's shares held | 2,000,000 shares |
| Cumulative number of the Company's shares held as a percentage of the Company's total issued shares (%) | 0.8549% |

2. Under implementation: None.

II. Issuance of Corporate Bonds

The Company issued 6,000 bonds on July 1, 2024 with a total face value of NTD 600,000 thousand and a coupon rate of 0% for a three-year unsecured convertible corporate bond.

| | |
|--|--|
| Type of Corporate Bond | Sixth Domestic Unsecured Convertible Corporate Bonds |
| Issuance (process) date | July 1, 2024 |
| Issued face value | NTD 100,000 per bond |
| Issue price | Issued at 101% of par value |
| Total issue amount | NTD 600,000,000 |
| Interest rate | Coupon Rate: 0% per annum |
| Maturity term | 3-year term, Maturity Date: July 1, 2027 |
| Trustee | Trust Department of Mega International Commercial Bank Co., Ltd. |
| Underwriters | Fubon Securities Co., Ltd., Uni-President Securities Corp., Capital Securities Corp. |
| Certifying Attorney | Attorney Chiu Ya-Wen of Handsome Attorneys-at-Law |
| Name of CPA | Not applicable |
| Method of repayment of principal | Unless converted into the Company's common shares, redeemed early, repurchased, or bought back by the Company (including through securities brokers), the principal shall be repaid in full in cash at maturity. |
| Outstanding Principal | NTD 600,000,000 |
| Terms and Conditions for Redemption or Early Repayment | Details of Issuance and Conversion Procedures |
| Restricted Clause | Details of Issuance and Conversion Procedures |

| | |
|---|--|
| Issuance and Conversion, Exchange or Subscription Procedures, Impact of Issuance Terms on Potential Equity Dilution and Existing Shareholders' Equity | Current conversion price NTD 125.2; if fully converted, this would increase capital stock by 4,792 thousand shares. The current outstanding shares are 231,959 thousand shares, representing a ratio of 2.07%, which would not have a significant impact on shareholders' equity |
|---|--|

Information on convertible corporate bonds

| | | |
|--|--|--------|
| Type of Corporate Bond | Sixth Domestic Unsecured Convertible Corporate Bonds | |
| Year / Items | As of December 31, 2025 | |
| Market Price of Convertible Corporate Bonds | Highest | 117.05 |
| | Lowest | 96.50 |
| | Average | 109.84 |
| Conversion price | NTD 125.2 per share | |
| Issuance Date and Conversion Price at Issuance | Issuance Date: July 1, 2024 Conversion Price at Issuance: NTD 126 per share Revised conversion price: NTD 125.2 per share (July 4, 2025) | |
| Method of Fulfilling Conversion Obligation | Conversion is executed through the issuance of new common shares | |

III. Status of Preferred Shares: None.

IV. Status of Overseas Depository Receipts: None.

V. Status of Employee Stock Options:

- (I) Disclosure of unexpired employee stock warrants issued by the Company in existence as of the date of publication of the Annual Report, and the effect of such warrants upon shareholders' equity. Any privately placed employee stock warrants shall be prominently identified as such.

Status of Employee Stock Options

March 31, 2026

| | |
|--|--|
| Type of employee stock warrants | 2022 2nd employee share warrants |
| Effective date of reporting and total units | November 29, 2022 / 5,000,000 units |
| Issuance (process) date | May 20, 2024 |
| Number of issued units | 5,000,000 units |
| Number of outstanding units | 0 units |
| Percentage of subscribable shares to total issued and outstanding shares | 2.25% |
| Duration of subscription for shares | Six years |
| Contract performance method | With book-less appropriation for issuance of new shares |
| Restricted subscription period and percentage (%) | Upon expiration of two years after the employee stock warrants are granted, the stock options may be exercised in accordance with the following schedule and proportion: |

| | | |
|---|---|--|
| | <p style="text-align: center;">Time course</p> <hr/> <p>After two years upon expiration</p> <p>After three years upon expiration</p> <p>After four years upon expiration</p> | <p style="text-align: center;">The accumulated exercisable stock options (%)</p> <hr/> <p>50%</p> <p>75%</p> <p>100%</p> |
| Quantity of shares executed | 0 | |
| Subscription amount executed | 0 | |
| Unexecuted subscription quantity | 4,729,000 units | |
| Subscription price per share for those having not yet executed the stock options | NTD 80.2 per share | |
| Quantity of shares that have not yet been executed to the total quantity of shares issued (%) | 2.04% | |
| Impact on shareholders' equity | The stock warrants are issued in order to attract and retain the talent needed by the Company, motivate and enhance the employees' loyalty, and create profit for the Company and shareholders at the same time, to impose a positive effect on the shareholders' equity. | |

(II) Name and subscription status of managerial officers who have obtained employee stock options, and employees ranked among the top 10 with the highest number of shares to which they have subscription rights through employee stock warrants acquired up to the publication date of this annual report:

March 31, 2026

| | Position | Name | Number of Stock Options Granted (Shares) | Percentage of Subscribed Shares to Total Issued Shares (%) | Exercised | | | | Unexercised | | | |
|-----------|---|---|--|--|---------------------------|----------------------|------------------------------------|---|---------------------------|----------------------|------------------------------------|---|
| | | | | | Number of Shares (Shares) | Exercise Price (NTD) | Subscription Amount (NTD thousand) | Percentage of Total Issued Shares Represented | Number of Shares (Shares) | Exercise Price (NTD) | Subscription Amount (NTD thousand) | Percentage of Total Issued Shares Represented |
| Managers | Chairman | Chou, Wan-Shun | 706,000 | 0.30% | - | - | - | - | 706,000 | 80.2 | 56,621 | 0.30% |
| | President | Chou, Meng-Hsien | | | | | | | | | | |
| | Vice President | Huang, Pei-Feng / Liu, Hsiu-Hsing | | | | | | | | | | |
| | Assistant Vice President | Tsai, Min-Chen / Yang, Pai-Jung / Chen, Chih-Yung / Lu, Tsung-Wei / Huang, Li-Wei / Lee, Chia-Ming / Li, Ting-Hsi / Chen, Hsien-Cheng | | | | | | | | | | |
| | Accounting Officer | Huang, Chih-Chun | | | | | | | | | | |
| Employees | President of Overseas Subsidiary | Chen, Yu-Ching | 582,000 | 0.25% | - | - | - | - | 582,000 | 80.2 | 46,676 | 0.30% |
| | Vice President of Overseas Subsidiaries | Huang, Chia-An | | | | | | | | | | |

| | | | | | | | | | | | | |
|--|---|--|--|--|--|--|--|--|--|--|--|--|
| | Assistant Vice President of Overseas Subsidiaries | Hsu, Yi-Fan | | | | | | | | | | |
| | Special Assistant | Yeh, Su-Chun / Teng, Yu-Wen | | | | | | | | | | |
| | Manager | Liao, Tai-Pin / Chen, Yu-Jen / Lu, Chia-Yang / Chang, Kang-Hao / Chan, Wei-Hung / Cheng, Chen-Ho | | | | | | | | | | |

Note: Hsu, Yi-Fan resigned in February 2026.

VI. Status of Restricted Shares Issued to Employees: None

VII. Status of New Share Issuance for Mergers or Acquisition of Shares of Other Companies: None

VIII. Status of Capital Utilization Plans: None

Four. Overview of Operations

I. Business Overview:

(I) Scope of Business

1. Main businesses of the Company include:

- (1) CB01010 Mechanical Equipment Manufacturing
- (2) CB01020 Affairs Machine Manufacturing
- (3) CB01030 Pollution Controlling Equipment Manufacturing
- (4) CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
- (5) CC01040 Lighting Equipment Manufacturing
- (6) CC01060 Wired Communication Mechanical Equipment Manufacturing
- (7) CC01070 Wireless Communication Mechanical Equipment Manufacturing
- (8) CC01080 Electronics Components Manufacturing
- (9) CC01110 Computer and Peripheral Equipment Manufacturing
- (10) CQ01010 Mold and Die Manufacturing
- (11) F106030 Wholesale of Molds
- (12) F107190 Wholesale of Plastic Films and Bags
- (13) F113010 Wholesale of Machinery
- (14) F113020 Wholesale of Electrical Appliances
- (15) F113050 Wholesale of Computers and Clerical Machinery Equipment
- (16) F113070 Wholesale of Telecommunication Apparatus
- (17) F113100 Wholesale of Pollution Controlling Equipment
- (18) F119010 Wholesale of Electronic Materials
- (19) F206030 Retail Sale of Molds
- (20) F213010 Retail Sale of Electrical Appliances
- (21) F213030 Retail Sale of Computers and Clerical Machinery Equipment
- (22) F213060 Retail Sale of Telecommunication Apparatus
- (23) F213080 Retail Sale of Machinery and Tools
- (24) F213100 Retail Sale of Pollution Controlling Equipment
- (25) F219010 Retail Sale of Electronic Materials
- (26) F401010 International Trade
- (27) F601010 Intellectual Property Rights
- (28) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Business breakdown:

Unit: NTD thousand

| Items | Year | 2025 | | 2024 | |
|----------------------------|------|--------------|------------|--------------|------------|
| | | Sales amount | Percentage | Sales amount | Percentage |
| Lead frame (LED/SMD) | | 1,943,875 | 32.15% | 2,150,426 | 39.15% |
| Thermal components | | 1,745,805 | 28.87% | 990,313 | 18.03% |
| Ceramic circuit boards | | 763,920 | 12.63% | 867,256 | 15.79% |
| TV backlight module | | 616,499 | 10.20% | 697,072 | 12.69% |
| Intelligent service robots | | 491,735 | 8.13% | 200,523 | 3.65% |
| IC lead frame | | 269,666 | 4.46% | 441,289 | 8.03% |
| Rental income | | 75,155 | 1.24% | 35,606 | 0.65% |
| Others | | 139,764 | 2.32% | 109,893 | 2.01% |
| Total | | 6,046,419 | 100.00% | 5,492,378 | 100.00% |

3. Current products (services) and items:

| Category | Main products |
|---|----------------------------------|
| Semiconductor package heat sink and heat dissipation module | Thermal components |
| Light-emitting diode (LED) lead frame | Lead frame for SMD, LED, and P/C |
| Back Light Module | TV backlight module |
| High-power heat sink substrate and heat dissipation module | Ceramic circuit boards |
| Semiconductor IC lead frame | IC lead frame |

4. New products and technologies (services) planned to be developed:

| R&D fields | Research and Development Items | Current R&D progress | Estimated R&D timeline |
|---|---|---|--|
| Human-machine robots, industrial control, servers, and power supply | Development of ultra-high density photo coupler lead wire frame | 2025 Q1: Design of new products, development of new molds, and sampling 2025 Q2: Product testing and reliability verification 2025 Q3: Passed client packaging and testing verification 2025 Q4: Certification for small batch test production 2026 Q1: Mass production | Expected mass production in 2026 Q1 |
| Battery Management System (BMS) | Development of high power TOLL and TOLT lead wire frame | 2025 Q1: Research and feasibility assessment of product technology | It is expected to be developed by 2025 Q4. |

| R&D fields | Research and Development Items | Current R&D progress | Estimated R&D timeline |
|--------------------------------|-----------------------------------|--|-------------------------------------|
| | | 2025 Q2: Assessment, planning and modification of stamping, electroplating process equipment 2025 Q3: Design and development of new products, mold development, and sampling 2025 Q4: Testing of samples, reliability verification, product verification | |
| Intelligent Power Module (IPM) | Development of power module frame | 2025 Q1: Research and feasibility assessment of product technology 2025 Q2: Process equipment feasibility assessment, planning and project integration 2025 Q3: Designing new products, etching samples, development, production, and sampling of samples 2025 Q4: Testing of etching samples, reliability verification, product verification | Expected mass production in 2027 Q1 |

(II) Industry Overview

1. Industry status and development:

(1) Semiconductor industry

With the rapid development of AI, HPC, and cloud data centers, global demand for computing power continues to rise, leading to a significant increase in semiconductor chip power consumption and thermal density. The power density of AI chips has reached the kilowatt level, and the cooling demand for a single AI server rack may even exceed 100 kW, placing higher requirements on thermal management technologies.

Under this trend, traditional air-cooling solutions are approaching their limits, while liquid cooling technologies are rapidly emerging as a key direction for data center upgrades. Liquid cooling systems leverage the high heat capacity of liquids to significantly enhance heat dissipation efficiency while reducing energy consumption. As a result, their adoption in AI servers and hyperscale data centers continues to increase.

Market research indicates that the data center liquid cooling industry is expected to maintain steady growth over the next decade. The market for liquid cooling system-related equipment is projected to achieve a compound annual growth rate (CAGR) of approximately 13% from 2026 to 2036, with cold plates and liquid cooling modules expected to be the fastest-growing segments. Overall, the semiconductor thermal management industry is developing in the following directions:

- A. AI servers are driving a surge in demand for thermal solutions
- B. Liquid cooling is gradually replacing certain air-cooling architectures
- C. High-power chips are accelerating the adoption of advanced materials and microstructured thermal technologies
- D. Thermal management technologies have become a critical factor in AI computing power competition

(2) LED Industry

In 2025, global economic conditions were affected by factors such as U.S. tariffs, inflation, rising raw material prices, and weak economic performance in mainland China. Amid the continued decline in consumer electronics demand, although demand for automotive LED components showed gradual growth, the overall LED component market continued to contract. Looking ahead to 2026, automotive applications as well as ultraviolet and infrared segments are expected to experience modest growth, while lighting and LED display markets are projected to remain flat or decline slightly.

2. Correlation between the upstream, midstream and downstream parts of the industry:

- (1) The semiconductor thermal management industry value chain can be categorized as follows:

The Company's role within the semiconductor thermal management industry value chain is positioned as a midstream manufacturer of thermal components and modules.

| Upstream | Midstream | Downstream |
|---|--|---|
| <p>Upstream participants primarily supply the materials and equipment required for thermal management products. The quality and cost of upstream materials have a direct impact on the performance and gross margin of thermal products, including:</p> <ul style="list-style-type: none"> A. Surface treatment and electroplating materials B. Precision machining equipment | <p>Midstream participants are manufacturers of thermal components and modules. Key products include:</p> <ul style="list-style-type: none"> Semiconductor heat spreaders Integrated Heat Spreader (IHS) Vapor Chamber Lid Conduction Plate Cold Plate Micro-Channel Liquid Cooling Plate | <p>Primary applications include:</p> <ul style="list-style-type: none"> 1. Semiconductor packaging industry OSAT (e.g. ASE, Amkor, SPIL) 2. Chip design companies and IDMs <ul style="list-style-type: none"> (1) AI chip companies (2) HPC processor companies 3. AI servers and data centers <ul style="list-style-type: none"> (1) Cloud service providers |

| Upstream | Midstream | Downstream |
|--|-----------|--|
| C. Liquid cooling system components (e.g. pumps, piping, and coolants) | | (2) Hyperscale data centers 4. High-end networking equipment (1) Switch ASICs (2) Optical CPO |

(2) LED Industry

According to its manufacturing process, LEDs can be roughly divided into three stages: upstream epitaxy, midstream chip production, and downstream packaging.

| LED industry structure | | | |
|------------------------|--|--|--|
| LED industry | Upstream | Midstream | Downstream |
| Process | Raw material → MOCVD machine → epitaxy | Adapter plate → chip cutting → chip test | Chip bonding → wire bonding → packaging |
| Company | EPISTAR (ENNOSTAR), TEKCORE, TYNTEK | | Lite-On Technology Corp., Everlight Electronics Co., Ltd., Harvatek Corporation, and Advanced Optoelectronic Technology Inc. |

The Company's role in the LED industry supply chain is as a downstream lead frame supplier for the packaging business. Lead frame, also known as frame or bracket, is one of the three major raw materials in the packaging industry. Lead frames can be divided into three types according to different application areas, namely IC lead frame, LED lead frame, and transistor lead frame. They serve as the medium between chip, LED, or transistor and the printed circuit board.

| Upstream | Midstream | Downstream | Relevant applications of products |
|---------------------------------|---|---|---|
| Copper alloy, nickel-iron alloy | LED lead frame industry (I-Chiun, Jentech Precision Industrial Co., Ltd. and SDI Corporation) | LED packaging industry (Lite-On Technology Corp., Everlight Electronics Co., Ltd., Harvatek Corporation, and Advanced Optoelectronic Technology Inc.) | Automotive and industrial products, telecommunications, communications products, computers and peripheral products, consumer electronics, precision instruments, and aerospace industry |

3. Various product development trends:

(1) Semiconductor industry

The key future development trends for semiconductor thermal management products include:

A. Thermal Management for High-Power Chips

As the power consumption of AI chips continues to increase, demand for thermal solutions is rising significantly, driving concurrent improvements in both the size and performance of heat spreaders.

B. Widespread Adoption of Liquid Cooling (Direct-to-Chip Cold Plate)

C. Microchannel Cooling Technologies

The use of micron-scale channels to enhance heat dissipation efficiency is expected to become a critical thermal solution for next-generation high-power AI chips.

D. High Thermal Conductivity Materials

E. Integration of Thermal Management and Advanced Packaging

Thermal design is increasingly being integrated with advanced packaging technologies (2.5D/3D).

(2) LED Industry

With the rise of AI, Big Data, the Internet of Things (IoT), and the smart technology era, demand for LED sensors, automotive LEDs, and infrared LED components is steadily increasing. Taiwanese LED manufacturers are actively expanding into niche markets, focusing on developing high value-added products. As revenue contributions from these niche sectors grow, industry profit margins are expected to improve, fostering a positive long-term development outlook for the LED industry.

4. Competition:

(1) Semiconductor industry

The rapid advancement of artificial intelligence, high-performance computing, and cloud data centers has driven a continuous increase in semiconductor chip power density, generating substantial growth in demand for high-performance thermal management products and establishing the thermal management industry as an increasingly critical enabling technology within AI infrastructure.

The global thermal management industry currently comprises three principal categories of competitors: international thermal solution providers, Taiwanese thermal module manufacturers, and specialized manufacturers focused on semiconductor thermal management components. The competitive landscape as a whole is characterized by technological differentiation and customer qualification as the primary axes of competition.

In the semiconductor thermal component market, the primary competitor is Jentech Precision Industrial Co. Although the Company entered the thermal component sector relatively recently, it has continuously enhanced its R&D capabilities, manufacturing technology and efficiency, product quality, and customer relationships. These efforts have gradually earned customer recognition, thereby strengthening the Company's overall market competitiveness.

(2) LED Industry

The Company is a domestic LED lead frame manufacturer, and its main competitors include SDI Corporation, and Jentech Precision Industrial Co., Ltd. In recent years, the lead frame factories of China's companies have gradually risen, which has facilitated the already fierce competition in market prices. Compared with its competitors, the Company has advantages in economies of scale and a steep learning curve in production and R&D. Additionally, as the Company's technological capabilities and quality stability have strengthened, it has established long-term partnerships with the leading domestic LED packaging companies.

(III) Technology and R&D overview

1. R&D expenses invested in the most recent year up to the publication date:

Unit: NTD thousand

| Items | 2025 | 2024 |
|-----------------------------|-----------|-----------|
| R&D expenses | 165,474 | 159,592 |
| Net revenue | 6,046,419 | 5,492,378 |
| Proportion to total revenue | 2.74% | 2.91% |

2. Technologies or products successfully developed in the last year:

| Year | R&D outcomes | Description |
|------|---|--|
| 2021 | Developed IC mold structure technology and successfully developed 5G composite boss heat sink | Optimized stamping die structures to enhance production capacity advantages and reduce product costs |
| 2022 | 5G mobile phone (3030) RF bracket | Successfully developed and validated high-end RF lead frames for a major U.S. customer |
| | Face ID lead frame new product development | Successfully developed and validated Face ID lead frames for a major U.S. customer |
| 2023 | Thin DPC heat sink substrate | A high-precision substrate combining vacuum sputtering and electroplating technologies, featuring “thinness, precision, and high performance,” making it highly suitable for high-power electronic components |
| | RF lead frame new product development | Completed mass production introduction of IC lead frames for low Earth orbit (LEO) satellite applications |
| 2024 | Development of 1000W high-power VC lid | Jointly developed with the Industrial Technology Research Institute, the VC lid has successfully entered the supply chain of a leading U.S. HPC chip manufacturer and is positioned as one of the optimal thermal solutions for next-generation advanced chips |
| | IPM (Intelligent Power Module) lead frame product development | Completed development of high-end automotive power management lead frame products |
| 2025 | Development and mass production of Metal TIM high thermal conductivity indium interface material technology | Utilizing indium interface materials with superior thermal conductivity, Metal TIM technology has reached maturity and entered mass production. The Company has secured orders from PRC IC design customers for customized chip thermal solutions and has submitted samples to a North American server manufacturer for next-generation GPUs |

| Year | R&D outcomes | Description |
|------|--|---|
| | Development of VC boiler meeting high-end chip thermal efficiency requirements | Developed a “VC boiler” designed for high-heat AI and HPC chips, suitable for immersion cooling. This solution enables uniform heat absorption and rapid heat dissipation, integrating VC chamber technology into immersion liquid cooling systems for high-efficiency thermal management |

(IV) Long/Short-term business development plans

1. Short-term business development plans

- (1) Engage in professional division of labor to enhance competitiveness. With Taiwan as the R&D center, high value-added products will be produced in Taiwan, and the mass production of well-developed products will be carried out in China through the professional division of labor model to reduce production costs and enhance product competitiveness.
- (2) Establish various management and control standards, improve personnel efficiency, actively improve quality, enhance product competitiveness, increase productivity, lower production costs, and increase the Company’s profits.

2. Long-term business development plans

Strengthen customer development, and focus on quality and service stability with the aim of adopting a steady and stable strategy to provide satisfactory services that are recognized and trusted by customers using its technology, so as to win over more international customers and develop higher value-added products.

II. Market and Sales Overview:

(I) Market analysis

1. Sales regions for the main products

Unit: NTD thousand

| Year | | 2025 | | 2024 | |
|---------------|----------|--------------|--------|--------------|--------|
| | | Sales amount | % | Sales amount | % |
| Export | Americas | 75,173 | 1.24 | 80,387 | 1.46 |
| | Europe | 0 | 0 | 1,423 | 0.03 |
| | Asia | 4,754,963 | 78.64 | 4,573,703 | 83.27 |
| | Subtotal | 4,830,136 | 79.88 | 4,655,513 | 84.76 |
| Domestic sale | | 1,216,283 | 20.12 | 836,865 | 15.24 |
| Total | | 6,046,419 | 100.00 | 5,492,378 | 100.00 |

2. Market share percentage

After reviewing the relevant industry statistics, no data was found on the production and sales of the Company’s main product, LED lead frames. However, these products are indispensable and critical components for LEDs, and there is a one-to-one correspondence between their quantity and the final product. Therefore, the Company used monthly industrial production statistics reports on the sales volume of LEDs in recent years to estimate the approximate domestic market share of its products:

| Items | 2025 | 2024 | 2023 |
|---|------------|------------|------------|
| Total domestic sales of LEDs | 33,173,576 | 31,999,335 | 27,169,743 |
| I-Chiun’s domestic sales of LED lead frames | 329,869 | 1,267,113 | 1,027,235 |

| Items | 2025 | 2024 | 2023 |
|--|-------|-------|-------|
| I-Chiun's domestic market share of LED lead frames | 0.99% | 3.96% | 3.78% |

Source: Product Statistics (2025) in the Industrial Production, Sales, and Inventory Survey by the Department of Statistics, Ministry of Economic Affairs.

3. Future market supply and demand and growth

It is expected that global inflation will gradually ease, with Europe and the United States entering an interest rate cut cycle. As a result, consumer spending is projected to continue expanding, supporting a steady economic recovery. With global trade returning to moderate growth, the AI boom is fueling increased demand for end-user information and communications technology (ICT) products. The application of high-performance computing chips in areas such as AI smartphones, AI PCs, edge AI devices, automotive electronics, and servers is driving growth in the IC design industry. In this context, advancements in process nodes and packaging technologies have become key drivers of the industry's rapid expansion. The continued progress in AI, automotive electronics, and satellite communications is also accelerating specification upgrades across electronic components, including PCBs, passive components, and sensors. The semiconductor market is expected to maintain its growth momentum in 2026.

However, escalating regional conflicts, rising trade protectionism, overcapacity in China, intensifying climate change, increasing global economic uncertainty, and heightened volatility in raw material prices remain key risk factors, and their subsequent developments warrant close monitoring.
4. Competitive niche
 - (1) Semiconductor Thermal Components
 - A. Manufacturing experience in semiconductor thermal products
 - B. precision manufacturing and processing capabilities;
 - C. high-quality process management;
 - D. and stable customer relationships
 - (2) LED Lead frames
 - A. High quality and stable supply of raw materials
 - B. Complete process and quick response to customer needs
 - C. Improve production technology and optimize automation equipment
5. Favorable, unfavorable factors and countermeasures for our development vision
 - (1) Favorable factors
 - (a) The Company's software and hardware equipment, management system, and personnel training have been quite well developed as intangible assets for business expansion.
 - (b) The Company aims to work with internationally renowned manufacturers in terms of products and future R&D to gradually move from components → OEM → its own finished products.
 - (c) Actively develop thin, short, and small components to meet market demand.
 - (2) Unfavorable factors

Fierce market competition, declining prices, and high domestic labor wages affect the manufacturing costs, with continuous downward pressure on product prices.
 - (3) Response strategies:
 - (a) Committed to the development of high value-added products.
 - (b) Introduce foreign labor through legal channels to make up for labor shortage.

- (c) Increase the automation equipment to reduce the needs for manpower.
- (d) Move some well-developed products or processes with greater manpower needs to overseas factories with lower labor costs for production, while providing customer service in the local market in line with cluster production in the upstream and downstream sections.

(II) Important usages and production processes of the main products

1. Usages of main products:

| Main products | Main applications |
|------------------------|---|
| Thermal components | Heat dissipation for semiconductor packaging, semiconductor components, etc. |
| LED lead frame | Its purpose is to carry a semiconductor chip. After the current is conducted via the positive and negative electrodes on the lead frame, the light generated through the combination of electrons and electron holes on the chip is released, and high brightness will be produced through the refraction of the bowl surface on the lead frame as an indispensable critical component for the LED assembly. LED lead frames are used for traffic signs, TV backlights, mobile phone light sources, lighting, vehicle lights, infrared rays, etc. |
| TV backlight module | Its application includes TV backlight sources to replace traditional CCFL backlight; the cap lens secondary optical diffusion method is adopted to respond to consumer demand for TV picture uniformity and saturation. Compared with the side-type backlight, the direct-lit backlight is lower in parts cost and assembly labor cost, which helps increase market competitiveness. The modules currently are applicable to small and medium-sized to large-sized TVs, from 32-inch/39-inch to 100-inch ones. |
| Ceramic circuit boards | Automotive lighting, specialty lighting, flash applications, UV, and 3D sensors |

2. Production process of main products:

- (1) Heat dissipation component: Material → stamping → CNC Machining → electroplating → packaging → warehousing
- (2) LED lead frame: Material → stamping → electroplating → cutting → packaging → warehousing
- (3) SMD LED lead frame: Material → stamping → electroplating → plastic injection → cutting → packaging → warehousing
- (4) TV backlight module: L/B components → LED SMT → welding → L/B dispensing → LENS SMT → curing → optical inspection → packaging → warehousing
- (5) Ceramic Circuit Board: Ceramic substrate → laser processing → vacuum sputtering → lamination → exposure → development → copper electroplating → brushing/polishing → surface treatment → photoresist stripping and etching → FQC → QQC → Warehousing

(III) Supply of main raw materials

| Product | Name of main raw materials | Major suppliers | Place of origin | Supply status |
|------------------------|--|---|--------------------------|---------------|
| Thermal components | Copper materials | IN-SUN International Co., Ltd. (Minchali Metal Industry Co., Ltd.), Songchen Steel Co., Ltd., Proterial Taiwan, Ltd. | Taiwan, China, and Japan | Great |
| LED and SMD lead frame | LED iron material | RONGFEN, DINGEN | Taiwan, China | Great |
| | LED copper material | IN-SUN International Co., Ltd. (Minchali Metal Industry Co., Ltd.), First Copper Technology Co., Ltd., Nuochang Trading, and China Copper Huazhong Copper Co., Ltd. | Taiwan, China | Great |
| | Chemical plating solution and silver bar | Solar Applied Materials Technology Corp., Yantai Zhaojin Kanfort Precious Metals Incorporated Company, Purify Fine Materials Co., Ltd., and Minmetals Futures Co., Ltd. | Taiwan, China | Great |
| | SMD plastic material | WahLee, TRUMP CHEMICAL | Taiwan | Great |
| TV backlight module | PCB | Lian Xin, Ho Shi | China | Great |
| | LED | KUNHSIN, ZDM | China | Great |
| | LENS | Dingneng, Yuezhian | China | Great |

(IV) Main suppliers and customers in the last two years:

- Information on individual sales customers who have accounted for at least 10% of total sales in any of the last two years

Unit: NTD thousand

| Items | 2025 | | | | 2024 | | | |
|-------|-----------|-----------|--|------------------------------|-----------|-----------|--|------------------------------|
| | Name | Amount | Percentage of total annual net sales (%) | Relationship with the issuer | Name | Amount | Percentage of total annual net sales (%) | Relationship with the issuer |
| 1 | A | 926,286 | 15.32 | None | A | 1,087,950 | 19.81 | None |
| 2 | Others | 5,120,133 | 84.68 | - | Others | 4,404,428 | 81.19 | - |
| | Net sales | 6,046,419 | 100.00 | - | Net sales | 5,492,378 | 100.00 | - |

Note: By the date of publication of the annual report, the financial statements of Q1, 2026 have not yet been reviewed by CPAs.

In 2024 and 2025, Customer A, whose purchases accounted for 10% or more of the Company's total sales, primarily procured SMD and LED lead frames as well as ceramic circuit board products used for LED packaging.

2. Information on individual suppliers who have accounted for at least 10% of total purchase in any of the last two years:

Unit: NTD thousand

| Items | 2025 | | | | 2024 | | | |
|-------|---------------------|-----------|--|------------------------------|---------------------|-----------|--|------------------------------|
| | Name | Amount | Percentage of total annual net purchases (%) | Relationship with the issuer | Name | Amount | Percentage of total annual net purchases (%) | Relationship with the issuer |
| 1 | A | 408,453 | 12.43 | None | | | | None |
| 2 | Others | 2,876,634 | 87.57 | - | Others | 3,018,034 | 100.00 | - |
| | Net purchase amount | 3,285,087 | 100.00 | - | Net purchase amount | 3,018,034 | 100.00 | - |

Note: By the date of publication of the annual report, the financial statements of Q1, 2026 have not yet been reviewed by CPAs.

In 2024, no supplier accounted for more than 10% of total purchases. In 2025, Supplier A was the Company's copper material supplier. Except for the increase in purchase amounts from Supplier A in 2025, there were no significant changes in the Company's major suppliers over the most recent two years. Variations in purchase amounts were primarily attributable to changes in market supply and demand.

III. The number of employees, average years of service, average age, and education distribution in the last two years and as of the publication date of the annual report:

| Year | | 2024 | 2025 | As of March 31, 2026 |
|----------------------------------|--------------------------|-------|-------|----------------------|
| Number of employees | Number of managers | 146 | 164 | 164 |
| | General employees | 462 | 417 | 427 |
| | Production staff | 1,087 | 1,311 | 1,410 |
| | Total | 1,695 | 1,892 | 2,001 |
| Average age | | 37.63 | 38.06 | 37.92 |
| Average years of services | | 6.11 | 6.29 | 6.08 |
| Academic degree distribution (%) | Doctorate | 0.12 | 0.16 | 0.10 |
| | Master's | 2.07 | 2.11 | 2.09 |
| | Bachelor's Degree | 36.34 | 38.34 | 39.16 |
| | Senior High School | 30.09 | 30.43 | 30.72 |
| | Below Senior High School | 31.38 | 28.96 | 27.93 |

Note: The data for the current year as of the publication date of the annual report shall be entered (employees as in the consolidated financial report).

IV. Information on Environmental Expenditure

In the most recent year and as of the date of publication of the annual report, losses due to environmental pollution (including compensation and environmental protection audit results that violate environmental protection laws and regulations, the date of punishment, the scope of the punishment, the violation of the provisions of the regulations, the content of the violation of the regulations, the content of the punishment), and disclose the current and future estimated amount and corresponding measures; if it cannot be reasonably estimated, the fact that it cannot be reasonably estimated should be stated: None.

V. Management-union relations

(I) Lists the various employee welfare measures, advanced studies, training, retirement systems and their implementation status, and the agreement and various measures for preserving the interests of employees between the employers and employees:

1. Employee welfare measures:

- (1) Labor Insurance and National Health Insurance: The Company applies for labor insurance and National Health Insurance on the first day of its employees' employment, as required by law, so the employees are protected by both labor insurance and National Health Insurance.
- (2) Group insurance: As soon as employees arrive at the Company on the first day of their employment, they will be insured by group insurance and casualty insurance with an additional layer of protection.
- (3) Overseas travel insurance: When employees are on business trips abroad, the Company will always purchase travel insurance for them, which covers accidental death, accidental injury, and sudden illness.
- (4) Free parking space, free annual health examination, and health care services, such as a medical room, breastfeeding rooms, and on-site medical staff.
- (5) Establishment of the Recreational Center for Employees: There is a lounge and a number of sports activities.
- (6) Employee Welfare Committee: To enhance employees' welfare, the Company contributes employee welfare funds and organizes an Employee Welfare Committee in accordance with the Employee Welfare Fund Act to handle welfare measures, activities, and club operations and management.

2. Training and continuing education

- (1) The Company held a total of 405 internal and external courses in 2025. The average employee training hours was 13 hours; the total number of trainees was 5,855 with a total of 13,388 man-hours. The total training cost was NTD 549,250.
- (2) Learning and development: With the concept of respecting, motivating, and planning for the future, the Company continues to cultivate competitive, responsible, and hardworking talents through the plans below while allowing more people to develop happily.
 - (A) The Company has a well-defined annual plan, as well as a monthly plan management system. With an employee training and development system, featuring one-on-one leadership and guidance and competency qualification certification, employees can continuously learn professional skills and management capabilities in the workplace.
 - (B) Through a goal management and high-performance management system, and a group-based management model, the Company helps new employees to create outstanding performance growth. Either promotion from the entry-level employee, the section chief to (deputy) manager or from engineer to senior engineer, there is a complete roadmap for short-, mid-, and long-term development.
 - (C) With an individual KPI performance evaluation mechanism adopted every month, together with an anomaly management system, the Company keeps abreast of work progress and performance gaps at any time, every day and every week. Also, with positive two-way quarterly performance interviews, the Company manages to solve work problems in a comprehensive and efficient manner while enabling employees to gain a sense of achievement at work.
- (3) Incentive system for profit-sharing:

- (A) Motivate employees to actively put forth creative and new methods through proposal bonuses and proposal adoption bonuses, and grant generous rewards based on the improvement results.
 - (B) Encourage employees to participate in business operations. The Company has a sound and complete employee dividend and shareholding system, and employees can also be shareholders.
 - (C) Encourage employees to create a win-win situation, conduct employee salary adjustments based on annual performance evaluation to link performance with salary and promotion.
 - (D) The amount is based on individual performance, and the year-end bonus is issued as per the annual profit (loss) and personal performance.
3. Retirement policy
- The Company has formulated the pension regulations and set up a Supervisory Committee of Labor Retirement Reserve in accordance with the provisions of the Labor Standards Act, responsible for supervising and managing the pension reserve and relevant affairs. Also, the Company contributes pension funds as per the relevant provisions of the Labor Pension Act.
- (1) Old Pension System: The Company contributes 2% to 15% of the total monthly salaries of employees to a pension reserve account at the Bank of Taiwan. At the end of each year, the Company reviews the balance of this dedicated account. If the balance is insufficient to cover pension payments for employees eligible for retirement in the following year, the Company will make the necessary contributions by the end of March of the following year to ensure the protection of employees' rights under the old pension system. In 2025, the Company contributed NTD 1,200,000 to the Bank of Taiwan's dedicated pension account, which is sufficient to cover the retirement payments for employees under the old system.
 - (2) New Pension System: The Company contributes 6% of each employee's monthly salary to their individual pension accounts managed by the Bureau of Labor Insurance. In 2025, the Company contributed a total of NTD 22,506,676 under the new pension system.
 - (3) Since September 2024, the Company has established an Employee Shareholding Trust Committee. Participating employees contribute a fixed amount from their monthly salaries, while the Company provides a monthly subsidy of NTD 1,000 per participating employee as a matching contribution. All contributions are deposited into a dedicated trust account.
4. Status of agreements between labor and management
- Since the Company was established in 1977, it has maintained a harmonious labor-management relationship, and has never suffered losses due to labor disputes, and it is estimated that there should be no such losses in the future.
5. Protection measures for employees' rights and interests:
- In line with the business philosophy of "doing business with integrity, respecting, and consistency of words and action," the Company hopes that its employees will feel happy as members of the I-Chiun family and experience a warm and harmonious working atmosphere. In addition to the profit-sharing and incentive systems, it has planned a benefits program that meets the needs of employees and their families in order to foster harmonious labor-management relations and to take care of its employees.
- (1) Listen to employees' views: Quarterly labor-management meetings as well as online and offline employee suggestion boxes.
 - (2) Legal employee care: A sound labor insurance/health insurance system, and a complete pension system.

- (3) Medical care and consultation: Free annual health examination for all employees, and a medical room and on-site medical staff.
 - (4) Sharing the burden on the dual-career family: Childcare subsidies, unpaid parental leave, paternity leave, family care leave, and breastfeeding rooms.
6. Other important agreements: None.

(II) Losses suffered by the Company due to employer/employee conflicts in the recent year up to the date of publication, along with any estimated expenditures and countermeasures that might occur currently or in the future, should be disclosed. Reasons why reasonable estimations could not be made should be explained for those items that cannot be estimated reasonably:

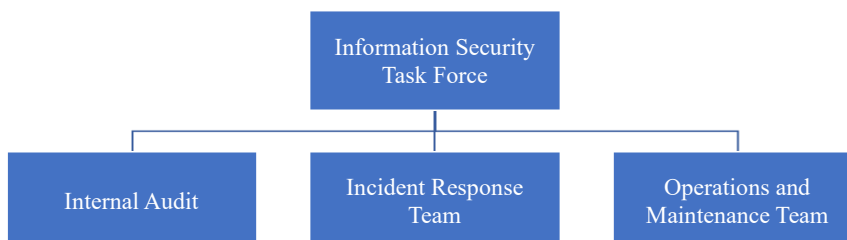
Date of administrative action: December 12, 2025
 Reference number: Xinbei-Lao-Jian-Zi No. 1144701976
 Violated regulation: Paragraph 2, Article 32, Labor Standards Act
 Violation description: Work hours were extended beyond the statutory limit
 Penalty: NTD 600,000 administrative fine
 Response measures: This violation arose from the Company’s need to complete a special project urgently with the employees’ consent (their salaries were already paid in accordance with Article 39 of the Labor Standards Act) and did not have a significant impact on its financial business.

VI. Cybersecurity Management

(I) Describe the cybersecurity risk management framework, cybersecurity policy, specific management plans and cybersecurity management resources invested:

1. Cybersecurity Risk Management Framework:

The Company’s cybersecurity responsibilities are assigned to the Information Security Task Force, which operates under the General Management Unit and comprises one Information Security Officer and one information security staff member. The task force includes an internal audit function, an operations and maintenance team, and an incident response team. It is responsible for formulating and promoting cybersecurity policies; planning and implementing cybersecurity operations; ensuring their execution across all personnel and systems of the Company; and coordinating with the audit function and operations team to address relevant cybersecurity risk incidents.



2. Cybersecurity policy:

The Company has established the “Cybersecurity Management Regulations,” under which risks are assessed annually and appropriate risk mitigation measures are implemented to ensure the security of the Company’s critical information assets. This framework is designed to safeguard the confidentiality, integrity, and availability of information, thereby supporting the smooth operation of the Company’s business activities.

 - (1) The Company also maintains a secure operating environment for its information systems, networks, hardware, and software, while enhancing employees’ awareness of and compliance with information security requirements. These efforts aim to reduce organizational risk and ensure the sustainable operation of the Company’s business.
 - (2) Regulatory Compliance and Policy Formulation: The Company has established mechanisms to ensure compliance with applicable regulations and periodically reviews and revises relevant operating procedures and policies to align with evolving cybersecurity standards.
 - (3) Scope of Information Security:
 - A. Computer system security management
 - B. Network security management
 - C. System and document access control
 - D. Information asset security management
 - E. Physical and environmental security management
 - F. Information security auditing
 - G. Personnel management and information security education and training
3. Specific Management Programs:
 - (1) Information Security Control Measures:
 - A. Joined the Taiwan Computer Emergency Response Team / Coordination Center (TWCERT/CC) in 2024 to obtain cybersecurity alerts, threat intelligence, and vulnerability information.
 - B. Established control measures for computer rooms and critical areas, including physical security, personnel access control, and environmental management.
 - C. In adherence to intellectual property protection, only legally licensed software and hardware are used; the use of unlicensed software on Company computers and the use of personal computing devices within the Company are prohibited.
 - D. Computer data and equipment shall not be arbitrarily damaged, lent, improperly modified, copied, or leaked, in order to maintain data security and integrity.
 - E. Upon employee resignation or job transfer, relevant system access rights are promptly revoked; inactive accounts are reviewed and cleared on a monthly basis.
 - (2) Employee Compliance Requirements:
 - A. Applications for access to information systems and networks must be approved up to the level of the Division Vice President.
 - B. In the event that computer equipment fails to operate normally or a potential virus intrusion is detected, the IT unit shall be notified immediately to perform inspection and maintenance, and to confirm whether the virus has been removed, so as to prevent further spread.

- C. Upon completion of operations or during extended periods of inactivity, users shall log out or activate screen lock functions immediately to prevent the leakage of sensitive information and avoid unauthorized access, tampering, or improper use by others.
- D. Computer equipment shall be placed away from liquids (such as tea or coffee), direct sunlight, and humid environments to extend its service life.

(3) Specific Management Measures:

In recent years, the Company has actively strengthened its overall IT infrastructure and implemented multiple cybersecurity enhancement initiatives. Its cybersecurity policies are formulated with reference to the international standard ISO/IEC 27001, covering the following areas:

- A. Enhancement of Internal and External Network Security
 - (a) Deployed next-generation firewalls to strengthen network perimeter defenses against external threats.
 - (b) Utilized monitoring systems to continuously detect abnormal activities.
 - (c) Established a network defense architecture with effective segmentation of production lines, user endpoints, and data center servers to enhance layered security protection.
 - (d) Conducted annual internal network vulnerability scans and performed remediation.
 - (e) Implemented multi-factor authentication for remote access and restricted connections within the domain environment.
 - (f) Deployed bastion hosts to centralize system access points and enable session recording for audit purposes, thereby reducing intrusion risks.
- B. Strengthening Endpoint Security
 - (a) Performed regular system updates and vulnerability patching for servers and endpoints.
 - (b) Required installation of antivirus software on domain-joined computers, with daily scheduled scans.
 - (c) Implemented Managed Detection and Response endpoint security mechanisms.
 - (d) Conducted monthly spot checks of endpoint security compliance.
 - (e) Required the use of properly licensed software to mitigate security risks.
 - (f) Implemented email protection mechanisms to block phishing, malware, and spam.
- C. Data Access Control and Leakage Prevention
 - (a) Implemented an ISO-based document management system for control and tracking.
 - (b) Established controls over the use of external storage devices.
 - (c) Applied tiered user access control mechanisms.
 - (d) Revoked system access rights promptly upon employee departure.
- D. Enhancement of IT Infrastructure
 - (a) Established comprehensive data center facilities, including dedicated cabling connecting generators to the data center UPS for uninterrupted power supply.
 - (b) Implemented offsite data backup mechanisms and conducted annual disaster recovery drills for critical systems.
 - (c) Established server and network clustering architectures.
- E. Enhancement of Employee Cybersecurity Awareness

- (a) Conducted annual email social engineering simulation exercises to enhance employees' awareness of malicious emails; additional cybersecurity training was arranged for employees who did not pass the tests to strengthen their security awareness.
 - (b) Periodically conducted cybersecurity policy awareness and training through the corporate portal.
 - (c) IT personnel participated in cybersecurity incident seminars and training programs on an ongoing basis.
4. Resources Invested in Cybersecurity Management:
- (1) Network and Endpoint Protection Enhancements:
 - A. Completed replacement with next-generation firewalls and upgraded network security protection services.
 - B. Enabled multi-factor authentication (MFA) for VPN connections.
 - C. Implemented security controls for USB storage device access.
 - D. Renewed deployment of Managed Detection and Response (MDR) mechanisms.
 - E. Conducted vulnerability scanning and exposure assessment (EAS).
 - (2) Backup and Redundancy Implementation:
 - A. Completed high availability (HA) deployment for firewalls and core network switches.
 - B. Established dual ISP redundancy for external network connectivity.
 - C. Implemented cloud-based offsite backup mechanisms.
 - (3) Cybersecurity Defense Drills:
 - A. Conducted annual email social engineering simulation exercises and provided cybersecurity training to employees who mistakenly opened suspicious emails or links, enhancing awareness and reinforcing security practices.
 - B. Conducted annual core system recovery drills.
 - (4) Inspection and Vulnerability Remediation:
 - A. Promptly remediated high-risk vulnerabilities in systems and equipment.
 - B. Regularly updated antivirus software versions and virus definitions.
 - C. Launched a redesigned corporate website and completed remediation of database injection vulnerabilities.
5. Cybersecurity Implementation Status in 2025:
- (1) IT personnel completed a total of 56 hours of external cybersecurity training.
 - (2) Completed dual ISP redundancy deployment for external network connectivity, enhancing network stability.
 - (3) Completed deployment of next-generation firewalls with HA architecture.
 - (4) Launched a redesigned corporate website and completed remediation of database injection vulnerabilities.
 - (5) No material cybersecurity incidents occurred, and no complaints were received regarding loss of customer data.
- (II) Losses, possible impacts and countermeasures as a result of major cybersecurity incidents in the last year up to the publication date of this annual report, state the reasons if losses cannot be reasonably estimated: None.

VII. Important Contracts

The parties, main content, restrictive clauses, and contract period of supply/sale contracts, technological collaboration contracts, engineering contracts, long-term loan contracts, and other important contracts that will affect shareholders' rights and interests and expired in the last year and are still valid as of the publication date of the annual report:

| Contract type | Counterparty | Contract beginning and ending date | Major contents | Restricted Clause |
|----------------------|------------------------------|------------------------------------|---|-------------------|
| Factory lease | Kuaiyue Industrial Co., Ltd. | 2023.7.1 – 2025.6.30 | Lease contract of the plant on the Wuquan 2nd Rd. | None |
| Factory lease | Kuaiyue Industrial Co., Ltd. | 2025.7.1 – 2030.6.30 | Lease contract of the plant on the Wuquan 2nd Rd. | None |
| Factory lease | Chun Kuang Enterprise | 2026.2.1 – 2036.2.28 | Lease Agreement for the Lingyun Road Section 2 Plant | None |
| Factory lease | Zi Tai International | 2026.4.1 – 2031.3.31 | Lease contract of the plant on the 1F, No.63 Xinzhi Wu Road | None |
| Long-term borrowings | Taiwan Cooperative Bank | 2024.11.25 – 2044.11.25 | Long-term borrowings for land and building in Xinzhi Road | None |
| Long-term borrowings | CTBC Bank | 2025.2.12 – 2030.2.12 | Long-term borrowings for land in Guangfu Road | None |

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

I. Financial position

Main reasons for significant changes in assets, liabilities, and shareholders' equity items in the last two years and the impact; where the impact is significant, a future response plan shall be specified.

(I) Comparative Analysis of Financial Conditions

Unit: NTD thousand

| Items | Year | 2025 | 2024 | Difference | |
|---|------|------------|------------|------------|---------|
| | | | | Amount | % |
| Current assets | | 5,630,982 | 5,655,836 | (24,854) | (0.44%) |
| Property, plant and equipment | | 5,689,616 | 4,551,196 | 1,138,420 | 25.01% |
| Intangible assets | | 24,413 | 23,205 | 1,208 | 5.21% |
| Other assets | | 1,043,182 | 785,090 | 258,092 | 32.87% |
| Total assets | | 12,388,193 | 11,015,327 | 1,372,866 | 12.46% |
| Current liabilities | | 2,588,176 | 2,005,218 | 582,958 | 29.07% |
| Non-current liabilities | | 4,317,741 | 3,624,426 | 693,315 | 19.13% |
| Total liabilities | | 6,905,917 | 5,629,644 | 1,276,273 | 22.67% |
| Equity attributable to owners of the parent | | 5,187,414 | 5,208,361 | (20,947) | (0.40%) |
| Share capital | | 2,339,586 | 2,339,586 | 0 | 0.00% |
| Capital surplus | | 2,883,445 | 2,776,019 | 107,426 | 3.87% |
| Retained earnings | | 255,347 | 237,422 | 17,925 | 7.55% |
| Other equity | | (136,567) | (144,666) | 8,099 | (5.60%) |
| Treasury stock | | (154,397) | 0 | (154,397) | - |
| Non-controlling equity | | 294,862 | 177,322 | 117,540 | 66.29% |
| Total shareholders' equity | | 5,482,276 | 5,385,683 | 96,593 | 1.79% |

Note: The analysis will be made only if the percentage of variation attains 20% and the amount of such variation exceeds NTD 10 million.

(II) Analysis and explanation of the increase and decrease percentages

- Property, Plant and Equipment: The increase in 2025 was primarily attributable to the acquisition of land in the Dingkan Section, Sanchong District, and the purchase of machinery and equipment.
- Other Assets: The increase in 2025 compared with 2024 was primarily attributable to higher prepayments for purchases of property, plant and equipment.
- Current Liabilities: The increase in 2025 compared with 2024 was primarily attributable to higher short-term borrowings arising from the procurement of materials and equipment.
- Non-current Liabilities: The increase in 2025 compared with 2024 was primarily attributable to higher long-term borrowings for the acquisition of land in the Dingkan Section, Sanchong District.
- Capital Surplus: The increase in 2025 was primarily attributable to changes in ownership interests in a subsidiary resulting from a capital increase that was not subscribed in proportion to the Company's shareholding, leading to an increase in capital surplus from equity transactions with non-controlling interests.
- Treasury Shares: The increase in 2025 was primarily attributable to the repurchase of treasury shares during the year.

7. Non-controlling Interests: The increase in 2025 compared with 2024 was primarily attributable to the capital increase of the subsidiary Ecocera Optronics.

II. Financial performance

The material change in operating revenues, operating income, and income before tax during the most recent two fiscal years, provide a sales volume forecast and the basis therefore, and describe the effect upon the Company's financial operations as well as measures to be taken in response.

(I) Comparative analysis of business results

Unit: NTD thousand

| Items \ Year | 2025 | 2024 | Increase (decrease) in Amount | Change in Percentage (%) |
|-------------------------------------|-----------|-----------|-------------------------------|--------------------------|
| Net operating revenue | 6,046,419 | 5,492,378 | 554,041 | 10.09% |
| Operating costs | 5,186,854 | 4,721,507 | 465,347 | 9.86% |
| Operating gross profit | 859,565 | 770,871 | 88,694 | 11.51% |
| Operating expense | 740,993 | 793,640 | (52,647) | (6.63%) |
| Operating profit | 118,572 | (22,769) | 141,341 | 620.76% |
| Non-operating revenues and expenses | (30,975) | 88,957 | (119,932) | (134.82%) |
| Net profit before tax | 87,597 | 66,188 | 21,409 | 32.35% |
| Income tax expense | 17,327 | 36,484 | (19,157) | (52.51%) |
| Current net profit | 70,270 | 29,704 | 40,566 | 136.57% |
| Non-controlling equity | 19,652 | 10,897 | 8,755 | 80.34% |
| Current net profit or loss | 50,618 | 18,807 | 31,811 | 169.14% |

(II) Analysis and explanation of the decrease in percentages

1. Operating Revenue: The increase in 2025 was primarily attributable to higher revenue from thermal components and intelligent service robots.
2. Operating Expenses: The decrease in 2025 was primarily attributable to lower expected credit loss compared to 2024. In addition, operating expenses in 2024 were higher due to increased share-based payment expenses arising from the transfer of treasury shares to employees, employee stock option plans, and employee subscriptions in a capital increase.
3. Non-operating Income and Expenses: The change in 2025 was primarily attributable to net foreign exchange losses resulting from exchange rate fluctuations, compared to net foreign exchange gains in 2024.
4. Profit Before Tax and Net Profit for the Year: The increase in 2025 was primarily attributable to higher operating revenue and lower operating expenses, resulting in higher profit before tax and net profit compared to 2024.
5. Non-controlling Interests: The increase in 2025 was primarily attributable to capital increases by subsidiaries not wholly owned by the Company and higher profitability compared to 2024.

III. Cash flow

Analysis and description of cash flow changes in the last year, improvement plan for insufficient liquidity, and cash liquidity analysis for the coming year

(I) Liquidity analysis for the last two years

| Items \ Year | 2025 | 2024 | Increase (decrease) % |
|--------------------------|-------|-------|-----------------------|
| Cash flow ratio | 13.54 | 10.97 | 23.43 |
| Cash flow adequacy ratio | 24.68 | 28.48 | (13.34) |

| | | | |
|-------------------------|------|------|--------|
| Cash reinvestment ratio | 1.93 | 0.67 | 188.06 |
|-------------------------|------|------|--------|

(II) Analysis and explanation of the increase and decrease percentages:

1. Cash Flow Ratio: The increase in 2025 was primarily attributable to higher net cash inflows from operating activities compared to 2024.
2. Cash Flow Adequacy Ratio: The decrease in 2025 compared with 2024 was primarily attributable to increased net cash inflows from operating activities, while capital expenditures (for the acquisition of land and plant facilities) remained high.
3. Cash Reinvestment Ratio: The increase in 2025 compared with 2024 was primarily attributable to higher net cash inflows from operating activities, along with continued increases in capital expenditures (for the acquisition of land and plant facilities).

(III) Analysis of liquidity for the coming year (2026):

| Beginning Cash Balance | Estimated Net Cash Inflows from Operating Activities for the Year | Estimated Cash Outflows for the Year | Estimated Cash Surplus (Deficit) | Measures to Address Cash Shortfall (if any) | |
|------------------------|---|--------------------------------------|----------------------------------|---|----------------------|
| | | | | Financing plans | Financial activities |
| (1) | (2) | (3) | (1)+(2)-(3) | | |
| 1,354,616 | 500,000 | 3,270,000 | (1,415,384) | 1,000,000 | 2,000,000 |

1. Operating activities: It is estimated that the net cash inflow from operating activities for the year will be NTD 500,000 thousand after deducting the related operating expenses.
2. Investment and financing activities: The Company is expected to purchase Factory, Equipment, Investment and repay bank loans. The net cash outflow from investment and financing activities is expected to be NTD 3,270,000 thousand for the whole year.
3. Expected response to shortage of cash: Long-term borrowing and Corporate Bonds.

IV. Major capital expenditures in the most recent year

(I) The utilization of major capital expenditures and sources of funds

| Planned project | Actual or Planned Source of Capital | Total Capital | Actual or Expected Capital Expenditure | |
|--|---|---------------|--|-----------|
| | | | 2025 | 2024 |
| Construction of self-owned plant facilities and acquisition of machinery and tooling equipment | Operating cash flows, financing activities, and issuance of convertible bonds | 2,022,000 | 1,679,533 | 3,443,388 |

(II) Expected potential benefits

To support the Company's operational needs and future business development plans, investments in plant construction and the acquisition of machinery and tooling equipment are primarily intended to facilitate the development of new products and the fulfillment of new orders, thereby meeting customer demand. In addition, equipment replacement and capacity expansion are expected to enhance production efficiency, increase production capacity, and reduce production costs. The Company will also continue to engage in the research, design, and manufacturing of various products with the aim of achieving sustained revenue growth.

V. The investment strategy in the most recent year, main causes for profits or losses, improvement plans and investment plans for the coming year:

The Company's investment policy primarily focuses on long-term strategic development needs and financial returns. In 2025, the Company recognized investment income of NTD 150,506 thousand from equity-method investments. The profit or loss of each investee company is set out in the table below. In the future, the Company will continue to prudently evaluate investment plans from a long-term strategic perspective, in order to respond to the future market capacity expansion needs and continue to strengthen global competitiveness.

| Invested businesses | Main business activities | Investment income (loss) recognized in 2025 | The main reason for profit or loss | Improvement plans | Other future investment plans |
|------------------------------|--|---|---|---|-------------------------------|
| More Fortune Profits Limited | Offshore holding company | 129,200 | Revenue from reinvestment | None | None |
| Ecocera Optronics Co., Ltd. | Manufacturing and trading of LED ceramic circuit board | 47,026 | Revenue from reinvestment | None | None |
| Advance Venture Corporation | Electronics Components Manufacturing and Trading | (5,816) | No longer in operation | Dissolution completed on November 3, 2025 | None |
| CMTEK Co., Ltd. | Other Metal Products Manufacturing | (19,904) | At its initial stage of investment and is not yet operational | Develop and send product samples to customers | None |

VI. Risk Analysis Assessment

(I) The effect upon the company's profits/losses of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

1. Impact of interest rate changes on the Company's profit and loss and future countermeasures:

The Company's interest income for 2024 and 2025 was NTD 27,839 thousand and NTD 19,989 thousand, accounting for 0.51% and 0.33% of net revenue, respectively. The interest expenses for 2024 and 2025 were NTD 51,494 thousand and NTD 98,121 thousand, accounting for 0.94% and 1.62% of net revenue, respectively. Thus, interest rate changes should not have a significant impact on the Company. In the future, it will monitor interest rate fluctuations to mitigate the impact of changes on profit or loss.

2. The impact of exchange rate changes on the Company's revenue and profit:

The Company recorded foreign exchange gains of NTD 109,684 thousand in 2024 and foreign exchange losses of NTD 42,267 thousand in 2025, representing 2.0% and (0.7%) of net revenue, respectively. Accordingly, fluctuations in exchange rates have an impact on the Company's operations and profitability. Also, the Company's financial department is responsible for monitoring the trend of exchange rate changes so as to keep abreast of said changes, and often inspects the balance of foreign currency accounts and estimates foreign currency cash flows to alleviate the exchange rate risk. Overall, the Company has planned specific hedging measures for risks arising from exchange rate changes.

3. The impact of inflation on the Company's profit or loss and countermeasures in the future:

The past year was filled with uncertainties such as the Russo-Ukrainian War, China's economic slowdown, tariff wars in the U.S., and global climate change, which all contributed to inflation. At present, the Company's products are mainly sold in China, including consumer electronics, backlights, lighting, and automotive applications, which are still affected. Notwithstanding, in the mid and long term, with the austerity in consumption caused by inflation, the Company will continue to work with customers to develop more cost-competitive products and proactively explore professional niche markets, such as 5G, IoT, AI, automation, and automotive products, to meet consumers' need for good deals in the face of inflation and to ensure the Company's market share.

- (II) The Company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

The Company has established the Operating Procedures for Loaning of Funds to Others, the Operating Procedures for Making Endorsements/Guarantees, and the Operating Procedures for the Acquisition and Disposal of Assets as the basis for relevant operations. The Company has not engaged in high-risk or high-leverage investments in the most recent year or as of the publication date of the prospectus. The subsidiary, I-Chiun Technology (China) Co., Ltd., engages in silver futures trading within expected production usage to hedge against excessive fluctuations in silver prices required for production. With regard to the loaning of funds to others and derivative transactions, all fund lending and endorsements/guarantees are based on the operational needs of the Company's subsidiaries and have been disclosed and reported in accordance with the regulations of the competent authorities.

- (III) Future research plan and expected research and development fee:

1. R&D plan for the coming year

| Items | Progress | R&D expenses to be invested (Note 1) | Estimated time for mass production |
|--|---|--------------------------------------|---|
| New SMD products New products, such as ceramic substrates Semiconductor (heat spreader) IC lead frame | Continuous development as per the product launch timeline | 198,346 thousand | Undertake mass production as per the development schedule |

Note: The estimated further investment in the R&D projects above will be depend on the new application products and customers' needs at an appropriate time.

2. In the future, the Company will continue to stride toward the goal of diversifying product applications while actively developing new products and new technologies for 5G, IoT, AI, automation, and automotive applications so as to expand the customer base in different industries. Going forward, the Company expects to continue allocating more than 2% of its annual revenue to research and development expenditures. The key factors affecting R&D success will continue to depend on whether relevant technologies can be developed in a timely manner to meet market demand.

- (IV) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

As for the important policy and legal changes announced by the government, there is no significant impact on the Company's financial business, and the Company's operations comply with laws and regulations at home and abroad. The Company's personnel also collect information on changes in relevant policies and laws in real time and provide it to management as a reference. Thus, the Company can effectively keep abreast of important domestic and foreign policy and legal changes while actively taking necessary countermeasures to mitigate adverse effects. In the last year and as of the publication date of the annual prospectus, the Company's financial operations had not been affected by major changes in important domestic and foreign policies and laws.

- (V) Effect on the company's financial operations of developments in science and technology (including cybersecurity risk) as well as industrial change, and measures to be taken in response:

The Company has an outstanding R&D team and stays up-to-date with innovative technologies in the science and technology industry. It can fully tap into the trend of market development. In the future, the Company will continue to R&D new products with high gross profit and high added value. Thus, the technological changes have a positive impact on the Company's financial business. In terms of cybersecurity, the "Cybersecurity Management Regulations" has been established as the basis for management to ensure proper control and clearly define duties and management responsibilities, and continue to promote information security management to ensure the operation of the information security management mechanism. All information security rules and regulations are formulated based on technical assurance, applications and data security standards, and are incorporated into the management system. Through the establishment of information security monitoring system, software and hardware equipment management and control, the Company prevents external hackers from intrusion and disclosure of internal confidential information, to implement the protection of personal data, internal confidential information, and customer and supplier data.

- (VI) Impact of corporate image changes on corporate crisis management and countermeasures: The Company adheres to the business philosophy of sincerity, respect, and consistency in actions. It has always operated in accordance with the law and conducted business with integrity, maintaining a good corporate image. In the last year and as of the publication date of the prospectus, there have been no incidents with any impact on the Company's crisis management due to changes in the corporate image.

- (VII) The expected benefits and potential risks of any merger or acquisition, and measures to be adopted in response:

The Company has not acquired other companies in the last year and as of the publication date of the prospectus, and therefore, this provision does not apply.

- (VIII) The expected benefits and potential risks of any plant expansion, and countermeasures: The Company did not add any new plant facilities in 2025.

- (IX) The risks associated with any concentration of sales or purchases on certain customers/suppliers, and countermeasures:

1. Purchase

The Company and its subsidiaries have maintained a purchase ratio of less than 15% from any single supplier in each of the past two years. There have been no issues with purchase concentration, and the sources of procurement have remained stable. Most raw materials are supplied by two or more vendors, and the Company has maintained long-term cooperative relationships with these suppliers to ensure stable supply. Therefore, there is no significant risk of purchase concentration.

2. Sale

In each of the past two years, the sales revenue generated from any single customer or affiliated group did not exceed 30% of the Company and its subsidiaries' net revenue. This is primarily due to the wide range of end-product applications, resulting in a diversified customer base. The Company is also actively developing ceramic heat sink substrates for server and automotive applications, semiconductor heat spreaders, and semiconductor lead frames for packaging, to further expand its customer base. Therefore, the Company does not face a risk of customer concentration.

- (X) Effect on and risk to the company in the event that a major quantity of shares belonging to a director, supervisor, or shareholder holding more than a 10% stake in the company is transferred or otherwise changes hands, and the mitigation measures being or to be taken: None.
- (XI) Effect upon and risk to company associated with any change in governance personnel or top management, and mitigation measures being or to be taken: None.
- (XII) For any of the Company's directors, supervisors, president, de facto responsible persons, or major shareholders holding more than 10% of the shares involved in any litigation, non-litigious proceeding, or administrative dispute that is finalized or pending, and that has a significant impact on shareholders' equity or the price of securities, the facts in dispute, the amount involved, the commencement date of the litigation, the main parties involved, and the handling situation as of the publication date of the annual report shall be disclosed:

1. In the last two years and up to the publication date of the prospectus, if there has been any substantial impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceeding, or administrative dispute involving the Company that was finalized or remained pending:

At the beginning of 2022, the Company received Compal Electronics, Inc.'s (referred to as "Compal" hereinafter) request to the court for a payment order of JPY 173,842 thousand and NTD 10,626 thousand, mainly for the Company and its subsidiaries Everlight Electronics, Ltd. (hereinafter referred to as "Everlight") is equipped with the light bar inside the light bar sold to Compal. Procured by Compal, the LED is used in the production of TV sets and sold to TVS. After the TVS was sold by TVS in Japan, Nichia Corporation accused the LED used in the TV and the manufacturing method of infringing the patent rights of Nichia in Japan. On September 21, 2021, the Japanese court ruled that TVS should compensate Nichia Corporation in the amount of JPY 132,000 thousand plus interest. In response to the aforementioned patent litigation, Compal, the Company, and Everlight signed a tripartite agreement (MOA) on June 10, 2020. Pursuant to this agreement, Compal claims to have made a payment as compensation for TVS, amounting to JPY 173,842 thousand on December 15, 2021, and requested that the Company pay this amount. However, the Company disputed the amount of compensation claimed by Compal. The ruling of the Taiwan Taipei District Court, 2022-Chong-Su-Zi No. 439, delivered on January 12, 2023, ordered the Company to pay JPY 159,087 thousand to Compal (including compensation of JPY 132,000 thousand and interest of JPY 27,087 thousand); that is, the Company won part of the case and lost the other. Compal intends to file an appeal in this case. After investigation, this case is pending under 2023-Chong-Shang-Zi No. 249, issued by the Taiwan High Court. However, the Company and its subsidiaries settled the maximum payable damage amounts of JPY 173,842 thousand and NTD 10,626 thousand by the end of 2021, as estimated in the book. Furthermore, according to the MOA of the three parties referred to above, "On the premise that all parties to the TVS MOA comply with its provisions, Everlight shall compensate any party that pays benefits under this contract. Baotou was able to provide the compensation amount." Overall, this matter is not expected to have a significant impact on the financial operations of the Company.

The case was ruled by the Supreme Court under Civil Ruling 2024-Tai-Shang-Zi No. 1666. The Company filed an appeal against the second-instance judgment of the Taiwan High Court (2023-Chong-Shang-Zi No. 249) on March 26, 2024, but the Supreme Court ruled to dismiss the appeal. The Company paid compensation to Compal on March 31, 2025, in the amounts of JPY 199,971,068 and NTD 13,020,676. In addition, the Company's claim for compensation against Everlight was settled through mutual agreement, and Everlight paid NTD 30,000,000 to the Company.

2. For the Company's director, supervisor, president, de facto responsible person, or major shareholder with a stake of more than 10%, are they involved with any litigation, non-litigious proceeding, or administrative dispute involving matter that was finalized or remained pending during the most recent two fiscal years and up to the publication date of the prospectus that may have substantial impact upon shareholders' equity or prices for the Company's securities: None.
3. The Company's directors, supervisors, managers, or major shareholders whose shareholding ratio exceeds 10% were involved in the circumstances as stipulated in Article 157 of the Securities and Exchange Act in the last two years and up to the publication date of the prospectus and the Company's current response:
 - (1) Manager Lu ○○ traded 10,000 shares of the Company's stock between March 14, 2024, and March 21, 2024. A gain of NTD 52,524 was calculated in accordance with applicable laws and, including interest, was returned to the Company on December 12, 2024.
 - (2) Manager Tsai ○○ traded 2,000 shares of the Company's stock between July 5 and July 23, 2024, resulting in a short-swing profit of NTD 38,286 as calculated in accordance with applicable regulations. The amount, together with accrued interest, was returned to the Company on June 3, 2025.

(XIII) Other important risks, and mitigation measures being or to be taken: None.

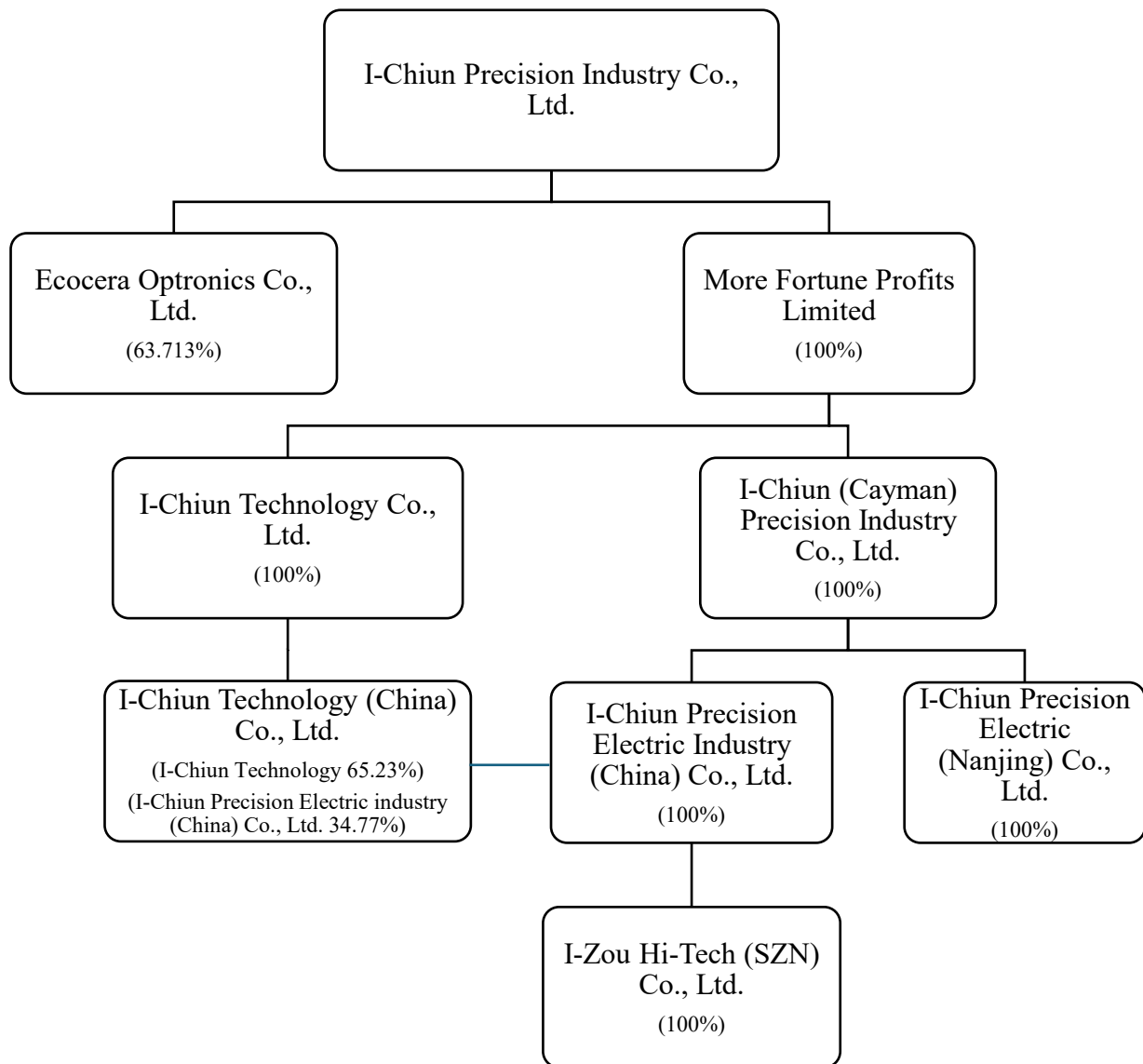
VII. Other important matters: None.

Six. Special Disclosure

I. Information on Affiliates:

(I) Consolidated Business Report of Affiliates

1. Organizational chart of affiliates (2025.12.31)



2. Details of the relationship between the controlling company and the affiliates

| Name of affiliate | Controlling (subsidiary) relationship Relationship | Controlling (subsidiary) relationship Relationship | The business of the affiliate and its division of labor |
|---|--|--|---|
| I-Chiun Precision Industry Co., Ltd. | Controlling company | - | Manufacturing and sales of LED lead frames, semiconductor heat spreaders, and LCD components |
| MORE FORTUNE PROFITS LIMITED | Affiliate | Control through shareholding | offshore holding company of I-Chiun Precision Industry Co., Ltd. |
| I-CHIUN (CAYMAN) PRECISION INDUSTRY CO., LTD | Affiliate | Control through shareholding | MORE FORTUNE PROFITS LIMITED Offshore holding company |
| I-CHIUN TECHNOLOGY CO., LTD. | Affiliate | Control through shareholding | MORE FORTUNE PROFITS LIMITED Offshore holding company |
| I-Zou Hi-Tech (SZN) Co., Ltd. | Affiliate | Control through shareholding | No longer in operation |
| I-Chiun Precision Electric Industry (China) Co., Ltd. | Affiliate | Control through shareholding | Manufacturing and sales of TV backlight modules Investment property leases Manufacture and sale of intelligent service robots |
| I-Chiun Precision Electric (Nanjing) Co., Ltd. | Affiliate | Control through shareholding | No longer in operation |
| I-Chiun Technology (China) Co., Ltd. | Affiliate | Control through shareholding | Manufacturing and sales of LED lead frames and IC lead frames Investment property leases |
| Ecocera Optronics Co., Ltd. | Affiliate | Control through shareholding | Manufacturing and sales of ceramic circuit boards |

3. Basic information on affiliates

Unit: NTD thousand

| Company name | Date of Incorporation | Address | Paid-in capital | Shareholding ratio | Principle Business or Products |
|---|-----------------------|--|-----------------|--------------------|---|
| I-Zou Hi-Tech (SZN) Co., Ltd. | 2000.4.11 | Jiangbian Industrial Zone, Jiangbian Village, Songgang Town, Baoan District, Shenzhen City, Guangdong Province | RMB 7,500 | 100% | No longer in operation |
| I-Chiun Precision Electric Industry (China) Co., Ltd. | 2001.5.29 | No. 2, Songnan East Road, Qiandeng Township, Kunshan City, China | USD 24,000 | 100% | Manufacturing and sales of TV direct back-lit modules, as well as investment property leasing |
| I-Chiun Precision Electric (Nanjing) Co., Ltd. | 2004.11.15 | No. 68-6, Suyuan Avenue, Nanjing City Export Manufacture Zone (South), Nanjing City, China | USD 7,000 | 100% | No longer in operation |
| I-Chiun Technology (China) Co., Ltd. | 2010.11.29 | No. 9, Jin Hui Road, Jiangmen City, Guangdong Province, China | RMB 287,624 | 100% | Manufacturing and sales of LED lead frames and IC lead frames and investment property leasing |
| Ecocera Optronics Co., Ltd. | 2011.1.14 | No. 303 Sec. 2 Nan Shan Road, Neicuo Vil., Luchu Township, Taoyuan County 338, Taiwan R.O.C. | NTD 300,423 | 63.713 % | Manufacturing and sales of ceramic circuit boards |

4. For parties that are presumed to have control and subordinate relationship, the information of the same Shareholders: N/A.

5. Information on directors, supervisors, and presidents of affiliates

| Company name | Position | Name of individual or representative(s) | Shares held | |
|---|----------------------|---|---------------------------------------|--------------------|
| | | | Number of shares (shares in thousand) | Shareholding ratio |
| I-Zou Hi-Tech (SZN) Co., Ltd. | Chairman | Chou, Wan-Shun | 0 Note 1 | 100% |
| | Director | Lee, Chung-Yi | | |
| | Director | Teng, Yu-Wen | | |
| | Supervisor | Liao, Wei-Hsiu | | |
| I-Chiun Precision Electric industry (China) Co., Ltd. | Chairman | Chou, Wan-Shun | 0 Note 2 | 100% |
| | Director | Chou, Meng-Hsien | | |
| | Director | Huang, Shu-Chen | | |
| | Supervisor | Yang, Pai-Jung | | |
| I-Chiun Precision Electric (Nanjing) Co., Ltd. | Chairman | Chou, Wan-Shun | 0 Note 3 | 100% |
| | Director | Lee, Chung-Yi | | |
| | Director | Chou, Meng-Hsien | | |
| | Supervisor | Huang, Shu-Chen | | |
| I-Chiun Technology (China) Co., Ltd. | Chairman | Chou, Wan-Shun | 0 Note 4 | 100% |
| | Director | Lee, Chung-Yi | | |
| | Director | Chou, Meng-Hsien | | |
| | Supervisor | Teng, Yu-Wen | | |
| Ecocera Optronics Co., Ltd. | Chairman | Chou, Wan-Shun | 18,606 Note 5 | 63.713% |
| | Vice Chairman | Lee, Chung-Yi | | |
| | Director | Chou, Meng-Hsien | | |
| | Director | (Vacancy) | | |
| | Independent Director | Wang, Chang-Rui | | |
| | Independent Director | Li, Chia-Wei | | |
| | Independent Director | YANG, TAI-NING | | |

Note 1: Legal Representative of I-Chiun Precision Electric industry (China) Co., Ltd.: Chou, Wan-Shun; LEE, CHUNG-YI; TENG, YU-WEN and LIAO, WEI-HSIU.

Note 2: Legal Representative of I-Chiun (Cayman) Precision Industry Co., Ltd.: Chou, Wan-Shun; Chou, Meng-Hsien; Huang, Shu-Chen and Yang, Pai-Jung.

Note 3: Legal Representative of I-Chiun (Cayman) Precision Industry Co., Ltd.: Chou, Wan-Shun; Lee, Chung-Yi; Chou, Meng-Hsien and Huang, Shu-Chen.

Note 4: Legal Representative of I-Chiun Technology Co., Ltd.: Chou, Wan-Shun; Lee, Chung-Yi; Chou, Meng-Hsien and Teng, Yu-Wen.

Note 5: Legal Representative of I-Chiun Precision Industry Co., Ltd.: Chou, Wan-Shun; Lee, Chung-Yi and Chou, Meng-Hsien.

6. Operating summary of affiliated company

Unit: NTD thousand

| Company name | Capital | Total assets | Total liabilities | Net Value | Operating revenue | Operating profit | Current profit or loss (after tax) | Earnings (losses) per share (NTD) |
|---|-----------|--------------|-------------------|-----------|-------------------|------------------|------------------------------------|-----------------------------------|
| I-Zou Hi-Tech (SZN) Co., Ltd. | 33,720 | 4,440 | 25 | 4,415 | 0 | (727) | (176) | - |
| I-Chiun Precision Electric Industry (China) Co., Ltd. | 774,254 | 1,780,171 | 200,273 | 1,579,898 | 1,124,914 | 40,928 | 110,255 | - |
| I-Chiun Precision Electric (Nanjing) Co., Ltd. | 252,736 | 23,424 | 10 | 23,414 | 0 | (3,416) | (3,326) | - |
| I-Chiun Technology (China) Co., Ltd. | 1,293,157 | 2,035,600 | 633,738 | 1,401,862 | 1,635,373 | 24,951 | 28,616 | - |
| Ecocera Optronics Co., Ltd. | 300,423 | 1,270,241 | 457,658 | 812,583 | 765,185 | 109,435 | 71,333 | 2.51 |
| Advance Venture Corporation | 225,000 | 19,017 | 22,000 | (2,983) | 0 | (10,693) | (10,469) | (0.47) |

Note: Advance Venture Corporation has been dissolved (New Taipei City Government Approval Jing-Si-Zi No. 1148082808, dated November 3, 2025).

(II) Consolidated Financial Statements of Affiliated Enterprises:

The Company's 2025 parent company only and consolidated financial statements have been announced on the MOPS (<http://mops.twse.com.tw>).

I-Chiun Precision Industry Co., Ltd.

Representation Letter of Consolidated Financial Statements of Affiliated Enterprises

The companies to be included by the Company in the consolidated financial statement of affiliated enterprises for 2025 (January 1 to December 31, 2025), pursuant to the Criteria Governing Preparation of Affiliation Report, Consolidated Business Report, and Consolidated Financial Statement of Affiliated Enterprises, are the same as those to be included in the consolidated financial report of the parent company and subsidiaries, pursuant to the Statement of International Financial Reporting Standards (IFRS) No. 10. Further, the related information to be disclosed in the consolidated financial report of affiliated enterprises has been disclosed in the said consolidated financial statement of the parent company and subsidiaries. Accordingly, it is not necessary for the Company to prepare the consolidated financial statements of affiliated enterprises separately.

Hereby declared by

Company Name: I-Chiun Precision Industry Co., Ltd.

Responsible person: Chou, Wan-Shun

March 10, 2026

(III) Affiliation report: N/A

II. Any private placement of securities in the most recent year up to the publication of this annual report: None

III. Other Necessary Supplements: None

STEVEN. Any event that occurred in the last year and up to the publication of this annual report, which significantly affected shareholders' equity or price of securities pursuant to Subparagraph 2, Paragraph 3, Article 36 of the Act: None.

I-Chiun Precision Industry Co., Ltd.

Chairman: Chou, Wan-Shun