Stock Code: 6591

SUN MAX TECH LIMITED

2025 Annual Report

Notice to readers
This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Taiwan Stock Exchange Market Observation Post System:
https://mops.twse.com.tw
2025 Annual Report is available at: http://www.sun-max.com.tw
Date of publication：April 20, 2026

I. 65Spokesperson and Deputy Spokesperson:

Item	Spokesperson	Acting Spokesman
Name	YAO, Cheng-Min	Hsu, Jia-Heng
Title	Executive Vice President	Special Assistant to the President
TEL	(886)2-8226-3300	(886)2-8226-3300
E-mail address	cfo@powerlogic.tw	IR@powerlogic.tw

II. Address and telephone number of the Head Office and branches

(I) Head office

Name: Sun Max Tech Limited Website:http://www.sun-max.com.tw

Address: The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands. Tel: (886)2-8226-3300

(II) Taiwan Office

Name: POWER LOGIC TECH. INC

Address: 9F, 9-1F, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City Tel: (886)2-8226-3300

(III) Subsidiaries, Sub-subsidiary

Name: United Strategy INC. Tel: (886)2-8226-3300

Address: Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa

Name: POWER LOGIC HOLDINGS INC. Tel: (886)2-8226-3300

Address: Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa

Name: Sunnny Sharp International Limited Tel: (886)2-8226-3300

Address: Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Islands VG1110

Name: POWER LOGIC TECH. INC Tel: (886)2-8226-3300

Address: 9F, 9-1F, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City

Name: CICHENG TECHNOLOGY CO., LTD. Tel: (886)-3-2825-198

Address: No. 9, Ln. 39, Sec. 2, Zhongshan Rd., Guanyin Dist., Taoyuan City Tel: (86)769-3339-6200

Name: DONG GUAN DONG LI DIAN ZI CO. LTD

Address: Room 101, Building 2, No. 19, Tianheng Road, Tianwei Village, Changping Town, Dongguan City, Guangdong Province, China

Name: Taiyi (Jiangxi) Electronic Technology Co., Ltd. Tel: (86)796-7362-666

Address: Anfu Industrial Park, Jiangxi Province

Name: POWER LOGIC TECH (THAILAND) CO., LTD Telephone: Applying

Address: 700/420 Moo.7, Tambol Don hua roh, Amphur Muang Chonburi, Chonburi 20000, Thailand

III. Shares Registrar:

Name: Share Administration Department, Concord Securities Co., Ltd.	Website: http://www.concords.com.tw
Address: B1F., No. 176, Sec. 1, Keelung Rd., Taipei City	Tel: (886)2-8787-1888

IV. Independent auditor for the financial report of the most recent year

Accountant Name: CPA Chia-Ming Chang and CPA Tung-Ju Hsieh	Website: ttps://www.deloitte.com.tw
Name of CPA: Deloitte & Touche	
Address: 20F., No. 100, Songren Rd., Xinyi Dist., Taipei City	Tel: (886)2-2725 9988

V. Name of the overseas stock exchange: None

VI. The Company's Website: http://www.sun-max.com.tw

VII. The name, job title, contact number, and email of the designated domestic agent

Name: HSU Wen-Faung	Title: Chairman
Tel: (886)2-8226-3300	Email: agents@powerlogic.tw

VIII. List of Company's Board of Directors

Title	Name	Nationality or place of registration	Major (academic degree) experience
Chairman	SINOTEAM HOLDINGS INC.	Samoa	-
	Representative: HSU Wen-Faung	R.O.C.	Department of Civil Engineering, Tamkang University Engineer of CTCI Advanced Systems Inc. Director of Hefeng Construction Co., Ltd. Director of Hefeng Construction Co., Ltd.
Director	LAI, Jen-Chung	R.O.C.	Taipei Municipal Chenggong High School Sales Manager of Hefeng Construction Co., Ltd. Chairman, Kandlee Trading Co., Ltd. Division Manager of CviLux Corporation
Director	LUXURY SHINE INTERNATIONAL LIMITED	Samoa	Shih Chien College of Home Economics Group secretary, SUN MAX TECH LIMITED
Director	Chang Yuan-Fen	R.O.C.	
Independent director	Kuan Chih-Liang	R.O.C.	Ph.D. in Business Administration, National Chengchi University EMBA Director, College of Humanities and Management, National Ilan University Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University Dean of Academic Affairs, Kainan University Strategy Mentor, Wolfnet Start Up A+ On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China
Independent director	Cheng Yi-Teng	R.O.C.	PhD in Business, National Chengchi University Director, Mercuries & Associates Holding, Ltd. Director and President, Horizon Securities (Hong Kong) Co., Ltd.
Independent director	Chang Cheng-Hsing	R.O.C.	PhD in Civil Engineering, Colorado State University Professor and Chief Human Resources Officer, Department of Civil Engineering, Tamkang University
Independent director	CHOU, YI-HSIN	R.O.C.	Master of Accounting, National Chengchi University Chief Finance Officer of Acmepoint Energy Services Co., Ltd. Head of Group Audit and Chief Information Security Officer of Crowdfunding, Homeplus Digital Co., Ltd. Manager of Audit Office, SUN MAX TECH LIMITED Deputy Manager, Audit Department, Deloitte & Touche

SUN MAX TECH LIMITED
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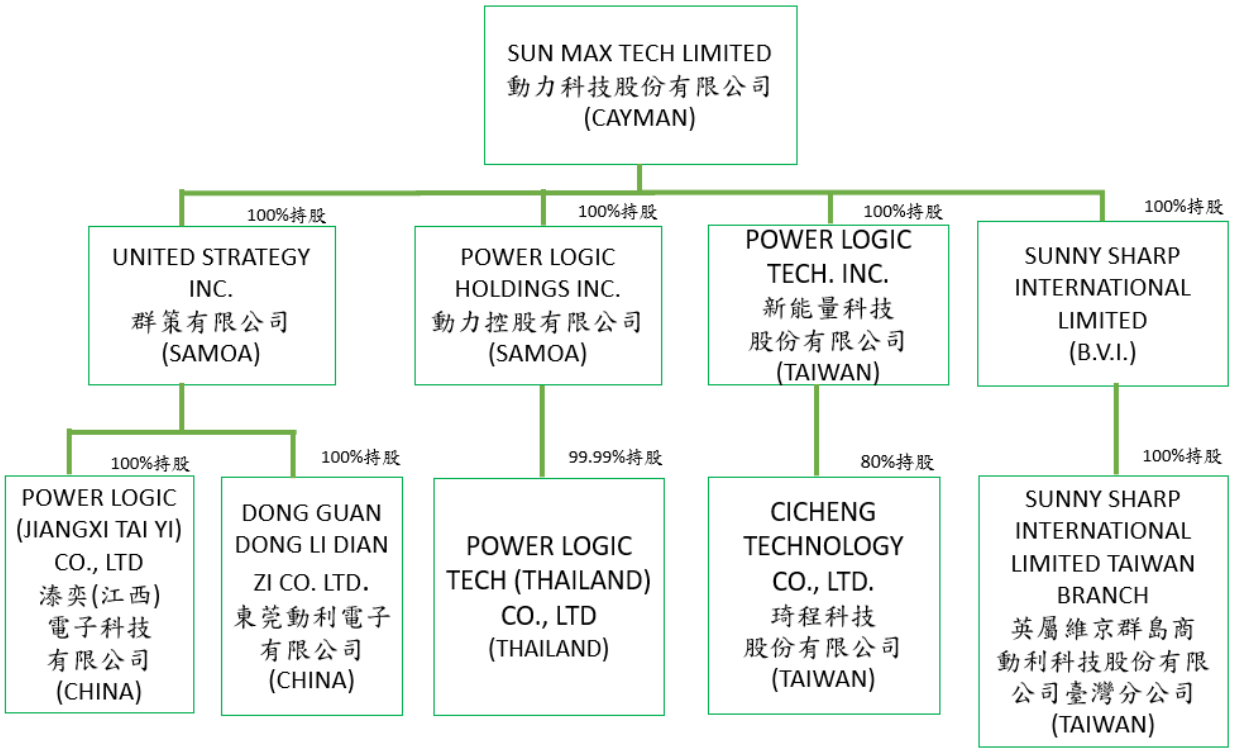
Company Profile

(I) Date of establishment and group profile

SUN MAX TECH LIMITED (hereinafter referred to as Sun Max or the Company,) is established by HSU Wen-Faung under British Cayman Islands (Cayman Islands, hereafter). The Company was funded by the founder and shareholders in 1998, specializing in cooling fan R&D, production and distribution. As of March 30, 2026 (book closure date), the Company had a total paid-in capital of NT$411,224,650. Our group structure starts with the holding company, UNITED STRATEGY INC, a Samoa registered entity. It invests in and controls the following subsidiaries. The cooler manufacturing and selling units are Taiyi (Jiangxi) Electronic Technology Co., Ltd. and Dongguan Power Logic Co., Ltd. in China. A Taiwan branch, Power Logic Tech Inc., focuses on management, finance, and information integration operations and serves as the group's R&D center. For distribution to the U.S., European, and Asian regions, it is administered by Sunny Sharp International Limited, Taiwan Branch (British Islands Registered). In the meantime, Taiyi (Jiangxi) Electronic Technology Co., Ltd. and Dongguan Power Logic Co., Ltd. are responsible for sales within Mainland China. Cicheng Technology Co. Ltd. is in charge of the production of the key components. In 2025, a Southeast Asia production base will be set up in Thailand to engage in specialized production and sales of cooling fan.

(II) Group structure



Note: POWER LOGIC TECH (THAILAND) CO., LTD was officially founded on April 11, 2025.

(III) Organization and operations

Year	Milestones
1998	Power Logic Tech. Inc. was established in New Taipei City.
1998	Huangjiang Power Electronic Products Factory was established.
1998	Passed the certification of ISO9001
2003	UNITED STRATEGY INC. was registered and set up in Samoa.
2003	Dongguan Power Logic Co., Ltd. was 100% invested by UNITED STRATEGY INC. and established in Guangdong Province as a leading manufacturer of cooling fans.
2005	ISO 14001 certified
2007	We are a qualified supplier for AMD, and officially entered the area of graphics cards fans.
2008	Registered POWER LOGIC HOLDING INC. in Samoa.
2009	Huangjiang Power Electronic Products Factory was merged by DONG GUAN DONG LI DIAN ZI CO. LTD.
2013	The parent company, SUN MAX TECH LIMITED, was established with an organizational restructure initiated at the same time, and the subsidiaries merged.
2014	POWER LOGIC TECH (TAI YI) CO., LTD. located in Guangdong Province was 100% invested in by Power Logic Holding Inc.
2015	Sunny Sharp International Limited was registered and established in B.V.I.
2015	SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH was established in New Taipei City.
2016	SUN MAX TECH LIMITED, the parent company, was approved for public trade on 11/16/2016.
2016	SUN MAX TECH LIMITED, the parent company, was approved for registration on the emerging market on 11/30/2016. (Stock No.: 6591)
2016	POWER LOGIC TECH (TAI YI) CO., LTD. expanded and relocated its factory to Building 2, No. 3, Chaioshing West 2nd Road, Dazhou Community, Qiaotou Town, Dongguan City.
2017	Sunny Faith Investments Limited was registered and established in Samoa.
2017	POWER LOGIC (YI QUAN) CO., LTD. was 100% invested by Sunny Faith Investments Limited and established in Guangdong Province.
2017	SUN MAX TECH LIMITED, the parent company, was officially listed on 12/28/2017. (Stock No.: 6591)
2019	Taiyi (Jiangxi) Electronic Technology Co., Ltd. in Jianxi Province is established with 100% of United Strategy Inc.'s reinvestment.
2019	Industrial Park in Anfu County, Jian City, Jianxi Province is the Group's manufacturing base.
2020	Establishment registration was canceled for Sunny Faith Investments Limited, Samoa-registered and Dongguan Yidong Electronic Co., Ltd. 100% owned by Sunny Faith Investments Limited.
2020	Power Logic (Tai Yi) Co., Ltd was relocated to Room 101, Building 1, No. 19, Tianheng Road, Tianwei Village, Changping Town, Donguan City, Guangdong Province The cancellation registration of POWER LOGIC (YI QUAN) CO., LTD. was completed on June, 26 2024.
2021	Invested by the Power Logic Tech. Inc. up to 80% of the total shares to incorporate Cicheng Technology Co., Ltd.
2022	The Taipei operations headquarters, located on the 9F and 9F.-1, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City, was acquired and moved in December 2022.
2025	POWER LOGIC TECH (THAILAND) CO., LTD was invested by POWER LOGIC HOLDINGS INC. and established in Thailand.

(IV) Risks: refer to page 180 to 184 of this report.

I. Message to the Shareholders

Dear shareholders,

In 2025, the Company's revenue increased by 38.81% compared with the same period last year, driven by the launch of the new NVIDIA GeForce RTX 50 series graphics card, which sparked a buying frenzy, and the introduction of gaming PC products equipped with the new graphics cards by the Company's major gaming clients, boosting stocking momentum for mid-to-high-end cooling fan products. Since President Trump returned to the White House, the global trade environment has deteriorated, trade barriers and policy uncertainty have risen, and international relations have changed dramatically due to tariff negotiations between the United States and other countries. In response to global de-Sinicization concerns, the Company decided to establish a plant in Thailand to consider future operational strategies and meet the Company's overseas business development needs. In the second half of 2025, it issued NT$250 million in unsecured convertible bonds and raised NT$143 million in cash, primarily to reinvest in the Thai plant, establish a production and manufacturing base outside of China to reduce operational risk, increase the proportion of non-graphics card cooling fans revenue, and expand its customer base for automotive fan applications.

I. 2025 business overview

(1) Financial performance:

(1) Consolidated operating revenues and net profit after tax

Unit: NTD thousand

Item	2025	%	2024	%	Increase (decrease) in amount	Variation
Operating revenue	1,752,889	100.00	1,262,815	100.00	490,074	38.81
Gross profit	590,367	33.68	334,437	26.48	255,930	76.53
Profit from operations	256,728	14.65	59,440	4.71	197,288	331.91
Profit after income tax	208,153	11.87	118,284	9.37	89,869	75.98

Gross margin for 2025 was 33.68%, up by 7.2% from 26.48% last year. Operating profit margin for the year was 14.65%, up by 9.94% from 4.71%. Net income margin was 11.87%, up by 2.5% from 9.37%.

(2) Profitability

Item	2025	2024
ROA (%)	6.75	4.48
Return on shareholders' equity (%)	9.95	6.40
Net profit rate (%)	11.87	9.37
Earnings per share (NTD)	5.37	3.21

(3) Budget implementation: Not applicable (the Company did not prepare a financial forecast for the year of 2025)

(II) Research and development:

(1) The number of new patents added to the fan structure category in 2025 was 28. As of the end of 2025, the Company has acquired 1 case of practical invention patent in China, 100 cases of new type patents, 11 cases of appearance design, 6 cases of Taiwan invention patents, 144 cases of new type patents, and 16 cases of new type/design patents. Total

research expenditure for 2025 went up by 20.74% to NT$106,420 thousand (6.07% of revenue) from NT$88,143 thousand (6.98% of revenue) last year.

(2) We will continue to strengthen our competitive advantages in R&D and technology. Through capital expenditure in purchasing laboratory equipment and aggressive cultivation and recruitment of R&D professionals, we are extending our scope to e-sports, servers and telematics cooling, thereby scaling up the overall performance and revenue.

II. 2026 Business Plan Overview

(I) 2026 business strategy:

The corporate mission of SUN MAX TECH LIMITED is to be people-oriented, achieve prosperity and glory, give back to society, and pursue sustainable operation. Transcending limits to create unlimited value and achieve customer goals, we leverage outstanding competitiveness and creativity to manufacture high-quality, long-lasting, and highly efficient products. We value the voices of our stakeholders and collaborate with partners who share our vision, working together with a unified purpose.

(II) Sales volume forecast and the basis therefor: the Company does not publish its financial forecast, so it is not applicable.

(III) Important production and sales policies:

(1) Sales policy: This year, we still focused on selling graphics card cooling fans and continued to promote automotive seats, headlights, audio-video systems, air conditioning system fans, and accelerated the expansion of automotive fan applications. Based on its existing product manufacturing technology, the Company continues to monitor new product development trends in the market and develop niche products that align with market trends.

(2) Production policy: Enhance production process optimization, strengthen quality control and real-time feedback mechanisms, and reduce production costs. Strengthen communication and coordination at each production stage, formulate management objectives to improve production efficiency, align with production and sales demand, increase capacity utilization rate, and further enhance capacity efficiency.

III. The Company's future development strategy:

We continue to develop the graphics card market. In addition, through our development efforts in sectors covering vehicle on-board devices, servers, Internet communication, smart home appliances, and gaming laptops, we are capable of offering applications using steam and water cooling technologies. We also tap into high-end technologies, including high air volume and wind pressure, low noise, low power consumption, and low vibration, as well as applications for special conditions such as high/low temperature, water resistance, and dustproofing.

In the meantime, we are working with our customers on fans controlled by smart circuit for applications in low starting pressure and voltage/current withstanding. Fully grasp market changes actively enhance R&D design and management capabilities, strengthen supply chain vertical integration, enhance internalization level, and continuous improvement in automated production.

IV. Impacts by the external competitive environment, regulatory environment and overall business environment:

The Company upholds its core values to maintain financial health and operate steadily. Looking ahead to 2026, we anticipate intensified external competition. Startups are disrupting the market at an accelerating pace, and AI applications will significantly lower barriers to entry for external competitors. As the regulatory environment tightens, most countries have implemented strict climate-related financial disclosure standards, and the EU carbon tariff will officially enter its substantive taxation phase, increasing companies' export costs. In response to global climate change, companies must balance revenue growth with environmental protection goals to achieve sustainable operations. The overall macroeconomic volatility, including

geopolitical risks in various countries, continued inflation, and fluctuating exchange rates, will pose multiple challenges. We must enhance our competitiveness to address these challenges head-on.

Finally, I would like to express my heartfelt thanks to all shareholders for your support and encouragement. In the coming year, with your continuous guidance and support, the management team will continue to pursue the business philosophy and new ideas, hence granting us fruitful results to share with you.

Chairman: SINOTEAM HOLDINGS INC

Legal representative: HSU Wen-Faung

II. Corporate Governance

I. Profiles of Directors, Supervisors, President, Executive Vice Presidents, Asst. VP, and supervisors of the various departments and branches

1. Directors and Supervisors:

(1) Name, main experience (education), and shareholding and nature

March 30, 2026; Unit: thousand shares

Title	Nationality or place of registration	Name	Gender Age	Date elected	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spousal or Other Immediate Relative			Remarks
							Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
Chairman	Samoa	SINOTEAM HOLDINGS INC.		2026/05/30	3	2014/12/31	6,673	17.31%	6,989	17.00%	0	0%	0	0%		-	None	None	None	
	R.O.C.	Representative HSU Wen-Faung	Male 64				1,194	3.10%	1,271	3.09%	218	0.53%	0	0%	Department of Civil Engineering, Tamkang University Engineer of CTCI Advanced Systems Inc. Director of Hefeng Construction Co., Ltd. Director of Hefeng Construction Co., Ltd.	Note 2	Director	Chang Yuan-Fen	Spouse	Note 1
Director	R.O.C.	LAI, Jen-Chung	Male 64	2026/05/30	3	2016/4/30	396	1.03%	415	1.01%	0	0%	0	0%	Taipei Municipal Chenggong High School Sales Manager of Hefeng Construction Co., Ltd. Supervisor of Power Logic Tech. Inc. Chairman, Kandlee Trading Co., Ltd. Division Manager of CviLux Corporation	Note 2	None	None	None	
Director	Samoa	LUXURY SHINE INTERNATIONAL LIMITED		2026/05/30	3	2022/05/31	30	0.08%	32	0.08%	0	0%	0	0%			None	None	None	

Title	Nationality or place of registration	Name	Gender Age	Date elected	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spousal or Other Immediate Relative			Remarks
							Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
	R.O.C.	Representative Chang Yuan-Fen	Female 61			2022/5/31	199	0.52%	218	0.53%	1,271	3.09%	0	0%	Shih Chien College of Home Economics Group secretary, SUN MAX TECH LIMITED	Note 2	Chairman	HSU Wen-Faung	Spouse	
Independent director	R.O.C.	Cheng Yi-Teng	Male 64	2026/05/30	3	2026/05/30	0	0%	0	0	0	0%	0	0%	PhD in Business, National Chengchi University Mercuries & Associates Holding, Ltd. Director Horizon Securities (Hong Kong) Co., Ltd. Director, President	Note 2	None	None	None	
Independent director	R.O.C.	Chang Cheng-Hsing	Male 58	2026/05/30	3	2026/05/30	0	0%	0	0%	0	0%	0	0%	PhD in Civil Engineering, Colorado State University Professor and Chief Human Resources Officer, Department of Civil Engineering, Tamkang University	Note 2	None	None	None	
Independent director	R.O.C.	CHOU, YI-HSIN	Female 44	2026/05/30	3	2026/05/30	0	0%	0	0%	0	0%	0	0%	Master of Accounting, National Chengchi University Chief Finance Officer of Acmepoint Energy Services Co., Ltd. Head of Group Audit and Chief Information Security Officer of Crowdfunding,	Note 2	None	None	None	

Title	Nationality or place of registration	Name	Gender Age	Date elected	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spousal or Other Immediate Relative			Remarks
							Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
															Homeplus Digital Co., Ltd. SUN MAX TECH LIMITED Manager of Audit Office Deloitte & Touche Assistant manager of Audit Department					
Independent director	R.O.C.	Kuan Chih-Liang	Male 58	2026/05/30	3	2022/5/31	0	0%	0	0%	0	0%	0	0%	Ph.D. in Business Administration, National Chengchi University EMBA Director, College of Humanities and Management, National Ilan University Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University Dean of Academic Affairs, Kainan University Strategy Mentor, Wolfnet Start Up A+ On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of	Note 2	None	None	None	

Title	Nationality or place of registration	Name	Gender Age	Date elected	Duration	Inauguration date	Shares at Election		Current shareholding		Current Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Current duties in The Company and in other companies	Other Chief, Supervisors or Directors with a Spousal or Other Immediate Relative			Remarks
							Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
															Commerce of the Republic of China					

Note 1: Where the Company's Chair of the Board and General Manager or an equivalent position (the highest managerial officer) are the same person or are spouses or relatives within the first degree of kinship, information relating to reasons, reasonableness, necessity and response measures (such as increasing independent directors, and a majority of the directors may not serve concurrently as an employee or managerial officer) shall be explained:

Reason: Considering the Company's current operation scale and situation, the requirement for professionalism, familiarity to the industry, decision-making ability and long-term business planning and strategy, the Company's Chair of the Board and General Manager is the same person.

Reasonableness: Other than the Chairman and President are the same person and spouses to each other, we have added one more independent director (the total independent member shall not be less than four) to enhance the supervision function from the board. In the meantime, the majority of directors are not concurrently an employee manager of the Company; and the remaining directors are not spouses or relatives within the first degree of kinship. Therefore, the President is for sure able to execute duties according to resolution from the Board. The Board is able to conduct the supervision appropriately and independently.

Necessity: In response to the Company's mid-term human resources and organizational development plan, the status quo is the best for the Company's operational needs.

Countermeasures: The Company amended the Corporate Governance Best-Practice Principles in January 2022. Also a new independent board member was added on May 31, 2022 in the Board election to increase the number of independent members from three to four to follow Article 4 under "Taiwan Stock Exchange Corporation Operating Directions for Compliance with the Establishment of the Board of Directors by TWSE-Listed Companies and the Board's Exercise of Powers." The number of independent directors and directors remained at four and three, respectively, at the re-election of the fifth term of directors in 2025.

Note 2: Summary of the directors also assuming a job position with the Company and other companies is as follows:

Title	Name	Current duties in The Company and in other companies
Chairman	SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	Sun Max Tech Limited: President SINOTEAM HOLDINGS INC.: President UNITED STRATEGYINC.: President POWER LOGIC HOLDINGS INC.: President Sunny Sharp International Limited.: President POWER LOGIC TECH. INC.: President Sunny Sharp International Limited Taiwan Branch: Litigation and Non-contentious Representative Power Logic Tech. (DongGuan) Inc.: President POWER LOGIC TECH (TAI YI) CO., LTD.: President Taiyi (Jiangxi) Electronic Technology Co., Ltd.: President Chichen Technology Co. Ltd: Representative designated by Power Logic Tech. Inc. LinkCom Manufacturing Co., Ltd.: Independent Director
Director	LAI, Jen-Chung	Power Logic Tech. (DongGuan) Inc.: Supervisor POWER LOGIC TECH (TAI YI) CO., LTD.: Supervisor Tai-Yi (Jiangxi) Electronic Technology Co., Ltd.: Supervisor
Director	LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	SUN MAX TECH, LIMITED: Group secretary
Independent director	Kuan Chih-Liang	Yat Sing Holdings Limited: Independent Director LinkCom Manufacturing Co., Ltd.: Independent Director Donpon Precision Inc.: Independent Director
Independent director	Cheng Yi-Teng	Dynacard Co., Ltd.: Director Sunhawk Vision Biotech, Inc.: Director
Independent director	Chang Cheng-Hsing	Professor and Chief Human Resources Officer, Department of Civil Engineering, Tamkang University
Independent director	CHOU, YI-HSIN	Chief Finance Officer of Acmepoint Energy Services Co., Ltd.

(2) Supervisor: The Company has set up an Audit Committee without an appointed supervisor.

(3) Major Shareholders of Corporate Shareholders:

March 30, 2026

Name of incorporated directors	Major Shareholders of Corporate Shareholders
SINOTEAM HOLDINGS INC.	HSU Wen-Faung (100%)
LUXURY SHINE INTERNATIONAL LIMITED	Hsu, Jia-Heng (34%)
	Hsu, Jia-Chen (34%)
	Hsu, Jia-Yun (32%)

(4) The main shareholders of the aforementioned incorporated shareholders: Not applicable.

(5) Continuing education of directors and supervisors in 2025:

Title	Name	Organizer	Course Name	Training date	Training hours
Chairman/ President	HSU Wen-Faung	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Chairman/ President	HSU Wen-Faung	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Director	Chang Yuan-Fen	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Director	Chang Yuan-Fen	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Director	LAI, Jen-Chung	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Director	LAI, Jen-Chung	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Independent director	Kuan Chih-Liang	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Independent director	Kuan Chih-Liang	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Independent director	Chang Cheng-Hsing	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Independent director	Chang Cheng-Hsing	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3

Title	Name	Organizer	Course Name	Training date	Training hours
Independent director	Cheng Yi-Teng	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Independent director	Cheng Yi-Teng	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Independent director	Cheng Yi-Teng	Securities and Futures Institute	2025 Insider Trading Prevention Publicity Conference	2025/5/16	3
Independent director	Cheng Yi-Teng	Taiwan Securities Association	Analysis of regulations and cases on anti-money laundering and counter terrorism	2025/6/26	3
Independent director	Cheng Yi-Teng	Taiwan Securities Exchange Corporation	2025 Cathay Sustainable Finance and Climate Change Summit	2025/7/9	6
Independent director	Cheng Yi-Teng	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	2025/10/16	6
Independent director	CHOU, YI-HSIN	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Independent director	CHOU, YI-HSIN	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Independent director	CHOU, YI-HSIN	Financial Supervisory Commission	The 15th Taipei Corporate Governance Forum	2025/10/16	6

2. Information on Directors and Supervisors:

(1) Disclosure on directors and supervisors' professional qualification and independence status by independent directors:

Condition / Name	Professional qualification and experience	State of independence	Number of public companies where the person holds the title as independent director
Director SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	In abundant outlook toward markets in the international community, diversified thinking mode, profound cultivation of industrial strength, comprehensive business technology & know-how and skill, humanistic literacy as well as management under sound leadership; serving as the chairman of SUN MAX Group and independent director of LinkCom manufacturing Co., Ltd. leadership in business management; serving Does not meet any descriptions stated in Article 30 of The Company Act.	Not applicable	1
Director LAI, Jen-Chung	In possession of abundant hands-on experiences serving with the electronic industry with the effort to offer valid professional advice, rendering tremendous benefits toward the upgrade of the production technology and know-how; serving as the Company's director. Does not meet any descriptions stated in Article 30 of The Company Act.	Not applicable	0
Director LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	Elected as a director of the Company for years of contribution to the Group in various fields and professional opinions offered for improving financial matters. Does not meet any descriptions stated in Article 30 of The Company Act.	Not applicable	-

Condition / Name	Professional qualification and experience	State of independence	Number of public companies where the person holds the title as independent director
Independent director Cheng Yi-Teng	With more than 20 years of experience in commerce and business operations, he specializes in investment business. He has served as Director and President, Horizon Securities (Hong Kong) Co., Ltd., Director of Golden Point Management Ltd., Executive Director and Responsible Officer of Visionary Group Capital Management Limited, and Director of Mercuries & Associates Holding, Ltd. His professional knowledge in commerce is a significant benefit to the Company's operations. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. New independent director of the Company appointed on May 29, 2025, with a term of less than three terms.	0
Independent director Chang Cheng-Hsing	He is a full-time professor and Chief Human Resources Officer, Department of Civil Engineering at Tamkang University. He possesses professional knowledge in civil engineering and is responsible for developing and managing human resources strategies within the enterprise, demonstrating experience in cross-disciplinary collaboration and leadership. His ability to integrate academic and administrative functions provides significant benefits to the company's management and operations. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. New independent director of the Company appointed on May 29, 2025, with a term of less than three terms.	0
Independent director CHOU, YI-HSIN	Obtained a certified public accountant certificate in 2009 and previously served as Assistant Manager of the Audit Department at Deloitte & Touche, Audit Manager at SUNMAX TECH LIMITED, and Head of Group Audit and Chief Information	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of	0

Condition / Name	Professional qualification and experience	State of independence	Number of public companies where the person holds the title as independent director
	Security Officer of Crowdfunding, Homeplus Digital Co., Ltd. He is currently the Chief Finance Officer at Acmepoint Energy Services Co., Ltd. Possesses professional business knowledge that is a significant benefit to the Company's operations. Does not meet any descriptions stated in Article 30 of The Company Act.	Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. New independent director of the Company appointed on May 29, 2025, with a term of less than three terms.	
Independent director Kuan Chih-Liang	Possesses the professional capacity and relevant working experiences in applied economics and business management. Working experience include being Dean of Academic Affairs, Kainan University, Strategy Mentor, Wolfnet Start Up A + On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China. Current Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University and an Independent Director of the Company. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. Re-elected as an Independent Director of the Company on May 29, 2025, and has not served more than three terms.	3

II. Diversity and Independence of the Board of Directors.

(I) Diversification of Board of Directors

In accordance with Article 19 of the Company's "Corporate Governance Best Practice Principles", the composition of the Board of Directors shall take into account diversity, except that the number of directors who are also managerial officers of the Company shall not exceed one-third of the total number of directors, and that the Company shall formulate an appropriate diversity policy with respect to its own operations, business model and development needs, which shall include but not be limited to the following two major criteria:

A. Basic conditions and values: Gender, age, nationality, culture, etc., of which the ratio of female directors should reach one third of the total directors. B. Professional knowledge and skills: Professional background (such as, law, accounting, industry, finance, marketing, or technology), professional skills, and industrial experience.

The fifth Board of Directors of the Company is composed of seven members, including four independent directors and three general directors (two of whom are concurrently the President and an employee of the Company), all of whom have diverse professional backgrounds. No more than half of the directors are concurrently managers or employees of the Company. Members of the fourth Board of Directors of the Company possess the following capacities, including abilities to make operating judgments, perform accounting and financial analysis, conduct management administration and exercise crisis management, have industry knowledge and international market perspectives, as well as abilities to lead and make policy decisions. Independent Director Cheng Yi-Teng and Chou Yi-Hsin specialize in financial management with the ability to perform accounting and financial analysis. Independent Director Chang Cheng-Hsing specializes in engineering and human resources. Independent Director Kuan Chih-Liang specializes in business management and judgment, and international market perspectives.

Actual management targets under the diverse policy: the current Board of Directors of the Company is composed of seven members. After the election in 2025, there are currently four independent members (three before the election), or 57% of the total Board. The proportion of board members with employee status is 29%, and the tenure of the four independent directors was less than nine years.

If the board seats for any single gender of listed companies are less than one-third, the reasons and the measures taken to enhance board gender diversity shall be stated:

The Company elected two female directors during the meeting of the 5th term of the Board of Directors. Currently, male directors represent 71.43% of the board, while female directors represent 29%. As a larger proportion of candidates with relevant industry experience or professional backgrounds are still male, efforts to cultivate female talent are ongoing. The Company will continue to nominate candidates in accordance with the Corporate Governance Best-Practice Principles and the diversity goals set by the competent authorities. It will also actively cooperate with industry, government, and academia to expand the female talent pool with professional backgrounds and corporate governance experience, for consideration as future director candidates. This aims to achieve gender equality by ensuring that more than one-third of the seats on the Board of Directors are held by one gender.

Diversification policy and the implementation of the composition of the Board of Directors:

Core diversity aspects	Nationality	Gender	Directors concurrently serving as company employees	Age			Term of independent directors			Industry experience	Professional capacity	
Name of Directors				41 to 50	51 to 60	61~70 and above	Under 3 years	3 to 9 years	Over 9 years	Cooling industry	Finance and accounting	Engineering and Human Resources
SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	R.O.C.	Male	V			V				V	V	
LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	R.O.C.	Female	V			V				V	V	
LAI, Jen-Chung	R.O.C.	Male				V				V	V	
Cheng Yi-Teng	R.O.C.	Male				V	V				V	
Chang Cheng-Hsing	R.O.C.	Male			V		V					V
CHOU, YI-HSIN	R.O.C.	Female		V			V			V	V	
Kuan Chih-Liang	R.O.C.	Male			V			V		V	V	

Director professional background and knowledge:

Core diversity aspects	Gender	Operating judgment	Accounting and Financial Analysis Ability	Operational and Management Ability	Crisis Response Ability	Knowledge of Industry	Understanding of International Markets	Leadership	Decision Making	Engineering and Human Resources
Name of Directors										
SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	Male	V	V	V	V	V	V	V	V	
LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	Female	V	V	V	V	V	V	V	V	
LAI, Jen-Chung	Male	V	V	V	V	V	V	V	V	
Kuan Chih-Liang	Male	V	V	V	V	V	V	V	V	
Cheng Yi-Teng	Male	V	V		V		V	V	V	V
Chang Cheng-Hsing	Male	V		V	V		V	V	V	
CHOU, YI-HSIN	Female	V	V		V	V	V	V	V	

(II) Independence of Board of Directors:

The Board is composed of a total of seven members, three of whom are regular members and four are independent directors, accounting for 57%. These members possess rich experience and profession in financial, business, law and industry management.

As expressly provided for in Article 21 of the Company's Corporate Governance Best-Practice Principles and Article 79 of the Articles of Incorporation, the directors shall be elected under the candidate nomination system. Accordingly, the Company shall prudently evaluate the

qualification requirements of the nominated candidates to determine whether they fall under the situations outlined in Article 30 of the Company Act and shall, in turn, duly elect the appropriate candidates in accordance with Article 193-1 of the Company Act.

The Company established the "Nomination Committee" on January 13, 2025. After all candidates for directors (with independent directors covered inclusively) are duly resolved by the Nomination Committee, the candidates shall be submitted to the shareholders' meeting for the election process.

Of all seven directors of the Company, other than HSU Wen-Faung, the representative from SINOTEAM HOLDINGS, INC and Chang Yuan-Fen, the representative from LUXURY SHINE INTERNATIONAL, LIMITED are spouses to each other, no directors are spouses or are relatives within the second degree of kinship to each other under Paragraphs 3 and 4 of Article 26-3 of Securities and Exchange Act.

(2) The President, Vice Presidents, Assistant Vice Presidents and heads of various departments and branches

1. Name, main experience (education), and shareholding and nature

March 30, 2026; Unit: thousand shares

Title	Nationality	Name	Gender	Inauguration date	Status of shareholding		Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Positions with other companies	Spouse or kin within the second pillar under the Civil Code and who is a manager			Remarks
					Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
President	R.O.C.	HSU Wen-Faung	Male	1997/3	1,271	3.09%	218	0.53%	0	0%	Department of Civil Engineering, Tamkang University Engineer of CTCI Advanced Systems Inc. Director of Hefeng Construction Co., Ltd. Director of Hefeng Construction Co., Ltd.	Note 1	Special Assistant to the President	Hsu, Jia-Heng	Father-Son	
Vice President and Chief Finance Office	R.O.C.	YAO, Cheng-Min	Male	2021/3	17	0.04%	0	0%	0	0%	Accounting Department of Soochow University Chief Finance Officer of Atrack Technology Inc. Finance manager, Mainland China Business, AirTAC International Group Deputy Manager, Deloitte & Touche	Note 1	None	None	None	
Vice President of R&D	R.O.C.	HSIEH, JUNG-CHUNG	Male	2015/8	0	0.%	0	0%	0	0%	National Taipei University of Technology - Mechatronics R&D Manager of Dynaeon Industry R&D Manager of Arx Co., Ltd.	Note 1	None	None	None	

Title	Nationality	Name	Gender	Inauguration date	Status of shareholding		Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Positions with other companies	Spouse or kin within the second pillar under the Civil Code and who is a manager			Remarks
					Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
											R&D Manager of Apistek Technology Company Limited					
Group Senior Assistant Vice President	R.O.C.	Lai, Chih-Sung	Male	2020/11	0	0.%	0	0%	0	0%	Department of Accounting, Jinwen University of Science and Technology Associate Manager, Long John Tsung Right Industrial Co., Ltd. Accounting Manager, Jiu Hua Agriculture Technology Limited Company	Note 1	None	None	None	
Chief Technology Officer	R.O.C.	HUANG Chia-Lieh	Male	2021/12	0	0%	0	0%	0	0%	Ph. D. in mechanical engineering, National Taiwan University of Science and Technology (NTUST) Manager of Asia Vital Components Co., Ltd. Fan Manager of Apistek Technology Co., Ltd.	Note 1	None	None	None	
Audit Manager	R.O.C.	CHEN, CHI-CHENG	Male	2019/3	0	0%	0	0%	0	0%	National Central University - Industrial Economics Graduate School Audit Office Assistant Manager of David Electronics Company Ltd.	Note 1	None	None	None	

Title	Nationality	Name	Gender	Inauguration date	Status of shareholding		Shares Held by Spouse & Dependents		Shareholding under the title of a third party		Major (academic degree) experience	Positions with other companies	Spouse or kin within the second pillar under the Civil Code and who is a manager			Remarks
					Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding			Title	Name	Relation	
											Audit Office Assistant Manager of Kaibo Enterprise Co., Ltd.					
Senior Manager of Sales	R.O.C.	TSAI, Wen-Chang	Male	2024/08	9	0.02%	0	0%	0	0%	Computer Engineering Group, Hungkuo Delin University of Technology Project Manager of Lextar Technology Co., Ltd. Project Manager of Engineer of Simplo Co., Ltd.	Note 1	None	None	None	
Special Assistant to the President	R.O.C.	Hsu, Jia-Heng	Male	2025/04	1	0.42%	0	0%	0	0%	Columbia University/Master of Science in Mechanical Engineering Special Assistant to the President of Sun Max Tech Limited	Note 1	President	HSU Wen-Faung	Father-Son	
Assistant VP of factory operation department	R.O.C.	Wang, Chen-Lu	Male	2025/05	0	0.00%	1	0%	0	0%	Associate in Mechanical Engineering, Cheng Shiu University Manager of Adda Corporation Manager of Engineering Department, Jingfeng Hardware	Note 1	None	None	None	

1.1: The President and heads of various departments and branches who also hold a job position with the other companies are listed in the table below.

Title	Name	Positions with other companies
President	HSU Wen-Faung	SINOTEAM HOLDINGS INC.: Director/ President UNITED STRATEGYINC.: Director/ President Director/ President of POWER LOGIC HOLDINGS INC. Sunny Sharp International Limited.: Director/ President POWER LOGIC HOLDINGS INC.: Director/ President POWER LOGIC TECH. INC.: Director/ President Sunny Sharp International Limited Taiwan Branch: Litigation and Non-contentious Representative Power Logic Tech. (DongGuan) Inc.: Director/ President Tai-yi (Jiangxi) Electronic Technology Co., Ltd: Director/ President LinkCom Manufacturing Co., Ltd.: Independent Director Chichen Technology Co. Ltd: Representative from Power Logic Tech. Inc. POWER LOGIC TECH (THAILAND) CO., LTD: Director
Vice President and Chief Finance Office	YAO, Cheng-Min	UNITED STRATEGYINC.: Vice President and Chief Finance Office POWER LOGIC HOLDINGS INC.: Vice President and Chief Finance Officer Sunny Sharp International Limited.: Vice President and Chief Finance Office POWER LOGIC TECH (THAILAND) CO., LTD: Vice President and Chief Finance Office POWER LOGIC TECH. INC.: Vice President and Chief Finance Office Sunny Sharp International Limited Taiwan Branch: Vice President and Chief Finance Office Power Logic Tech. (DongGuan) Inc.: Vice President and Chief Finance Office Tai-yi (Jiangxi) Electronic Technology Co., Ltd: Vice President and Chief Finance Office Cicheng Technology Co., Ltd.: Chief Finance Officer
Vice President of R&D	HSIEH, JUNG-CHUNG	Sunny Sharp International Limited Taiwan Branch: R&D Vice President DONG GUAN DONG LI DIAN ZI CO. LTD: R&D Vice President Tai-yi (Jiangxi) Electronic Technology Co., Ltd: R&D Vice President Chichen Technology Co. Ltd: Representative from Power Logic Tech. Inc.
Group Senior Assistant Vice President	Lai, Chih-Sung	Power Logic Tech. (DongGuan) Inc.: Group Senior Assistant Vice President Taiyi (Jiangxi) Electronic Technology Co., Ltd.: Group Senior Assistant Vice President
Chief Technology Officer	HUANG Chia-Lieh	Sunny Sharp International Limited Taiwan Branch: Chief Technology Officer DONG GUAN DONG LI DIAN ZI CO. LTD: Chief Technology Officer Tai-Yi (Jiangxi) Electronic Technology Co., Ltd.: Chief Technology Officer
Audit Manager	CHEN, CHI-CHENG	UNITED STRATEGY INC.: Chief Auditor POWER LOGIC HOLDINGS INC.: Chief Auditor SUNNY SHARP INTERNATIONAL LIMITED: Chief Auditor Sunny Sharp International Limited Taiwan Branch: Chief Auditor POWER LOGIC TECH. INC.: Chief Auditor DONG GUAN DONG LI DIAN ZI CO. LTD: Chief Auditor Taiyi (Jiangxi) Electronic Technology Co., Ltd.: Chief internal auditor Cicheng Technology Co., Ltd.: Chief Auditor

Senior Manager of Sales	TSAI, Wen-Chang	UNITED STRATEGYINC.: Sales Asst. VP POWER LOGIC HOLDINGS INC.: Sales Asst. VP Sunny Sharp International Limited.: Sales Asst. VP Sunny Sharp International Limited Taiwan Branch: Sales Asst. VP POWER LOGIC TECH. INC.: Sales Asst. VP Power Logic Tech. (DongGuan) Inc.: Sales Asst. VP Tai-yi (Jiangxi) Electronic Technology Co., Ltd: Sale Asst. VP
Special Assistant to the President	Hsu, Jia-Heng	UNITED STRATEGYINC.: Special Assistant to the President POWER LOGIC HOLDINGS INC.: Special Assistant to the President Sunny Sharp International Limited.: Special Assistant to the President POWER LOGIC TECH (THAILAND) CO., LTD: Director, Special Assistant to the President POWER LOGIC TECH. INC.: Special Assistant to the President Sunny Sharp International Limited Taiwan Branch: Special Assistant to the President Power Logic Tech. (DongGuan) Inc.: Special Assistant to the President Taiyi (Jiangxi) Electronic Technology Co., Ltd.: Special Assistant to the President CICHENG TECHNOLOGY CO., LTD.: Special Assistant to the President POWER LOGIC TECH (THAILAND) CO., LTD: Director
Assistant VP of factory operation department of China region	Wang, Chen-Lu	Power Logic Tech. (DongGuan) Inc.: Assistant VP of factory operation department of China region Taiyi (Jiangxi) Electronic Technology Co., Ltd.: Assistant VP of factory operation department of China region

2. Where the Company's General Manager or an equivalent position (the highest managerial officer) and Chair of the Board are the same person or are spouses or relatives within the first degree of kinship, information relating to its reasons, reasonableness, necessity and response measures (such as increasing independent directors, and a majority of the directors may not serve concurrently as an employee or managerial officer) shall be explained:

   Reason: Considering the Company's current operation scale and situation, the requirement for professionalism, familiarity to the industry, decision-making ability and long-term business planning and strategy, the Company's Chair of the Board and General Manager is the same person.

   Reasonableness: Other than the Chairman and President are the same person and spouses to each other, we have added one more independent director (the total independent member shall not be less than four) to enhance the supervision function from the board. In the meantime, the majority of directors are not concurrently an employee manager of the Company; and the remaining directors are not spouses or relatives within the first degree of kinship. Therefore, the President is for sure able to execute duties according to resolution from the Board. The Board is able to conduct the supervision appropriately and independently.

   Necessity: In response to the Company's mid-term human resources and organizational development plan, the status quo is the best for the Company's operational needs.

   Countermeasures: The Company updated the Corporate Governance Best-Practice Principles in January 2022 and, in coordination with Article 4 of "Directing Guidelines on TWSE/TPEx listed companies on Establishment of Boards of Directors and Their Compliance of Responsibilities and Powers," the Company's Board of Directors was re-elected with four independent directors and three directors. The four independent directors and three directors were maintained when the 5th term of the Board of Directors was re-elected in 2025.

3. Continuing education and training programs related to corporate governance attended by managers:

Title	Name	Organizer	Course Name	Training date	Training hours
Vice President and Chief Corporate Governance	YAO, Cheng-Min	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Vice President and Chief Corporate Governance	YAO, Cheng-Min	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Vice President of R&D	HSIEH, JUNG-CHUNG	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Vice President of R&D	HSIEH, JUNG-CHUNG	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Chief Technology Officer	HUANG Chia-Lieh	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Chief Technology Officer	HUANG Chia-Lieh	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Audit Manager	CHEN, CHI-CHENG	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Audit Manager	CHEN, CHI-CHENG	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Special Assistant to the President	Hsu, Jia-Heng	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Special Assistant to the President	Hsu, Jia-Heng	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Senior Manager of Sale department	TSAI, Wen-Chang	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Senior Manager of Sale department	TSAI, Wen-Chang	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3

II. Remuneration paid to Directors (including Independent Directors), Supervisors, the President, and the Vice President in the most recent year

1. Remuneration of directors and independent directors

Unit: NT$ thousand; thousand Shares

Title	Name	Remuneration to Directors								The sum of A, B, C and D and in proportion to Earnings		Remuneration in the capacity as employees								The sum of A, B, C, D, E, F and G and in proportion to Earnings		Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company
		Director fees (A)		Pension (B)		Remuneration to directors (C)		For services (D)				Salaries, bonus and special subsidies (E)		Pension (F)		Remuneration to employees (G)						
																The Company		All companies mentioned in the financial statements				
		The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	Cash	Stock	Cash	Stock	The Company	All companies mentioned in the financial statements	
Chairman	SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	1,131	1,131	0	0	4,695	4,695	132	142	5,958	5,968	0	15,520	0	39	4,989	0	5,454	0	10,947	26,981	0
Director	LAI, Jen-Chung																					
Director	LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen									2.84%	2.84%									5.22%	12.86%	
Independent director	CHEN, Tien-Szu	3,036	3,036	0	0	0	0	189	189	3,225	3,225	0	0	0	0	0	0	0	0	3,225	3,225	0
Independent director	CHIU, Shih-Fang																					
Independent director	HSIEH, Yu-Tien																					
Independent director	Kuan Chih-Liang																					
Independent director	Cheng Yi-Teng																					
Independent director	Chang Cheng-Hsing									1.54%	1.54%									1.54%	1.54%	
Independent director	CHOU, YI-HSIN																					

1. Please describe the policy, systems, standards and structure of remuneration of independent directors; also, describe the relationship with the amount of remuneration according to the responsibilities, risks and invested time:

The Company has established a Compensation Committee. Remuneration to independent directors are decided through the resolutions of the Compensation Committee and the Board of Directors based on "Regulations Governing the Remuneration of Directors and Managers," approved by the Compensation Committee and the Board, with the consideration of the duties involved and levels of operating participation and value contributed and the performance evaluation in accordance with the evaluation of the board/functional committees. The procedures of the remuneration assessment have factored in the operating performance and risks. Please see Page 25~26 in the annual report for details. The "Regulations Governing the Remuneration of Directors and Managers" is available on the Company website, http://www.sun-max.com.tw: Corporate Governance-> Important Policies.

2. Except for those disclosed in the above table, the remuneration of the Company's directors by providing services (e.g., serving as the non-employee consultant) to all companies included in the financial report in the most recent year: None.

Classification of remuneration

Remunerations to individual directors in respective brackets along the salaries scale	Name of Directors			
	Total (A+B+C+D)		Total (A+B+C+D+E+F+G)	
	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements
Less than 1,000,000	CHEN, Tien-Szu; CHIU, Shih-Fang; HSIEH, Yu-Tien; Kuan Chih-Liang; Cheng Yi-Teng; Chang Cheng-Hsing; Chou Yi-Hsin	CHEN, Tien-Szu; CHIU, Shih-Fang; HSIEH, Yu-Tien; Kuan Chih-Liang; Cheng Yi-Teng; Chang Cheng-Hsing; Chou Yi-Hsin	CHEN, Tien-Szu; CHIU, Shih-Fang; HSIEH, Yu-Tien; Kuan Chih-Liang; Cheng Yi-Teng; Chang Cheng-Hsing; Chou Yi-Hsin	CHEN, Tien-Szu; CHIU, Shih-Fang; HSIEH, Yu-Tien; Kuan Chih-Liang; Cheng Yi-Teng; Chang Cheng-Hsing; Chou Yi-Hsin
1,000,000(inclusive) ~ 2,000,000 (exclusive)	LUXURY SHINE INTERNATIONAL LIMITED; LAI, Jen-Chung	LUXURY SHINE INTERNATIONAL LIMITED; LAI, Jen-Chung	LAI, Jen-Chung	LAI, Jen-Chung
2,000,000(inclusive) ~ 3,500,000 (exclusive)	SINOTEAM HOLDINGS INC.	SINOTEAM HOLDINGS INC.	LUXURY SHINE INTERNATIONAL LIMITED	
3,500,000(inclusive) ~ 5,000,000 (exclusive)				LUXURY SHINE INTERNATIONAL LIMITED
5,000,000(inclusive) ~ 10,000,000 (exclusive)			SINOTEAM HOLDINGS INC.	
10,000,000(inclusive) ~ 15,000,000 (exclusive)				
15,000,000(inclusive) ~ 30,000,000 (exclusive)				SINOTEAM HOLDINGS INC.
30,000,000(inclusive) ~ 50,000,000 (exclusive)				
50,000,000(inclusive) ~ 100,000,000 (exclusive)				
100,000,000 above				
Total	10 persons	10 persons	10 persons	10 persons

2. Supervisor’s remuneration: The Company sets up an Audit Committee, but has not appointed a supervisor.

3. Remuneration to President and Executive Vice Presidents

Unit: NT$1,000 (except for the market price), 1,000 shares

Title	Name	Salary (A)		Pension (B)		Bonuses and allowances etc. (C)		Remuneration to the employees (D)				The sum of A, B, C and D and in proportion to Earnings (%)		Compensation paid to directors from an invested company other than the Company's subsidiaries or parent company
		The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company	All companies mentioned in the financial statements	The Company		All companies mentioned in the financial statements		The Company	All companies mentioned in the financial statements	
								Cash Dividends	Free-Gratis Dividends	Cash Dividends	Free-Gratis Dividends			
President	HSU Wen-Faung	0	10,449	0	213	0	8,673	5,589	0	6,054	0	5,589	25,389	0
Executive Vice President	YAO, Cheng-Min											2.66%	12.10%	
	HSIEH, JUNG-CHUNG													

Classification of remuneration

The brackets of remunerations to all Presidents and Vice Presidents of the Company	Name of Presidents and Executive Vice Presidents	
	The Company	Consolidation
Less than 1,000,000	YAO, Cheng-Min; HSIEH, Jung-Chung	
1,000,000(inclusive) ~ 2,000,000 (exclusive)		
2,000,000(inclusive) ~ 3,500,000 (exclusive)		YAO, Cheng-Min; HSIEH, Jung-Chung
3,500,000(inclusive) ~ 5,000,000 (exclusive)	HSU Wen-Faung	
5,000,000(inclusive) ~ 10,000,000 (exclusive)		
10,000,000(inclusive) ~ 15,000,000 (exclusive)		
15,000,000(inclusive) ~ 30,000,000 (exclusive)		HSU Wen-Faung
30,000,000(inclusive) ~ 50,000,000 (exclusive)		
50,000,000(inclusive) ~ 100,000,000 (exclusive)		
100,000,000 above		
Total	3 persons	3 persons

4. Name of the managers received remuneration and the distribution of remuneration:

December 31, 2025 Unit: NTD

	Title	Name	Stock	Cash	Total	As a percentage of net profit after tax (%)
Manager	President	HSU Wen-Faung	0	7,609,121	7,609,121	3.63%
	Executive Vice President	YAO, Cheng-Min				
	Group Senior Assistant Vice President	Lai, Chih-Sung				
	Vice President of R&D	HSIEH, JUNG-CHUNG				
	Chief Technology Officer	HUANG Chia-Lieh				
	Senior Manager of Sales	TSAI, Wen-Chang				
	Audit Manager	CHEN, CHI-CHENG				
	Assistant VP of factory operation department of China region	Wang, Chen-Lu				
	Special Assistant to the President	Hsu, Jia-Heng				

5. Individually explain and compare and disclose remunerations paid in the last 2 years by The Company and all companies included in the consolidated financial statements to The Company's Directors, Supervisors, President and Vice Presidents as a percentage of after-tax net profit. Describe the remuneration policy, standards and packages, the procedures for determining remuneration, and their link to business performance.

(1) Analyzing the ratio of the remuneration to the directors, supervisors, President, and Vice President of the Company and all the companies on the consolidated financial statements to net income:

Unit: NTD thousands

Title \ Item	The Company				All companies included in the consolidated statements			
	2024		2025		2024		2025	
	Total amount	Total/after-tax profit	Total amount	Total/after-tax profit	Total amount	Total/after-tax profit	Total amount	Total/after-tax profit
Remuneration to Directors	8,784	7.35%	14,172	6.76%	21,460	17.96%	30,206	14.40%
Remuneration to President and Executive Vice Presidents	1,850	1.55%	5,589	2.66%	18,204	15.23%	25,389	12.10%
Income after taxation	119,540	100%	209,780	100%	119,540	100%	209,780	100%

Remark: The 2025 compensation paid to directors, presidents and vice-presidents went up, compared to those in 2025 was due to the increase in net earnings and a 2% increase in the employee profit distribution ratio compared with 2024. The decrease in the ratio of the remuneration to the directors, supervisors, president, and vice president as a percentage of after-tax net profit was mainly due to a 75.49% increase in consolidated net income.

(2) Association with the remuneration policy, standard and combination, procedure for determining the remuneration, and operation performance, and the risks in the future.

The Company has established a compensation committee formed by all independent directors. Remuneration policy for directors and managerial officers is made in accordance with the Rules Governing Remuneration of Directors and Managerial Officers passed by the Compensation Committee and the Board of Directors, which was determined based on the position, contribution to operation and performance evaluation by the Board of Directors. It is periodically re-evaluated and will be paid after adopted by the Compensation Committee and the Board of Directors.

Every year, the Board of Directors was assessed according to "Regulations Governing the Remuneration of Directors and Managers," together with "Performance Evaluation Table for Board of Director Members" and "Measures for Employee Performance Evaluation." According to the results of manager assessment, the Board has passed all the evaluation standards. Each remuneration payment policy, standards, portfolio, determination procedures of directors (independent directors) and managerial officers has considered business performance and risks. Also, according to Article 129 in the Company's Articles of Association, if there is pre-tax profit, a profit sharing of 1.5%~10% shall be appropriated to employees as compensation and no more than 2% shall be appropriated to the Board of directors.

Here at the Company, the remunerations to directors are distributed and calculated in accordance with the Company's "Regulations Governing Management over Remunerations to Directors and Managerial Officers" for the weights. The weight evaluation is classified into: 1. The fundamental weights for the post of a director. 2. Participation in the Company's routine business operation and management. 3. The fact to back up the endorsement/guarantee in response to the Company's need in financing. 4. Participation rate to the Board of Directors meetings up to over 80% (inclusive) 5. Other key contributions as proposed by a member of the Remuneration Committee, discussed and resolved in the Board of Directors. 6. Result of the performance evaluation for the Board of Directors. 7. Payable on an annual basis. In case of a service period of less than one year, the number of weights shall be counted pro rata to the period of service.

Formula for calculation: The remuneration to directors to be distributed based on the individual director earnings = Total amount of remuneration to directors as resolved in the shareholders' meeting x The aggregate total of weights of all directors toward the individual directors based on their participation.

Here at the Company, the remunerations to managerial officers are distributed and calculated in accordance with the Company's "Regulations Governing Management over Remunerations to Directors and Managerial Officers". The distributed earnings are a sort of variable salary and shall be calculated in association with the "Regulations Governing Performance Evaluation for Employees."

Table of contents for performance evaluation for employees (including managerial officers):

Targets for performance evaluation	Evaluation items	
Supervisory level	Performance in management	Leadership, communications and coordination, emotional resistance, problem-solving capabilities
	Personal capabilities	Sound character and integrity, workplace ethics, professional expertise, responsibility dedication, pro-active performance, work efficiency.
General Indirect colleagues	Performance at work	Responsible dedication, pro-active performance, work efficiency

	Working capabilities	Professional expertise, solution to problems
	Attitude toward work	Moral integrity, workplace ethics, facts in attendance to duties
	Potential at work	Attitude toward learning, capability in learning

The decision procedures for profit sharing, other than overall business results, include individual performance achievement and business contributions based on "Measures for Employee Performance Evaluation" to ensure reasonable compensation. Remunerations to managers are reviewed by the Compensation Committee and sent to the Board for discussion to ensure the reasonableness of the overall compensation package.

To control compensation risks, the Company makes adjustments to the compensation policy based on industry transformation, international financial environment, future business development, operating risks profitability status, as well as real time law changes.

6. For the individuals who are not directors of the securities issuer but perform the duties of the directors or actually control the company's personnel, finance, or business operations; also, instruct the directors to executive business, their name, experience (education), shareholdings, current position held with the issuer and other companies, relationship with the issuer's directors and supervisors, and substantive control over the issuer should be detailed, in addition, foreign issuers shall state the legal responsibilities of the aforementioned individuals according to the laws of the country of registration:

   There are no individuals who are not the Company's board directors but perform the duties of the directors or actually control the company's personnel, finance, or business operations; also, directors instruct executive business, and therefore this is not applicable to them.

III. Status of Corporate Governance

(I) The function of the Board:

8 Board of Directors meetings (A) were held in the 2025; Directors' attendance are listed below:

Title	Name	Attendance rate % (B)	Attend through proxy	Attendance rate % (B/A)	Remarks
Chairman	SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	8	0	100%	Re-elected for another term on May 30, 2025
Director	INTERNATIONAL LIMITED Legal representative: Chang Yuan-Fen	8	0	100%	Re-elected for another term on May 30, 2025
Director	LAI, Jen-Chung	8	0	100%	Re-elected for another term on May 30, 2025
Independent director	Kuan Chih-Liang	8	0	100%	Re-elected for another term on May 30, 2025
Independent director	CHEN, Tien-Szu	4	0	100%	Term expires on May 30, 2025
Independent director	CHIU, Shih-Fang	4	0	100%	Term expires on May 30, 2025
Independent director	HSIEH, Yu-Tien	4	0	100%	Term expires on May 30, 2025
Independent director	Cheng Yi-Teng	4	0	100%	New appointment on May 30, 2025
Independent director	Chang Cheng-Hsing	4	0	100%	New appointment on May 30, 2025
Independent director	CHOU, YI-HSIN	4	0	100%	New appointment on May 30, 2025

Other notes:

1. If any of the following is applicable to the operation of the board of directors, specify the date, the series of the session, the content of the motions, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:
   (1) Issues under Article 14-3 of Securities and Exchange Act: Not applicable (The Company adopts a system of Audit Committee)
   (2) Except for the aforementioned matters, the resolutions reached by the Board of Directors with the objections or reservations of the independent directors documented or declared in writing: Not applicable.
2. The avoidance of the conflict of interest by the Directors on related motions, specify the names of the Directors, the content of the motions, the principle of the avoidance of the conflict of interest, and the participation in casting the ballots:

Date of board meeting	Session/Term	Contents of the motion: Causes leading to avoidance from conflict of interests and facts in participation to the voting process.
2025/1/13	The 17th meeting of the 4th term	**1. Motion go distribute year-end bonus for 2024.** Nature of conflicting interests: Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHIU, Shih-Fang to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting. **2. Proposal for 2025 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.** Nature of conflicting interests: Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHIU, Shih-Fang to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. **3. Motion for annual salary raise for 2025.** Nature of conflicting interests: Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHIU, Shih-Fang to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
2025/3/10	The 18th meeting of the 4th term	**1. Motion for distribution of remuneration to employees and remuneration to directors and supervisors for 2024.** Nature of conflicting interests: Seven committee members were present. Director Hsu Wen-Fang, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. Director Lai Jen-Chung also recused from the

Date of board meeting	Session/Term	Contents of the motion: Causes leading to avoidance from conflict of interests and facts in participation to the voting process.
		discussion to avoid conflict of interest. The chairperson SINOTEAM HOLDINGS INC.'s representative Hsu Wen-Fang delegated the power of chairman to the independent director Chiu Shih-Fang. The motion was resolved without any objections at all from four directors who backed up the motion by raising their hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
2025/06/20	The 1st meeting of the 5th term	**1. Remuneration proposal for the 5th directors.** Nature of conflicting interests: Because the chair, the representative of Sinoteam Holdings Inc., Director, Hsu Wen-Fang, has conflict of interests in this case due to his remuneration, he recused himself, and Independent Director, Kuan Chih-Liang acted as the chair. Directors from SINOTEAM HOLDINGS, INC., LUXURY SHINE INTERNATIONAL, LIMITED and LAI, Jen-Chung recused to avoid conflict of interest. The proposal was passed without objections through the voting rights exercised by the four other attending directors. All four directors voted in favor of the proposal. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting. **2. Remuneration for the 5th independent directors** Nature of conflicting interests: Seven committee members were present. The independent directors Kuan Chih-Liang, Cheng Yi-Teng, Chang Cheng-Hsing, Chou Yi-Hsin were subject to avoidance of interests due to the remuneration issue and vital interest. The proposal was passed without objections through the voting rights exercised by the three attending directors. All three directors voted in favor of the proposal.
2025/08/15	The 2nd meeting of the 5th term	**1. Details for the 2025 cash capital increase through new share issuance, guidelines for employee subscription and manager subscription detail.** Nature of conflicting interests: Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director Kuan Chih-Liang to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.

3. Information on the board's self (or peer) evaluation cycle and period, evaluation scope, method and evaluation content:
   (1) Self-evaluation frequency and period (or peer-evaluation) of the Board of Directors: Evaluation frequency is once a year and shall be completed before the first quarter of the following ends. Evaluation period: January 1, 2025~ December 31, 2025.
   (2) Evaluation scope: Including performance review of the entire Board of Directors, each member of the Board of Directors, performance evaluation of functional committees.
   (3) Performance assessment: According to Article 3 under "Rules for Performance Evaluation of Board of Directors," each year, the Board shall conduct an internal performance assessment of the Board, according to the procedures and indicators stipulated in Article 6 and 8 and an external assessment every three years.
   (4) The 2025 Board Self- (or Peer) Assessment and the performance evaluation of the functional committees (Audit Committee and Compensation Committee) have been reported to the Board Meeting on February 2, 2026.

Implementation status of 2025 Board Self- (or Peer) Assessment:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Self-evaluation comments
Once a year	January 1, 2026 to December 31, 2026	Performance evaluation of the Board of Directors	Internal self-evaluation of the Board of Directors	A. The extent of participation in the Company's operations. B. Improvement in the quality of the board's decision-making. C. Composition and structure of the board. D. Election and continuing education of directors. E. Internal control F. Other	● Chairman Hsu Wen-Fang: He communicated proactively and engaged in thorough discussion, and performed his duties professionally. ● Director Lai Jen-Chung: The Board of Directors and various committees operated in an orderly manner with outstanding performance. ● Director Chang Yuan-Fen: Communication was smooth and operations went smoothly. ● Independent Director Cheng Yi-Teng: The Board of Directors is operating well. ● Independent Director Chang Cheng-Hsing: None. ● Independent Director Chou Yi-Hsin: None. ● Independent Director Kuan Chih-Liang: The Board of Directors' information is well-prepared and highly transparent, and communication among directors was good.
Once a year	January 1, 2026 to December 31, 2026	Evaluation of Board members	Self-evaluation of directors	A. Alignment of the Company's objectives and tasks. B. Mastery of the Company's	● Chairman Hsu Wen-Fang: Directors maintained good communication, continued to enhance their professional knowledge,

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Self-evaluation comments
				objectives and tasks. C. The extent of participation in the Company's operations. D. Internal relationship management and communication. E. Professionalism and continuing education of directors. F. Internal control G. Other	and respected boundaries. ● Director Lai Jen-Chung: The Board of Directors operates smoothly with sufficient and effective information. ● Director Chang Yuan-Fen: Directors oversee without interfering and show concern without overstepping bounds. ● Independent Director Cheng Yi-Teng: The Board of Directors had sufficient time to prepare in advance, and all proposals were fully discussed during the meeting. Operations were running smoothly. ● Independent Director Chang Cheng-Hsing: The Company's Board of Directors is operating well. There are currently no items needing improvement. ● Independent Director Chou Yi-Hsin: None. ● Independent Director Kuan Chih-Liang: The Board of Directors' information is well-prepared and highly transparent, and communication among directors was good.
Once a year	January 1, 2026 to December 31, 2026	Performance evaluation of Audit Committee member	Self-evaluation of Audit Committee member	A. The extent of participation in the Company's operations. B. Awareness of the duties of the functional committee. C. Improvement in the quality of the functional committee's decision-making. D. Composition and member appointment of functional committees. E. Internal control F. Other	● Independent Director Kuan Chih-Liang: The Board of Directors' information is well-prepared and highly transparent, and communication among directors was good. The functional committee is fully operational. ● Independent Director Chang Cheng-Hsing: None. ● Independent Director Cheng Yi-Teng: The Audit Committee is operating well. ● Independent Director Chou Yi-Hsin: None.
Once a year	January 1, 2026 to December 31,	Performance evaluation of Remuneration	Self-evaluation of the	A. The extent of participation in the	● Independent Director Kuan Chih-Liang: The Board of Directors' information is

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Self-evaluation comments
	2026	Committee member	Remuneration Committee member	Company's operations. B. Awareness of the duties of the functional committee. C. Improvement in the quality of the functional committee's decision-making. D. Composition and member appointment of functional committees. E. Internal control F. Other	well-prepared and highly transparent, and communication among directors was good. The functional committees is operating well. ● Independent Director Chang Cheng-Hsing: None ● Independent Director Cheng Yi-Teng: The Remuneration Committee is operating well. ● Independent Director Chou Yi-Hsin: None
Once a year	January 1, 2026 to December 31, 2026	Performance evaluation of Nomination Committee member	Self-evaluation of Nomination Committee member	A. Operation of the committee B. Duties performed C. Self-inspection and improvement suggestions	● Chairman Hsu Wen-Fang: Directors maintained good communication, continued to enhance their professional knowledge, and respected boundaries. ● Director Lai Jen-Chung: The Board of Directors operates smoothly with sufficient and effective information. ● Director Chang Yuan-Fen: Directors oversee without interfering and show concern without overstepping bounds. ● Independent Director Cheng Yi-Teng: The Board of Directors had sufficient time to prepare in advance, and all proposals were fully discussed during the meeting. Operations were running smoothly. ● Independent Director Chang Cheng-Hsing: The Company’s Board of Directors is operating well. There are currently no items needing improvement. ● Independent Director Chou Yi-Hsin: None. ● Independent Director Kuan Chih-Liang: The Board of Directors’ information is well-prepared and highly transparent, and communication among directors was good.

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Self-evaluation comments
Once a year	January 1, 2026 to December 31, 2026	Performance evaluation of Sustainable Development Committee member	Self-evaluation of Sustainable Development Committee	A Operation of the committee B. Duties performed C. Self-inspection and improvement suggestions	● Kuan Chih-Liang: The Board of Directors' information is well-prepared and highly transparent, and communication among directors was good. The functional committees is operating well. ● Chang Cheng-Hsing: None ● Cheng Yi-Teng: The Sustainable Development Committee is operating well. However, given the broad scope of sustainable development issues, it is recommended that the Company engage professional organizations to provide training for committee members and senior managers. Committee members and senior executives are also encouraged to participate in relevant courses offered by external professional organizations to enhance their expertise. ● CHOU, YI-HSIN: None

(4) Implementation status of external assessment:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content
November 16, 2021 Implemented once in every three-year.	September 1, 2020 to August 31, 2021	Performance evaluation of the Board of Directors	Corporate Governance Association in Taiwan	A. Composition of the board of directors B. Guidance of the board of directors C. Authorization of the board of directors. D. Supervision of the board of directors E. Communication of the board of directors F. Internal control and risk management G. Self-discipline of the board of directors. H. Evaluation toward other eight key aspects, e.g., Board of Directors meeting, supporting system and the like.
November 29, 2024 Implemented	January 1, 2023 to September 21, 2024	Performance evaluation of the Board of Directors	Finance Research and Development Foundation	1. Protect shareholders' rights 2. Strengthen the structure and operation of the Board of Directors

once in every three-year.				3. The extent of participation in the Company's operations. 4. Improvement in the quality of the board's decision-making. 5. Enhance information transparency 6. Internal control 7. Promote sustainable development 8. Other eight major aspects are assessed

The results of the performance evaluation of the "Financial Research and Development Foundation" in 2024 are described as follows:

The "performance evaluation of the Board of Directors" was entrusted to the "Taipei Foundation of Finance" by SUN MAX TECH LIMITED. The supervisor of the evaluated company and the Foundation actively discuss the evaluation preparation work, from written data and supplementary information to online data required in the first stage of evaluation to ensure that the evaluation committee members of the Foundation can perform a complete review based on the evaluation indicator. After the evaluation committee members have reviewed the self-assessment report and the corresponding information of the evaluated company, they believe that the written data of overall performance review items of seven aspects provided by the evaluated company have met the No. 11 evaluation indicator. The overall operations of the Board of Directors have complied with the relevant regulations of the competent authorities. On the day of the onsite visit and evaluation, the Board of Directors and senior executives of the evaluated company also demonstrated their requirements for the current meeting of the Board of Directors. The overall operations of the Board of Directors have also complied with the relevant regulations of the competent authorities. On the day of the onsite visit and evaluation, the Board of Directors and senior executives of the evaluated company also demonstrated their emphasis on the performance evaluation of the current meeting of the Board of Directors. In conclusion, the evaluation of the overall performance of the Board of Directors of the evaluated company is completed by the evaluation committee members of the Foundation. Next, considering that the industry environment of the evaluated company is changing drastically, the evaluated company implements transformation and upgrade to enter the fields of AI servers and automotive electronics, which will be the biggest challenge faced by the company in the future. The following three suggestions are proposed for reference:

Suggestion 1: The evaluated company must respond to the future development. As the establishment and cultivation of the successor team takes at least five to ten years, the Board of Directors is recommended to actively formulate a successor project for directors and key senior management, to pass on the experience, and maintain the stability and sustainable development competitiveness of the company.

The Company has identified the following improvements based on the suggestions raised: The Company has stipulated the "Operation Directions of the Succession Plan" and established the Nomination Committee on January 13, 2025. The Nomination Committee reviews the nominations of candidates for directors and key senior management. In the future, the Company will continue to conduct succession plan training and arrangements for directors and key senior management in accordance with relevant regulations.

Suggestion 2: As the evaluated company actively expands into new domains for product development, it is recommended that the company formulate an intellectual property management plan linked to its operational objectives. Additionally, the introduction of a certification mechanism for the Taiwan Intellectual Property Rights Management Standards (TIPS) or ISO 56005 can be considered.

The suggestions from the Foundation to the Company for improvement: The Company has established the “Regulations Governing the Management of Intellectual Property Rights” with reference to the suggestions from the Taipei Foundation of Finance. The establishment was approved by the Board of Directors on January 13, 2025. The Company reported the implementation status in 2024 to the Board of Directors. For related information, please refer to the Company’s official website, Corporate Governance -> Intellectual Property Rights Management.

Suggestion 3: In the face of future sustainable development and challenges for the evaluated company, it is recommended that the existing sustainable development promotion team under the General Manager’s Office be promoted to the functional committee of the Board of Directors. The evaluated company shall make plans in advance in order to grasp the development opportunities and risks of the Company.

The suggestions from the foundation regarding the direction of improvement: The Company plans to establish the “Sustainable Development Committee” at the Board of Directors level in 2025.

4. Evaluate goals and status of strengthening the board's job functions in the past few years:
   (1) The Company shall convene a Board of Directors meeting on a quarterly basis as the minimum to check and verify the Company's business performance with discussions into key managerial strategies. In 2025, the Board of Directors convened a total of 8 Board meetings which were attended by 100% of all directors. The decisions resolved in a Board of Directors' meeting were posted onto the Market Observation Post System (MOPS) as well as the Company's website in the special zone for investors forthwith, readily accessible to all investors and stakeholders to be informed of the key updates of the Company in real time.
   (2) The Company has established the Audit Committee, Remuneration Committee, Nomination Committee and Sustainable Development Committee.
   (3) When the Company's board meeting is convened, the Company's public accountant and the heads of various departments of the Company are invited to report to the directors and independent directors on the audit of the financial statements, information on the company's recent finances, business, and research and development, and internal audit results. Ensure that the directors are informed of the most complete and detailed information.
   (4) The Company has designated staff to be responsible for information disclosure on the company's website and the Market Observation Post System, and enact the "Procedures for Handling Material Inside Information" to promote information transparency.
   (5) In order to strengthen corporate governance, the Company's Board of Directors has passed the "Corporate Governance Best Practice Principles," "Ethical Corporate Management Best Practice Principles," "Procedures for Ethical and Guidelines for Conduct," "Sustainable Development Best Practice Principles," "Code of Ethical Conduct," and "Material Contingencies Reporting Procedure," "Rules Governing Risk Control," "Director Diversity Policy," and "Standard Operating Procedures for Handling Directors' Requests;" also, will continue to amend other relevant specifications in order to implement the highest corporate governance principles.
   (6) To reinforce corporate governance and enhance board functions for improved efficiency, the Company has established the "Rules for Performance Evaluation of Board of Directors" to govern the procedures for the annual internal performance assessment of the Board, each board member and the individual members of the functional committee. The 2025 results of the assessments have been presented at the Board Meeting on February 2, 2026.

      Based on Article 3 under "Rules for Performance Evaluation of Board of Directors", an external assessment will be conducted every three years. In its most recent meeting, the Company commissioned the "Taiwan Corporate Governance Association" for an external assessment on the Board's performance in 2024. The results were reported at the Board meeting held on January 13, 2025.

(II) The operation of the Auditing Committee:

The Audit Committee is composed of four members. The term of office of the 3rd Audit Committee: May 31, 2022 to May 29, 2025. The 4th Audit Committee was re-elected in 2025. The term of office for the 4th term of the Remuneration Committee is from May 29, 2025 to May 28, 2028.

The Auditing Committee convened for 8 times (A) in 2025. The attendance of the independent directors is shown below:

Title	Name	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
Independent director (convener of the 3rd term)	HSIEH, Yu-Tien	4	0	100%	Term expires on May 29, 2025
Independent director	CHEN, Tien-Szu	4	0	100%	Term expires on May 29, 2025
Independent director	CHIU, Shih-Fang	4	0	100%	Term expires on May 29, 2025
Independent director	Kuan Chih-Liang	8	0	100%	Re-elected for another term on May 29, 2025
Independent director (convener of the 4th term)	Cheng Yi-Teng	4	0	100%	New appointment on May 29, 2025
Independent director	Chang Cheng-Hsing	4	0	100%	New appointment on May 29, 2025
Independent director	CHOU, YI-HSIN	4	0	100%	New appointment on May 29, 2025

Other notes:

1. Audit Committee Operation:
   (1) On issues stated in Article 14-5 of the Securities and Exchange Act and issues not passed by the Auditing Committee by passed by a two-third majority of all directors, the date of Board session, the term of the Board, the content of the motions, the resolutions of the Auditing Committee, and the opinions of the Auditing Committee: None.

   The Audit Committee convened by the Company in 2025 does not have such situations.

   (2) Except for the matters stated in the preceding paragraph, the matters that are not approved by the Audit Committee, but resolved with the consent of two thirds of the board directors should be handled as follows: In addition to the descriptions stated in 2025, the attending independent directors at the Audit Committee meeting convened by the Company did not have any objections or reservations raised against other proposals.
2. For independent directors who have themselves recused for any proposals with a risk of conflict of interest, the name of said independent director(s), the content of the proposal, the reasons for recusal, and the participation in the voting should be detailed: There is not any risk

of conflict of interest for the independent directors to have themselves recused in the most recent year and as of the annual report printing date.

3. The communication between the Independent Directors and the Chief Internal Auditor and the certified public accountants (including the communications related to the financial position and state of operation of the Company, in materiality, the means of communications, and the result).

   The internal audit officer of the company will regularly report the audit results and the follow-up to the members of the Audit Committee. For any special circumstances, the internal audit officer will immediately notify the members of the Audit Committee. The communication between the Audit Committee and the internal audit officer of the Company is good.

   The Company's Audit Committee will commission the Company's public accountants to attend the Audit Committee meeting depending on the actual needs, and will report the audit results.

■ Communication between independent directors and accountant

Date of communication	Main points of communication	Implementation by the company
2026/02/02	The external auditors communicated privately with the Audit Committee on the 2025 audit plan	Independent directors do not dispute. The communication content is saved for reference.
2025/11/10	2025 Q3 consolidated financial statements	Independent directors do not dispute. It is submitted to the Board of Directors for resolution.
2025/08/15	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of 2025 Q2 were duly audited 2025 Q2 consolidated financial statements	Independent directors do not dispute. It is submitted to the Board of Directors for resolution.
2025/05/09	2025 Q1 consolidated financial statements	Independent directors do not dispute. It is submitted to the Board of Directors for resolution.
2025/03/10	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of Fiscal 2024 were duly audited And 2024 consolidated financial statements	Independent directors do not dispute. It is submitted to the Board of Directors for resolution.
2025/01/13	The external auditors communicated privately with the Audit Committee on the 2024 audit plan	Independent directors do not dispute. The communication content is saved for reference.

■ Communication between independent directors and internal audit executive:

Date of communication	Main points of communication	Implementation by the company
2026/02/02	Presented the 2025 Q4 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.
2025/11/10	Presented the 2025 Q3 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.
2025/08/15	Presented the 2025 Q2 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.
2025/05/09	Presented the 2025 Q1 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.
2025/03/10	Presented the 2024 Q4 audit report and nonconformities follow-up report to the independent directors for review.	Independent directors do not dispute. The communication content is saved for reference.

■ Major resolutions reached in the 2025 Audit Committee meeting and their handling:

Meeting date	Meeting	Major resolutions reached in the 2025 Audit Committee meeting	
2025/1/13	16th meeting of the 3rd term of the Audit Committee	Proposal 1	Communications with the Audit Committee are audited by Deloitte & Touche Taiwan (hereinafter, "Deloitte") in 2024.
		Resolutions	The CPAs communicated with the four independent directors separately. The four members attended the meeting, and the motion was passed by all members attending the meeting without objections.
		Proposal 2	Replacement of CPAs in 2025 and assessment of their independence and competence
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	Review 2025 audit fee proposed by Deloitte Taiwan.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	Non-assurance Engagements Provided by Deloitte Taiwan in 2025.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 5	The Company intends to endorse and guarantee a short-term loan of US$5 million from Taishin International Bank for its subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 6	The issue that the subsidiary Power Logic Tech. Inc. intends to apply to Taishin International Bank for a secured loan as short-term working capital within the limit of NT$121 million.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 7	Amendment to the Company's "Regulations Governing the Management of Intellectual Property Rights"

Meeting date	Meeting	Major resolutions reached in the 2025 Audit Committee meeting	
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 8	Amendments to the “Articles of Incorporation”.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2025/3/10	17th meeting of the 3rd term of the Audit Committee	Proposal 1	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of Fiscal 2024 were duly audited
		Resolutions	The CPAs communicated with the four independent directors separately. The four members attended the meeting, and the motion was passed by all members attending the meeting without objections.
		Proposal 2	The 2024 Business Report and consolidated financial statements of 2024.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	The Company’s 2024 earnings distribution.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	The declaration of the Company’s 2024 internal control system
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2025/4/2	18th meeting of the 3rd term of the Audit Committee	Proposal 1	Proposal of investment in a new 100% invested subsidiary in Thailand through POWER LOGIC HOLDINGS INC., a wholly owned subsidiary.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 2	A proposal to authorize the Chairman to seek to acquire land and real estate factory buildings in Thailand.

Meeting date	Meeting	Major resolutions reached in the 2025 Audit Committee meeting	
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	Proposal of director candidates for the subsidiary “POWER LOGIC TECH (THAILAND) CO., LTD (TBC)” in Thailand.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2025/5/9	19th meeting of the 3rd term of the Audit Committee	Proposal 1	2025 Q1 consolidated financial statements
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 2	Acquisition of land and real estate factory buildings in Thailand.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	Appointment of the highest decision-making executive in POWER LOGIC TECH (THAILAND) CO., LTD., a subsidiary in Thailand.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	The Company intends to handle the offering and issuance of the fourth unsecured convertible corporate bonds and the issuance of new shares from cash capitalization in Taiwan.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 5	Appointment of the Company’s acting spokesman.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 6	Promotion proposals for the Company
		Resolutions	The proposal was passed without objections through a show of hands from the four attending

Meeting date	Meeting	Major resolutions reached in the 2025 Audit Committee meeting	
			directors. All four directors voted in favor of the proposal.
2025/6/20	1st meeting of the 4th term of the Audit Committee	Proposal 1	Election of convener for the 4th Audit Committee.
		Resolutions	Independent Director Chou Yi-Hsin proposed that Independent Director Cheng Yi-Teng serve as the convener of the 4th term of the Audit Committee. The other members seconded the motion, and Independent Director Cheng Yi-Teng agreed to be the convener of the 4th term of the Audit Committee.
		Proposal 2	The Company amends the capital expenditure plan items and benefit evaluation for the offering and issuance of the fourth unsecured convertible corporate bonds and the issuance of new shares from cash capitalization in Taiwan.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	Amendment to the “Operational procedures for loaning funds to others”.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	It is proposed to add to the internal control system of subsidiary Power Logic Tech. Inc. – production cycle and research and development cycle.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2025/8/15	2nd meeting of the 4th term of the Audit Committee	Proposal 1	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of 2025 Q2 were duly audited
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 2	2025 Q2 consolidated financial statements
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

Meeting date	Meeting	Major resolutions reached in the 2025 Audit Committee meeting	
		Proposal 3	The Company intends to endorse and guarantee a mid-term loan of US$3.8 million from China Trust Bank for POWER LOGIC HOLDINGS INC.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	It was proposed that the parent company "SUN MAX TECH LIMITED" would lend US$1 million to the subsidiary "Power Logic Tech. Inc." and lend US$2 million to "SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH" as short-term working capital.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 5	Adjustment of CPAs in 2025 Q3 and assessment of their independence and competence of newly appointed accountants
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2025/11/10	3rd meeting of the 4th term of the Audit Committee	Proposal 1	2025 Q3 consolidated financial statements
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 2	The Company's 2026 operating plan and budget
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	It is proposed that for the 100% owned sub-subsidiary "Taiyi (Jiangxi) Electronics Technology Co., Ltd." to obtain an RMB 34 million credit line from China Trust Bank and for the subsidiary "SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH," a credit line of NT$40 million will be endorsed/guaranteed.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

Meeting date	Meeting	Major resolutions reached in the 2025 Audit Committee meeting	
		Proposal 4	With the intention of investing in the working capital of the 100% invested subsidiary, POWER LOGIC HOLDINGS INC, the company is expected to invest US$8,000,000.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 5	According to Article 13 of the “Regulations Governing Establishment of Internal Control System by Public Companies,” the Company’s Audit Office has formulated the 2026 audit plan according to the results of risk assessment.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 6	The proposal is to amend the internal control system of the Company and add the “management of sustainability information” for the internal control operations for other management procedures cycle of the subsidiaries including Power Logic Tech. Inc., SUN MAX TECH LIMITED Taiwan Branch (British Virgin Islands), Power Logic Tech. (DongGuan) Inc., and Taiyi (Jiangxi) Electronics Technology Co., Ltd., and amend the “internal audit implementation rules” of the Company to comply with current practices.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 7	Amendment to the “Procedure for the Acquisition and Disposition of Assets”.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

Meeting date	Meeting	Major resolutions reached in the 2026 Audit Committee meeting	
2026/2/2	4th meeting of the 4th term of the Audit Committee	Proposal 1	Communications with the Audit Committee are audited by Deloitte & Touche Taiwan in 2025.
		Resolutions	The CPAs communicated with the four independent directors separately. The four members attended the meeting, and the motion was passed by all members attending the meeting without objections.

Meeting date	Meeting	Major resolutions reached in the 2026 Audit Committee meeting	
		Proposal 2	CPAs in 2026 and assessment of their independence and competence
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	Review 2026 audit fee proposed by Deloitte Taiwan.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	Non-assurance Engagements Provided by Deloitte Taiwan in 2026.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 5	The Company intends to endorse and guarantee a short-term loan of US$5 million from Taishin International Bank for its subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 6	The issue that the subsidiary Power Logic Tech. Inc. intends to apply to Taishin International Bank for a loan as short-term working capital within the limit of NT$144 million.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 7	Amendment to the “Rules of Procedure for Shareholder Meetings.”
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2026/3/9	5th meeting of the 4th term of the Audit Committee	Proposal 1	Issues of communications by and between the certified public accountants and the Audit Committee after the financial statement of Fiscal 2025 were duly audited
		Resolutions	The proposal was passed without objections through a show of hands from the four attending

Meeting date	Meeting	Major resolutions reached in the 2026 Audit Committee meeting	
			directors. All four directors voted in favor of the proposal.
		Proposal 2	The 2025 Business Report and consolidated financial statements of 2025.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	The Company’s 2025 earnings distribution.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	The declaration of the Company’s 2025 internal control system
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 5	The subsidiary POWER LOGIC HOLDINGS INC. intends to make an additional investment, US$1 million, in a subsidiary POWER LOGIC TECH (THAILAND) CO., LTD., in Thailand.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

(III) How The Company's actual governance differs from The Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies and why:

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
I. Will the Company based on the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" set up and disclose the Company's corporate governance best-practice principles?	V		The Company has set up the "Code of Practice for Corporate Governance" and persists in safeguarding shareholders' rights, strengthening the board's functions, bringing the board's functions into full play, respecting stakeholder rights, enhancing information transparency, and other important corporate governance principles. It also establishes relevant corporate governance regulations, such as the "Board Meeting Rules," "Remuneration Committee Charter," "Internal Major Information Processing and Inside Trading Prevention Management," "Internal Audit System," "Code of Business Integrity and Conduct Guidelines," etc. Further, according to relevant laws and regulations, it discloses major company information, as well as financial and non-financial information. The board shall also comply with responsibilities given by shareholders to guide corporate management and effectively supervise management functions and disclosed on the "Corporate Governance Area- Rules and Regulations" on the company website for relevant stakeholders to refer to and download. (https://www.sun-max.com.tw/governance_tw.php?id=18)	No significant difference.
II. Shareholding structure and shareholders' equity				
(I) Will the Company have the internal procedures regulated to handle shareholders' proposals, doubts, disputes, and litigation matters; also, have the procedures implemented accordingly?	V		The Company has commissioned a stock agency to handle stock affairs and set up dedicated stock units, as well as spokespersons and representative spokesperson mechanisms in order to handle shareholder suggestions, inquiries, disputes, and legal affairs.	No significant difference.

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
(II) Will the Company possess the list of the Company's major shareholders and the list of the ultimate controllers of the major shareholders?	V		The Company learns about the Company's main shareholders and changes in the final controllers of main shareholders through the internal declaration system.	No significant difference.
(III) Will the Company establish and implement the risk control and firewall mechanisms with the related parties?	V		Assets and financial management in each associated company are independent of each other. The Company has established "Rules Governing Business and Financial Matters among the Group Companies, Specific Entities and Insiders" and the "Regulations Governing the Relevant Financial and Business Operations between Related Parties" with thorough reinforcement, especially in risk and firewall management.	No significant difference.
(IV) Will the Company set up internal norms to prohibit insiders from utilizing the undisclosed information to trade securities?	V		The Company has duly enacted "Management over Major Internal Information and Management to Prevent Insider Trading" to ban insiders of the Company from trading negotiable securities taking advantage of information not yet disclosed to the market. Routinely, the Company strengthens advocacy and publicity toward law compliance to enable the entire staff to become aware of the relevant provisions for faithful compliance. Article 9 of the "Corporate Governance Best-Practice Principles" stipulates that staff (including but not limited to directors) shall not trade stocks 30 days, the closure period, before the announcement of the annual report or 15 days before the announcement of the quarterly financial report. The policy to prevent insider trading was promulgated for all directors and managerial officers on June 9, 2025 and November 18, 2025, and toward all directors and the entire staff (including managerial officers). In February, April, July, and October 2025, the Company also reminds directors and insiders of the dates	No significant difference.

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
			of the period during which stock trading is closed prior to the public announcement of the financial report. The contents so promulgated were further disclosed through the "Corporate Governance – Corporate Governance" section on the company's website.	
III. The constitution and obligations of the board of directors				
(I) Is there a diversity policy with specific objectives and implementation approaches for the composition of the board of directors?	V		The Board has stipulated "Corporate Governance Best Practice Principles" and "Board Diversity Policy." The established management goals and implementation status are as follows: Target: According to Article 19 under "Corporate Governance Best Practice Principles," the composition of the board of directors shall be determined by taking diversity into consideration, such as gender, age, nationality and culture. The directors shall possess various professional knowledge, skills and industry experience and have the knowledge, skills and experience necessary to perform their duties. Nomination for the 5th term of the Board of Directors in 2025 to increase the number of female members to two, and an independent director of a different professional field. In the future, the Company will continue to make sure that at least one-third of the board is female. The Composition of the Company's Board of Directors has taken an integrated approach, including the abilities to make operating judgments, perform accounting and financial analysis, conduct management administration and exercise crisis management, industry knowledge and international market perspectives, as well as the abilities to lead and make policy decisions. To increase knowledge in issues concerning the economy,	No significant difference.

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
			environment and society for the top governing body, the house training courses provided to the board members will not be shorter than six hours every year, with external instructors invited. Achievement: The 5th Board of Directors is composed of seven members. Non-employee directors account for 71% (71% in 4th term); independent directors account for 100%; female directors (including independent members) account for 28% (14% in 4th term). The backgrounds covered include finance, business, human resource and industry management, etc., which are necessary for the Company's operation and strategy directions. For implementation of Board diversity, please see Page 16~17 in the annual report with the advocacy disclosure made available under "Corporate Governance-> Board of Directors" and "Corporate Governance-> Important Policies."	
(II) Will the Company, in addition to setting the Remuneration Committee and Audit Committee lawfully, have other functional committee set up voluntarily?		V	In addition to the Remuneration Committee and Audit Committee established as required by the law, to improve the functions of the Company's Board of Directors and strengthen its management mechanism, the "Nomination Committee" was established on January 13, 2025. In order to improve the Company's sustainable development operations, the "Sustainable Development Committee" was established, promoted from the original Sustainable Development Promotion Team on August 15, 2025.	No significant difference.
(III) Has the Company had the rules governing the performance evaluation of the board of directors and	V		The Company has duly enacted the Regulations Governing Evaluation of Performance by the Board of Directors and the methods to evaluate the same. In each and every year, exactly in accordance with	No significant difference.

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
evaluation methods stipulated, the performance evaluation performed annually and regularly, the results of the performance evaluations reported to the board of directors, and the evaluation result applied as a reference for individual director's remuneration and nomination for re-election?			the evaluation procedures and evaluation indices set forth under Articles 6 and 8 of "Regulations Governing Evaluation of Performance by the Board of Directors", the Company carried out evaluation of performance by the Board of Directors. Besides, once in every three years as the minimum, the Company outsourced external professional and independent institution(s) or external scholars and experts group to conduct one evaluation. The implementation of the 2025 internal performance evaluation of the Board of Directors was reported to the Board on February 2, 2026. Please see Page 34 to 36 in the annual report. The internal/external performance evaluation of the Board of Directors in the most recent meeting was reported to the Board on January 13, 2025. The Board of Directors has appointed the external organization, "Financial Research and Development Foundation" to conduct the performance evaluation of the Board of Directors from January 1, 2023 to September 21, 2024, and has also issued a performance evaluation report of the Board of Directors. Please refer to Page 37 to 39 of this annual report for details. Internal/External performance evaluation of the Board of Directors is disclosed on the website under the "Corporate Governance-> Board of Directors-> Report of Performance evaluation of the Board of Directors." The Company stipulated Rules Governing Director and Officer Remuneration, and the remuneration of directors and independent directors shall refer to the performance evaluation result of the Board of Directors, and adjust the same.	
(IV) Will the Company have the independence	V		The Company's appointment of certified public accountants (CPA) shall be passed	No significant difference.

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
of the public accountant evaluated regularly?			by the board, and the independence of CPAs shall be periodically assessed. The Company has conducted the assessment based on the five aspects and 13 indicators of "Audit Quality Indicators (AQIs)" announced by Article 47 under the Certified Public Accountant Act and the Bulletin of Norm of Professional Ethics for Certified Public Accountants of the Republic of China No. 10, which was passed by the Board meeting held on February 2, 2026. Assessment Items include: (1) For the latest audit, whether the Company has engaged the same CPAs without replacement for 7 years consecutively; (2)whether the CPAs have significant financial stakes or inappropriate relationship with the Company; (3)whether the CPAs have ensured integrity, (4)honesty and independence from their working personnel; (5)whether the CPAs had worked under the Group two years before conducting independent audit for the Company; (6)whether the CPAs have permitted others to practice under his or her names; (7)whether the CPAs have equity stakes or financing relations with any Group entities; (8) there is no money loan with the company or its conglomerates.; (9)whether the CPAs jointly hold stakes on ventures with any Group companies; (10)whether the CPAs hold regular working positions in any Group companies that pay him or her regular compensation; (11)whether the CPAs involved in policy making in any Group companies; (12)whether the CPAs own businesses that could compromise his or her independence; (13)whether the CPAs have family relationships within second degree of	

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
			kinship with any executives in any Group companies; (14)whether the CPAs receive illicit returns from facilitating a transaction. (15) As of today, no matters involving discipline or violating independence of the CPAs have discovered. The Company has a professional and independent business relationship with its independent auditors after the evaluation. (2) On January 13, 2026, CPAs Chia-Ming Chang and Tung-Ju Hsieh of Deloitte & Touche delivered the Chin-shen No. 11500391, stating that no independence violations occurred. (3) For the evaluation of the independence and suitability of the external auditors please see Page 126 of the annual report.	
IV. Has the Company had an adequate number of corporate governance personnel with appropriate qualifications, and appointed a chief corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors and supervisors, assisting directors and supervisors with legal compliance, handling matters relating to board meetings and shareholders meetings according to law, handling the	V		On May 12, 2023, the Board of Directors resolved that the position of Corporate Governance Supervisor would be held concurrently by the Vice President, YAO, Cheng-Min, assisted by the stock affairs unit, with the primary responsibility of providing the directors with the necessary information for the execution of the Board of Directors/shareholders meetings, collecting the latest development of the laws and regulations related to the operation of the Company, and assisting the directors in legal compliance matters. The audit unit implements the audit procedures in accordance with the audit plan and periodically reports to the Board of Directors on the status of implementation and tracks improvements. The legal unit assists directors and independent directors to understand relevant laws and regulations. The audit unit will evaluate the compliance with relevant laws, regulations, policies and procedures.	No significant difference.

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
registration and change registration of the company, producing minutes of board meetings and shareholders meetings, etc.)?			Implementation of 2025 corporate governance: (1) In 2025, the meeting secretariat held a total of eight Board of Directors meetings, eight Audit Committee meetings, five Remuneration Committee meetings, four Nomination Committee meetings, and one Sustainability Committee meeting. Directors were also reminded to recuse themselves from discussions where conflicts of interest arose, either directly or on behalf of their representatives. (2) Material information or announcements of significant resolutions made on the days of board meetings and general shareholders' meeting. (3) One general shareholders' meeting was convened this year and the notice of meeting, the meeting agenda book, the shareholders' meeting annual report, and the minutes of shareholders' meeting were all filed within the deadline. (4) Arrange director professional development courses for board members this year. (5) Purchase directors and officers liability insurance, report its details to the Board of Directors, and disclose the relevant information on the Market Observation Post System. (6) Two investor conferences were held this year to establish a broad range of communication channels with investors.	
V. Has the Company established a communication channel with the stakeholders (including but not limited to the	V		In response to varied circumstances, the Company has set up sound channels for communications toward shareholders, employees, customers and suppliers. Externally, the Company has set up the spokesman and acting spokesman(men)	No significant difference.

Items for evaluation	Implementation Status			Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
shareholders, employees, customers, and suppliers), set up a stakeholder section on the Company's website, and responded appropriately to the important corporate social responsibilities concerned by the stakeholders?			system and has strictly compiled with the same accordingly. On all key information, the Company promulgates exclusively through the spokesman process acting spokesman(men). The Company's litigation and non-litigation representatives are responsible for the disclosure of representative information and serve as communication channels between the Company and stakeholders. We have created a "Corporate Social Responsibility-Stakeholders" area to communicate any related issues with the interested parties. Matters regarding stakeholder issues, communication means and responding frequency have disclosed under "Corporate Social Responsibility-Stakeholders." The implementation of each external mail box and the handling during 2025 was discussed in the Board meeting on February 2, 2026 and disclosed under "Corporate Social Responsibility-Stakeholders."	
VI. Has the Company commissioned a professional stock service agent to handle shareholders affairs?	V		The Company has commissioned "Concorde Securities Co., Ltd.," a professional stock representative institution in Taiwan, to handle all stock matters.	No significant difference.
VII. Information Disclosure				
(I) Does the Company have a website setup and the financial business and corporate governance information disclosed?	V		The Company has set up its website (www.sun-max.com.tw), and relevant company information will continue to be disclosed thereupon. In addition, according to relevant provisions, relevant information will be disclosed on the Public Information Observatory.	No significant difference.
(II) Has the Company adopted other information disclosure methods (such as, establishing an English website, designating a responsible person for	V		The Company has set up websites in both Chinese and English (www.sun-max.com.tw) and has further provided information aiming at the Company's financial conditions and corporate governance related information. The Company has assigned specific personnel	No significant difference.

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
collecting and disclosing information of the Company, substantiating the spokesman system, placing the juristic person seminar program on the Company's website, etc.)?			to take charge of collection and disclosure of key information of the Company. Moreover, the Company has set up the spokesman and acting spokesman(men) system. The Company discloses the Institutional Investor Conferences related information onto "Relationship with Investors—Special Zones for Shareholders" special zone.	
(III) Has the Company announced and declared its financial report within 2 months after the end of the fiscal year, and announced and declared the quarterly financial report of Q1, Q2, and Q3 and the monthly business report before the deadline?		V	The Company filed revenue for each month in 2025 on the 10th day of each month. The Company announced and filed the financial statements for 2025 Q1, Q2 and Q3 before the statutory announcement deadline. The Company announced and filed the electronic record of self-reported financial information for the annual financial statement for 2025 on March 9, 2026 within 75 days after the fiscal year ended.	No significant difference.
VIII. Are there any other important information (including but not limited to the interests of employees, employee care, investor relations, supplier relations, the rights of stakeholders, the advanced study of directors and supervisors, the implementation of risk management policies and risk measurement standards, the execution of customer policy, the purchase of liability insurance for the Company's directors and	V		Important Information Conducive to an Insight into the Company's Corporate Governance Operations: 1. Employee Care: The Company has specified the percentage of employee compensation in its Articles of Association. And in accordance with the "Measures for Employee Performance Evaluation," the operating results are appropriately reflected in employee compensation according to the operating objectives, operating performance and contribution, to employee sharing. Information regarding employee benefits is disclosed on the website under "Corporate Governance-> Employee Benefits." The Company established the "SUN MAX TECH LIMITED Employee Welfare Trust Plan Committee" in	No significant difference.

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
supervisors) that are helpful in understanding the corporate governance operation of the Company?			2024 to motivate talent retention and enhance employees' retirement benefits. 2. Employee care: We foster a mutually beneficial workplace environment through a comprehensive welfare system, including occasional team meals, various grants and subsidies, childcare support, and healthcare benefits, to enhance the well-being of employees and create a happy workplace built on care and trust. 3. Investor Relationship: A dedicated personnel and email box have been appointed to ensure healthy communication to our investors. The associated information has been disclosed under "Corporate Social Responsibility-Stakeholders." 4. Supplier Relations: Explicit agreements with suppliers are set up to regulate each other's rights and obligatory relations. 5. Rights of Shareholders: Shareholders may communicate, give suggestions, and main proper legal rights through the Company's spokesperson and representative spokesperson system. 6. The status of the continuing education of directors and supervisors: All seven directors of the Company have attended the 6-hour continuing and professional education for directors; the Company has an Audit Committee and no supervisors. 7. Risk Management Policy and Risk Measurement Standard Execution Situation: The Company has set up its internal control system and relevant management guidelines, through which executions are carried out. In addition, auditors shall conduct executions and inspections according to the annual	

Items for evaluation	Yes	No	Implementation Status Summary	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
			audit plan in order to reduce and prevent any possible risks. 8. Customer Policy Execution Situation: The dedicated department is responsible for client inquiries and complaint channels. 9. Professional liability insurance for the protection of the Directors and the Supervisors: The Company has taken professional liability insurance for the protection of the Directors of the Company. (For Market Observation Post System, please go to http://mops.twse.com.tw) 10. We have prepared the "Succession Plan Operating Guidelines". A successor needs to have key abilities, including core job competency, management competency, professional (functional) competency, and regular competency, as well as the ability of decision-making and insights, creativity and sensitivity, agility and continuance, soft power and growing power, diversity and professionalism, ability of cultivating talents and of communication, self-discipline and moral characteristic. Systematic and standard processes will help the organization maintain the continuity of operating and management, and achieve the goals.	

IX. State of corrective action taken for responding to the results of the corporate governance assessment announced by Taiwan Stock Exchange Corporation in the Corporate Governance Center the most recent fiscal year, and the priority for improvement on issues pending further corrective action and related measures.

The total score of the 2024 corporate governance evaluation is 78.63.

Listed company ranking range: 51%–65%; industry: market capitalization less than NT$5 billion category ranking: 11%~20%. As of the date of publication of the annual report, the results of the corporate governance evaluation for 2025 have not been announced.

The Company's expected achievements for the 1st (2026) ESG Evaluation Indicators:

1. E-14 Does the company set up and disclose a biodiversity policy or commitment and explain its implementation?

Items for evaluation			Implementation Status	Deviation and causes of deviation from the Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Companies
	Yes	No	Summary	
2. S-23 Does the Company disclose its employee turnover rate by gender and age for the past two years and explain the reasons for the changes in those rates?				

(IV) The composition and operation of the Remuneration Committee:

(1) Information on the members of the Remuneration Committee

Condition / Name	Professional qualification and experience	State of independence	Number of public companies where the members of the Remuneration Committee are also the members of the remuneration committees of these companies
Independent director Cheng Yi-Teng	With more than 20 years of experience in commerce and business operations, he specializes in investment business. He has served as Director and President, Horizon Securities (Hong Kong) Co., Ltd., Director of Golden Point Management Ltd., Executive Director and Responsible Officer of Visionary Group Capital Management Limited, and Director of Mercuries & Associates Holding, Ltd. His professional knowledge in commerce is a significant benefit to the Company's operations. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. New independent director of the Company appointed on May 29, 2025, with a term of less than three terms.	0
Independent director Chang Cheng-Hsing	He is a full-time professor and Chief Human Resources Officer, Department of Civil Engineering at Tamkang University. He possesses professional knowledge in civil engineering and is responsible for developing and managing human resources strategies within the enterprise, demonstrating experience in cross-disciplinary collaboration and leadership. His ability to integrate academic and administrative functions provides significant benefits to the company's management and operations. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. New independent director of the Company appointed on May 29, 2025, with a term of less than three terms.	0
Independent director	Obtained a certified public accountant certificate in 2009 and	1. The independent statements from the independent	0

Condition / Name	Professional qualification and experience	State of independence	Number of public companies where the members of the Remuneration Committee are also the members of the remuneration committees of these companies
CHOU, YI-HSIN	previously served as Assistant Manager of the Audit Department at Deloitte & Touche, Audit Manager at SUNMAX TECH LIMITED, and Head of Group Audit and Chief Information Security Officer of Crowdfunding, Homeplus Digital Co., Ltd. He is currently the Chief Finance Officer at Acmepoint Energy Services Co., Ltd. Possesses professional business knowledge that is a significant benefit to the Company's operations. Does not meet any descriptions stated in Article 30 of The Company Act.	directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. New independent director of the Company appointed on May 29, 2025, with a term of less than three terms.	
Independent director Kuan Chih-Liang	Possesses the professional capacity and relevant working experiences in applied economics and business management. Working experience include being Dean of Academic Affairs, Kainan University, Strategy Mentor, Wolfnet Start Up A + On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China. Current Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University and an Independent Director of the Company. Does not meet any descriptions stated in Article 30 of The Company Act.	1. The independent statements from the independent directors were submitted at the nomination and election. 2. In compliance with "Regulations Governing the Appointment of Independent Directors and Compliance Matters for Public Companies" in a two-year period prior to being elected and the qualifications under Article 3. 3. Re-elected as an Independent Director of the Company on May 29, 2025, and has not served more than three terms.	3

(2) The operation of the Remuneration Committee

1. The 4th Remuneration Committee consists of four members.

2. The term of office for the 4th term of the Remuneration Committee is from May 29, 2025 to May 28, 2028. Five meetings (A) were convened by the Compensation Committee in 2025, the qualification and meeting attendance of the committee members are as follows:

Title	Name	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
Independent director (convener of the 3rd term)	CHEN, Tien-Szu	3	0	100%	Term expires on May 29, 2025
Independent director	CHIU, Shih-Fang	3	0	100%	Term expires on May 29, 2025
Independent director (convener of the 4th term)	Kuan Chih-Liang	5	0	100%	Re-elected on May 29, 2025
Independent director	Cheng Yi-Teng	2	0	100%	New appointment on May 29, 2025
Independent director	Chang Cheng-Hsing	2	0	100%	New appointment on May 29, 2025
Independent director	CHOU, YI-HSIN	2	0	100%	New appointment on May 29, 2025

Other notes:

1. The Board may not accept the recommendations of the Remuneration Committee, or revise the recommendations, specify the date of the Board meeting, the term, the content of the motion, the resolution of the Board, and the response of the Board towards the opinions of the Remuneration Committee (e.g., the remuneration package passed by the Board is superior to the recommendation of the Remuneration Committee, specify the difference and the reasons): None.
2. If any of the members of the Remuneration Committee hold adverse opinion or qualified opinions with record or in written declaration against the resolutions of the committee, specify the date and the session of the committee meeting, the content of the motion, the opinions of all members and the response to the opinions of the members: None.

(3) Important Resolutions and Handling Situation of the Remuneration Committee in 2025:

Meeting date	Meeting	Important Resolutions of The Remuneration Committee in 2025	
2025/1/13	9th meeting of the 3rd term of the Remuneration Committee	Proposal 1	Motion go distribute year-end bonus for 2024
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
		Proposal 2	Proposal for 2025 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.

Meeting date	Meeting	Important Resolutions of The Remuneration Committee in 2025	
		Proposal 3	The Company’s salary adjustment for 2025.
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
2025/3/10	10th meeting of the 3rd term of the Remuneration Committee	Proposal 1	The Company’s 2024 Employee Remuneration and Directors Remuneration Distribution Case
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
2025/5/9	9th meeting of the 3rd term of the Remuneration Committee	Proposal 1	Promotion proposals for the Company
		Resolutions	The proposal was passed without objections through a show of hands from the three attending directors. All three directors voted in favor of the proposal.
2025/6/20	1st meeting of the 4th term of the Remuneration Committee	Proposal 1	Election of convener for the 4th Remuneration Committee.
		Resolutions	Independent Director Chou Yi-Hsin proposed that Independent Director Kuan Chih-Liang serve as the convener of the 4th term of the Remuneration Committee. The other members seconded the motion, and Independent Director Kuan Chih-Liang agreed to be the convener of the 4th term of the Remuneration Committee.
		Proposal 2	Remuneration proposal for the 5th directors.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	Remuneration payment to Independent Director of the fifth term, Kuan Chih-Liang
		Resolutions	The chair, Kuan Chih-Liang, recused because of conflict of interest in this case. Independent Director, Chang Cheng-Hsing acted as chair in this case. Three members attended, with Independent Director, Chang Cheng-Hsing, recused for conflict of interests, and other members voted in majority without objection. The proposal passed.
		Proposal 4	Remuneration payment to Independent Director of the fifth term
		Resolutions	Four directors attended the meeting. Director Cheng Yi-Teng recused to avoid conflict of interest. The proposal was passed by a majority with the voting rights exercised by the remaining attending directors.
		Proposal 5	Remuneration payment to Independent Director of the fifth term, Chang Cheng-Hsing

Meeting date	Meeting	Important Resolutions of The Remuneration Committee in 2025	
		Resolutions	Four directors attended the meeting. Director Chang Cheng-Hsing recused to avoid conflict of interest. The proposal was passed by a majority with the voting rights exercised by the remaining attending directors.
		Proposal 6	Remuneration payment to Independent Director of the fifth term, Chou Yi-Hsin
		Resolutions	Four directors attended the meeting. Director Chou Yi-Hsin recused to avoid conflict of interest. The proposal was passed by a majority with the voting rights exercised by the remaining attending directors.
		Proposal 7	Proposal for remuneration of the special assistant of the president, Hsu, Jia-Heng, as manager
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2025/8/15	2nd meeting of the 4th term of the Remuneration Committee	Proposal 1	Details for the 2025 cash capital increase through new share issuance, guidelines for employee subscription and manager subscription detail
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

Meeting date	Meeting	Important Resolutions of The Remuneration Committee in 2026	
2026/2/2	3rd meeting of the 4th term of the Remuneration Committee	Proposal 1	2026 director remuneration proposal for the Thai subsidiary.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 2	Amendments to the Company’s Rules Governing Remuneration of Directors and Managerial Officers.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 3	2025 distribution of year-end bonus to managers
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 4	Motion for annual salary raise for 2026.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
		Proposal 5	Proposal for 2026 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.

		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.
2026/3/9	4th meeting of the 4th term of the Remuneration Committee	Proposal 1	The Company’s 2025 Employee Remuneration and Directors Remuneration Distribution Case
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

(V) Information on Nomination Committee Members and Operation:

The Company's Board of Directors approved the establishment of the Nomination Committee on January 13, 2025. The committee shall exercise the due care of a good administrator to perform the following duties, and submit recommendations to the Board of Directors for discussion:

1. Formulate and review the standards and succession plans for the election of directors and managers.
2. The Board of Directors shall select and review the list of candidates for the seats of directors and managers, assess the independence of the independent directors, and propose a list of candidates to the Board of Directors.
3. Formulate and review the establishment, duties and operations of each committee of the Board of Directors, and review the qualifications and potential conflicts of interest of each committee member.
4. Formulate and regularly review the directors' continuing education plan and the succession plan for managers.
5. Any other matters resolved by the Board of Directors to be handled by the Committee.

(1) The Company's 2nd term of Nomination Committee consists of five members, and the convener is Independent Director hang Cheng-Hsing.

(2) The term of office for the 2nd term of the Nomination Committee is from May 29, 2025 to May 28, 2028.

Four meetings (A) were convened by the Nomination Committee in 2025, the qualification and meeting attendance of the committee members are as follows:

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
Independent director	CHIU, Shih-Fang (convener of the 1st term)	As an Attorney-at-Law having satisfactorily passed the national level examination with official license, currently serving with Derkai Attorneys-at-Law Office as the leading Attorney-at-Law, with hands-on experiences accumulated in legal affairs, having appropriately offered professional proposals to the Company, significantly conducive to the Company in its	3	0	100%	Term expires on May 29, 2025

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
		business operations, serving as the Company's independent director.				
Independent director	CHEN, Tien-Szu	In possession of hands-on experiences accumulated electronic industry; highly conducive toward the Company in business operations.	3	0	100%	Term expires on May 29, 2025
Independent director	HSIEH, Yu-Tien	Possesses the professional capacity and relevant working experiences in business, banking business and financial analysis. A former instructor in Chinese Culture University, Jinwen University of Science and the Department of Business Administration, Shih Chien University and Technology. A current independent director of the Company.	3	0	100%	Term expires on May 29, 2025
Director	SINOTEAM HOLDINGS INC. Representative: HSU Wen-Faung	In abundant outlook toward markets in the international community, diversified thinking mode, profound cultivation of industrial strength, comprehensive business technology & know-how and skill, humanistic literacy as well as management under sound leadership; serving as the chairman of SUN MAX Group and	4	0	100%	Re-elected for another term on May 29, 2025

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
		independent director of LinkCom manufacturing Co., Ltd. leadership in business management; serving				
Director	LUXURY SHINE INTERNATIONAL LIMITED Representative: Chang Yuan-Fen	Elected as a director of the Company for years of contribution to the Group in various fields and professional opinions offered for improving financial matters.	4	0	100%	Re-elected for another term on May 29, 2025
Director	LAI, Jen-Chung	In possession of abundant hands-on experiences serving with the electronic industry with the effort to offer valid professional advice, rendering tremendous benefits toward the upgrade of the production technology and know-how; serving as the Company's director.	1	0	100%	New appointment on May 29, 2025
Independent director	Cheng Yi-Teng	With more than 20 years of experience in commerce and business operations, he specializes in investment business. He has served as Director and President, Horizon Securities (Hong Kong) Co., Ltd., Director of Golden Point Management Ltd., Executive Director and Responsible Officer of Visionary Group Capital Management Limited, and Director of Mercuries & Associates Holding,	1	0	100%	New appointment on May 29, 2025

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
		Ltd. His professional knowledge in commerce is a significant benefit to the Company's operations.				
Independent director	Chang Cheng-Hsing (convener of the 2nd term)	He is a full-time professor and Chief Human Resources Officer, Department of Civil Engineering at Tamkang University. He possesses professional knowledge in civil engineering and is responsible for developing and managing human resources strategies within the enterprise, demonstrating experience in cross-disciplinary collaboration and leadership. His ability to integrate academic and administrative functions provides significant benefits to the company's management and operations.	1	0	100%	New appointment on May 29, 2025
Independent director	CHOU, YI-HSIN	Obtained a certified public accountant certificate in 2009 and previously served as Assistant Manager of the Audit Department at Deloitte & Touche, Audit Manager at SUNMAX TECH LIMITED, and Head of Group Audit and Chief Information Security Officer of Crowdfunding, Homeplus Digital	1	0	100%	New appointment on May 29, 2025

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
		Co., Ltd. He is currently the Chief Finance Officer at Acmepoint Energy Services Co., Ltd. Possesses professional business knowledge that is a significant benefit to the Company's operations.				
Independent director	Kuan Chih-Liang	Possesses the professional capacity and relevant working experiences in applied economics and business management. Working experience include being Dean of Academic Affairs, Kainan University, Strategy Mentor, Wolfnet Start Up A + On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China. Current Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University and an Independent Director of the Company.	1	0	100%	New appointment on May 29, 2025

Other notes:

The meeting date, session, motion content, suggestions or objections of the Nomination Committee, resolution of the Nomination Committee, and the Company's handling of the 2025 Nomination Committee's opinions:

Meeting date	Meeting	Important resolutions of the Remuneration Committee in 2025	
2025/1/13	1st meeting of the 1st term of the Nomination Committee	Proposal 1	Election of the convener of the 1st term of the Nomination Committee
		Resolutions	Hsu Wen-Faung, the representative of SINOTEAM HOLDINGS INC., elected Chiu Shih-Fang, Independent Director, as the convener. Other members of the Board of Directors approved the proposal. The independent director, Chiu Shih-Fang, agreed to serve as the convener. It was resolved to have the independent director, Chiu Shih-Fang, as the convener of the first meeting of the first term of the Nomination Committee.
2025/3/10	2nd meeting of the 1st term of the Nomination Committee	Proposal 1	Nomination of candidates for the election of the 5th Board of Directors
		Resolutions	The proposal was passed without objections through a show of hands from the five attending directors. All five directors voted in favor of the proposal.
2505/5/9	3rd meeting of the 1st term of the Nomination Committee	Proposal 1	Promotion proposals for the Company
		Resolutions	Five committee members were present. After consulting with them, the proposal was passed without objections. All five directors voted in favor of the proposal.
2505/6/20	1st meeting of the 2nd term of the Nomination Committee	Proposal 1	Election of the convener of the 2nd term of the Nomination Committee
		Resolutions	Committee Member Chou Yi-Hsin proposed that Independent Director Chang Cheng-Hsing serve as the convener. The other members seconded the motion, and Independent Director Chang Cheng-Hsing agreed to be the convener of the 2nd term of the Remuneration Committee.
		Proposal 2	Proposal for appointment of the special assistant of the president, Hsu, Jia-Heng, as manager
		Resolutions	Seven committee members were present. After consulting with them, the proposal was passed without objections. All seven directors voted in favor of the proposal.

(VI) Information on Sustainable Development Committee Members and Operation:

The Company's Board of Directors approved the establishment of the Sustainable Development Committee on August 15, 2025. The committee shall exercise the due care of a good administrator to perform the following duties, and submit recommendations to the Board of Directors for discussion:

1. Formulation, promotion, and strengthening of corporate sustainable development policy, annual plans, and strategies.
2. Review, track, and revise the implementation and results of sustainable development efforts.
3. Supervise sustainable information disclosure and review the sustainability report.
4. Supervise the implementation of the Company's sustainable development principles or other sustainable development initiatives as resolved by the Board of Directors.
5. The Committee has established task forces on corporate governance, sustainable environment, supply chain/customer management, and social responsibility. The convener assigns relevant business officers to form functional teams.
   (1) The Company's 1st term of Sustainable Development Committee consists of four members, and the convener is Independent Director Chou Yi-Hsin.
   (2) The term of office for the 1st term of the Sustainable Development Committee is from August 15, 2025 to May 28, 2028.
   One meeting (A) were convened by the Sustainable Development Committee in 2025, the qualification and meeting attendance of the committee members are as follows:

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
Independent director	Cheng Yi-Teng	With more than 20 years of experience in commerce and business operations, he specializes in investment business. He has served as Director and President, Horizon Securities (Hong Kong) Co., Ltd., Director of Golden Point Management Ltd., Executive Director and Responsible Officer of Visionary Group Capital Management Limited, and Director of Mercuries & Associates Holding, Ltd. His professional knowledge in commerce is a significant benefit to the Company's operations.	1	0	100%	
Independent director	Chang Cheng-Hsing (convener of the 2nd term)	He is a full-time professor and Chief Human Resources Officer, Department of Civil Engineering at Tamkang University. He possesses professional knowledge in civil engineering and is responsible for developing and managing human resources strategies within the enterprise, demonstrating experience in	1	0	100%	

Title	Name	Professional qualification and experience	Actual number of attendance (B)	Attend through proxy	Attendance rate (%) (B/A)	Remarks
		cross-disciplinary collaboration and leadership. His ability to integrate academic and administrative functions provides significant benefits to the company's management and operations.				
Independent director	CHOU, YI-HSIN	Obtained a certified public accountant certificate in 2009 and previously served as Assistant Manager of the Audit Department at Deloitte & Touche, Audit Manager at SUNMAX TECH LIMITED, and Head of Group Audit and Chief Information Security Officer of Crowdfunding, Homeplus Digital Co., Ltd. He is currently the Chief Finance Officer at Acmepoint Energy Services Co., Ltd. Possesses professional business knowledge that is a significant benefit to the Company's operations.	1	0	100%	
Independent director	Kuan Chih-Liang	Possesses the professional capacity and relevant working experiences in applied economics and business management. Working experience include being Dean of Academic Affairs, Kainan University, Strategy Mentor, Wolfnet Start Up A + On-Site Incubator and Consulting Program Brand Innovation Think Tank, General Chamber of Commerce of the Republic of China. Current Director and Graduate Program Director, School of Applied Economics and Business Administration, National Ilan University and an Independent Director of the Company.	1	0	100%	

Other notes:

The meeting date, session, motion content, suggestions or objections of the Sustainable Development Committee, resolution of the Nomination Committee, and the Company's handling of the 2025 Nomination Committee's opinions:

Meeting date	Meeting	Important Resolutions of the Sustainable Development Committee in 2025	
2025/11/10	1st meeting of the 1st term of the Sustainable Development Committee	Proposal 1	Election of the convener of the 1st term of the Sustainable Development Committee
		Resolutions	Independent Director Kuan Chih-Liang proposed that Independent Director Chou Yi-Hsin serve as the convener of the 1st term of the Sustainable Development Committee. The other members seconded the motion, and Independent Director Chou Yi-Hsin agreed to be the convener of the 1st term of the Sustainable Development Committee.
		Proposal 2	Implementation of the Company's sustainable development in 2025
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

Meeting date	Meeting	Important Resolutions of the Sustainable Development Committee in 2026	
2026/2/2	2nd meeting of the 1st term of the Sustainable Development Committee	Proposal 1	The sustainable development task force reported on the progress of the 2025 sustainability report and other sustainability initiatives.
		Resolutions	The proposal was passed without objections through a show of hands from the four attending directors. All four directors voted in favor of the proposal.

(VI) Promotion of sustainable development and its implementation status and deviations from Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons:

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
1. Has the Company established a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the Board of Directors to be handled by senior management, and the supervision situation of the Board of Directors?	V		The Company is committed to improving its sustainable governance system. In 2023, the Board of Directors approved the establishment of the "Sustainable Development Promotion Team." Further, the "Sustainable Development Committee" was officially established under the Board of Directors on August 15, 2025, as the Company's highest-level sustainable governance unit. The committee is responsible for formulating and revising sustainable development system regulations, reviewing relevant policies and plans, and regularly tracking results to ensure the company's strategy aligns with its sustainability vision. The "Sustainable Development Promotion Team" established under it plays a critical role in horizontal connection and execution. Its members consist of department heads from audit, finance, information security, human resources, R&D, and decision-making officers from the Chinese production bases (Jiangxi and Dongguan). Its functional scope spans corporate governance, environmental sustainability, responsible supply chains, and social engagement. The implementation of the Group's carbon inventory and the sustainability performance were reported to the Board of Directors on August 15 and November 10, 2025,	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			respectively, to fulfill the Board of Directors' supervisory responsibilities for material ESG issues.	
II. Does the Company conduct risk assessments of environmental, social and corporate governance issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		The data disclosure includes the Company's sustainable development performance at the main sites from January to December 2025. The risk evaluation boundary is centered on the Company, including the existing locations in Taiwan and China. Based on the relevance with the operation, and influence on critical topics, the scope covers the subsidiaries – Cicheng Technology Co. Ltd., Power Logic Tech. (DongGuan) Inc. and Taiyi (Jiangxi) Electronic Technology Co., Ltd. However, the subsidiary in Thailand was established in April 2025 and acquired the plant in February 2026. It had not yet commenced actual operations as of the date this report was printed, and therefore was not included in the scope of this disclosure. Based on the materiality principle, the Company conducted risk evaluations on the environmental issues, social, and corporate governance issues related to the Company's operations: I. Operational environmental risk 1. The Company's products are all compliant with environmental protection regulations, and the factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED have passed the certification of the ISO 14001 environmental management system and the ISO 50001 energy management system, and continue to update the certification in accordance with the relevant requirements.	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			2. According to the assessment of risks responding to climate change identified by the TCFD, the results of the cross-departmental discussion on climate risks and opportunities were identified, and three opportunities and eight risks were identified. 3. According to ISO 14064--1, the Company inspects the greenhouse gas emissions annually and reviews the impacts faced by the Company's operations. II. Operating Social risk 1. The factory of Taiyi (Jiangxi) Electronic Technology Co., Ltd. and SUN MAX TECH LIMITED will be certified for the ISO 45001 Occupational Health and Safety Management System. The Company will continue to operate and manage occupational safety risks according to system requirements to reduce possible hazards and risks. 2. The factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED holds fire drills and industrial safety training every year. The training helps employees develop the ability to respond to emergencies and manage their own safety. In 2025, the training hours of Power Logic (JiangXi TAI YI). CO., LTD. were 1,100 hours, and the training hours of SUN MAX TECH LIMITED were 1,038 hours. 3. The Company has fully upgraded its information security protection capabilities, strengthened information security management through hardware and software upgrades, and held information security promotion activities from time to time.	

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			III. Operating corporate governance risk 1. Continue to strengthen the functionality of the Board. The Board adopts procedures and structures to inform, guide, manage, and supervise the company's activities to reach its goals. 2. The respective units performed a self-inspection, which was reviewed by the internal audit unit. The comprehensive self-inspection results were reported to the board of directors, and the units' assessment results were reported to the board of directors on March 10, 2025. A statement regarding the 2025 internal control system was issued in accordance with the regulations. Through the "Procedures for Ethical Management and. Guidelines for Conduct", "Ethical Corporate Management Best Practice Principles", ISO14064-1 greenhouse gas inventories and ISO14001 Environmental Management System Certification, conducted risk evaluations on the environmental issues, social, and corporate governance issues related to the Company's operations, and developed the policies and strategies of risk management.	
III. Environmental Issues				
(I) Does the Company have an appropriate environmental management system established in accordance with its industrial character?	V		The factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED have established the ISO 14001 environmental management system and have passed the third-party verification. (Validity period of the certificate for the two factories: July 2, 2024 – July 1, 2027).	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			The Company conducts annual greenhouse gas inventory in accordance with the ISO 14064--1 standard, conducts third-party verification, tracks carbon emissions data, and discloses the results on the sustainable report and the Company's website.	
(II) Is the Company committed to improving the efficiency of resource utilization and using recycled materials with low impact on the environment?	V		The main raw material of the Company's surplus is plastic material. Furthermore, defective materials or scraps during the production process are scrapped and recycled by a legitimate cleaning company. The raw materials used by the Company are in compliance with the RoHS, REACH and halogen-free specifications of the European Union. The product packaging materials are also made of recycled materials, such as corrugated cardboard boxes and corrugated partitions, to reduce environmental impact.	No significant difference.
(III) Does the Company assess the potential risks and opportunities of climate change for companies now and in the future, and take measures to address climate-related?	V		The Company has completed the preliminary risk assessment to evaluate how climate change affects the operation of risks and opportunities in accordance with the TCFD framework, and review and update it every year. The Company completed the first climate risk assessment in 2024, identifying short-term, mid-term and long-term climate risks and opportunities, and drawing up countermeasures. The detailed description of the Company's analysis of climate change risks and opportunities is also disclosed on the Company's website "Climate Change Response" and the annual sustainability report. https://www.sun-max.com.tw/responsibility_tw.php?id=31	No significant difference.
(IV) Does the Company count greenhouse gas emissions, water		V	I. Greenhouse gas:	The schedule and operation

<table>
<tr><th rowspan="2">Items for evaluation</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>consumption, and total weight of waste over the last two years, and formulate policies for greenhouse gas reduction, water consumption reduction, or other waste management?</td><td></td><td></td><td>All operating plants and subsidiaries of the Company have completed the greenhouse gas inventory and third-party verification. However, the subsidiary in Thailand was established in April 2025 and acquired the plant in February 2026. It had not yet commenced actual operations as of the date this report was printed, and therefore was not included in the scope of this disclosure. Actively strengthened their management capabilities in response to climate change, accurately grasped the greenhouse gas emissions, and incorporated this issue into the important aspects of the Company’s operations for evaluation and control. The management goals are as follows:

<u>Management goals</u>
Short-term: Complete all Scope 1 and 2 carbon inventories for the group’s subsidiaries.
Mid- and long-term: The renewable energy utilization rate of the production base reaches 50% or more by 2030, and the carbon reduction of the value chain is encouraged.

<u>Greenhouse gas emission in the past two years:</u>
Unit: tonCO2e
<table><tr><th>Year</th><th>Scope 1
Direct greenhouse gas emission</th><th>Scope 2
Indirect greenhouse gas emission</th><th>Scope 3
Other greenhouse gas emissions</th><th>Total emissions</th></tr></table></td><td>of the Sustainable Development Guide map for TWSE-Listed Companies with the Financial Supervisory Commission R.O.C. (Taiwan) was released in light of the company’s future needs.</td></tr>
</table>

<table>
<tr><th rowspan="2">Items for evaluation</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td>2025</td><td>240.5714</td><td>2643.8009</td><td>8436.5878</td><td>12630.495</td></tr>
<tr><td>2024</td><td>228.3108</td><td>2283.2610</td><td>8708.5046</td><td>11956.841</td></tr>
</table>

<u>GHG emission intensity in the past two years:</u>
Unit: ton CO2e/ million revenue
<table>
<tr><th>Year</th><th>Scope 1 + Scope 2 Emission intensity</th><th>Revenue (NTD)</th></tr>
<tr><td>2025</td><td>1.65</td><td>1,752,889,000</td></tr>
<tr><td>2024</td><td>1.99</td><td>1,262,815,000</td></tr>
</table>

*The organizational boundaries include the Taipei Office, Cicheng Technology Co., Ltd., and the factory of Power Logic (JiangXi TAI YI) CO., LTD. and SUN MAX TECH LIMITED.
*Scope 3 greenhouse gas emissions include: Category 3 – Indirect GHG emissions from transportation, Category 4 – Indirect GHG emissions from products used in the organization.
*The 2025 data has not been verified by a third-party verification unit, and the external verification is still ongoing. The latest data and verification results will be disclosed on the Company’s website and the 2025 sustainability report.

II. Effluent management:</td><td></td></tr>
</table>

<table>
<tr><th rowspan="2">Items for evaluation</th><th colspan="3">Implementation Status</th><th rowspan="2">Deviations from “Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies” and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>In addition, the Company has formulated the procedures for “waste treatment and monitoring”, “procedures for wastewater treatment and monitoring”, and “procedures for waste management” to strengthen the management of the company’s waste gas, wastewater, and wastes, and to reduce the adverse effects on the environment and the staff health.
Effluent treatment is in compliance with local regulations and internal standard procedures. The Company has qualified wastewater treatment facilities in place to manage effluents effectively. The main source of effluents of SUN MAX TECH LIMITED is domestic water. After the domestic water is treated in the septic tank, it is discharged to the sewer through the water outlet. Some of the coolant effluent from the air conditioner is discharged to the designated local sewer, and then to the designated local wastewater treatment plant for uniform treatment to ensure that it meets the requirements of the laws and regulations.

<u>Reduction target</u>
Water intensity has decreased by approximately 1.5% each year since the base year (2022).

<u>Water consumption:</u>
Unit: ton / million revenue
<table><tr><th>Year</th><th>Revenue (NTD)</th><th>Total water consumption (ton):</th><th>Water intensity (metric tons per million NTD)</th></tr></table></td><td></td></tr>
</table>

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	

2024	1,262,815,000	54,795	43.39
2025	1,752,889,000	61,867	35.30

*The survey covered the factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED.

The Company is committed to optimizing water resource management. In 2025, revenue grew by 38.8% with the expansion of production capacity. However, through effective water-saving measures, water intensity decreased from 43.39 metric tons per million dollars of revenue to 35.30 tons, a reduction of 18.6%. The Company continues to pursue a low-carbon and low-energy-consumption production model.

III. Waste management

Waste generated by the Company is divided into general waste (recoverable and non-recoverable) and hazardous waste. General industrial waste is mainly from office waste, accounting for 96% of the total waste, and hazardous waste only accounts for 4% of the total waste. The Company has implemented waste disposal and cleaning in accordance with the law, and implemented a recycling mechanism in accordance with the requirements of the ISO 14001 system. The Company signs a cleaning contract with a qualified cleaning company every year to confirm relevant management measures and practices. The cleaning company will regularly

<table>
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<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>clean and reuse the waste generated. Up to now, the Company has not had any default or illegal violation from the commissioned clearance companies.

<u>Waste output:</u>
Unit: ton
<table>
<tr><th>Year</th><th>General waste</th><th>Hazardous waste</th><th>Total volume</th></tr>
<tr><td>2025</td><td>53</td><td>3</td><td>56</td></tr>
<tr><td>2024</td><td>53</td><td>3</td><td>56</td></tr>
<tr><td colspan="4">*The survey covered the factory of Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED.</td></tr>
</table></td><td></td></tr>
<tr><td colspan="5">IV. Social Issues</td></tr>
<tr><td>(I) Does the Company have the relevant management policies and procedures stipulated in accordance with the relevant laws and regulations and international conventions on human rights?</td><td>V</td><td></td><td>I. SUN MAX TECH LIMITED is committed to abiding by international human rights treaties and local regulations of global operating sites, and supporting international labor-related human rights norms. We follow the “Universal Declaration of Human Rights,” “United Nations Global Compact,” “International Labour Organization Conventions,” “Guiding Principles on Business and Human Rights,” “ILO Declaration on Fundamental Principles and Rights at Work,” “OECD Guidelines for Multinational Enterprises,” “Responsible Business Alliance,” “Convention on the Rights of the Child,” and “Protocol to Prevent, Suppress and Punish Trafficking in Persons” to prevent any violations or human rights abuses, and to respect human rights and other policies protecting business ethics, the environment, and social</td><td>No significant difference.</td></tr>
</table>

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			issues. Meanwhile, the "code of conduct" and "human rights policy" were established and published on the official website of SUN MAX TECH LIMITED, requiring all colleagues to abide by the relevant regulations when performing daily work and conducting business. https://www.sun-max.com.tw/governance_tw.php?id=18. II. In addition, the Company has formulated employment rules in accordance with relevant labor laws and regulations, clearly defining various labor conditions and ensuring the legal rights and interests of employees. SUN MAX TECH LIMITED adopts a "zero tolerance" principle for misconduct and all forms of workplace violations based on relevant reporting regulations, and encourages open communication among employees and related parties. When an employee experiences unfair treatment or has concerns, they may report the issue anonymously or by name. SUN MAX TECH LIMITED is available 24/7 to receive complaints, ensuring stakeholders can submit them regardless of language or time zone.	
(II) Has the Company formulated and implemented reasonable employee benefits measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect	V		I. Compensation for employee: The Company has set up the employee performance management procedures, and provides reasonable compensations according to the employees' job duties and contribution based on the performance evaluation. The compensation policy and procedures are resolved by the Compensation Committee. II. Employee welfare policy: the Company provides employee welfare in accordance with the Labor Standards Act, including leave (such as absence of leave, marriage	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
operating performance or results in employee remuneration?			leave, funeral leave, injury/sick leave, maternity leave, and paternity leave). The salary structure and employee welfare are stipulated in the work rules. III. Workplace diversity and equality: Realize wage equality and gender equality for promotion opportunities. 21.05% of the females in the Taipei headquarters are managers in 2025, contributing to the economic growth of gender equality. In 2025, 27.85% of the employees are female. IV. Reflect business performance in employee remuneration: When the Company has good operating performance, the operating performance will be properly reflected in the year-end performance evaluation. Please refer to pages 136 to 137 of the annual report for details on remuneration distribution. V. Incentives: To attract and retain the talent we need, motivate employees, enhance employee morale and loyalty, and help them achieve long-term savings to ensure a stable future, while enhancing employee engagement with the Company. Therefore, employees are able to hold shares of the Company via the trust mechanism and share in the corporate operating results. VI. Retirement system: Please refer to page 168 of the annual report for details on employee retirement measures.	

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
(III) Does the Company provide employees with a safe and healthy work environment, and provide safety and health education to employees regularly?	V		I. The Company provides a safe, comfortable, and healthy work environment, complies with relevant laws and regulations, and promotes the concept of environmental safety to employees. After the third-party verification of the ISO 45001 occupational health and safety management system for the factory is performed for Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED., the Company will continue to run the occupational safety and health process based on the system requirements. (Validity period of the certificate for the two factories: May 29, 2024 – May 28, 2027). II. The Company actively cares for the physical and mental health of its employees, and organizes annual health checkups for them. It is hoped that a healthy and friendly working environment can be provided. III. In 2025, there were no occupational injuries in Taiwan or at the factory of SUN MAX TECH LIMITED. There were two occupational injuries in the factory of Power Logic (JiangXi TAI YI). CO., LTD. These occupational injuries were caused by mechanical operation negligence, and the Company immediately suspended operations based on the accident response measures, sent personnel for immediate medical treatment, initiated emergency procedures, and implemented employee care mechanisms to investigate the incident. Both employees recovered and resumed their duties. Please refer to pages 169 to 170 of the annual report for details on work environment protection measures.	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			IV. On April 28 and October 29, 2025, the factory of Power Logic (JiangXi TAI YI). CO., LTD. organized a factory-wide occupational accident and fire drill in the factory. A total of 550 people attended for a total of 1,100 hours. On May 23 and October 21, 2025, the factory of SUN MAX TECH LIMITED. organized a factory-wide occupational accident and fire drill in the factory. A total of 519 people attended for a total of 1,038 hours. V. There was no fire incident at the Company in 2025. Fire drills and annual fire reports are conducted on a regular basis every year, and are kept for the reference of the fire squad.	
(IV) Does the Company have an effective career capacity development training program established for the employees?	V		I. The company adheres to the policy of differentiation in talent management and the ultimate objective of overall organizational performance. The company encourages its business managers to improve their own skills and management knowledge. To increase its overall competitiveness, the company has implemented the "Regulations Governing On-the-Job Training of Managers." Additionally, employees are encouraged to pursue continuing education and build professional skills. The "Education training and qualification management procedure" has been established, funds have been allocated for various educational training, seminars are held on a regular or periodic basis and lecturers have been hired. According to their expertise level, internal or external education training has been provided to	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			employees in order to cultivate their professional skills and encourage their personal growth. II. For 2025, the Taipei headquarters conducted physical or online internal training courses, resulting in a total of 653.5 hours of internal and external training. Please refer to pages 163 to 167 of the annual report for a detailed list of courses.	
(V) Regarding customer health and safety, customer privacy, marketing, and labeling of products and services, does the Company comply with relevant regulations and international standards, and formulate relevant consumer protection policies and appeal procedures?	V		The Company regards customers as important partners and provides strict protection for customer privacy and confidential information, treating it with the same level of security as its own confidential information. The Company continuously improves its information security system and strengthens its protective capabilities. In addition to complying with national laws and regulations, we set "Privacy Protection Policy" covering all branches, operating sites, subsidiaries, and suppliers. We also implement strict personal data privacy security management and protection measures, formulate customer rights protection policies, and provide grievance channels. With a goal of achieving "zero tolerance," we implement the "Information and Communication Security Policy" and "Privacy Protection Policy" from the source, integrating information security into daily operations and ensuring "zero" major information security and personal data incidents. Meanwhile, SUN MAX TECH LIMITED will sign a non-disclosure agreement (NDA) with customers and strictly adhere to the contract terms. Since opening, we have never violated any contractual obligations and have no record of violating relevant laws and regulations. We have earned high recognition and trust within the industry.	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			Before the relevant business is promoted, a risk assessment will be conducted to review and evaluate the legitimacy of data access and ensure the integrity of data protection mechanisms to mitigate risks associated with data processing. The collection, processing, utilization, and protection of personal data privacy involved in the course of operations are subject to relevant government laws and regulations and are conducted within the scope of those regulations. Personal data was not provided, rented, or disclosed to third parties in any disguised form, and the Company is committed to maintaining the security and privacy of customer data.	
(VI) Whether the company has supplier management policy and requests suppliers to comply with environment conservation, occupational safety and health or labor rights and their implementation.	V		I. The Company is committed to building a good development cycle with suppliers, creating a long-term partnership of mutual survival and prosperity, and improving product quality. The Company also actively collaborates with suppliers on development and pays attention to their sustainable development issues and environmental friendliness. Regular supplier assessments are conducted and communication channels are established to actively promote suppliers' implementation of social responsibilities and their pursuit of sustainable development. II. Supplier evaluation SUN MAX TECH LIMITED conducts a supplier assessment every year. The assessment includes supplier's quality, pricing, delivery, sustainable development, and service ability. The Company has long-term cooperative relationships with outstanding suppliers and promotes the importance of environmental, social, and	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			corporate governance (ESG) compliance to suppliers. For the manufacturers with excellent results of the evaluation, orders will be increased to reward them. For the manufacturers with unsatisfying results of the evaluation, they are required to make improvements and orders will be suspended when necessary. At the same time, suppliers are required to sign the "Social Responsibility Pledge" and "Environmental Protection Guarantee." They are expected to fulfill corporate social responsibility while pursuing business interests.	
V. Has the Company consulted the standard or directions commonly used worldwide in compiling the sustainable report for the disclosure of non-financial information on the Company? Is the aforementioned report subject to the validation or guarantee by a third-party accreditor?		V	I. As of the date of publication of the annual report, the company's sustainability report is under preparation. The content is prepared in accordance with the guidelines and structure of the GRI Standards published by the Global Reporting Initiative (GRI). The report details how SUN MAX TECH LIMITED (hereinafter referred to as SUN MAX TECH or the Company) fulfills its corporate social responsibility, along with specific measures the Company actively takes in areas such as sustainable management, corporate governance, ethical management, operational performance, customer service, product quality, sustainable supply chain management, green production for a sustainable environment, and promoting a healthy and safe working environment. II. This report has not been assured by a third party, and will be arranged in accordance with the schedule of the "ESG Sustainable Development Action Plan for TWSE and TPEx Listed Companies" in the future. This report will provide reliable and transparent data on the issues of concern to investors, promote two-	No significant difference.

Items for evaluation	Implementation Status			Deviations from "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary	
			way communication with internal and external stakeholders, and fully present the transparency and reliability of the Company's management approach and data on various topics of corporate sustainable development.	
VI. For companies who had established Sustainable Development Best Principles of conducts in accordance with the "Sustainable Development Best Practice Principles for TWSE/GTSM-Listed Companies", please describe the current practice and any deviations from the code of conduct: The Company has set up the "Code of Practice for Sustainable Development" and is committed to promoting sustainable development, without major deviations from that of the Code of Practice.				
VII. Other important information that helps understand the implemented sustainability: In addition to emphasizing on regulatory compliance to protect all stakeholders, it also has its own social responsibility requirement of concern to the society and expected of enterprises, forming a part of its corporate culture.				

Climate-Related Information of TWSE / TPEx Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Board of Directors of the Company is the highest-level governing body for climate-related risks and opportunities, and the Sustainable Development Committee was established under the Board on August 15, 2025. The Committee is responsible for reviewing sustainable development policies, strategies, and management guidelines, and supervising the Company's implementation of climate change response measures and plans.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	The Company is actively researching and developing solutions to reduce the operational and financial impacts of climate change, and effectively enhance the Company's climate resilience. The Company's legal requirement is short term, 3 years or less; mid-term, 3–5 years; and long-term, 5 years or more. In addition, the Company further evaluates the visible and potential impact of climate change on the Company. Risks are identified as transition risks and physical risks. Opportunities are product opportunities and resilience opportunities. Please refer to the Company's official website "Climate Change Response" section for details. https://www.sun-max.com.tw/responsibility_tw.php?id=31
3. Describe the financial impact of extreme weather events and transformative actions.	The Company's operations may face various extreme climate risks, such as high temperatures, droughts, typhoons, heavy rainfall, floods, and other extreme weather disasters, which may directly or indirectly cause malfunctions and abnormalities of machinery and equipment in a short time, and may cause delays in delivery of goods, limitations on production capacity, and employees having commute problems, among other circumstances. Such circumstances may also have a partial impact on the Group's operations. However, these impacts are temporary and short-term and are not expected to cause significant financial impacts in the long term. The Group has taken out insurance for fixed assets, machinery and equipment, inventories, etc. according to characteristics of operating areas to mitigate possible losses. However, these insurance policies may not provide adequate protection under certain circumstances and may adversely affect operations. However, it also provides opportunities for the Company to respond to such risks. If it is successfully transformed, it can bring long-term profits and improve climate resilience.
4. Describe how climate risk identification,	The Company established the "Risk Management Best Practice Principles" on November 11, 2022.

Item	Implementation status
assessment, and management processes are integrated into the overall risk management system.	The Company breaks it down into the primary parts of corporate governance, sustainable environment (including but not limited to climate risk), supply chain/partnerships, and social responsibility, and mainly evaluates the risks of each part, and the heads of Audit, Stock Affairs, Finance, Information Security, Human Resources, Research and Development Departments, and decision makers in Power Logic (JiangXi TAI YI). CO., LTD. and SUN MAX TECH LIMITED. regularly review the business risks of each department and put forward response measures to address these risks, and report them in the Board of Directors' Meeting to strengthen the Company's ability to respond to risks.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	In order to respond to the potential hazards caused by short-term, mid-term, and long-term climate risks on SUN MAX TECH LIMITED, the Company's scenario analysis is based on the scenario analysis of the "Taiwan Climate Change Projection Information and Adaptation Knowledge Platform" website. The website has detailed the analysis of various scenarios, and built the climate scenarios of the local climate change estimation model in Taiwan. The low-carbon emissions scenarios of IPCC AR6 SSP5-2.6 and the extremely high emissions scenarios of SSP5-8.5 are selected for the climate scenario, to discuss the natural disasters that continue to intensify due to high temperatures and heavy rainfall. For the business impact of SUN MAX TECH LIMITED, please refer to the Company's official website "Climate Change Response" for detail. https://www.sun-max.com.tw/responsibility_tw.php?id=31
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	The Company promotes various energy-saving programs, sets up photovoltaic plants, and conducts greenhouse gas carbon inventory, to implement carbon reduction and energy-saving planning, and gradually achieve climate risk transition.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	The Company is currently not within the scope of carbon tax or compulsory carbon trading management; hence it has not used internal carbon pricing as a planning tool.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant	The Company has followed the TCFD framework to conduct risk identification and analysis for climate risk, and strengthened climate management response. Please refer to the Company's official website "Climate Change Response" section for details. https://www.sun-max.com.tw/responsibility_tw.php?id=3

<table>
<tr><th>Item</th><th>Implementation status</th></tr>
<tr><td>targets, the source and quantity of carbon credits or RECs to be offset should be specified.</td><td></td></tr>
<tr><td>9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).</td><td>The Group has initiated the Group’s greenhouse gas inventory in 2023 and set 2023 as the base year for inventory. Various inventory operations for 2025 are still ongoing. The Company’s largest emission source is the purchased electricity in Scope 2. To conserve electricity, the Company has promoted the energy-saving policy in the office and production base factories, checked the energy-consuming equipment, and prioritized energy-saving equipment for replacement, to achieve greenhouse gas reduction.

Greenhouse gas emission in the past two years:
Unit: tonCO2e
<table><tr><th>Year</th><th>Scope 1
Direct greenhouse gas emission</th><th>Scope 2
Indirect greenhouse gas emission</th><th>Scope 3
Other greenhouse gas emissions</th><th>Total emissions</th></tr><tr><td>2025</td><td>240.5714</td><td>2643.8009</td><td>8436.5878</td><td>12630.495</td></tr><tr><td>2024</td><td>228.3108</td><td>2283.2610</td><td>8708.5046</td><td>11956.841</td></tr></table>*The organizational boundaries include the Taipei Office, Cicheng Technology Co., Ltd., and the factory of Power Logic (JiangXi TAI YI) CO., LTD. and SUN MAX TECH LIMITED.
*Scope 3 greenhouse gas emissions include: Category 3 – Indirect GHG emissions from transportation, Category 4 – Indirect GHG emissions from products used in the organization.
*The 2025 data has not been verified by a third-party verification unit, and the external verification is still ongoing. The latest data and verification results will be disclosed on the Company’s website and the 2025 sustainability report.

Greenhouse gas assurance status:
As of the publication date of the annual report, the third-party verification unit is currently reviewing the 2025 carbon emission data. The complete information will be disclosed in the sustainability report. The 2024 carbon emission data has been certified by a third-party verification agency, and the certification was completed by AFNOR Asia, Ltd.</td></tr>
</table>

(VII) The Bank's ethical corporate management performance and its difference from the "Ethical Corporate Management Best-Practices Principles for TWSE/GTSM Listed Companies" and the root causes

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
I. The policy and plan of business integrity				
(I) Has the Company specified its policy and method for the implementation of ethical corporate management in its internal rules and regulations and external documents, and have the Board and the management of the Company promised to pursue the policy of ethical corporate management?	V		(I) The Company has set up the "Business Integrity Rules" and "Business Integrity Operating Procedures and Conduct Guidelines," and both of them were approved by the Board of Directors on June 28, 2017, and the latest amendment was made on March 19, 2022. The "Internal Major Information Handling and Insider Trading Prevention Management" was approved by the Board of Directors on April 29, 2016, and the latest amendment was made on August 29, 2022. (II) The Company values and adheres by justice, honesty, and integrity. Therefore, all managers and employees must abide by relevant conduct rules when engaging in any activities. (III) Refer to Page 109 of the Annual Report for the Company's implementation of the business integrity education training. (IV) The Company has published the status of its ethical management. Please go to "Corporate Governance-Corporate Governance" in our website for details.	No significant difference.

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
(II) Has the Company had established a risk assessment mechanism against unethical conduct, regularly analyzed and assessed business activities within the business scope which were at a higher risk of being involved in unethical conduct and established prevention programs accordingly that at least included the preventive measures against the conducts specified in Article 7, paragraph 2 of the "Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies?"	V		The Company has formulated the "Regulations Governing Handling of Material Inside Information and Prevention of Insider Trading", which specifies that no director, managerial officer, or employee with knowledge of material inside information of the Company may divulge the information to others; no director, managerial officer, or employee of the Company may inquire about or collect any non-public material inside information of the Company not related to their individual duties from a person with knowledge of such information, nor may they disclose to others any non-public material inside information of the Company of which they become aware for reasons other than the performance of their duties. Any organization or person outside of the Company that is involved in any corporate action of the Company relating to a merger or acquisition, major memorandum of understanding, strategic alliance, other business partnership plans, or the signing of a major contract shall be required to sign a confidentiality agreement, and may not disclose to another party any material inside information of the Company's thus acquired. The Company also provides insider trading for directors and all employees to prevent unethical conduct.	No significant difference.

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
(III) Whether the company has plans for dishonest behavior prevention, and each plan has procedures, behavior guidelines, penalty for violations and complaints, which are strictly implemented and periodically reviewed and corrected.	V		The Company has included the plan of preventing unethical conduct in the "Procedures for Ethical Management and Guidelines for Conduct." The plan specifies the processes of receiving improper profits, prohibition on facilitation payments, political donations, charitable donation or sponsorship, recusal from conflict of interests, how to handle the unethical conducts by employees or outside parties. Additionally, there are work rules and educational propaganda reminding the employees of the importance of ethical conduct from time to time and regular reviews apply. There are also employee discipline procedures as the basis for imposing punishments on employees who engaged in unethical conduct. The whistleblower reporting form for complaints is available at "Corporate Social Responsibility – Stakeholder" section.	No significant difference.
II. The Materialization of Business Integrity				
(I) Does the company have the integrity of the trade counterparty assessed and with the code of integrity expressed in the contract signed?	V		Prior to transacting, the Company shall investigate the credibility of transacting parties in accordance with internal control related guidelines and find out if the involved parties incurred dishonest transaction conducts. Customer: The Company has stipulated the "Customer Credit Management Regulations" to conduct credit investigation on the customer's operation, financial background, and sales policy. With the establishment	No significant difference.

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
			of the Regulations, the Company creates customer data to determine the customer's credit limit and set credit limit control in the ERP system. Manufacturer: SUN MAX TECH LIMITED treats suppliers as long-term sustainability partners. To uphold business integrity and align with international human rights and labor standards (such as the Responsible Business Alliance (RBA)), we actively promote our supplier management policy. As of 2025, SUN MAX TECH LIMITED has signed the "Social Responsibility Commitment" with key suppliers, achieving an overall signing rate of 83.72%. They are expected to fulfill corporate social responsibility while pursuing business interests.	
(II) Does the Company set up a unit dedicated to promoting ethical corporate management under the board of directors, and regularly (at least once a year) report to the board of directors its ethical corporate management policies and unethical conduct preventive action and the implementation of supervision?		V	The company has not yet established a unit dedicated to promoting ethical corporate management best practices. The legal department serves as the unit responsible for concurrently promoting ethical best practices in corporate management and is in charge of related matters. The company has set up the "Ethical Corporate Management Best Practice Principles" and the "Codes of Ethical Conduct," as well as a reporting system to discourage any illegal or conducts in violation of ethical conduct and ethical corporate management best practice policies. Related situations are reported to the board of	Based on the company's future operating needs, a dedicated unit under the board of directors for promoting ethical corporate management best practice has been established.

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
			directors once a year. On February 2, 2026, the execution status was reported to the board of directors. (1) The Company has implemented the following policies for ethical corporate management: 1. Refer to Page 109 of the Annual Report for the Company's implementation of the business integrity education training. 2. Whistleblower system and whistleblower protection: No relevant reports were received in 2025.	
(III) Does the Company have developed policies to prevent conflicts of interest, provided adequate channel for communication, and substantiated the policies?	V		The company has established the "Ethical Corporate Management Best Practice Principles," the "Procedures for Ethical Management and Guidelines for Conduct" and other regulations. These regulations stipulate the policies for the preventing the conflict of interest and provide appropriate channels for making statements. This company complies with Article 19 of the "Ethical Corporate Management Best Practice Principles" and Article 15 of the "Regulations Governing Procedures for Board of Directors' Meetings." If a motion requires the avoidance of conflicts of interest at every board of directors' meeting, the convener must remind the interested party to leave before the motion is read. In 2025, eight board of directors meetings were convened in accordance with the "Regulations Governing	No significant difference.

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
			Procedure for Board of Directors' Meetings."	
(IV) Does the Company have established an effective accounting system and internal control system for the implementation of ethical corporate management, and the internal audit unit based on the assessed risk of unethical conduct to formulate relevant audit plans, and check the compliance with the unethical conduct preventive action or commission an accountant to perform the check?	V		In addition to the Ethical Corporate Management Best-Practice Principles for regulating the management, the Company has established the "Regulations Governing Transactions with Group Enterprises, Specified Companies, and Related Parties" and the "Regulations Governing the Relevant Financial and Business Operations between Related Parties" for related party transactions. The internal audit office, every year, plans a operating program to check the accounting system, implementation of internal control system and ethical management in accordance with the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" and "Ethical Management Best Practice Principles"	No significant difference.
(V) Has the Company organized corporate management internal and external education and training programs on a regular basis?	V		The Company's execution of ethical operation training can be found on page 109 of this Annual Report. Other information is available at "Corporate Governance – Corporate Governance" section.	No significant difference.
III. The operations of the Company's Report System				
(I) Does the Company have a specific report and reward system stipulated, a convenient report channel established and a responsible	V		The Company has set up the "Guidelines for Reporter Exercise and Protection" and has designated an email box (impeach@@powerlogic.tw)	No significant difference.

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
staff designated to handle the individual being reported?			for reporting cases and a responsible staff designated to handle the individual being reported, ensuring reporters' unobstructed communication channels, protecting specific reporting and incentive systems, and maintaining the Company's business integrity related operations. The Guidelines stipulated relevant dedicated personnel for handling reported cases. Investors may visit the "Corporate Governance Area-Rules and Regulations" on the company website for details.	
(II) Has the Company established the standard operation procedures for the investigation of complaints as reported, follow-up actions after the investigation, and related mechanisms for confidentiality?	V		The Company has established "Whistleblower System and Protection" and a dedicated email box (impeach@@powerlogic.tw) to ensure direct communication. Each accusation received will be complied and filed after the investigation is completed. No accusation or reporting had been received as of the printing date of the annual report. Investors can refer to the disclosure under "Corporate Social Responsibility-Stakeholders."	No significant difference.
(III) Has the Company taken proper measures to protect the whistle-blowers from suffering any consequence of reporting an incident?	V		The Company has established "Whistleblower System and Protection" which explicitly states that no whistleblower is subject to punishments or similar treatments. No accusation or reporting had been received as of the printing date of the annual report.	No significant difference.

Items for evaluation	Implementation Status			Difference with other companies listed in TWSE/GTSM in best-practice principles of business integrity
	Yes	No	Summary	
IV. Enhancing Information Disclosure (1) Does the Company have the contents of corporate management and its implementation disclosed on the website and MOPS?	V		The Company has disclosed its ethical management operations and the implementation status in the Company website and Market Observation Post System. The investor can look into to the disclosure under "Corporate Governance-Corporate Governance" in the website.	No significant difference.
V. Where the Company may have establish its own business integrity best-practice principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies", and shall elaborate the practice of business integrity and the variations from the aforementioned regulation: No significant difference The Company has set up Business Integrity Rules. All company staff, managers, and board members must abide by the norms and relevant provisions in the guidelines. The Company's business integrity rules-based operations and the contents of the norms show no difference. Refer to Page 109 of the annual report for the Company's implementation of the business integrity education training.				
VI. Other important information that helps to understand the practice of business integrity of the company (e.g., the review and revision of the best-practice principles of the Company in business integrity) 1. The Company regularly arranges corporate governance courses for directors to attend and irregularly advocates the business integrity policy through internal meetings. 2. The Company strictly complies with the Company Act, Securities and Exchange Act, relevant regulations for TAIEX listed and OTC listed companies, and other relevant business conduct regulations, which shall serve as the basis for implementing business integrity. 3. Please refer to the "Corporate Governance" and "Social Responsibility" in the Company website, http//www.sun-max.com.tw.				

(VIII) Any other vital information that helps to understand the performance of corporate governance of the Company shall also be disclosed:

(1) Comply with the internal control system, implement internal control self-assessments, and strengthen audits and submissions to the board, thereby achieving the purpose of receiving board concern and supervision.

(2) Implement the spokesperson system, make timely major information announcements on the Public Information Observatory, and strengthen information transparency and the maintenance of investors' rights.

(3) In order to strengthen corporate governance, the company board has passed the "Code of Practice for Corporate Governance," the "Business Integrity Rules," the "Business Integrity Operating Procedures and Operational Guidelines," the "Code of Practice for Sustainable Development," "Moral Conduct Standards," "Major Accidental Event Notification Procedure," "Risk Control Operation Norms," "Board Diversity Policy," and "Guidelines for Board Performance Assessment." Other relevant norms will continue to be modified to implement the highest principle of corporate governance.

(4) Continue to schedule courses and arrange education courses for directors and supervisors to take education courses, thereby achieving the spirit of corporate governance implementation by the board.

Company Business Integrity Policy Implementation and Education Training Conduction Situation in 2025:

Title	Name	Organizer	Course Name	Training date	Training hours
Audit Manager	CHEN, o CHENG	The Institute of Internal Auditors, R.O.C	Board of Directors and functional committees (audit, remuneration) Regulation analysis and audit key points	2025/5/14	6
Audit Manager	CHEN, o CHENG	The Institute of Internal Auditors, R.O.C	Analysis of directors' due diligence, governance, and the effectiveness of internal control systems	2025/6/9	6
Vice President and Chief Corporate Governance	YAO o Min	Securities and Futures Institute	Briefing on law compliance advocacy for equity transaction by insiders in 2025	2025/10/31	3
Vice President and Chief Corporate Governance	YAO o Min	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Vice President and Chief Corporate Governance	YAO o Min	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Vice President of R&D	HSIEH, o CHUNG	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Vice President of R&D	HSIEH, o CHUNG	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Chief Technology Officer	HUANG o Lieh	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Chief Technology Officer	HUANG o Lieh	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Audit Manager	CHEN, o CHENG	Finance Research and	DEI diversity, equity, and inclusion	2025/11/10	3

Title	Name	Organizer	Course Name	Training date	Training hours
		Development Foundation			
Audit Manager	CHEN, o CHENG	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Special Assistant to the President	Hsu, o Heng	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Special Assistant to the President	Hsu, o Heng	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
Senior Manager of Sale department	Tsai o Chang	Finance Research and Development Foundation	DEI diversity, equity, and inclusion	2025/11/10	3
Senior Manager of Sale department	Tsai o Chang	Finance Research and Development Foundation	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	2025/11/10	3
All directors, supervisors and staff (75 persons)		Internal training and promotion at SUN MAX TECH LIMITED	Insider trading prevention training and promotion	2025/6/9	Promotion in electronic form
All directors, supervisors and staff (75 persons)		Internal training and promotion at SUN MAX TECH LIMITED	Insider trading prevention training and promotion	2025/11/15	Promotion in electronic form

(IX) The following shall be disclosed in the pursuit of the internal control system:

(1) Declaration of Internal Control:

SUN MAX TECH LIMITED

Declaration of Internal Control System:

Date: March 9, 2026

The following declaration is based on the 2025 self-audit on the Company's internal control policies:

I. The Company and its subsidiaries are well aware that the establishment, implementation, and maintenance of the internal control system are the responsibility of the board and managers, and the Company has already set up such a system. The purpose is to provide reasonable assurance on the achievement of operating effectiveness and efficiency (including profits, performance, and assets safeguarding), reporting matters with reliability, timeliness, and transparency, and compliance with the relevant law and regulations.

II. Internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide a reasonable assurance of the achievement of the above three objectives; moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. Furthermore, environmental and situational changes may affect the effectiveness of internal control policies. However, self-supervision measures were implemented within The Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.

III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the criteria of the effectiveness of the internal control system stipulated in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations"). The criteria introduced by "The Governing Principles" consisted of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk evaluation and response, 3. Procedural control, 4. Information and communication, 5. Supervision. Each element further contains several items. Please refer to "The Governing Principles" for details.

IV. The Company has adopted the aforementioned criteria of internal control system to evaluate the effectiveness of the design and implementation of its internal control system.

V. The Company, according to the aforementioned evaluation results, thinks the Company's internal control system (including the supervision and management over the subsidiaries) on December 31, 2025, including understanding the effectiveness and efficiency of operations, reporting the internal control design and implementation with effectiveness, timeliness, transparency, and compliance with the relevant requirements and regulations and laws; therefore, a reasonable assurance on the achievement of the aforementioned goals is provided.

VI. This statement will become the main content of the Company's annual report and prospectus, and will be made public. This statement of declaration shall form an integral part of the annual report and prospectus on the company and will be announced. If there is any fraud, concealment and unlawful practice discovered in the content of the aforementioned information, the company shall be liable to legal consequences under Article 20, Article 32, Article 171 and Article 174 of the Securities and Exchanges Act.

VII. This declaration was approved by The Company's Board of Directors in the meeting dated March 9, 2026. None of the 7 directors present to the meeting held any objections, and had unanimously agreed to the contents of this declaration.

SUN MAX TECH LIMITED

Chairman: SINOTEAM HOLDINGS INC.

Representative: HSU Wen-Faung Signature

President: HSU Wen-Faung Signature

(2) For the CPAs specifically commissioned to review the internal control system, the Independent Auditor's Report should be disclosed: None.

(X) In the current year and as of the date of annual report printing, the important resolutions and execution status of the shareholders' meetings, board, Remuneration Committee, and Audit Committee:

(1) The resolution execution situation of the shareholders' meeting on May 29, 2025:
First case acknowledged: Passed the Company's 2024 annual business report and financial statements.
The voting status on the case is:

Poll result	% of voting rights of attending shareholders
Pros: 24,865,917 (including 1,017,522 for e-voting)	95.95%
Cons: 7,535 (including 7,535 for e-voting)	0.03%
Weight of no-votes: 0 (including 0 for e-voting)	0.00%
Waiver and non-voting weights: 1,043,093 (including 1,043,093 for e-voting)	4.02%

Implementation: The total number of voting rights represented by the attending shareholders was 25,916,545, and the proposal was approved as-is.

Second case acknowledge: Passed the Company's 2024 annual earnings distribution case.
The voting status on the case is:

Poll result	% of voting rights of attending shareholders
Pros: 24,863,914 (including 1,015,519 for e-voting)	95.94%
Cons: 9,549 (including 9,549 for e-voting)	0.04%
Weight of no-votes: 0 (including 0 for e-voting)	0.00%
Waiver and non-voting weights: 1,043,082 (including 1,043,082 for e-voting)	4.02%

Implementation: The total number of voting rights represented by the attending shareholders was 25,916,545, and the proposal was approved as-is. The dividends distribution amounting to NT$90,949,978 was concluded on August 29, 2025.

First case of discussion: Passed revisions to the "Articles of Association**"**
The voting status on the case is:

Poll result	% of voting rights of attending shareholders
Pros: 24,866,636 (including 1,018,241 for e-voting)	95.95%
Cons: 7,892 (including 7,892 for e-voting)	0.03%
Weight of no-votes: 0 (including 0 for e-voting)	0.00%
Waiver and non-voting weights: 1,042,017 (including 1,042,017 for e-voting)	4.02%

Execution status: Submitted for Shareholders' Meeting recognition. The total number of voting rights represented by the attending shareholders was 25,916,545, and the proposal was approved as-is. The proposal is disclosed on the Company's website.

Election: Election of all directors.
Election results: The voting status on the case is:

Title	Name	Elected shareholding
Director	SINOTEAM HOLDINGS INC	24,942,746
	Representative: HSU Wen-Faung	
Director	LUXURY SHINE INTERNATIONAL LIMITED	24,890,056
	Representative: Chang Yuan-Fen	
Director	LAI, Jen-Chung	24,894,394
Independent director	Kuan Chih-Liang	24,701,328
Independent director	Cheng Yi-Teng	24,696,233
Independent director	Chang Cheng-Hsing	24,703,030
Independent director	CHOU, YI-HSIN	24,695,834

Other matters: Proposal for canceling the non-compete restriction for new directors and their representatives.
The voting status on the case is:

Poll result	% of voting rights of attending shareholders
Pros: 24,844,505 (including 996,110 for e-voting)	95.86%
Cons: 28,318 (including 28,318 for e-voting)	0.11%
Weight of no-votes: 0 (including for e-voting)	0.00%
Waiver and non-voting weights: 1,043,722 (including 1,043,722 for e-voting)	4.03%

Execution status: Submitted for Shareholders' Meeting recognition. The total number of voting rights represented by the attending shareholders was 25,916,545, and the proposal was approved as-is and posted on the Company's website.

Note: There were no questions from shareholders at the regular shareholders' meeting.

(2) Important Resolutions Passed by the Board:

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
2025/1/13	The 17th meeting of the 4th term of the Board of Directors	Proposal 1	Motion go distribute year-end bonus for 2024
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHIU, Shih-Fang to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 2	Proposal for 2025 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 3	The Company’s salary adjustment for 2025.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
		Proposal 4	Replacement of CPAs in 2025 and assessment of their independence and competence
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	Review 2025 audit fee proposed by Deloitte Taiwan.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	Non-assurance Engagements Provided by Deloitte Taiwan in 2025.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	The Company intends to endorse and guarantee a short-term loan of US$5 million from Taishin International Bank for its subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	The issue that the subsidiary Power Logic Tech. Inc. intends to apply to Taishin International Bank for a secured loan as short-term working capital within the limit of NT$121 million.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	Amendment to the Company's "Regulations Governing the Management of Intellectual Property Rights"
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	Amendments to the "Articles of Incorporation".
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 11	Establishment of the "Nomination Committee" of the Company
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 12	Appointed candidates for the fifth session of directors and supervisors, as well as the chief executive officer of the subsidiary "Cicheng Technology Co., Ltd."

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2025/3/10	The 18th meeting of the 4th term of the Board of Directors	Proposal 1	The 2024 Business Report and consolidated financial statements of 2024.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	The Company's 2024 Employee Remuneration and Directors Remuneration Distribution Case
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director CHEN, Tien-Szu to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 3	The Company's 2024 earnings distribution.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	This is the issue that the subsidiary Power Logic Tech. Inc. intends to sign with Taishin International Bank for a secured loan as short-term working capital of NT$121 million. It is an application for the use of the funds.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	The declaration of the Company's 2024 internal control system
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	It is planned to formulate the "Supervision and Management of Subsidiaries" in the Internal Control System – Circular Internal Control Process Under Other Management Regulations of the subsidiaries, TeamPlan Company and Sunny Sharp International Limited Taiwan Branch.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
		Proposal 7	Amendment to “Rules of Procedure for Board of Directors Meetings.”
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	Amendments to “Audit Committee Charter”.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	Amendments to the Company’s Rules Governing Remuneration of Directors and Managerial Officers.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	“Convening the Company’s 2025 Shareholders’ Meeting related matters”
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2025/4/2	The 19th meeting of the 4th term of the Board of Directors	Proposal 1	Proposal of investment in a new 100% invested subsidiary in Thailand through POWER LOGIC HOLDINGS INC., a wholly owned subsidiary.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	A proposal to authorize the Chairman to seek to acquire land and real estate factory buildings in Thailand
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	Proposal of director candidates for the subsidiary “POWER LOGIC TECH (THAILAND) CO., LTD (TBC)” in Thailand
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2025/5/9	The 20th meeting of the 4th term of the Board of Directors	Proposal 1	2025 Q1 consolidated financial statements
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	Acquisition of land and real estate factory buildings in Thailand
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	Appointment of the highest decision-making executive in POWER LOGIC TECH (THAILAND) CO., LTD., a subsidiary in Thailand.

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	The Company intends to handle the offering and issuance of the fourth unsecured convertible corporate bonds and the issuance of new shares from cash capitalization in Taiwan.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	Appointment of the Company's acting spokesman
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	Promotion proposals for the Company
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2025/5/29	The First Special Meeting for the Board of Directors of the Fifth Term	Proposal 1	Election of the Company's Chair of the Board.
		Resolutions	Director Lai, Jen-Chung proposed SINOTEAM HOLDINGS, INC. as the representative: Hsu Wen-Fang served as the director. Other members of the Board of Directors approved the proposal. The seven directors voted by a show of hands, and the seven directors unanimously consented to the proposal's approval.
		Proposal 2	Appointment of Audit Committee for the fourth term.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	Appointment of Remuneration Committee for the fourth term.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	Appointment of Nomination Committe for the second term.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2025/6/20	The 1st meeting of the 5th term of the Board of Directors	Proposal 1	Remuneration proposal for the 5th directors.
		Resolutions	Because the chair, the representative of Sinoteam Holdings Inc., Director, Hsu Wen-Fang, has conflict of interests in this case due to his remuneration, he recused himself, and Independent Director, Kuan Chih-Liang acted as the chair. Directors from SINOTEAM HOLDINGS, INC., LUXURY SHINE INTERNATIONAL, LIMITED and LAI, Jen-Chung recused to avoid conflict of interest. The proposal was passed without objections through the voting rights exercised by the four other attending directors. All four directors voted in favor

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
			of the proposal. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 2	Remuneration for the 5th independent directors
		Resolutions	Seven committee members were present. The independent directors Kuan Chih-Liang, Cheng Yi-Teng, Chang Cheng-Hsing, Chou Yi-Hsin were subject to avoidance of interests due to the remuneration issue and vital interest. The proposal was passed without objections through the voting rights exercised by the three attending directors. All three directors voted in favor of the proposal.
		Proposal 3	Proposal for appointment of the special assistant of the president, Hsu, Jia-Heng, as manager.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	The Company amends the capital expenditure plan items and benefit evaluation for the offering and issuance of the fourth unsecured convertible corporate bonds and the issuance of new shares from cash capitalization in Taiwan.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	Amendment to the “Operational procedures for loaning funds to others”.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	It is proposed to add to the internal control system of subsidiary Power Logic Tech. Inc. – production cycle and research and development cycle.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2025/8/15	The 2nd meeting of the 5th term of the Board	Proposal 1	2025 Q2 consolidated financial statements
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
	of Directors	Proposal 2	The Company intends to endorse and guarantee a mid-term loan of US$3.8 million from China Trust Bank for POWER LOGIC HOLDINGS INC.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	It was proposed that the parent company “SUN MAX TECH LIMITED” would lend US$1 million to the subsidiary “Power Logic Tech. Inc.” and lend US$2 million to “SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH” as short-term working capital.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	Adjustment of CPAs in 2025 Q3 and assessment of their independence and competence of newly appointed accountants
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	Submission of the Sustainable Development Operations Execution Report and the 2024 Sustainability Report to the Board of Directors
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	Establishment of the “Sustainable Development Committee” of the Company
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	Details for the 2025 cash capital increase through new share issuance, guidelines for employee subscription and manager subscription detail
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2025/11/10	The 3rd meeting of the 5th term of the Board of Directors	Proposal 1	2025 Q3 consolidated financial statements
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	The Company’s 2026 operating plan and budget
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major Board of Directors resolutions in 2025	
		Proposal 3	It is proposed that for the sub-subsidiary "Taiyi (Jiangxi) Electronics Technology Co., Ltd." to obtain an RMB 34 million credit line from China Trust Bank and for the subsidiary "SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH," a credit line of NT$40 million will be endorsed/guaranteed.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	With the intention of investing in the working capital of the 100% invested subsidiary, POWER LOGIC HOLDINGS INC, the company is expected to invest US$8,000,000.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	According to Article 13 of the "Regulations Governing Establishment of Internal Control System by Public Companies," the Company's Audit Office has formulated the 2026 audit plan according to the results of risk assessment.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	Amendment to the "Sustainability Information Management" of Internal Control System – Circular Internal Control Process Under Other Management Regulations of the Company, and the subsidiary Power Logic Tech. Inc., SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH, Power Logic Tech. (DongGuan) Inc., and Taiyi (Jiangxi) Electronics Technology Co., Ltd., and to amend the Company's "Internal Control System Self-Assessment Operating Procedure" to comply with the current operations.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	Amendment to the "Procedure for the Acquisition and Disposition of Assets".
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

Meeting date	Meeting	Major Board of Directors resolutions in 2026	
2026/2/2	The 4th meeting of the 5th term of the Board of Directors	Proposal 1	2026 director remuneration proposal for the Thai subsidiary.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director Kuan Chih-Liang to act as the chairman of the Board. The proposal was passed without objections through the voting

Meeting date	Meeting	Major Board of Directors resolutions in 2026	
			rights exercised by the other six attending directors. All six directors voted in favor of the proposal by a show of hands.
		Proposal 2	Amendments to the Company's Rules Governing Remuneration of Directors and Managerial Officers.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director Kuan Chih-Liang to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other six attending directors. All six directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 3	2025 distribution of year-end bonus to managers
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director Cheng Yi-Teng to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 4	Motion for annual salary raise for 2026.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director Cheng Yi-Teng to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 5	Proposal for 2026 criteria of the performance evaluation and compensation standards for Board of Directors and the general managers.
		Resolutions	Seven people attended. The Director, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC., and Chang Yuan-Fen, the representative of LUXURY SHINE INTERNATIONAL, LIMITED, recused from the discussion to

Meeting date	Meeting	Major Board of Directors resolutions in 2026	
			avoid conflict of interest due to their employee status. The chair, HSU Wen-Faung, the representative of SINOTEAM HOLDINGS, INC. appointed Independent Director Cheng Yi-Teng to act as the chairman of the Board. The proposal was passed without objections through the voting rights exercised by the other five attending directors. All five directors voted in favor of the proposal by a show of hands. The management team present at the meeting was an interested party with respect to this proposal and recused themselves from the voting.
		Proposal 6	CPAs in 2026 and assessment of their independence and competence
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 7	Review 2026 audit fee proposed by Deloitte Taiwan.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 8	Non-assurance Engagements Provided by Deloitte Taiwan in 2026.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 9	The Company intends to endorse and guarantee a short-term loan of US$5 million from Taishin International Bank for its subsidiary, SUNNY SHARP INTERNATIONAL LIMITED TAIWAN BRANCH.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 10	The issue that the subsidiary Power Logic Tech. Inc. intends to apply to Taishin International Bank for a loan as short-term working capital within the limit of NT$144 million.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 11	Amendment to the “Rules of Procedure for Shareholder Meetings.”
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 12	The sustainable development task force reported on the progress of the 2025 sustainability report and other sustainability initiatives.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 12	Appointed candidates for the sixth session of directors and supervisors, as well as the chief executive officer of the subsidiary “Cicheng Technology Co., Ltd.”

Meeting date	Meeting	Major Board of Directors resolutions in 2026	
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
2026/3/9	The 5th meeting of the 5th term of the Board of Directors	Proposal 1	The 2025 Business Report and consolidated financial statements of 2025.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 2	The Company's 2025 Employee Remuneration and Directors Remuneration Distribution Case
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 3	The Company's 2025 earnings distribution.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 4	The declaration of the Company's 2025 internal control system
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 5	The subsidiary POWER LOGIC HOLDINGS INC. intends to make an additional investment, US$1 million, in a subsidiary POWER LOGIC TECH (THAILAND) CO., LTD., in Thailand.
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.
		Proposal 6	"Convening the Company's 2026 Shareholders' Meeting related matters"
		Resolutions	Seven members were present. All directors voted by hand. Seven members approved and the proposal passed without objection.

(3) The Audit Committee has resolved and passed important resolution matters: see Pages 44-51 of the annual report for descriptions.

(4) Important resolution matters resolved and passed by the Remuneration Committee: See Page 67-70 of the annual report for descriptions.

(XI) Adverse opinions from the Directors or the Supervisors against major resolutions of the Board on record or in written declaration in the most recent year to the date this report was printed. The key content: Not applicable in this year.

IV. Disclosure of the accountant's fee:

Unit: NTD thousands

Firm Name	CPA Name		The duration of the audit	Auditing fee	Non-Auditing fee	Total	Note
Deloitte & Touche	Chia-Ming Chang	Tung-Ju Hsieh	January 1, 2025 to December 31, 2025	4,420	2,218	6,638	Service content of non-audit fee 1. The fee for consulting services for Thailand's investment incentives is NT$781 thousand 2. Transfer price: $270 thousand 3. The maintenance fees and change registration fees for the offshore company is NT$527 thousand. 4. Travel and other: $640 thousand

Please specify the services under the non-audit service charges (such as tax audit, assertive opinion, or other financial consulting services)

1. If a change in accounting firm resulted in a lower audit remuneration for that year compared to the previous year, the amount, percentage, and reason of the reduction must be disclosed: Not applicable.

2. If the auditing fee of the current year is more than 10% less than the year before, the reduced fee amount, ratio, and the root cause should be disclosed: Not applicable.

V. Change of CPA

1. Information relating to the former CPA

Date of replacement	Approval of change of independent CPAs in the Board meeting on January 13, 2025 Approval of change of independent CPAs in the Board meeting on August 15, 2025
Reason for replacement and note	1. Due to internal staff adjustment from Deloitte Taiwan, beginning from Q1 2025, the independent CPAs of the Company changed to CPA Tung-Ju Hsieh and CPA Wei-Chun Ma from CPA Tung-Ju Hsieh and CPA Wang- Sheng Lin. 2. Due to internal staff adjustment from Deloitte Taiwan, beginning from Q3 2025, the independent CPAs of the Company changed to CPA Chia-Ming Chang and CPA Tung-Ju Hsieh from CPA Tung-Ju Hsieh and CPA Wei-Chun.

Termination or appointment rejection by the appointer or CPAs	Party / Condition		Certified Public Accountant	Appointer
	Active termination		–	–
	Appointment/reappointment rejection		–	–
Opinions in and reason for audit reports issued other than unqualified opinion in the last two years	None			
Disagreement with the issuer (Yes/No)	Yes		Accounting principles or practices	
			Disclosure of financial statements	
			Audit scope or procedure	
			Others	
	None	V		
	Remark			
Other disclosures (Matters to be disclosed as set out in Sub-clause 10.6.1.4 through 10.6.1.7 of these Regulations)	None			

2. Information relating to the succeeding CPA

CPA firm	Deloitte & Touche
CPA Name	1. CPA, Tung-Ju Hsieh and CPA, Wei-Chun Ma 2. CPA Chia-Ming Chang and CPA Tung-Ju Hsieh.
Date of engagement	1. Approval of change of independent CPAs in the Board meeting on January 13, 2025 2. Approval of change of independent CPAs in the Board meeting on August 15, 2025
Consultation on the accounting treatment or accounting principles for specific transactions and on the possible opinions on financial statements and the results of such consultation prior to the appointment	None
New CPA's written opinion on the matters on which the former CPA had different opinions	None

3. Responding letter from the past independent CPAs regarding Article 10, Subparagraph 6, Item 1 and Item 2-3 under this standard.

No such cases in the current year.

VI. The Chairman, President, manager charged with finance or accounting of the Company has been working with the CPA firm retained as an external auditor or its affiliate in the last year

No such cases in the current year.

VII. Periodically evaluate the independence and competence of CPAs:

1. The company's directors and audit committee were evaluated in accordance with Article 47 of the Certified Public Accountant Act, The Code of Ethics for Professional Accountants No. 10 Bulletin using the five dimensions and 13 indicators of the "Audit Quality Indicators (AQIs)" published by the Financial Supervisory Commission R.O.C. (Taiwan). Certified public accountants (CPAs) Chia-Ming Chang and Tung-Ju Hsieh of Deloitte Taiwan prepared the company's 2025 financial statements. On January 13, 2026, the CPAs delivered the Chin-shen No. 11500391 Declaration of Independence and the "Audit Quality Indicators" (AQIs). In addition to confirming the company's accounts and expenses, there are no other financial or business interests or relationships and that the accountants' family members do not violate the independence requirements. In addition, it was determined, with reference to the AQI data, that accountants and the accounting firms were superior to the industry norm in terms of inspection experience and training hours. Digital auditing tools will be introduced to enhance audit quality over the next three years. The most recent evaluation results were approved at the fourth session of the fourth audit committee and the fourth session of the fifth board of directors on February 2, 2026.

2. The Company's criteria for evaluating the independence and competence of CPAs are as follows:

No.	Evaluation standards	Evaluation results
1	Since the last certification operation, "seven years without change" does not hold true.	■ Yes □No
2	There are no significant financial ties to the consigner.	■ Yes □No
3	Avoid developing inappropriate relationships with the consigner.	■ Yes □No
4	Accountants must ensure the honesty, objectivity and autonomy of their assistants.	■ Yes □No
5	The financial statements of the service organization within two years prior to practice shall not undergo certification inspection.	■ Yes □No
6	The accountant's name must not be used by others.	■ Yes □No
7	CPAs do not own shares in the company or its conglomerates.	■ Yes □No
8	There is no money loan with the company or its conglomerates.	■ Yes □No
9	There are no joint investments or interest-sharing arrangements between the company and its conglomerates.	■ Yes □No
10	Receive a fixed salary without concurrently holding a position at the company or conglomerates.	■ Yes □No
11	They are not involved in the company's or conglomerates' management or decision-making.	■ Yes □No
12	Not concurrently holding other businesses that could compromise their independence.	■ Yes □No
13	The management level is not a spouse, immediate relative, immediate relative by marriage or second-degree relative by blood.	■ Yes □No
14	There are no business-related commission fees.	■ Yes □No
15	There has been no punishment or harm to the principle of independence up to this point.	■ Yes □No

VIII. Shareholding transfers and share collateralization within the latest year, up till the publication date of this annual report, initiated by directors, supervisors, managers and shareholders with more than 10% ownership interest

1. Shareholding changes of directors, supervisors, managers, and major shareholders

Unit: shares

Title	Name	2025		Year-to-date March 31	
		Increase (decrease) in No. of Shares	Increase (decrease) in No. of Pledged Shares	Increase (decrease) in No. of Shares	Increase (decrease) in No. of Pledged Shares
Chairman	SINOTEAM HOLDINGS INC.	316,280	-	-	-
SINOTEAM HOLDINGS IN: Legal representative	HSU Wen-Faung	76,790	-	-	-
Director (Note 1)	LUXURY SHINE INTERNATIONAL LIMITED	1,466	-	-	-
LUXURY SHINE INTERNATIONAL LIMITED Legal representative (Note 1)	Chang Yuan-Fen	19,514	-	-	-
Director	LAI, Jen-Chung	18,804	-	-	-
Independent director	HSIEH, Yu-Tien	-	-	-	-
Independent director	CHIU, Shih-Fang	-	-	-	-
Independent director	CHEN, Tien-Szu	-	-	-	-
Independent director	Kuan Chih-Liang	-	-	-	-
Independent director	Cheng Yi-Teng	-	-	-	-
Independent director	Chang Cheng-Hsing	-	-	-	-
Independent director	CHOU, YI-HSIN	-	-	-	-
Vice President and Chief Finance Officer	YAO, Cheng-Min	7,616	-	-	-
R&D Assistant Vice President	HSIEH, JUNG-CHUNG	9,135	(15,000)	-	-
Chief Technology Officer	HUANG Chia-Lieh	3,000	(3,000)-	-	-
Group Senior Assistant Vice President	Lai, Chih-Sung	6,000	(9,000)	-	-
Audit Manager	CHEN, CHI-CHENG	4,081	(4,081)	-	-
Senior Manager of Sales	TSAI, Wen-Chang	9,108	(24,970)	-	-
Assistant VP of factory operation department	Wang, Chen-Lu	5,000	(4,000)	-	-
Special Assistant to the President	Hsu, Jia-Heng	114,883	-	-	-
Shareholder with a stake of more than 10 percent	SINOTEAM HOLDINGS INC.	-	-	-	-

Note: The terms of Independent Directors Hsieh Yu-Tien, Chiu Shih-Fang, and Chen Tien-Szu expired on May 29, 2025.
Independent directors Cheng Yi-Teng, Chang Cheng-Hsing, and Chou Yi-Hsin were appointed after the re-election on May 29, 2025.

2. Information on the counterpart of equity transfer as the related party: none.

3. The counterpart of equity pledge is the related party: none.

IX. Relationships among The Company's top ten shareholders including spouses, second degree relatives or closer, or any person defined under Statement of Financial Accounting Principle No. 6 - "Related parties"

March 30, 2026

Name	Own shareholdings		Shares Held by Spouse & Dependents		Shareholdings under the title of a third party		Spouse, Relative Of Second Degree Or Closer, Or Related Parties Defined In Statement Of Financial Accounting Standards No. 6 Among The Top Ten Shareholders; State Their Names And Relationships.		Remarks
	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Name	Relation	
Taishin Custodian Investment Account of Hsin Ting Holding Limited	6,989,525	17.00 %	0	0%	0	0%	0	0%	
Taishin Custodian Investment Account of Hsin Ting Holding Limited Legal representative: HSU Wen-Faung	1,271,610	3.09%	1,271,610	3.09%	0	0%	HSU Wen-Faung	Self	
HSU Wen-Faung	1,271,610	3.09%	1,271,610	3.09%	0	0%	Chang Yuan-Fen	Spouse	
Citibank Trustee Berkeley Capital SBL/PB Investment Account	782,149	1.90%	0	0%	0	0%	0	0%	
Daitung Development and Investment Corporation	645,000	1.57%	0	0%	0	0%	0	0%	
Yang, Hsiang-Hua	608,697	1.48%	0	0%	0	0%	0	0%	
Shen, Chih-Yuan	603,692	1.47%	0	0%	0	0%	0	0%	
LAI, Jen-Chung	415,563	1.01%	0	0%	0	0%	0	0%	
Peng, Ming-Yen	400,000	0.97%	0	0%	0	0%	0	0%	
Chang, Chin-Te	220,000	0.53%	1,271,610	3.09	0	0%	0	0%	
Chang Yuan-Fen	1,271,610	3.09%	1,271,610	3.09	0	0%	0	0%	

Note: The juristic person shareholder is an investment account of a juristic person, and is not represented.

X. Investments jointly held by The Company, The Company's directors, supervisors, managers, and enterprises directly or indirectly controlled by The Company. Calculate shareholding in aggregate of the above parties

Unit: share; %

Transfer investment (Note)	Investment by the Company		Held by directors, supervisors, managers, and directly or indirectly controlled enterprises		Combined investment	
	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding	Number of Shares	Ratio of Shareholding
United Strategy Inc.	3,025	100%	0	0	3,025	100%
Power Logic Holding Inc.	5,050	100%	0	0	5,050	100%
Sunny Sharp International Ltd.	490	100%	0	0	490	100%
POWER LOGIC TECH. INC	21,920	100%	0	0	21,920	100%
DONG GUAN DONG LI DIAN ZI CO. LTD	Note 1	100%	0	0	Note 1	100%
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Note 1	100%	0	0	Note 1	100%
CICHENG TECHNOLOGY CO., LTD.	4,000	80%	0	0	4,000	80%
POWER LOGIC TECH (THAILAND) CO. LTD.	40,000	100%	0	0	40,000	100%

Note 1: Company limited without shares.

III. Funding Status

I. Capital and outstanding shares

(I) Capital Sources

March 30, 2026

Year and month	Issuing price (NT$)	Authorized shares capital		Paid-in shares capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of shares and dividends	Paid in properties other than cash	Others
2013/11	USD 1	10,000,000	10,000,000	1	1	Set up	None	Note 1
2013/12	USD 1	10,000,000	10,000,000	570,093	570,093	Cash capitalization USD570,092	None	Note 2
2013/12	USD 1	10,000,000	10,000,000	2,026,996	2,026,996	Equity transfer of USD1,456,903	None	Note 3
2015/12	USD 1	10,000,000	10,000,000	2,526,996	2,526,996	Cash capitalization USD500,000	None	Note 4
2016/02	0	100,000,000	1,000,000,000	8,300,000	83,000,000	Equity currency conversion	None	Note 5
2016/03	TWD11	100,000,000	1,000,000,000	9,400,000	94,000,000	Capital increase by cash NT$11,000 thousand	None	Note 6
2016/06	TWD60	100,000,000	1,000,000,000	12,400,000	124,000,000	Capital increase by cash NT$30,000 thousand	None	Note 7
2016/09	TWD10	100,000,000	1,000,000,000	16,120,000	161,200,000	Capitalization of retained earnings NT$37,200 thousand	None	Note 8
2017/05	TWD78	100,000,000	1,000,000,000	18,320,000	183,200,000	Capital increase by cash NT$22,000 thousand	None	Note 9
2017/08	TWD10	100,000,000	1,000,000,000	21,068,000	210,680,000	Capitalization of retained earnings NT$27,480 thousand	None	Note 10
2017/12	TWD10	100,000,000	1,000,000,000	23,703,000	237,030,000	IPO cash increase of NT$26,350 thousand	None	Note 11
2019/01	TWD10	100,000,000	1,000,000,000	26,203,000	262,030,000	Capital increase by cash NT$26,203 thousand	None	Note 12
2019/04	TWD10	100,000,000	1,000,000,000	26,244,811	262,448,110	Corporate bond conversion of NT$418,110	None	Note 13
2019/07	TWD10	100,000,000	1,000,000,000	26,264,092	262,640,920	Corporate bond conversion of NT$192,810	None	Note 14
2019/09	TWD10	100,000,000	1,000,000,000	26,288,194	262,881,940	Corporate bond conversion of NT$241,020	None	Note 15
2019/10	TWD10	100,000,000	1,000,000,000	26,317,116	263,171,160	Corporate bond conversion of NT$289,220	None	Note 16
2019/11	TWD10	100,000,000	1,000,000,000	26,326,756	263,267,560	Corporate bond conversion of NT$96,400	None	Note 17
2019/12	TWD10	100,000,000	1,000,000,000	27,527,018	275,270,180	Corporate bond conversion of NT$12,002,620	None	Note 18
2020/01	TWD10	100,000,000	1,000,000,000	28,192,229	281,922,290	Corporate bond conversion of NT$6,652,110	None	Note 19
2020/06	TWD10	100,000,000	1,000,000,000	28,197,049	281,970,490	Corporate bond conversion of NT$48,200	None	Note 20
2020/07	TWD10	100,000,000	1,000,000,000	28,883,952	288,839,520	Corporate bond conversion of NT$6,869,030	None	Note 21
2020/08	TWD10	100,000,000	1,000,000,000	29,165,172	291,651,720	Corporate bond conversion of NT$2,812,200	None	Note 22

Year and month	Issuing price (NT$)	Authorized shares capital		Paid-in shares capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of shares and dividends	Paid in properties other than cash	Others
2020/09	TWD10	100,000,000	1,000,000,000	29,267,211	292,672,110	Corporate bond conversion of NT$1,020,390	None	Note 23
2020/10	TWD10	100,000,000	1,000,000,000	31,292,437	312,924,370	Corporate bond conversion of NT$252,260	None	Note 24
2020/11	TWD10	100,000,000	1,000,000,000	31,839,848	318,398,480	Corporate bond conversion of NT$5,474,110	None	Note 25
2020/12	TWD10	100,000,000	1,000,000,000	32,069,453	320,694,530	Corporate bond conversion of NT$2,296,050	None	Note 26
2021/01	TWD10	100,000,000	1,000,000,000	32,074,497	320,744,970	Corporate bond conversion of NT$50,440	None	Note 27
2021/04	TWD10	100,000,000	1,000,000,000	32,097,927	320,979,270	Corporate bond conversion of NT$234,300	None	Note 28
2022/08	TWD10	100,000,000	1,000,000,000	32,196,885	321,968,850	Corporate bond conversion of NT$989,580	None	Note 29
2022/09	TWD10	100,000,000	1,000,000,000	34,196,885	341,968,850	Capital increase by cash NT$20,000 thousand	None	Note 30
2023/03	TWD10	100,000,000	1,000,000,000	34,198,977	341,989,770	Corporate bond conversion of NT$20,920	None	Note 31
2023/05	TWD10	100,000,000	1,000,000,000	34,410,314	344,103,140	Corporate bond conversion of NT$2,113,370	None	Note 32
2023/06	TWD10	100,000,000	1,000,000,000	34,730,446	347,304,460	Corporate bond conversion of NT$3,201,320	None	Note 33
2023/07	TWD10	100,000,000	1,000,000,000	35,452,085	354,520,850	Corporate bond conversion of NT$7,216,390	None	Note 34
2023/08	TWD10	100,000,000	1,000,000,000	35,525,303	355,253,030	Corporate bond conversion of NT$732,180	None	Note 35
2023/09	TWD10	100,000,000	1,000,000,000	35,568,136	355,681,360	Corporate bond conversion of NT$428,330	None	Note 36
2023/10	TWD10	100,000,000	1,000,000,000	35,624,502	356,245,020	Corporate bond conversion of NT$563,660	None	Note 37
2023/11	TWD10	100,000,000	1,000,000,000	35,629,011	356,290,110	Corporate bond conversion of NT$45,090	None	Note 38
2023/12	TWD10	100,000,000	1,000,000,000	35,640,284	356,402,840	Corporate bond conversion of NT$112,730	None	Note 39
2024/01	TWD10	100,000,000	1,000,000,000	35,642,538	356,425,380	Corporate bond conversion of NT$3,201,320	None	Note 40
2024/02	TWD10	100,000,000	1,000,000,000	35,653,810	356,538,100	Corporate bond conversion of NT$112,720	None	Note 41
2024/03	TWD10	100,000,000	1,000,000,000	37,583,873	375,838,730	Corporate bond conversion of NT$19,300,630	None	Note 42
2024/05	TWD10	100,000,000	1,000,000,000	37,644,750	376,447,500	Corporate bond conversion of NT$608,770	None	Note 43
2024/06	TWD10	100,000,000	1,000,000,000	37,651,512	376,515,120	Corporate bond conversion of NT$67,620	None	Note 44
2024/07	TWD10	100,000,000	1,000,000,000	37,660,948	376,609,480	Corporate bond conversion of NT$94,360	None	Note 45
2024/08	TWD10	100,000,000	1,000,000,000	37,665,666	376,656,660	Corporate bond conversion of NT$47,180	None	Note 46
2024/11	TWD10	100,000,000	1,000,000,000	37,698,692	376,986,920	Corporate bond conversion of NT$330,260	None	Note 47
2024/12	TWD10	100,000,000	1,000,000,000	37,722,282	377,222,820	Corporate bond conversion of NT$235,900	None	Note 48
2025/01	TWD10	100,000,000	1,000,000,000	37,743,513	377,435,130	Corporate bond conversion of NT$212,310	None	Note 49
2025/02	TWD10	100,000,000	1,000,000,000	37,899,207	378,992,070	Corporate bond conversion of NT$1,556,940	None	Note 50

Year and month	Issuing price (NT$)	Authorized shares capital		Paid-in shares capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Sources of shares and dividends	Paid in properties other than cash	Others
2025/05	TWD10	100,000,000	1,000,000,000	38,562,091	385,620,920	Corporate bond conversion of NT$6,628,850	None	Note 51
2025/06	TWD10	100,000,000	1,000,000,000	38,729,581	387,295,810	Corporate bond conversion of NT$1,674,890	None	Note 52
2025/08	TWD10	100,000,000	1,000,000,000	38,822,465	388,224,650	Corporate bond conversion of NT$928,840	None	Note 53
2025/09	TWD10	100,000,000	1,000,000,000	2,300,000	23,000,000	Capital increase by cash NT$23,000 thousand	None	Note 54

Note 1: Funding capital
Note 2: Capital increase
Note 3: Share exchange with SUN MAX TECH LIMITED by 13 people including Li Lung-Chu, exchanging all UNITED STRATEGY INC. shares issued for 970,986 regular shares of SUN MAX TECH LIMITED. Share exchange with SUN MAX TECH LIMITED by 13 people including Li Lung-Chu, exchanging all POWER LOGIC HOLDINGS INC. shares issued for 422,561 regular shares of SUN MAX TECH LIMITED. Share exchange with SUN MAX TECH LIMITED by 13 people including Li Lung-Chu, exchanging all ADVANCE PLUS LIMITED. shares issued for 63,356 regular shares of SUN MAX TECH LIMITED. The equity transfer totaling 1,456,903 shares. After the share exchange, UNITED STRATEGY INC. and POWER LOGIC HOLDINGS INC. and ADVANCED PLUS LIMITED are 100% reinvestment subsidiaries of SUN MAX LIMITED.
Note 4: Capital increase
Note 5: The shareholders' meeting reached the resolution on February 2, 2016 that the 2,526,996 shares issued each at the denomination of USD1, totaling USD2,526,996. With the exchange rate of NT$32.845323: 1USD, the issued 8,300,000 shares each at the denomination of NT$10, totaling NT$83,000,000.
Note 6: Capital increase
Note 7: Capital increase
Note 8: The annual surplus for 2015 will be transferred to capital increase, each share issuing $3 shares.
Note 9: Capital increase
Note 10: The Company conducted surplus to capital increase on August 8, 2017, distributing $1.5 shares per share.
Note 11: Cash increase before IPO
Note 12: Capital increase
Note 13: Corporate bond conversion shares increased by 41,811, and capital increased by NT$418,110.
Note 14: Corporate bond conversion shares increased by 19,281, and capital increased by NT$192,810.
Note 15: Corporate bond conversion shares increased by 24,102, and capital increased by NT$241,020.
Note 16: Corporate bond conversion shares increased by 28,922, and capital increased by NT$289,220.
Note 17: Corporate bond conversion shares increased by 9,640, and capital increased by NT$96,400.
Note 18: Corporate bond conversion shares increased by 1,200,262, and capital increased by NT$12,002,620.
Note 19: Corporate bond conversion shares increased by 665,211, and capital increased by NT$6,652,110.
Note 20: Corporate bond conversion shares increased by 4,820, and capital increased by NT$48,200.
Note 21: Corporate bond conversion shares increased by 686,903, and capital increased by NT$6,869,030.
Note 22: Corporate bond conversion shares increased by 281,220, and capital increased by NT$2,812,200.
Note 23: Corporate bond conversion shares increased by 102,039, and capital increased by NT$1,020,390.
Note 24: Corporate bond conversion shares increased by 25,226, and capital increased by NT$252,260.
Note 25: Corporate bond conversion shares increased by 547,411, and capital increased by NT$5,474,110.
Note 26: Corporate bond conversion shares increased by 229,605, and capital increased by NT$2,296,050.
Note 27: Corporate bond conversion shares increased by 5,044, and capital increased by NT$50,440.
Note 28: Corporate bond conversion shares increased by 23,430, and capital increased by NT$234,300.
Note 29: Corporate bond conversion shares increased by 98,958, and capital increased by NT$989,580.
Note 30: Capital increase
Note 31: Corporate bond conversion shares increased by 2,092, and capital increased by NT$20,920.
Note 32: Corporate bond conversion shares increased by 211,337, and capital increased by NT$2,113,370.
Note 33: Corporate bond conversion shares increased by 320,132, and capital increased by NT$3,201,320.
Note 34: Corporate bond conversion shares increased by 721,639, and capital increased by NT$7,216,390.
Note 35: Corporate bond conversion shares increased by 73,218, and capital increased by NT$732,180.
Note 36: Corporate bond conversion shares increased by 42,833, and capital increased by NT$428,330.
Note 37: Corporate bond conversion shares increased by 56,366, and capital increased by NT$563,660.

Note 38: Corporate bond conversion shares increased by 4,509, and capital increased by NT$45,090.
Note 39: Corporate bond conversion shares increased by 11,273, and capital increased by NT$112,730.
Note 40: Corporate bond conversion shares increased by 2,254, and capital increased by NT$22,540.
Note 41: Corporate bond conversion shares increased by 11,272, and capital increased by NT$112,720.
Note 42: Corporate bond conversion shares increased by 1,930,063, and capital increased by NT$19,300,630.
Note 43: Corporate bond conversion shares increased by 60,877, and capital increased by NT$608,770.
Note 44: Corporate bond conversion shares increased by 6,762, and capital increased by NT$67,620.
Note 45: Corporate bond conversion shares increased by 9,436, and capital increased by NT$94,360.
Note 46: Corporate bond conversion shares increased by 4,718, and capital increased by NT$47,180.
Note 47: Corporate bond conversion shares increased by 33,026, and capital increased by NT$330,260.
Note 48: Corporate bond conversion shares increased by 23,590, and capital increased by NT$235,900.
Note 49: Corporate bond conversion shares increased by 21,231, and capital increased by NT$212,310.
Note 50: Corporate bond conversion shares increased by 155,694, and capital increased by NT$1,556,940.
Note 51: Corporate bond conversion shares increased by 662,885, and capital increased by NT$6,628,850.
Note 52: Corporate bond conversion shares increased by 167,489, and capital increased by NT$1,674,890.
Note 53: Corporate bond conversion shares increased by 92,884, and capital increased by NT$928,840.
Note 54: Capital increase

March 30, 2026

Stock Type	Authorized shares capital			Remarks
	Outstanding shares (Note 1)	Unissued shares	Total	
Common stock	41,122,465	58,877,535	100,000,000	

Note 1: Under TAIEX listed shares

(II) The main shareholders' list (name, number of shares held, and ratio of Shareholder with equity ratio reaching over 5% or shareholders with equity ratio ranking top ten):

March 30, 2026

Name of Principle shareholder	Shares	Shareholding percentage (%)
Taishin Custodian Investment Account of Hsin Ting Holding Limited	6,989,525	17.00 %
HSU Wen-Faung	1,271,610	3.09%
Citibank Trustee Berkeley Capital SBL/PB Investment Account	782,149	1.90%
Daitung Development and Investment Corporation	645,000	1.57%
Yang, Hsiang-Hua	608,697	1.48%
Shen, Chih-Yuan	603,692	1.47%
LAI, Jen-Chung	415,563	1.01%
Peng, Ming-Yen	400,000	0.97%
Chang, Chin-Te	220,000	0.53%
Chang Yuan-Fen	218,547	0.53%

(III) Company's dividend policy and execution status:

1. Dividend policies stated in The Company's Articles of Incorporation:

As stipulated in #125 under the Article of Association, the Company may, through ordinary resolution, announce dividend distribution for shares issuances and other types of distribution, and pay from disposable capital when such practice violates no Company act or any rights/limitation attached to any capital issuance or the Article of Association of the Company. The Company may, without violating applicable laws and through special resolution, make distribution out of capital surplus in forms of new shares or cash in accordance with shareholdings' percentage.

Pursuant to Article 125 A of the Company's articles of incorporation, despite of the preceding article (125), the Board may resolve the distribution of dividends or bonus, all or in part, in cash, by the majority of the directors present at the meeting, which is attended by more than two third of the directors, and report the resolution in the nearest shareholder's meeting.

The Company shall reserve a makeup amount before distributing employee and director remunerations. According to legal regulation of The Cayman Islands, TAIEX 1 and OTC listing regulation and Article 129 of Corporate Charter, the board resolution reached with more than two thirds attendance and the consent of more than half the attending directors, employee and director remunerations may be distributed in cash and/or shares. The board resolution on the above-mentioned distribution of employee and director remunerations shall be reported to shareholders at the shareholders' meeting after the board passed the resolution.

The Company shall not pay interest on undistributed dividends.

Except restricted by public company related laws, the earnings, if any, after closing account every year, the Board of Directors should propose earning distribution plan to shareholders' meeting as method and priority below,

(1) Payment of tax and duty;
(2) Covering of accumulated loss of prior years (if any);
(3) According to TAIEX and OTC listing regulations, 10% is distributed as statutory surplus reserves except when said reserve reaches the Company's paid-up capital;
(4) According to TAIEX and OTC listing regulations or the competent authority request distribution of special surplus reserve; and
(5) According to the surplus for the current year, the amounts from Item (1) to Item (4) shall be dedicated, and the cumulative undistributed surplus for the previous period is provided for surplus distribution. The Distributable surplus shall be distributed after the board proposal of a dividend distribution case and submission to the shareholders' meeting to be resolved according to TAIEX and OTC listing regulations. The Company may release dividends in cash and/or stock, and the amount of dividend for release shall not fall below the net earnings of the year of the appropriation specified in (1) to (4) if there is no contradiction to the law of the Cayman Islands. In addition, the amount of cash dividend shall not fall below 10% and up to 100% of the total dividend payable to the shareholders.

Article 139 of the Corporate Charter (Provident fund transfer to capital increase)
Unless otherwise regulated by TAIEX and OTC listing regulations or the Company Act, the company may resort to Type A Special Resolution or Type B Special resolution.

(1) Any balance to be listed in the company reserve account or other capital provident fund (including capital premium account, capital redemption reserve, surplus, profit and loss account, capital reserve, statutory surplus reserve, and special surplus reserve) shall be transferred to capital increase, whether or not they will be distributed.
(2) The amount resolved for transfer to capital increase shall be distributed to shareholders according to their shareholding ratio. Additionally, on behalf of shareholders, the amount shall be used for the distribution company's unissued shares, bonds, or other relevant stock portfolios. The company shares or bonds or other portfolio shall be distributed to shareholders (or designated persons) according to the aforementioned ratios.
(3) Make any arrangements deemed appropriate to resolve problems encountered during provident fund transfer to capital increase, especially but not limited to when shares or corporate bonds distributed are distorted shares. The board reserves the right to dispose distorted shares or corporate bonds by means deemed appropriate; and
(4) will take all necessary stands to execute provisions in this article.
Article 139A of the Corporate Charter: To avoid disputes, new shares issued for distributing employee and board remunerations in accordance with Article 129 does not require the acquisition of Class A Special Resolution or Class B Special Resolution.

2. Situation of Dividends Pending (Already) Distribution in the Current Year

A cash dividend of NT$164,489,860 (NT$4 per share) out of 2025 earnings was resolved by the Board of Directors on March 9,2026, and will be reported in the shareholders' meeting on May 28, 2026.

(IV) The proposed free share placement in the current year shall have no impact on the Company's operating performance and earnings per share.

The Company offered no share dividend distribution in 2025 and is thus not applicable.

(V) Remuneration paid to employee, directors and supervisors

1. Proportion or range of employees, and Directors'/Supervisors' remuneration specified in the Articles of Incorporation

According to Article 129 of the Corporate Charter, the Company shall distribute profits according to the profit distribution plan proposed by the board and resolved and passed at the shareholders' meeting. In addition, after making up for the losses incurred over the years, in accordance with the provisions in the company public offering regulations, or inaccuracies with the competent authority's request to list or turnaround of special surplus reserve, no more than 2% of the remaining profit shall be used as director remunerations and 10% at most and 1.5% at least as employee bonuses. The employee bonuses shall be distributed in accordance with provisions in Article 17 of the Employee Incentive plan. The board shall stipulate in the surplus distribution agenda regarding the percentage of bonuses distributed to employees. Shareholders may modify the proposal before the resolution. Directors concurrently serving as company executives are entitled to bonuses as company employees.

Pursuant to the Taipei Exchange's regulations, the provision for allocating remuneration to rank-and-file employees did not apply to foreign companies that were not primary listed or TIB listed. As a primary listed Cayman Islands company, the Taipei Exchange has clarified that the Company is not required to specify in its Articles of Association the exact ratio of employee bonuses for rank-and-file employees or fixed percentages for salary adjustments.

2. The estimation basis for employee bonuses and remunerations for directors and supervisors the current period, the basis for distributing stock dividend shares, and the actual distributed amounts shall be handled by accounting if they differ from the estimated amounts: None.
3. Remuneration to be distributed as resolved in the board of directors:
   (1) If employee remunerations and director and supervisor remunerations distributed in cash or dividends. If the amount differs from the annual estimation of the listed expenses, the amount of difference, reason, and disposal shall be disclosed:

   On March 9, 2026, the Board of Directors approved the distribution of NT$14,083,759 (or 6% distribution rate) as remuneration to employees and NT$4,694,586 (or 2% distribution rate) as remuneration to directors, all of which were paid in cash. No difference between the budgeted amount.

   (2) Employee remunerations distributed in shares and the ratio in individual or separate financial report's after-tax net profit and employee remuneration total: No employee remuneration in shares was distributed this year.
4. Actual status of distributing remuneration to employees, directors and supervisors in the previous year (including the number of shares distributed, amount and share price), difference number, reasons and process status if there is discrepancy between the actual amount and the amount recognized:
   (1) Actual Distribution Situation:

Actual distribution situation for the previous year (2024): distributed items.	The number of distributions originally proposed by the board.	The actual distribution amount resolved in the shareholders' meeting	Amount of difference
Employees' stock bonus	-	-	-
Employees' cash bonus	5,191,620	5,191,620	-
Remuneration to directors/supervisors	2,595,810	2,595,810	-

   (2) Difference in listed employee bonuses and director and supervisor remunerations: None.

(VI) Shares repurchased by The Company:

1. First company stock buyback (completed):

Period No.	The 1st time
Purpose of repurchase	Transferring stocks to employees
Repurchase period	2018/08/10~2018/10/08
Price range at which scheduled to be repurchased (NT$)	NT$110 ~ NT$55
Type and amount (shares) of the repurchased shares	230,000 ordinary shares
Amount of the repurchased shares (NT$)	NT$15,286,879
Ratio of repurchased shares to shares repurchase planned	57.50%
Shareholdings that have been cancelled and transferred (shares)	230,000 Shares
Accumulated shareholdings of the Company (shares)	0 Shares
Percentage of accumulated shareholdings of the Company to total issued shares (%)	0%

Note: A transfer of 230,000 treasury shares, through first buyback, to employees have completed as filed on April 16, 2021.

2. Share Repurchases by the Company (Repurchases Still in Progress Completed): None.

II. Disclosure relating to corporate bonds

Bond type	The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.	The 4th Unsecured Convertible Bond in R.O.C.
Issue date	January 3, 2019	September 1, 2020	August 12, 2022	August 27, 2025
Face Value	NT$100,000	NT$100,000	NT$100,000	NT$100,000
Place of Issue and Trading	Taipei Exchange (TPEx)	Taipei Exchange (TPEx)	Taipei Exchange (TPEx)	Taipei Exchange (TPEx)
Issuing price	The bond is issued with 100% par value of NT$100,000.	The bond is issued with 100% par value of NT$100,000.	The bond is issued with 100% par value of NT$100,000.	The bond is issued with 100% par value of NT$100,000.
Total amount	NT$150,000,000	NT$220,000,000	NT$200 million.	NT$250,000,000
Interest rate	Coupon rate 0%	Coupon rate 0%	Coupon rate 0%	Coupon rate 0%
Maturity	Three years Date of maturity: January 3, 2022	Three years Date of maturity: September 1, 2023	Three years Date of maturity: August 12, 2025	Three years Date of maturity: August 27, 2028
Guarantee Institution	None	None	None	None
Trustee	Taishin International Bank	Taishin International Bank	Taishin International Bank	Taishin International Bank

Bond type	The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.	The 4th Unsecured Convertible Bond in R.O.C.
Consignee	Concord Securities Co., Ltd.	Concord Securities Co., Ltd.	Concord Securities Co., Ltd.	Concord Securities Co., Ltd.
Certified Lawyer	Lawyer, Yu-Liang Chen from Jheding International Law Offices	Lawyer, Yu-Liang Chen from Jheding International Law Offices	Jheding International Law Offices Lawyer, Yu-Liang Chen	Jheding International Law Offices Lawyer, Yu-Liang Chen
Certified CPA	CPA, Cheng-Hsiu Yang and CPA, Wang-Sheng Lin from Deloitte & Touche	CPA, Cheng-Hsiu Yang and CPA, Wang-Sheng Lin from Deloitte & Touche	CPA, Tung-Ju Hsieh and CPA, Wang-Sheng Lin from Deloitte & Touche	CPA, Tung-Ju Hsieh and CPA, Wang-Sheng Lin from Deloitte & Touche
Repayment Methods	Except for the case where the holders of the convertible bonds convert them into the Company's ordinary shares in accordance with Article 13 of the Regulations or exercise the put options in accordance with Article 22 of the Regulations, and where the Company calls the bonds or purchases them back from the security houses for cancellation in advance in accordance with Article 21 of the Regulations, the Company redeems the bonds with cash at the face value when the convertible bonds are due.	Except for the case where the holders of the convertible bonds convert them into the Company's ordinary shares in accordance with Article 13 of the Regulations or exercise the put options in accordance with Article 22 of the Regulations, and where the Company calls the bonds or purchases them back from the security houses for cancellation in advance in accordance with Article 21 of the Regulations, the Company redeems the bonds with cash at the face value when the convertible bonds are due.	Except for the case where the holders of the convertible bonds convert them into the Company's ordinary shares in accordance with Article 13 of the Regulations or exercise the put options in accordance with Article 22 of the Regulations, and where the Company calls the bonds or purchases them back from the security houses for cancellation in advance in accordance with Article 21 of the Regulations, the Company redeems the bonds with cash at the face value when the convertible bonds are due.	Except for the case where the holders of the convertible bonds convert them into the Company's ordinary shares in accordance with Article 13 of the Regulations or exercise the put options in accordance with Article 22 of the Regulations, and where the Company calls the bonds or purchases them back from the security houses for cancellation in advance in accordance with Article 21 of the Regulations, the Company redeems the bonds with cash at the face value when the convertible bonds are due.
Amount not repaid	NT$0	NT$0	NT$0	NT$250,000,000
Redemption or earlier redemption	It is handled in accordance with the regulation of	It is handled in accordance with the regulation of	It is handled in accordance with the regulation of	It is handled in accordance with the regulation of bond

Bond type		The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.	The 4th Unsecured Convertible Bond in R.O.C.
		bond redemption right defined in Article 22 of the issuing rules.	bond redemption right defined in Article 22 of the issuing rules.	bond redemption right defined in Article 22 of the issuing rules.	redemption right defined in Article 22 of the issuing rules.
Limitation Article		See the "Regulations governing the first domestic issuance and conversion of unsecured convertible corporate bonds."	See the "Regulations governing the second domestic issuance and conversion of unsecured convertible corporate bonds."	See the "Regulations governing the second domestic issuance and conversion of unsecured convertible corporate bonds."	See the "Regulations governing the fourth domestic issuance and conversion of unsecured convertible corporate bonds."
Name of the credit rating agency, rating date, and rating results		Not applicable	Not applicable	Not applicable	Not applicable
Other equity attached	The amount of converted (swapped or purchased) ordinary shares, GDRs or other securities as of the date when the annual report was printed	Our first domestic unsecured convertible bonds matured after three years and closed the transaction over the counter on March 5, 2021.	Our second domestic unsecured convertible bonds matured after three years and closed the transaction over the counter on September 4, 2023.	Our third domestic unsecured convertible bonds matured after three years and closed the transaction over the counter on August 13, 2025.	As of the annual report publication date, no investor had applied for conversion of the fourth unsecured convertible bonds in the Republic of China.
	For the Regulations on Issuance and Conversion (Swap or Purchase),	please refer to the bond issuance data on the section of bond credit rating on the MOPS.	please refer to the bond issuance data on the section of bond credit rating on the MOPS.	please refer to the bond issuance data on the section of bond credit rating on the MOPS.	please refer to the bond issuance data on the section of bond credit rating on the MOPS.
Rules for issuing, conversion, exchange or purchase, possible dilutions of equity from the issuing conditions, and the impacts on the rights		Our first domestic unsecured convertible bonds matured after three years and closed the transaction over the counter on March 5, 2021.	Our second domestic unsecured convertible bonds matured after three years and closed the transaction over the counter on	Our third domestic unsecured convertible bonds matured after three years and closed the transaction over the counter on August 13, 2025.	As of the conversion termination date of March 30, 2026, 2,500 fourth unsecured convertible bonds in the Republic of China remained unconverted,

Bond type	The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.	The 4th Unsecured Convertible Bond in R.O.C.
of the existing shareholders		September 4, 2023.		calculated based on the current conversion price of NT$ 78.61. Assuming that all holders of unconverted bonds convert at the conversion price, the bonds are converted into 41,122 thousand company common shares. The dilution ratio is approximately 7.73% based on the current number of outstanding ordinary shares and the estimated number of convertible shares.
Custody Agency Name for the Exchange Target	Not applicable	Not applicable	Not applicable	

Status of convertible bonds:

Unit: NTD

Bond type		The 1st Unsecured Convertible Bond in R.O.C.	The 2nd Unsecured Convertible Bond in R.O.C.	The 3rd Unsecured Convertible Bond in R.O.C.	The 4th Unsecured Convertible Bond in R.O.C.	
Item \ Year		As of March 5, 2021	As of September 4, 2022	As of August 13, 2025	2025	Year-to-date March 31
Market price of the convertible bond	Highest	NT$182	NT$112.00	195	124	107
	Lowest	NT$100	NT$99.4	108	103.90	95
	Average	NT$146.63	NT$103.3	149.13	112.15	103.39
Conversion price		NT$39.64 with 3 years left until maturity were issued, and closed the transaction over the counter on March 5, 2021	NT$52.66 with 3 years left until maturity were issued, and closed the transaction over the counter on September 4, 2023	NT$40.91 with 3 years left until maturity were issued, and closed the transaction over the counter on August 13, 2025	NT$78.61	
Issue date and		Issue date: January 3, 2019	Issue date: September 1, 2020	Issue date: August 12, 2022	Issue date: August 27, 2025	

Conversion price	NT$43.73	NT$64.89	NT$48.50	NT$79.79
Ways of fulfilling conversion obligation	New share issue	New share issue	New share issue	New share issue

III. Disclosure relating to preference shares: none.

IV. Disclosure relating to depository receipts: none.

V. Situation of handling of subscription right certificate:

VI. The new shares from restricted employee stock option: none.

VII. Disclosure on new shares issued for the acquisition or transfer of other shares: none.

VIII. Progress on the use of funds:

The 2025 cash capital increase issue of new shares and issue of the fourth unguaranteed corporate bond conversion

(I) Project details:

1. Total capital required for the plan: NT$392,600 thousand.
2. Date of approval by the competent authority and the document number:

   Approval for new share issuance for cash capital: Taiwan Central Bank Letter Wi-Wu Zi #1140023406, 2025/07/15

   Approval for fourth unsecured convertible bonds: Taiwan Central Bank Wi-Wu Letter Zi # 1140023405, 2025/07/15
3. Fund source:
   (1) Cash increase issue of new shares
      A. Denomination: NT$10.
      B. Number of shares: 2,300 shares
      C. Issue price: NTD62 per share
      D. Total amount raised: NT$142,600 thousand.
      E. For the new share issuance for cash capital, the Company might choose to source the required funds from self-owned capital, bank loans, or other means when the actual issuing price is lower than the predetermined price and less capital than expected is raised. The Company might receive additional operating funds if the actual issuing price is higher than the predetermined price and more capital than expected is raised.

   (2) Issuance of the fourth unsecured convertible bonds in R.O.C.
      A. Denomination: NT$100,000.
      B. Number: 2,500 shares
      C. Period: Three years
      D. Coupon rate: 0%
      E. Issuing price: Par Value *100%
      F. Total funds raised: NT$250,000 thousand.
      G. If a less-than-expected capital is raised through the issuance of unsecured convertible bonds, the Company might choose to supply the fund needed from bank loans, self-owned capital or through other means.
4. Capital Use Plan and Reserve Use Progress:

Unit: NTD thousands

Plans	Scheduled completion date	Total funds required	Fund application progress				
			2025		2026		
			Q3	Q4	Q1	Q2	Q3
Investment in a subsidiary in Thailand	2026Q3	308,000	-	125,000	58,000	105,000	20,000
Replenishing operating fund	2025Q3	84,600	84,600	-	-	-	-
Total		392,600	84,600	125,000	58,000	105,000	20,000

Note: The Company's planned capital expenditure for the current investment in the Thai plant is NT$398,400 thousand (based on THB 400,000 thousand, THB: NTD = 1: 0.996 exchange rate). Of this amount, NT$80,192 thousand was invested with self-owned working capital from May to July 2025. After the completion of the current fundraising, NT$308,000 thousand will be used to pay the land and plant contract signing fee, renovation work, and purchase of machinery and equipment, and another NT$10,208 thousand of self-owned capital is expected to be invested.

(II) Execution:

1. Investment in a subsidiary in Thailand

To align with the Group's future operational plans and the Company's overseas business development goals, it is proposed to diversify production bases to mitigate operational risk and address customer requirements for dispersing production site risks in a single region. The plan is to set up a subsidiary, POWER LOGIC TECH (THAILAND) CO., LTD., in Thailand, through the Company's subsidiary, POWER LOGIC HOLDINGS INC. Capital will be injected in phases locally from 2025 onwards to purchase land and ancillary factory facilities in Thailand, employee dormitories, undertake plant improvement and renovation work, and produce automotive cooling products. The Company estimates that the cumulative operating revenue increase of its Thai subsidiary POWER LOGIC TECH (THAILAND) CO., LTD. from 2026 to 2031 will be NT$3,222,500 thousand and the net operating income will be NT$201,427 thousand. The investment payback period is estimated to be approximately 6.67 years from May 2025, when investment in the Thai subsidiary began.

2. Replenishing operating fund

In response to the working capital requirements following the initial investment in a Thai subsidiary with own funds, the Company expects to use NT$84,600 thousand of the funds raised this time to replenish working capital. In addition to reducing dependence on banks and increasing long-term stable funding sources, and increasing flexibility in fund utilization, replacing bank financing with the funds raised is estimated to reduce interest expense by NT$514 thousand per quarter in 2025, based on the Company's current bank short-term borrowing rate of 2.43% in 2025 Q1. This would also reduce interest expense by approximately NT$2,056 thousand per year thereafter. This will appropriately reduce the Company's financial burden, avoid interest expense eroding profits, and strengthen the financial structure, thereby increasing long-term competitiveness.

Unit: NTD thousands; %

Plans	Implementation status		2025Q3	2025Q4	Cumulative Execution Progress	Description of Progress
Investment in a subsidiary in Thailand	Amount Mobilized	Scheduled	0	125,000	125,000	The Company began investing in its Thai subsidiary in 2025 Q4, planning to purchase land and ancillary factory facilities and employee dormitories, undertake plant improvement and renovation work, as well as acquire machinery and equipment. Except for the purchase of land and ancillary factory facilities in Thailand, which was carried out as planned, the employee dormitory had not yet completed house inspection and obtained transfer registration, and the specifications and installation methods for the machinery and equipment were still under discussion with suppliers. Therefore, funds planned for the purchase of the employee dormitory and machinery and equipment had not yet been disbursed. As of 2025 Q4, the cumulative actual progress lagged behind the planned progress.
		Actual	0	58,864 Note	58,864 Note	
	Execution progress (%)	Scheduled	0.00%	40.58%	40.58%	
		Actual	0.00%	19.11%	19.11%	
Replenishing operating fund	Amount Mobilized	Scheduled	84,600	—	84,600	The progress of the use of funds for replenishing working capital has been completed in 2025 Q3 as scheduled.
		Actual	84,600	—	84,600	
	Execution progress (%)	Scheduled	100.00%	—	100.00%	
		Actual	100.00%	—	100.00%	

Note: NT$58,864 thousand (Thai baht 59,100 thousand), calculated using an exchange rate of 1 Thai baht to NT$0.996.

IV. Business performance

I. Content of business

1. Business scope:

(1) The main contents of the business service

The Company’s main business items are: DC cooling fan management and sales.

(2) The proportion of key items to overall operation

Unit: NTD thousands

Product	2024		2025	
	Amount	Business weightage	Amount	Business weightage
E-sports	1,096,780	86.85%	1,366,624	77.96%
General cooling	76,172	6.03%	175,577	10.02%
Industrial control and home appliances	51,107	4.05%	134,740	7.69%
Communication	30,781	2.44%	56,077	3.20%
Vehicles and other	7,975	0.63%	19,871	1.13%
Total	1,262,815	100.00%	1,752,889	100.00%

(3) The Company's current products (services)

The Company’s products include DC Brushless Cooling Fans, Drum Fans, EC Fans, Miniature Fans, High IP Protection Rated Fans, and Fluid Dynamic Bearing Bearings (HDB), Molded Parts, Plastic Injection, SMT, Wires, and Related Processing. Fields of application include gaming, IT, communication, server, industrial control, home appliances, automotive, and other related cooling industries.

(4) Planned developments for new products (services)

The Company continues to develop computer cooling products through its complete processes in the field of fans. In addition to display card cooling fans, products continue to be added, such as power supply, chassis, CPU fans, and other customized products. Markets other than computer cooling include vehicle fans (cooling or exhaust), electric vehicle charging pile pooling, industrial control products (inverters, transformer cooling), Telcom(5G/Server/AI), green energy, home appliances, and so on. Percentage of R&D spending increased every year for developments of product and technology and maintaining the technology and patent leadership.

We continue to provide products with new and innovative designs and versatile applications to enhance the selling points for winning long-term customer relationships and market attention.

2. Industry overview

(1) Industrial status and development

All kinds of electronic devices around the world continue to become lighter, thinner, shorter, smaller, faster in computation, multi-functional, and energy-saving. The operating clock speed of the ICs is increasing as a result. Under the heating effect of current theory, when an electronic device is running, the current in the circuit generates unnecessary heat due to the effect of impedance. If the heat cannot be effectively dissipated, and keeps accumulating on the electronic components, the components might be damaged by the rising temperature. According to IEK's report, among the causes of device damage, high temperature causing dysfunction accounts for the highest ratio reaching 55%, higher than other causes such as vibration, humidity, and dust. Therefore, the quality of cooling devices has a huge impact on electronic product operations. Under this trend, the cooling efficiency requirement for cooling component also continues to rise.

In the field of thermal current, the cooling efficiency of forced convection is better than natural convection. Therefore, fan related applications have always played a vital role in cooing modules.

As for 5C products (communications, computers, consumer electronics, auto motive electronics, and medical electronics) applied in fan design over the years, in addition to rotation speed, efficiency, energy saving, low noise, long life, and stability improvements, how to design products in line with these applications has become one of the competitive indicators for fan manufacturers.

We believe applications for cooling components will continue to expand in the areas including PC, NB, servers, telecommunication, consumer electronics, car parts, industrial equipment, and optical industries, especially the IT industry.

As global technology continues to advance and grow, AI technology and high-performance computing are changing our world and leading the way. With the huge demand for computing brought about by these innovations, and the consequent problems of high power and high temperature, heat dissipation has become a necessary and important key technology.

With new product launches, consumer demands and product developments are the biggest catalysts for the growth in the cooling industry. Apart from the 3C applications mentioned above, cooling components are gaining their applications in sectors covering vehicle electronics, hand-held electronics, virtual reality, IoT, AI and high-performance computing. This problem encourages the dissipative component manufacturer to invest in research and development and increase production capacity to expand their market share. Furthermore, the emerging application of AI, meta, AIOT, and low altitude satellite (future 6G technology) causes the large increase of chip efficiency, and the heat consumption. That said, "heat dissipation" of a product needs to catch up with the development of application. The dissipative fans can be used in many aspects, including 5C products (communication, computer, consumer electronics, automotive electronics, and medical electronics), and industrial equipment, electro-optical industry. The third-generation semiconductor, and other new materials are introduced in the application of fast charging battery and new energy products, automotive electronics, and electric car. Dissipation of the high heat caused by high frequency, high speed, high power and large current becomes more urgent. The need of heat dissipation due to the continuous improvement of speed and functions of electronic products also encourages the manufacturers to strengthen their R&D capability and patented technology, and launch high-level dissipation products to satisfy the new application products' functionality.

Rooted with outstanding product designs, the Company has been making great efforts in R&D and product developments to maintain its technology and patent leadership for better profitability.

In addition, our high-standard producing craftsmanship, in-depth customer relationships with joint-development ability as well as timely shipment schedule from ample production capacity will certainly enable us with competitiveness in the cooling industry.

(2) Correlation of upstream, midstream, and downstream industry:

The Company's current main product line consists of cooling fan products. Cooling fan components are complex. The upstream related industries include: plastic raw materials, bearings, steel, metal processing, die-casting (aluminum die-casting, powder metallurgy), molds (metal stamping and plastic injection), wires, connectors, driver IC, passive components (resistors/capacitors/poles), printed circuit boards, and so on.

There is a wide range of downstream cooling fan applications. Fans are needed by all for enhancing air convection cooling efficiency. The fields of application include: information industry, Netcom equipment, optoelectronic industry, home appliance industry, information home appliances, audiovisual devices, industrial commercial equipment, automotive and electronics industries.

(3) Product development trends and competition:

With the rapid development of technology and ever-changing products, the applications and market demand also continue to expand and change. In recent years, in addition to the rapid popularization of smart phones, tablet PCs, and other consumer mobile devices, the rapid development of high-end technologies including 5G big data, Internet of things (IoT), cloud computing, and artificial intelligence (AI) technologies have also led to the rapid development of more emerging industries, such as cloud servers, electric vehicles, VR devices, unmanned aerial vehicles, etc. Therefore, more and more industries need cooling modules or other cooling products. Cooling product manufacturers with solid foundation and competitiveness have stepped into niche operating markets or seized market share in middle-high end product applications in recent years, reaching out to application fields other than the traditional computer industry to seek higher profits. The e-sports boom in recent years has led to the industry's increasing higher demand. Many traditional computer and component brand manufacturers have put in more efforts to enter the niche e-sports market and actively develop e-sport-exclusive product series, in the hope of keeping up with e-sports industrial growth. However, due to the increasing number of competitors, in order to cater to the needs of module manufacturers or end customers, 3Hs and double-speed product strategies will be the key to success.

A. Three Tops

(a) High Quality:

In response to the global environmental concept trend, major computer manufactures have one after another increased quality requirements, strictly prohibiting harmful substances in electronic products during processes or final products. Only by passing international manufacturers' high-standard quality audit and environmental certifications can there be sustainable orders.

(b) Long Life:

Fans have a long life, which can increase customers' product use life and reduce burdens on the environment and public security during future maintenance and recycling.

(c) High Performance:

"Light, thin, short, and small" are a featured development trend for all electronics products. How to use technology, innovation, R&D, and design to develop new materials for application in order to bring out high cooling efficiency in the limited spaces of mechanisms and using smart functions in place of manual information collection are the keys to successfully receiving purchase orders.

B. Double Speed

(a) Fast Design:

Due to the short life cycle of video cards, new video card chips NV/AMD continue to be launched every year. Therefore, in order to become a cooling fan manufacturer with a high market share, one must obtain new product specifications and marketing and market demand related information the fastest. Supplemented by software and hardware design equipment and years of solid industrial application and development technologies, products can be quickly design; in the design, process smoothness should be considered to achieve speedy manufacture and products with high yield rates through reasonable processes.

(b) Fast Delivery:

The factory demonstrates a high degree of vertical integration, from molding, injection molding, fan processing, SMT, motor winding, rotor processing, stator assembly, wire processing, finished product assembly, high compliance with delivery dates, high production flexibility, and quality control. At the same time, well-planned inventory, supplier management plans, and speedy and unobstructed shipment processes and transportation should be established to avoid stagnant inventory and materials.

C. Three Lows (3Ls)

(a) Low Costs:

With the global 3C industry's price competition becoming increasingly fierce, all suppliers are facing enormous pressure to reduce prices. Therefore, how to apply efficient management, enhance our own component manufacturing, improve processes, increase yield rates, vertically integrate manufacturers, automation I place of manpower to reduce costs, and increasing gross profit are the objectives of uttermost importance to the industry at present.

(b) Low Noise:

Cooing fans with thermal modules and system applications are widely used in daily life. Take for example an environment where notebook computers are readily accessible, a quiet office, and an audiovisual equipment environment, the size of noise value and even noise quality are listed for consideration as product rating indicators and the key factors contributing to proprietors' competitive market advantage.

(c) Low Power Consumption:

The goal of 3C product design is to reduce power consumption in response to the trend of energy conservation and carbon reduction. R&D and application of optimized fan motor, the blade shape and the circuit matching for low energy consumption have been carried out to meet customers' design goals.

In view of the above future industrial development trends, whether cooling fan manufacturers can continue to launch products in line with market trends will be the key factor contributing to whether the proprietor can gain an advantage in the competitive market.

(4) Competition

The major competitors of cooling fans are classified as follows:

A. Well-known international Japanese manufacturers: Sanyo, Denki, Nidec, and NMB.

B. Domestic first-line manufacturers: Sunon, Asia Vital and Delta.

C. Other companies: Everflow Technology Corp., Yungli, and Chinese investment company FirstCo Corp.

Since there are many competitors and that cooling fan applications are for the 3C industry with steady growth and maturity, the industry target customers with large purchase orders and use price competition as a means of marketing, thus the fierce market competition and resulting in the industry's price shreds for sales and quality inconsistency. In view of the Red Sea market, the cooling fan manufacturers encounter blind spots, including: 1. Slow production operation with poor flexibility; 2. Inability to comply with small qualities and large diversities; 3. Inability to quickly respond to and coordinate new product development for customers. The above are the keys to the Company's urgent need to achieve breakthroughs in the industry

Since the short life cycle, complicated design, fast R&D, and high quality requirement of IT product, it is more important for components to catch up with the updated technology and speed. Due to the differentiation tendency - each client has difference product specifications and objectives - manufacturers should be able to change their production processes and R&D to accommodate the needs. We are already capable of developing technology when we first entered into the graphics card market. After many years of R&D experience, we have applied for several patents to ensure the company's competitiveness. The guidelines of product development are "Application and Compatibility" "Collaborative Design" and "Innovative Technology". The company collaborates with the clients at the early stages of product design to set the new product specifications, conduct technology testing and verification, and pass the client's product certification.

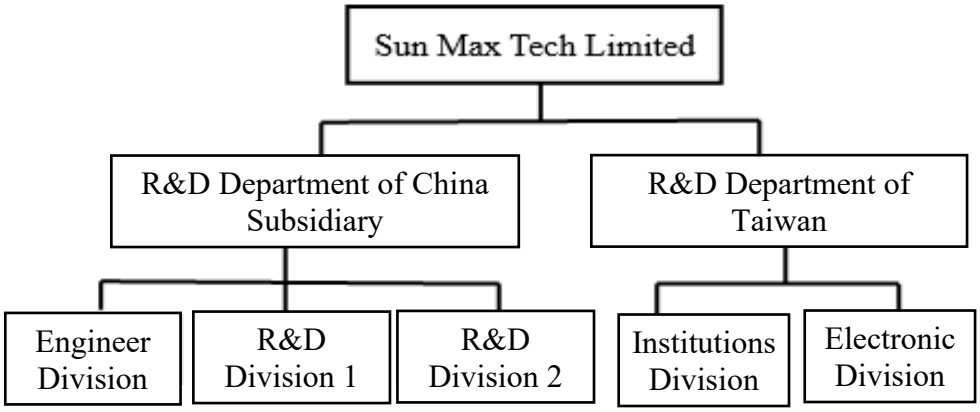
In response to the client's need of development changes and rapid reaction to the market variation, and the growing application of AI, servers and In-vehicle green energy, deepen the technical level and actively invest in the optimization and automation of production processes through the R&D and design capability. Reduce the cost, shorten delivery lead-time, stabilize quality, and increase the production capacity during production operation to reach the goal of competitiveness of beloved brand - "Continuous Client Satisfaction".

3. Technological research and development

(1) Technical level and R&D for business operations

The Company has deep plowed the field of fan products for two decades. Currently, new products are mostly co-developed with end customers, in close cooperation with customers as early as R&D commencement. Product design is carried out targeting different customer attributes, and mass production is imported. In addition to product R&D, process improvement continues to be ongoing. Automated equipment continues to be imported to enhance production efficiency and quality and reduce production costs. In addition, the Company engages in technological cooperation with its customers and suppliers to improve product function and enhance the Company's innovation and R&D competitiveness.

The Company's R&D Department's organization is as shown in the diagram below:



(2) Academic/career backgrounds of the R&D personnel

Unit: person

Item	Year	2021	2022	2023	2024	2025
Education	Doctoral Degree	1	1	1	1	1
	Master	8	8	5	19	10
	Bachelor	7	13	12	36	16
	College	20	19	21	8	33
	Below Senior High School	18	18	13	4	14
	Total	54	59	52	68	74

(3) Annual R&D expenses for the last years

Unit: NT$ thousand; %

Item / Year	2021	2022	2023	2024	2025
Research and development expenses	60,967	63,709	68,551	88,143	106,420
Net revenue	1,839,214	1,658,588	1,382,210	1,262,815	1,752,889
Percentage to operating revenue	3.31%	3.84%	4.96%	6.98%	6.07%

(4) Successfully developed technologies or products for the last 5 years

Year	R&D results	R&D results
2020	Product design	85 patents cover fan blade, server cooling fan, LED effect and newly-created products
2021	Product design	30 new patents about fan structure (fan blade and lighting effect)
2022	Product design	The addition of 29 fan structure patents.
2023	Product design	The addition of 24 fan structure patents.
2024	Product design	The addition of 46 fan structure patents.
2025	Product design	The addition of 28 fan structure patents.

4. Long-term and short-term business development plans

(1) Short-term business development plans

A. Having closer cooperation with agents to introduce new customers.
B. Proactively develop basic product market, such as electronic fans used in AI, 5G, AIOT, servers, automobile and new energy diverse appliance design applications to earn higher profits.
C. Refining the automation equipment to increase the flexibility of a small but a variety of production.

(2) Long-term business development plans

A. With the development of the technology industry and the trend of consuming electronics integration, the Company continues to enhance its core competitiveness and creativity through innovative R&D and design, enhanced manufacturing capabilities and improved application technology.
B. Develop overseas customers and markets to lead the Company toward globalized development.
C. Development of smart home appliances: co-working with our customer to develop cooling systems used in home appliances
D. Engage in the R&D of new-energy products such as cooling fan charging cabinets and charging modules.
E. E. With the rise of AI, 5G, AIOT and servers industries, the transmission of products will rise, and cooling will become more important. Fan design and application in diverse markets with the timely design of products meeting clients' needs will be the competition indicator among fan suppliers.

II. Market and sales overview

1. Market Analysis

(1) Main products (services) sales (providing) area

Unit: NTD thousands

Sales area	2024		2025	
	Amount	Proportion %	Amount	Proportion %
China	1,076,302	85.23	1,464,469	83.55
Taiwan	66,014	5.23	92,430	5.27
Others	120,499	9.54	195,990	11.18
Total	1,262,815	100.00	1,752,889	100.00

(2) Market share

The Company is the world's main e-sports cooling fan supplier at present who provides customers with more competitive products featuring unique performance.

According to the latest report by Newzoo, a market analysis company, the global game market will generate a total income of US$188.8 billion in 2025, up 3.4% from 2024. The home console market is expected to grow the fastest to reach US$45.9 billion with an annual growth rate of 5.5%. Newzoo attributes this growth to the launch of Nintendo Switch 2 and the general increase in price for home consoles. Sports games continue to perform well on home consoles, and are expected to generate US$10.6 billion in revenue, a 3.5% increase from last year.

According to the forecast of Newzoo, the compound annual growth rate of the global game market will reach 3.1% from 2022 to 2027, and the market scale is expected to increase to US$213.3 billion in three years.

The future of the global video game industry is bright in the long run. This indicates a fairly robust trend for gaming industry in mid to long terms.

With the wave of AI technology ignited by Chat GPT and the increasing new applications of the Internet of Vehicles, the Internet of Things and the Metaverse, governments of various nations are actively promoting infrastructure construction, including smart cities, smart grids/charging piles and energy storage systems. While both the CPU and GPU are now more powerful in terms of computing capability, they produce more heat. Moreover, the global community is actively implementing ESG energy conservation and carbon reduction initiatives. The topic of inefficient heating methods has risen to the forefront of policy discussions. Our company accepts greater and more difficult challenges in line with the market and continues to conduct research and development on AI, 5G, servers, AIOT, green energy, smart home appliances, automotive, Netcom and e-sports notebooks and other related applications.

(3) Future market supply and demand and the growth

①Video Card Market

The focus of the graphics card is GPU. The main manufacturers of GPUs are Nvidia/AMD/Intel. The main functions of GPUs are to accelerate computation tasks. However, there are some accelerators that are designed to accelerate machine learning tasks. Among the companies that manufacture these accelerators, some of them have manufactured traditional GPUs. So far, they have made progress in the design of machine learning, which is called the data center GPU. Data center GPUs and AI accelerators have more memory than traditional GPUs. Therefore, the data center GPU is more suitable for large-scale artificial intelligence models. To deal with the large-scale AI model such as

ChatGPT, it is necessary to combine the GPUs of multiple data centers into a strong computing system. This also requires complex software to process all computing capabilities.

According to statistics from Jon Peddie Research, NVIDIA held 94% of the standalone graphics card market share at the end of Q2 this year, while AMD had only 6%. Intel's share of the standalone graphics card market was less than 1%, representing virtually no effective competition. This data shows AMD's market share continued to decline, from 12% in 2024 Q2 to 8% in Q1 of this year, and now to 6%.

It is expected that the graphics card market will grow exponentially in the next few years, and the market scale will reach US$219.7 billion by 2030, with a compound annual growth rate (CAGR) of 29.9%. The elements for growth during the forecast period include the increasing adoption of artificial intelligence and machine learning workloads, the accelerating transformation of cloud gaming platforms, the increasing adoption of virtual reality (VR) and augmented reality (AR) applications, the ever-increasing demand for UHD monitors, and the expansion of the professional content production industry. The key trends during the forecast period include the continually growing demand for high-performance GPUs, the increasing use of GPUs in cryptocurrency mining, rising demand from multi-monitor environments and 3D rendering applications, the expansion of the gaming and e-sports ecosystems, and the growing adoption of GPUs in innovative workflows and image production.

②Personal Computer Market

According to shipment forecasts released by market survey institution Omdia, global personal computer (PC) shipments in 2025 reached approximately 279 million units, a 9.2% increase year on year. Of these, desktop PC shipments were around 59 million units, up 14.4% year on year, representing 21.11% of the total.

With the thriving development of generative AI applications in recent years, the demand for AI inference, which used to rely heavily on cloud data centers, is now trending toward AI applications directly on the terminal devices, making the AI PCs the center of attention in the PC industry. The impact includes hardware updates and major changes in the user scenarios and supply chain reorganization. The huge business opportunities in the AI PC industry have become a battleground for many big firms. As more R&D resources and funds continue to be invested, AI PCs will become a key player in moving the industry towards the next peak.

③Notebook Computer Market

According to shipment forecasts released by market survey institution Omdia, global personal computer (PC) shipments in 2025 reached approximately 220 million units, an 8% increase year on year. Additionally, the latest TrendForce survey indicates that rapidly rising memory prices are quickly eroding laptop brands' profitability and pricing flexibility, amid limited economic recovery and conservative consumer behavior. Accordingly, TrendForce has once again lowered its 2026 global laptop shipment forecast to a 5.4% decrease year-over-year, to nearly 173 million units, reflecting brands' increasingly conservative approach to inventory, promotions, and product mix amid growing cost pressures.

At present, the market is facing a shortage of key components (such as memory and storage devices), which has led to increased costs for high-end laptops and tariff risks. The Trump administration's tariff policy prompted the supply chain to accelerate its shift to Southeast Asia.

④Telecom, server market:

To meet the high-speed computing requirements of the cloud, 5G public cloud, 5G private network, AI and edge computing, semiconductor processes are evolving toward a more sophisticated nano-process and wafer-level 3D packaging. In addition to the continual reduction in chip size, more transistors have been integrated, resulting in a greater heat impact. Even more so, high-speed computing and high-speed transmissions that operate continuously, even around the clock, significantly increase the high heat frequency.

Smart edge computing combines advanced wireless connection technology, condensed computing capability, and AIs installed near the data usage and generation equipment. Following the enhancement of cloud computing, data analysis, and AI, the technology represent the evolution and integration of industrial monitoring, automated manufacturing, utility business management, and telecom. A corresponding equipment and IC efficiency have become the biggest challenge to heat dissipation. The foregoing equipment will play a main role in each country's infrastructure. 24-hour operation, fast transmission, stable signal, power-saving, and climate-resistance are the basic features required for all telecommunication products. Therefore, high air volume, high wind pressure, high and broad voltage, IP protection, power-saving, and intelligent circuit design are the focuses of development.

According to TrendForce statistics, global total server shipments grew by about 5% in 2025, with demand for artificial intelligence (AI) servers continuing to rise. In 2024, AI server shipments increased by 46%. The global AI server scale is expected to reach approximately 2.1 million units in 2025, a rise of about 24.5%, to meet the demand from cloud service providers (CSPs) and original equipment manufacturers (OEMs) for generative AI training and inference applications. For 2025 to 2026, the major CSPs in North America and China will be the main drivers of AI server orders.

(4) Competitive niche

①The diversity of one-stop production lines, mass production, and planning management-based manufacturing advantage meet customers' demand for delivery flexibility as well as market changes.

②Setup of independent production lines: Products with high products in small quantities and large diversities (machine models) in response to new products on the market.

③The Company maintains long-term positive partnerships with its major customers to jointly develop new products and provide opinions and demands, create a closer collaboration mode, and strengthen "working with customers as one" to markets in concerted efforts.

④Price Competitiveness: Engage in lean production management in response to the pressure of rising costs, promote management improvement through technology improvement and importation of automated equipment, gradually achieving market demand for price drops.

⑤International Certification: The Company has obtained ISO 9001 and ISO 14001 system certifications for several years. For ISO/TS 16949, the IATF 16949 certification was obtained in 2017, and the quality of the products manufactured has received much recognition from customers. In addition, we obtained the ISO 45001 occupational health and safety management system certification in 2024 to establish and implement a friendly workplace environment. At the end of the same year, we also successfully acquired the ISO 50001 Energy Management System certification, demonstrating our commitment to environmental protection and energy efficiency.

⑥Achieved harmonious labor relations, production efficiency and quality stability.

(5) Advantages and disadvantages of future development and the countermeasures

①Favorable factors

A. Grasp of Research and Development and Markets

We were greatly benefited in the graphic card market. In addition, through our development efforts in sectors covering vehicle on-board device, servers, internet communication, smart home appliance, and gaming laptop, we are capable of offering applications using steam and water cooling technologies, and tapping into high-end technologies including high air volume and wind pressure and low noise, power consumption and vibration, as well as applications in special conditions like high/low temperature, water and dust proof. In the meantime, we are working with our customers on fans controlled by smart circuit for applications in low starting pressure and voltage/current withstanding.

In the cooling fan production process, in addition to integration material applications and fluid mechanics related knowledge, the production technology R&D capabilities of manufacturers have also been put to the test. In addition to professional R&D personnel with a solid background, the Company has also obtained international certifications, including ISO9001 and ISO14001 and has obtained certification from major domestic and foreign manufacturers, a full indication of the Company's receiving affirmation and recognition.

B. Increased Market Demand

(A) Increased chip and memory performance and energy consumption, and higher operating temperatures have resulted in higher operating temperatures are driving demand for more high-end, advanced cooling products.

(B) The market demand for the equipment with algorithmic efficiency and de-heating power consumption is steadily increasing.

(C) The trend towards miniaturization, thinness, and high performance in customer demand for de-heating products is in the technology leader's favor.

(D) Tighter carbon footprint regulations have made customers more willing to replace their motors and fans with more energy efficient ones as applications.

(E) The development trends such as the Internet of Things (IoT), artificial intelligence (AI), 5G communication devices, and high-performance computing are driving more demand.

(F) AI servers/PCs, with powerful computing power of their core components, have seen the machine's Thermal Design Power (TDP) rise dramatically, driving iterative updates to cooling systems.

C. Product Competitiveness

Effective cost control gives the Company a better competitive edge, which is coupled with the high level of internalized production at present and a rapidly accelerating degree of automation.

(A) Provide customers with instant and rapid services.

(B) Provide unit prices with market competitiveness.

(C) Shipments are in cooperation with customers' required delivery dates.

(D) Increase production output and reduce process defective rates.

(E) Provide customers with technical support.

(F) Vertical integration of key components is technically complete.

(G) Collaborative design with customers, good co-development capabilities, fast response time, and strong customization ability

②Unfavorable Factors and Specific Coping Strategies

A. Fierce Market Competitiveness

Due to the increasing competition in PC products, electronic components have been facing increasing pressure to lower prices. With the shorter life cycle of PC products and numerous competitors, the industry's under greater competitive pressure.

Responsive strategies:

Fully grasp market changes actively enhance R&D design and management capabilities, strengthen supply chain vertical integration, enhance internalization level, and accelerate automated production.

B. Increase of Labor costs

Due to rapid cross-trait development, increased national income, and yearly wage increases in recent years, labor requirements and production costs increase every year. Moreover, the current cooling fan assembly process requires manual assembly, testing, and packaging, resulting in operational pressure.

Responsive strategies:

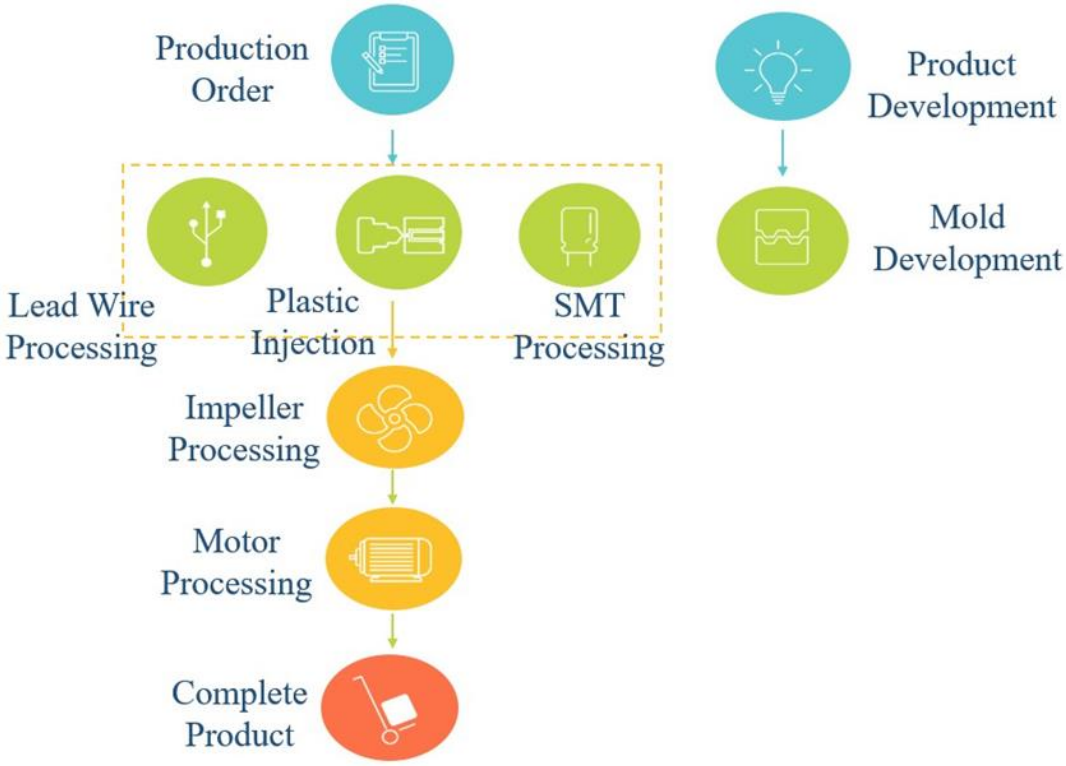
Since the company's primary production base is in mainland China, it has improved and accelerated production automation to decrease the need for labor in the production process and increase the efficiency and productivity of the production line. This was done in response to the rise in production costs brought on by the annual increase in labor wages in the mainland. Apart from developing high performance and high profit products, the Company also developing cross-field products to increase added value.

2. The purpose of key items and production process

(1) Intended use of the main products

Main products	Important Uses
Cooling fan	e-sports, PC, NB, Communication network, industrial control, vehicle, home appliances, and other mechanical cooling components.

(2) The production process of the main products



3. Supply of key materials

Main raw materials	Main Sources	Supply status
IC	China/Taiwan	Good
Bearing	China/Taiwan	Good
Plastic material	China/Taiwan	Good
Diode	China/Taiwan	Good
PCB	China/Taiwan	Good
Packaging material	China/Taiwan	Good
Enameled wire	China/Taiwan	Good
Capacitance	China/Taiwan	Good
Silicon lamination	China/Taiwan	Good
Copper alloy	China/Taiwan	Good

(2) List of key customers for purchase and sales: Names of suppliers accounting for more than 10% of the total purchase in any of the last 2 years, the amount of purchase and proportion to total purchase, and explain the reasons for the changes

Unit: NTD thousands

	2024				2025			
Item	Name	Amount	Ratio to the annual net purchases amount [%]	Relationship with the issuer	Name	Amount	Ratio to the annual net purchases amount [%]	Relationship with the issuer
1	Manufacturer A	46,833	10.94	None	Manufacturer A	70,746	12.07	None
2	Manufacturer B	31,232	7.29	None	Manufacturer B	44,077	7.52	None
3	Others	350,211	81.77	None	Others	471,375	80.41	None
	Purchase - net	428,276	100.00		Purchase - net	586,198	100.00	

Benefiting from the launch of the new generation NVIDIA GeForce RTX 50 series graphics card by NVIDIA, the annual revenue increased year-on-year, so the net purchase also increased.

(2) Names of customers accounted for more than 10% of the total sale in any of the last 2 years, the amount of sale and proportion to total sale, and explain the reasons for the changes:

Unit: NTD thousands

	2024				2025			
Item	Name	Amount	Ratio to the annual net sales amount [%]	Relationship with the issuer	Name	Amount	Ratio to the annual net sales amount [%]	Relationship with the issuer
1	Customer A	249,874	19.79	None	Customer A	476,555	27.19	None
2	Customer B	202,287	16.02	None	Customer B	222,470	12.69	None
3	Customer C	107,534	8.52	None	Customer C	177,411	10.12	None
4	Others	703,120	55.67	None	Others	876,453	50.00	None
	Net sales	1,262,815	100.00		Net sales	1,752,889	100.00	

Benefiting from the launch of the new generation NVIDIA GeForce RTX 50 series graphics card by NVIDIA, the Company’s 2025 revenue increased by 38.81% compared to the same period in 2024.

III. Number of employees in the last 2 years to the date this report was printed.

Unit: person; year; years old

Year		2024	2025	March 31, 2026
Employee No.	Direct labor	485	520	496
	Indirect labor	318	353	326
	Total	803	873	822
Average age		30.95	41.81	41.94
Average seniority		4.39	6.04	6.48
Academic qualification	Doctoral Degree	0.37%	0.42%	0.42%
	Master	13.62%	8.68%	8.63%
	College	22.05%	31.98%	31.45%
	Below Senior High School	45.47%	60.36%	59.50%

IV. Information on spending on environmental protection

In the last fiscal year and until the publication date of the annual report, loss caused by environmental pollution (including damages and environmental audit result indicating violation of environmental laws and regulations, where sanction date and number, violated laws and their content and sanction content shall be specified), estimated amount that could be incurred currently and in the future, as well as the response plan shall be disclosed. In the event it cannot be reasonably estimated, the fact that causes the reasonable estimate to be unavailable shall be explained: None.

The Company's expenses relating to environmental protection are explained below:

1. Permit of the installation of pollution treatment facility, or permit for emission of pollutants, or the payable fees for anti-pollution treatment, or the appointment of the designated body and personnel for environmental protection under law, and the status of licensing, payment or installation of such facility:

(1) Pollution Facility Setup and Pollutant Discharge Permit

DONG GUAN DONG LI DIAN ZI CO. LTD., and Taiyi (Jiangxi) Electronic Technology Co., Ltd., mainly produce cooling fans and use plastic parts, circuit boards, silicon lamination, enamel wires, magnetic strips, metalclad, and wire as raw materials. The main process equipment includes injection machines, winding machines, pin inserting machines, tin furnaces, soldering irons, placement machines, oscilloscopes, pneumatic presses, etc. Pollutant Discharge and Environmental Impact Rating on Construction Projects and environmental Protection Application Form by Dongguan Environmental Protection Bureau (Changping Branch): No impact on surrounding environment and no industrial wastewater discharge with signatures affixed as confirmation. POWER LOGIC TECH. INC obtained the ISO14001 International environmental management Verification on June 11, 2007; Taiyi (Jiangxi) Electronic Technology Co., Ltd. obtained the certification in July 2020.

Since the processes cause no pollution, only waste disposal by a commissioned certified company according to provisions needs to be done. There is no need to apply for a pollution prevention and control certificate or set up pollution prevention and control facilities.

A. DONG GUAN DONG LI DIAN ZI CO. LTD. signed a service contract for hazard treatment with Yuelong Environment Technology in Guangdong (2025/06/01~2026/05/31) to dispose industrial waste and liquid during the production process. A contract was signed with Dongguan Da Feng Environmental Services Co., Ltd. (contract duration: 2025/11/01~2026/10/31) for solid waste disposition.

Taiyi (Jiangxi) Electronics Technology Co. entered into the Hazardous Waste Disposal Service Agreement with Ji'an Julian Environmental Protection Technology Co., Ltd. (contract duration: 2025/08/01 to 2026/07/31), and entered into the Regular Solid Waste Disposal Service Agreement with Hongfa Renewable Resources Recycle Liyong Co., Ltd. (contract duration: 2025/08/01 to 2026/07/31).

B. DONG GUAN DONG LI DIAN ZI CO. LTD. has been certified by the local environmental protection administration for its waste water treatment. No further associated agreement is needed.

(2) Payable fees for anti-pollution treatment

A. On the setup of Power Logic Tech. Inc. in Tianwei Village, wastewater treatment fees were paid to the Tianwei Village Committee. In 2014, payments were instead paid to Guangdong GDH Water Company Limited The basis of payment was computed by tap water usage. In 2014, the payment totaling RMB 82,135.36; in 2015, the payment totaling RMB 45,174.44; in 2016 the payment totaling RMB77,738.40; in 2017, the payment totaling RMB 71,570.4; in 2018, the payment totaling 61,973.40; in 2019, the payment totaling RMB 48,510.3; in 2020 the payment totaling RMB84,075.29; in 2021 the payment totaling RMB197,705.90; in 2022 the payment totaling RMB43,862.30; in

2023 the payment totaling RMB37,345.59; in 2024 the payment totaling RMB23590.28; in 2025 the payment totaling RMB28759.52.

B. Taiyi (Jianxi) Electronic Technology pays its sewage treatment fees to Anfu County Water Construction Company. The fee is calculated based on the tap water consumption. The total fee was RMB 11,762.40 in 2019, RMB 56,558.40 in 2020 and RMB 53,431.20 in 2021. In 2022 the payment totaling RMB47,958.00; in 2023 the payment totaling RMB44,606.40; in 2024 the payment totaling RMB49,389.60; in 2025 the payment totaling RMB54,291.60.

2. Specify the investment in the major equipment of the Company for environmental protection and anti-pollution, the purpose and desired result: None.
3. The effort of the Company in the improvement of the environment from pollution in the last 2 years to the date this report was printed. If there is dispute concerning pollution, specify the process of responding to the situation: Not applicable.
4. Describe the status of pollution and corrective action, and the influence on the earnings, competitive position, and capital expenditures of the Company, and the major capital expenditures for environmental protection projected in the 2 years ahead
   (1) Current condition of pollution and the impact of its improvement to the profits, competitive position and capital expenditures of the Company, as well as the projected major environment-related capital expenses to be made for the coming 2 fiscal years.
   (2) Expected environmental protection capital expenditure in the next two years: None.

V. Labor-Management Relations

(I) The implementation of employee welfare policy, continuing education and training, and retirement system, and labor-management coordination, and the protection of the rights of the employees:

1. Staff fringe benefits

Regarding welfare measures for employees of the Company's subsidiaries, in addition to National Health Insurance and Labor Insurance provisioned in Labor Standards Act of the Republic of China, employees are also insured with accident insurance and group insurance and are entitled to the following employee welfare measures: birthday cash gift, year-end bonus, bonus for three major holidays, incentive bonus, performance bonus, monthly birthday parties, year-end banquet, employee wedding cash gift, maternity allowance, funeral allowance, employee education grant, hospitalization consolation money for employees, maternity leave for male employees, special leave, annual leave, employee retirement allocation, etc., which guarantee employee benefits.

The Company established the "SUN MAX TECH LIMITED Employee Welfare Trust Plan Committee" in 2024 to motivate talent retention and enhance employees' retirement benefits.

For staff in the Dongguan and Jiangxi Plant, in addition to social pension insurance, hospitalization, outpatient clinic medical insurance, unemployment insurance, industrial injury insurance, and maternity insurance insured by law, there are job promotion and salary raise opportunities every year to timely award employees with outstanding performance. Depending on the company operational performance and employment performance assessments, monthly bonuses and year-end bonuses are distributed. In collaboration with the Welfare Committee, achievement recognition activities are held during major holidays, and annual gatherings are held at the end of the year. The Company promotes proposal improvement activities. If a proposal effectively enhances efficiency or reduces costs, cash prizes are awarded as encouragement.

2. Education and Training Situation

The Company focuses on talent cultivation and employees' in-service education and training, in the hope of enhancing employees' overall literacy and work skills.

(1) Pre-service Training

The Management Department shall commence pre-service training on incoming personnel based on job function and the condition of newcomers in order for them to understand the Company's development history, corporate culture, management rules, industrial safety, environmental management, production processes, quality control, regulatory and legal contents, concept training, etc.

(2) Pre-service Professional Training

Special and professional personnel and personnel of national regulated jobs involving higher risks/special tasks. Before officially commencing work and led by the Management Department, the Recruitment Department shall implement professional pre-service training or commissioned training. Employees may take up their job past after obtaining qualification. The Management Department shall retain and monitor the relevant job transfers, transfer training and qualification evaluation records.

(3) On-the-job training

Internal and external training, online education, lectures, etc. are offered from time to time to enhance employees' job-related skills and knowledge so that they can achieve their career development and planning goals and effectively apply their newfound knowledge at work, thereby enhancing their self-esteem.

(4) Professional Skill Training

R&D employees should keep up their fundamental skills while working. Our company occasionally offers external training and other advanced courses in order to keep up with the market's rapid changes, enabling employees to maintain the necessary skill levels and fulfill career requirements.

(5) The 2025 staff advanced study and training

Date	Course content	Class Hours	Course unit/Professor	Participants
2025/3/4	2025 corporate governance evaluation seminar	3	Exchange	Chen o Ju
2025/5/14	Board of Directors and functional committees (audit, remuneration) Regulation analysis and audit key points	6	The Institute of Internal Auditors, R.O.C	CHEN, o CHENG
2025/5/15	Self-defense fire organization training for the first half of 2025	4	Administration Department	Liu o Wen
2025/5/16	Self-defense fire organization training for the first half of 2025	4	Administration Department	Lin o Fu
2025/5/17	Self-defense fire organization training for the first half of 2025	4	Administration Department	LAI o Lun
2025/5/18	Self-defense fire organization training for the first half of 2025	4	Administration Department	Chang o Hsiang
2025/5/19	Self-defense fire organization training for the first half of 2025	4	Administration Department	WEI o Lung
2025/5/20	One-day course for greenhouse gas inventory	6	Industrial Development Administration, Ministry of Economic Affairs (Government grant)	Chen o Ju
2025/5/20	Trump’s tariff war and overseas adjustments and responses for Taiwanese businesses	3	KPS Certified Public Accountants Limited	Lu o Wei
2025/5/21	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Wu o Chao
2025/5/22	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Wu o Yen
2025/5/23	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Wu o Hsien
2025/5/24	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Lu o Yuan
2025/5/25	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Lin o Fu
2025/5/26	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chang o Kai

Date	Course content	Class Hours	Course unit/Professor	Participants
2025/5/27	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chang o Hsiang
2025/5/28	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chang o Chia
2025/5/29	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chang o Sheng
2025/5/30	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chen o Hsun
2025/5/31	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chen o Yuan
2025/6/1	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chen o Yu
2025/6/2	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chen o Hao
2025/6/3	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Feng o Na
2025/6/4	Internal audit digital transformation practice seminar	6	The Institute of Internal Auditors	Lin o Hua
2025/6/4	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	HUANG o Lieh
2025/6/5	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Tung o Liang
2025/6/6	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Liao o Hung
2025/6/7	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	LAI o Lun

Date	Course content	Class Hours	Course unit/Professor	Participants
2025/6/8	ISO9001 internal audit training course	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chung o Yeh
2025/6/9	Self-defense fire organization training for the first half of 2025	4	Administration Department	Hung o Liang
2025/6/9	Self-defense fire organization training for the first half of 2025	4	Administration Department	Wu o Hsiang
2025/6/9	Self-defense fire organization training for the first half of 2025	4	Administration Department	YAO o Min
2025/6/9	Self-defense fire organization training for the first half of 2025	4	Administration Department	Lin o Hua
2025/6/9	Analysis of directors' due diligence, governance, and the effectiveness of internal control systems	6	The Institute of Internal Auditors, R.O.C	CHEN, o CHENG
2025/6/10	Introduction to fan motors	1	R&D Department	HUANG o Mao
2025/6/11	New employee training – structural design and sample assembly	13	R&D Department	HUANG o Mao
2025/6/12	New employee training – structural design and sample assembly	13	R&D Department	Liao o Jen
2025/6/13	New employee training – structural design and sample assembly	13	R&D Department	Lu o Yuan
2025/6/14	Automotive APQP documents	2	R&D Department	HUANG o Mao
2025/6/15	Automotive APQP documents	2	R&D Department	Liao o Jen
2025/6/16	Automotive APQP documents	2	R&D Department	Lu o Yuan
2025/6/17	Automotive APQP documents	2	R&D Department	Lu o Yuan
2025/6/18	Automotive APQP documents	2	R&D Department	Chung o Yeh
2025/6/19	Trump's tariff war and overseas adjustments and responses for Taiwanese businesses	3	KPS Certified Public Accountants Limited	Chang o Hsiang
2025/6/19	Automotive APQP documents	2	R&D Department	Wu o Yen
2025/6/20	Automotive APQP documents	2	R&D Department	Chang o Chia
2025/6/21	Self-defense fire organization training for the second half of 2025	4	Administration Department	Liu o Wen
2025/6/22	Self-defense fire organization training for the second half of 2025	4	Administration Department	Lin o Fu
2025/6/23	Self-defense fire organization training for the second half of 2025	4	Administration Department	LAI o Lun
2025/6/24	Self-defense fire organization training for the second half of 2025	4	Administration Department	Chang o Hsiang
2025/6/25	Self-defense fire organization training for the second half of 2025	4	Administration Department	WEI o Lung
2025/6/26	Sound quality analysis and optimization seminar	8	Samewells	Lu o Yuan
2025/6/27	Sound quality analysis and optimization seminar	8	Samewells	Chung o Yeh
2025/6/28	FLOFED Basic Course	7	Otsuka Information	Wu o Hung
2025/6/29	FLOFED Basic Course	7	Otsuka Information	Lu o Shuo

Date	Course content	Class Hours	Course unit/Professor	Participants
2025/6/30	FLOFED Basic Course	7	Otsuka Information	HUANG o Chin
2025/7/1	FLOFED Basic Course	7	Otsuka Information	HUANG o Lieh
2025/7/2	FLOFED Basic Course	7	Otsuka Information	HUANG o Mao
2025/7/3	FLOFED Basic Course	7	Otsuka Information	Liao o Jen
2025/7/4	FLOFED Basic Course	7	Otsuka Information	Liu o Hao
2025/7/5	FLOFED Basic Course	7	Otsuka Information	WEI o Lung
2025/8/7	The era of smart auditing: AI system auditing and AI-assisted auditing	6	The Institute of Internal Auditors	Lin o Hua
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Wu o Ling
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chang o Hsiang
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	LAI o Hsien
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Wu o Wen
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	HUANG o Chun
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	LAI o Wen
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Lo o Chih
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Lin o Hua
2025/8/13	ISO9001 internal audit training	6	Mr. Luo, Consultant, Mi-g International Consulting & Management Co., LTD.	Chen o Ju
2025/8/13	Net-zero talent cultivation and carbon tariff CBAM course	6	Industrial Development Administration, Ministry	Chen o Ju

Date	Course content	Class Hours	Course unit/Professor	Participants
			of Economic Affairs (Government grant)	
2025/9/11	Challenges and opportunities of IFRS S1/S2 for enterprises	3	Aheadmaster	LAI o Hsien
2025/9/16	Workshop for manufacturing sector on climate change adaptation	6	Taiwan Green Productivity Foundation (Government grant)	Chen o Ju
2025/9/16	2025 manufacturing industry climate change adaptation workshop	5.5	Industrial Development Administration, Ministry of Economic Affairs	YAO o Min
2025/10/9	IFRS 18 “Presentation and Disclosure in Financial Statements” standards and practical analysis	6	Accounting Research and Development Foundation	Chang o Hsiang
2025/10/15	Moving toward a global circular vision: GCP architecture and the path to industrial circular practices in Taiwan	3	Business Council for Sustainable Development (BCSD)	YAO o Min
2025/10/31	Briefing on law compliance advocacy for equity transaction by insiders in 2025	3	Securities and Futures Institute	YAO o Min
2025/11/10	Corporate Governance Diversity, Equity, and Inclusion (DEI)	3	Finance Research and Development Foundation	YAO o Min
2025/11/10	How AI Enhances Operational Efficiency and Service Quality, and Case Study on AI Transformation	3	Finance Research and Development Foundation	YAO o Min
2025/11	Self-defense fire organization training for the second half of 2025	4	Administration Department	Six people from the Administration Department
2025/2/10-2/21	New employee training – structural design and sample assembly	80	R&D Department	Chang o Chia
2025/2/24-2/25	Design X reverse engineering	14	Road Ahead Technologies Consultant	Lu o Yuan
2025/2/24-2/25	Design X reverse engineering	14	Road Ahead Technologies Consultant	Lu o Shuo
2025/2/24-2/25	Design X reverse engineering	14	Road Ahead Technologies Consultant	Wen o Lung
2025/4/7-4/18	New employee training – structural design and sample assembly	80	R&D Department	Chung o Yeh
2025/6/25-6/26	Two-day advanced course on low-carbon net-zero talent training and carbon footprint	12	Ministry of Economic Affairs	Chen o Ju
2025/9/18-9/19	Continuing education for accounting executives from security issuers, security brokerages and security exchanges	12	Accounting Research and Development Foundation	YAO o Min

3. The Company's retirement policy and execution

The employees of the affiliates in Taiwan will be subject to the retirement policies in the work rules, the Labor Pension Act and relevant regulations when processing their retirement benefits. Currently the new pension system applies. The Company pays 6% of the employee's total monthly wage into the employee's personal pension account every month. As of December 31, 2025, there are 79 employees enrolled in the new system. There are nine employees who allocate their monthly wages based on the voluntary allocation rate into their personal pension account at the Labor Insurance Bureau. No employee applied for retirement in 2025.

The Company's main operating base is located in Dongguan City, Guangdong Province, and Ji'an City, Jiangxi Province China. Insurance premiums for each employee are appropriated on a monthly basis and paid to local social insurance bureau. After the employee reaches the statutory retirement age, he/she can apply for a pension from the Social Insurance Bureau.

1. Retirement eligibility:

(1) Employees who meet one of the following circumstances may apply for retirement:

(a) Workers who attain the age of 55 and have worked for more than 15 years.
(b) Workers who have worked for more than 25 years.
(c) Workers who attain the age of 60 and have worked for more than 10 years.

(2) The Company may force the retirement of any employee who has any of the following situations:

(a) Workers who attain the age of sixty-five. The age for any position that is dangerous or requires strong physical condition may be adjusted after the Company reports to the central competent authority but shall not be less than 55 years old.
(b) A worker who is unable to perform his/ her duties due to disability.

2. Criteria of new pension payment system

(1) Any employee reaching age 60 or the statutory age may immediately apply with the Labor Insurance Bureau for the payment of pension.
(2) The new pension system will pay 6% of the employee's total monthly wage into the employee's personal pension account every month according to the schedule of wage levels approved by the central competent authority.

4. Agreement between labor and management and various employee benefit maintenance measures

The Company establishes labor–management meeting on March 29, 2018 according to Article 83 of the Labor Standards Act "A business entity shall hold meetings to coordinate worker–employer relationships and promote worker–employer cooperation and increase work efficiency." Rules relating to the labor–management conference all proceeded in accordance with laws and regulations. We held four labor-management meeting in 2025 (on January 13, 2025; April 14, 2025; July 24, 2025; November 13, 2025) to discuss about and voted on various labor issues. In addition, the Company always care about employees' interests, and adopts proactive attitude to communicate with the employees, implements human centered management to strengthen labor-management relationship and centripetal force Apart from setting up an appeal channel and a work team, employees can reflect their opinions at any time by e-mail or suggestion box. The labor and management communication channel is smooth and its implementation is in good condition.

5. Employee working environment and personal safety protection measures:

The company's Taiwan subsidiary office is used by offices and R&D units.

Item	Contents
Access Control Security Management	1. The office building has a 24-hour security and surveillance system.
	2. Personnel access control requires an access card.
Equipment maintenance and inspection	1. Inspection and maintenance electrical equipment, air conditioning equipment and firefighting equipment.
	2. According to the provisions of the Fire Protection Law, the qualified Fire Company is entrusted with the maintenance declaration of fire safety equipment every year.
	3. Regular inspections are carried out in accordance with the safety inspection rules for dangerous machinery and equipment of Labor Safety Law.
	4. Maintain drinking water equipment regularly to ensure safe drinking water.
Disaster prevention measures and response actions	1. Twice a year (around June/November), drills on disaster avoidance, evacuation, and the use of fire extinguishers are taking place with the help of the factory building management committee in accordance with building and fire regulations to minimize injuries and property damage.
	2. On a semi-annual basis, in accordance with the latest Fire Protection Plan which has been developed and submitted for review, promote knowledge on various disaster prevention and control, and organize fire-fighting drills, notification, and evacuation guidance teams in order for the personnel to familiarize themselves with the identification of fire risk and specific disaster mitigation
	3. Site fire protection managers are selected, who should be retrained every three years (the certificates for two managers in 2025 were valid and they are exempted from retraining). Occupational safety and health supervisors are selected, who should receive 6 hours of on-the-job training every two years (the certificates for three managers in 2025 were valid and they are exempted from retraining) to implement self-regulation respond to change, and ensure the safety and health of employees at the workplace.

Dongguan, Jiangxi Production Base

Protective measures and implementation for work environment and personal safety of employees	
Item	Specific implementation situation
Occupational Hazard	1. Occupational Hazard
	1.1 Each year, the company entrusts professional third parties regularly to test the “Factors on Occupational Hazards in the Workplace” and issue test reports.
	1.2 Develop occupational disease emergency plans and conduct pre-planning exercises regularly to reduce hazards in the workplace.
Self-inspection of Safety Production	2. Self-inspection of safety production: The self-inspection of the unsafe factors that may be generated by employees in the face of different working environments, processes and operations, and the detection and improvement of potential hazards and effective control.
	2.1 Equipment operation: SOP is established for all equipment operation according to the process. The staff can operate according to the SOP after passing the training and issuing the work permits.
	2.2 Machine maintenance: The machine operator needs to maintain the machine daily, and the production department needs to maintain the machine regularly.

Protective measures and implementation for work environment and personal safety of employees	
	2.3 Job training: Educate and train the employees in the workshop and special positions according to the annual training plan.
	2.4 Precautions: Devices are equipped with protective measures to reduce the chance of occupational injuries.
	2.5 False alarm incident: Improve the site where the environment may cause injury or harm.
Working Environment	3. Working Environment
	3.1 Fire safety: According to the fire laws and regulations, the factory entrusts a third party to carry out fire inspection each year and pass fire inspection.
	3.2 Fire equipment inspection: The security guards should check all firefighting equipment every month and repaired or replaced immediately if the equipment is out of date or out of order.
	3.3 Disaster prevention training: Conduct disaster response and firefighting drill every six months to ensure the safety of working environment.
	3.4 Environmental Testing: Waste water, waste gas and environmental noise are tested regularly every year.
Factory Safety	4. Factory Safety
	4.1 Security guards are stationed and patrolled in the factory 24 hours a day.
	4.2 There is a strict access monitoring system.

(II) In the last fiscal year and until the publication date of the annual report, loss caused by labor disputes (including violation of the Labor Standards Act found during labor inspection, where sanction date and number, violated laws and their content and sanction content shall be specified), and the estimated amount that could be incurred currently and in the future, as well as the response plan, shall be disclosed. In the event it cannot be reasonably estimated, the fact that causes the reasonable estimate to be unavailable shall be explained:

The Company practices labor policies in accordance with the law. Regarding the inconsistence in the recognition of labor rights and interests, it will be resolved according to consensus and statutory methods. There is no major dispute arising from labor relations. Therefore, there is no loss due to labor disputes.

VI. Information and communication security management

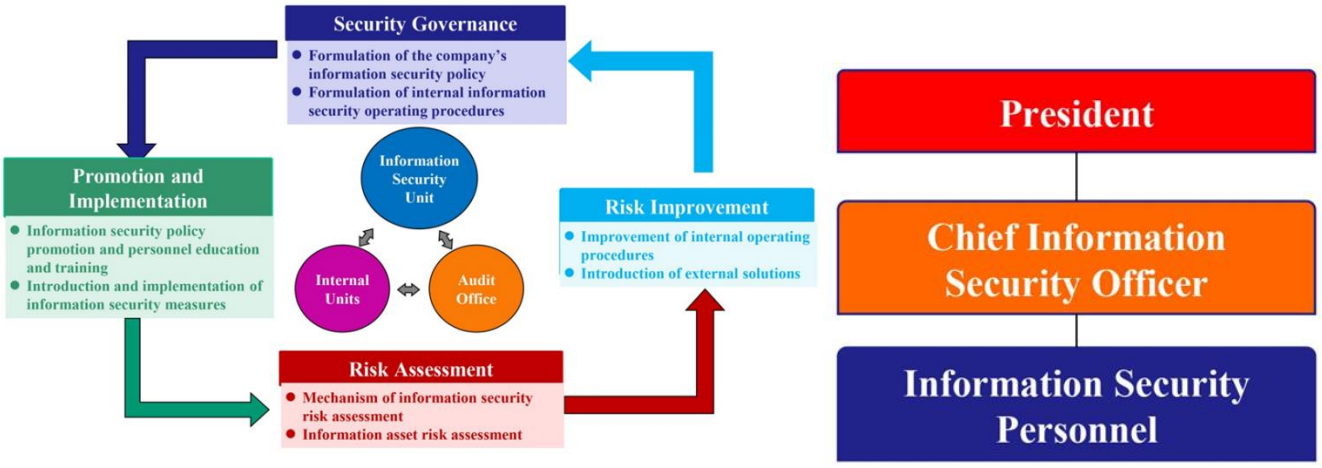
(I) Framework information and communication security management, information and communication security policies, specific management plans, and resourced inputted into information and communication security management:

I. Information and Communication Security Organization Structure

The information security responsibility of the Company is under the jurisdiction of Information Security Unit, which has one chief information security officer and one information security personnel who are designated for formulating company's security policy, planning and executing information security related operations, and promoting and implementing information security policies; additionally, providing a periodic overall report on information security status to the president and the board of directors.

The company's Audit Office serves as supervisory for information security oversight. The department is led by an Audit Manager and dedicated auditing personnel who are responsible for overseeing the internal execution of information security. On the occasion that deficiencies are identified, the department requires the audited unit to submit improvement planning and concrete actions and conduct follow-up on the effectiveness of the implemented improvements to alleviate internal information security risk.

The department adopts PDCA (Plan-Do-Check-Act) cycle management as its organizational operation mode to ensure that reliability targets are met and continuously improved.



II. Information and Communication Security Policy

- **Purpose of information security:**

  to establish secure, reliable computerized work environment; to ensure the security of the Company's data, systems, equipment, and network, in order to protect the Company's continuous operations, customer rights and interests, and the sustainable operation of each unit's information system.

- **Scope of information security:**

  (1) Personnel management and information security education and training

  (2) Computer system security management

  (3) Network security management

  (4) System access control

(5) System development and maintenance security management

(6) Information asset security management

(7) Physical and environmental security management

(8) Information system sustainable operation plan management

(9) Information security audit

III. Information and Communication Security Policy and Detailed Management Plan

In order to prevent various external security threats, Sun Max has built a variety of information security protection systems to enhance the security of the overall information environment. In addition, in order to ensure that the internal personnel's operations are in compliance with the company's system and regulations, it has designed operating procedures and introduced information security system tools to implement personnel information security management measures. The specific items implemented this year are as follows:

(I) The company reported on the information security policy execution status at the board of directors' meeting on November 10, 2025:

1. Data center: Update hardware of server data center to improve data access performance and optimize data security.
2. Data backup: The company has adopted a new version of backup software to improve overall backup efficiency.
3. File security: Introduce file encryption software to encrypt and record file flow and control, and prevent unauthorized access and leakage of file assets.
4. Information security awareness: Regular information security promotion is held for employees, and training for management personnel is reinforced.
5. Risk monitoring: The Company compiles and reports the information security records and information security risks on a monthly basis.

(II) Description of 2025 information security education training:

2025 information security education training courses				
No.	Date	Course Name	Class Hours	Number of participants
1	April 8, 2025	2025 General education course on personal data management (online)	3	1 person (Information Security Personnel)
2	June 13, 2025	2025 CIO Manufacturing Forum – Taipei	8	1 person (Information security officer)
3	September 18, 2025	AI three-day seed course (Taipei Class)	18	1 person (Information security officer)
4	September 1, 2025 to October 31, 2025	Civil servant platform – online course Information security and personal data protection basic awareness course Information service procurement and information security risk management Intrusion detection and website vulnerability scanning Information and communication system business continuity exercise practice Information and communication security (including social engineering) protection New knowledge, trends, and value-added applications of open data	18	1 person (Information Security Personnel)
5	October 2, 2025	2025 1st Government Information and Communication Security Protection Roadshow (Online)	3	1 person (Information Security Personnel)
6	November 30, 2025	Smart Business Digital Transformation Application Toolkit (Online)	24	1 person (Information security officer)
7	December 26, 2025	Video Course for 2025 Cybersecurity for Information Security Personnel of TWSE/TPEx Listed Companies (Online)	6	2 persons (dedicated to information security)

(II) Losses caused by major information and communication security events in the most recent year and on the day of annual report printing may affect the coping measures. In the event a reasonable estimation fails to be made, explain the facts for failure to make a reasonable estimation:

No such circumstances occurred in 2025 and as of the date of annual report printing.

VII. Important Contracts

(I) Credit and Guarantee Contracts

No	Contract Party	Contract Counterpart	Contract Date/ Contract Period	Term of Agreement	Limitation Article
1.	Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Chinatrust Commercial Bank	From December 17, 2025 to November 30, 2026	1. The credit line provided by China Trust Bank is RMB 34 million. 2. A foreign issuer acts as a joint guarantor.	None
2.	British Virgin Islands Business Mobility Technology Taiwan Branch	Chinatrust Commercial Bank	From November 24, 2025 to November 30, 2026	1. The credit line provided by China Trust Bank is NT$40 million. 2. A foreign issuer acts as a joint guarantor.	None
3.	Power Logic Holdings INC.	Chinatrust Commercial Bank	From August 20, 2025 to June 30, 2031	1. The credit line provided by China Trust Bank is US$ 3.8 million. 2. A foreign issuer acts as a joint guarantor. 3. The credit line maturity date is five years after the first drawdown date, and the final drawdown date is June 30, 2026. 4. A foreign issuer acts as a joint guarantor.	None
4.	British Virgin Islands Business Mobility Technology Taiwan Branch	Taishin International Bank Co., Ltd.	From February 3, 2026 to January 31, 2027	1. The credit line provided by Taishin Bank is US$5 million. 2. A foreign issuer acts as a joint guarantor.	None
5.	POWER LOGIC TECH. INC	Taishin International Bank Co., Ltd.	From February 3, 2026 to January 31, 2027	1. Taishin International Bank has provided a short-term secured borrowing in the amount of NT$84,000,000; the collateralized properties are: A_3F-5, No. 16, Jian 8th Rd., Zhonghe Dist., New Taipei City; B1, No. 162, Jian 1st Rd., Zhonghe Dist., New Taipei City and 1 plane parking space thereunder. B_6F-2, No. 16, Jian 8th Rd., Zhonghe Dist., New Taipei City; B1, No. 162, Jian 1st Rd., Zhonghe Dist., New Taipei City and 1 plane parking space thereunder. 2. Unsecured short-term working capital of NT$60,000,000.	None
6.	POWER LOGIC TECH. INC	Taishin International Bank Co., Ltd.	From June 14, 2022 to June 21, 2027	1. Secured interim borrowing, NT$220,000,000, from Taishin International Bank. 2. Collateralized properties: 9F, 9F-1, 9F-2, 9F-3, No. 166, Jian 1st Rd., Jhonghe District, New Taipei City; B1, No. 162, Jian 1st Rd. and 16 ramp/plane parking spaces.	None
7.	POWER LOGIC TECH. INC	Taishin International Bank Co., Ltd.	From November 7, 2024 to November 18, 2029	1. Secured interim borrowing, NT$220,000,000, from Taishin International Bank. 2. Collateralized properties: 15F1~3, 15F, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City; B1, No. 162, Jian 1st Rd., Zhonghe Dist., New Taipei City and 4 plane parking space thereunder.	None

(II) Sales Contract

No.	Contract Party	Contract Counterpart	Contract Date/ Contract Period	Term of Agreement	Limitation Article
1.	DONG GUAN DONG LI DIAN ZI CO. LTD	Auras Electronic Science and Technology Industrial (Kunshan) Co., Ltd.	Effective from January 22, 2016	AURAST Technology (Kunshan) Co., Ltd purchases various products from Dongguan Power Holding CO., Ltd; Dongguan Power Holding CO., Ltd is required to undertake the production or delivery of various products to AURAST Technology (Kunshan) Co., Ltd according to the orders.	None
2.	Samoa Power Holdings Limited	Auras Electronic Science and Technology Industrial (Kunshan) Co., Ltd.	Effective from January 13, 2016	AURAST Technology (Kunshan) Co., Ltd purchases various products from Dongguan Power Holding CO., Ltd; Dongguan Power Holding CO., Ltd is required to undertake the production or delivery of various products to AURAST Technology (Kunshan) Co., Ltd according to the orders.	None

(III) Lease Contract

No.	Contract Party	Contract Counterpart	Contract Date/ Contract Period	Term of Agreement	Limitation Article
1.	DONG GUAN DONG LI DIAN ZI CO. LTD	Zheng Lihong	From January 1, 2024 to December 31, 2026	Leasing factory building/dormitory, approximately RMB 2,909,426.76 per year	None
2.	Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Zheng Lihong	From January 1, 2024 to December 31, 2026	Leasing factory building, approximately RMB 533,268.36 per year	None

(IV) Other Contracts

No.	Contract Party	Contract Counterpart	Contract Date/ Contract Period	Term of Agreement	Limitation Article
1.	British Virgin Islands Business Mobility Technology Taiwan Branch	BU IC Electronics Co.	January 1, 2016 to December 31, 2016 Neither party is not before the expiry of two months written notice to the other party not to renew, the automatic extension of about one year, thereafter likewise.	BU IC Electronics Co. provides marketing, after-sales services and supports for Thermal products in South Korea.	None
2.	Taiyi (Jiangxi) Electronic Technology Co., Ltd.	People's Government of Anfu County, Jiangxi Province	Signed and effectuated on July 18, 2019.	Investment agreement, where the government is responsible for realizing business-attraction programs, investment in infrastructures and assistance programs, and the company performs agreed investment and sales amount.	None
3.	Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Anfu County Industrial Construction Investment Development Co., Ltd.	Signed and effectuated on July 18, 2019.	Transfer Agreement for Real Estate. Purchase of factory building 1, factory building 2 and dormitory building 3 (total price: RMB 86,780,000). The total floor area is 36,088.31 square meters (land price RMB 4,492,790). The term began from January 8, 2018 and ends on January 7, 2068.	None

V. Review of financial status, business performance, and risk management

I. Comparative analysis of financial condition:

Unit: NTD thousands

Item \ Year	2025	2024	Variation	
			Amount	%
Current assets	1,917,133	1,445,252	471,881	32.65
Property, plant, and equipment	1,358,529	1,428,370	(69,841)	(4.89)
Right-of-use assets.	38,032	52,904	(14,872)	(28.11)
Intangible assets	8,520	9,015	(495)	(5.49)
Other assets	202,148	60,588	141,560	233.64
Total assets	3,524,362	2,996,129	528,233	17.63
Current liabilities	516,286	519,822	(3,536)	(0.68)
Non-current liabilities	757,476	541,198	216,278	39.96
Total liabilities	1,273,762	1,061,020	212,742	20.05
Share Capital	411,225	377,223	34,002	9.01
Capital surplus	1,067,515	895,605	171,910	19.19
Retained earnings	758,769	639,946	118,823	18.57
Other equity	6,903	14,519	(7,616)	(52.46)
Non-controlling interest	6,188	7,816	(1,628)	(20.83)
Total shareholders' equity	2,250,600	1,935,109	315,491	16.30

Description of major changes:
(The amount changes by more than 10%, and the amount reaches 1% of the total assets of the year, that is, NT$35,244 thousand)

1. Increase in current assets: The increase in revenue for the period resulted in an increase in accounts receivable, cash and cash equivalents.
2. Increase in other assets: The prepayment for the purchase of land and plant in Thailand for the period led to an increase in the prepayment for equipment, resulting in an increase of other assets.
3. Increase in total assets: Accounts receivable and prepayment for equipment increased for the period.
4. Increase in non-current liabilities: The issuance of convertible bonds resulted in an increase in bonds payable.
5. Increase in total liabilities: The issuance of convertible corporate bonds led to an increase in total liabilities.
6. Increase in capital surplus: Capital surplus increased due to the issuance at a premium for cash capital increase.
7. Increase in retained earnings: Growth in revenue and profit led to an increase in retained earnings.
8. Increase of total shareholders' equity: Total shareholders' equity increased due to increases in capital company and retained earnings.

Source: consolidated audited financial statements

II. Comparison and analysis of financial performance:

1. Financial performance analysis

Unit: NTD thousands

Item \ Year	2025	2024	Variation	
			Amount	%
Operating revenue	1,752,889	1,262,815	490,074	38.81
Operating cost	1,162,522	928,378	234,144	25.22
Gross profit	590,367	334,437	255,930	76.53
Operating expenses	333,639	274,997	58,642	21.32
Operating gains and losses	256,728	59,440	197,288	331.91
Non-operating revenues and expenses	41,901	95,675	(53,774)	(56.20)
Profit before income tax	298,629	155,115	143,514	92.52
Income tax expense	90,477	36,831	53,646	145.65
Net profit of current period	208,152	118,284	89,868	75.98
Current period other comprehensive income	(7,616)	71,257	(78,873)	(110.69)
Current period other comprehensive income (Gross)	200,536	189,541	10,995	5.80

Description of major changes:
(The change ratio before and after the period is more than 20%, and the amount of change exceeds NT$10 million)

1. Increase in operating revenue: Strong market demand for the released graphics cards boosted revenue.
2. Increased operating costs: Higher revenue resulted in increased operating costs.
3. Increase in operating margin: Gross profits increased due to rising revenue and an improved gross profit margin.
4. Increase of operating expenses: Revenue growth led to a corresponding increase in related operating expenses.
5. Increase of operating revenue: Operating revenue increased significantly with revenue growth.
6. Decrease in non-operating income and expenses: The increase in exchange loss led to a decrease in non-operating income and expenses.
7. Increase in net income before tax, income tax expense, and increase in net income in the current period: This increase was due to higher profits from revenue growth, which led to an increase in income tax.
8. Decrease in other comprehensive income for the period: The appreciation of the renminbi resulted in an increase in exchange differences arising from the translation of the financial statements of foreign operations by the investment in Mainland China subsidiaries for the previous period. In this period, the RMB depreciated slightly.
5. Total comprehensive income for the period: The increase in net income causes an increase in comprehensive income for the period.

Source: consolidated audited financial statements

2. Expected sales volume and the related reference

The Company's expected sales volume is based on the market forecast of major customers, the sales status of past products, the expected growth rate of products, the development of new customers and the business growth of existing customers, while taking

into account the material conditions of major raw materials and the capacity of suppliers. Set the shipping target by factors such as delivery time.

3. Possible impact on the company's future financial business and its response plan

The company has a stable growing operation and a stable source of customers, will steadily increase capital expenditure to bring new business opportunities for the company. Also, the company will continue to deepen and operational management reasonable cost control of each subsidiary to promote the company's business growth and improve profitability; No significant potential impact on the company's future financial business.

III. Cash flow analysis:

1. Cash flow analysis in the most recent year (2025)

Unit: NT$ thousand; %

Year / Item	2025	2024	Variation	
			Amount	%
Operating activities	242,024	286,256	(44,232)	(15.45)
Investing activities	(136,291)	(333,321)	197,030	(59.11)
Financing activities	229,790	128,234	101,556	79.20
Change analysis: (1) Decrease in cash inflow from operating activities: Although the revenue and profit increased in the current year, the decrease in cash revenue in the current period due to the difference in the number of days for collection of account receivables resulted in the decrease in cash inflow from operating activities. (2) Decrease in cash used in investing activities: The prepayment for land and building expenditure of Thailand plant for the period is less than the capital expenditure on the purchase of Taipei office in the previous year, resulting in a decrease in cash used in investing activities for the period. (3) Increase in cash provided by financing activities: The cash inflow from the issuance of convertible bonds this year is higher than the cash inflow from the long-term loan for the purchase of Taipei Office in the previous year. This results in an increase in cash provided by financing activities.				

Source: consolidated audited financial statements

2. Plans to improve liquidity: None.

3. Liquidity analysis for the next year (2026)

Beginning of year cash balance (1)	Net cash flow from operating activities for the year (2)	Annual cash outflow (3)	Cash surplus (deficit) (1)+(2)-(3)	Financing of cash deficits	
				Investment	Wealth management
1,090,256	174,549	543,717	721,088	-	-
1. Analysis of anticipated cash flow changes in 2025: (1) Estimated cash inflow from business activities: NT$174,549. (2) The estimated cash outflow from investment activities is NT$337,595 thousand, which is primarily attributable to the acquisition of production and R&D equipment. (3) The estimated cash outflow for loans is NT$206,122 thousand dollars, which is mainly caused by distributing cash dividends and repayment of long-term loans in 2025. 2. Responsive measures and liquidity analysis on cash flow deficits: None.					

IV. Material capital expenditures in the latest year and impacts on business performance

Unit: NTD thousand

Plans	Actual and expected funding source	Actual and expected completion date	Total funds required	Actual or expected uses of funds		
				2024	2025	2026
Purchase of property, plant and buildings	Proprietary funds and bank loans	November 2024	NTD 300,400	NTD 300,400		
Investment in a subsidiary in Thailand	Capital increase in cash and issuance of convertible bonds	September 2026	NTD 308,000		NTD 58,864	NTD 249,136

V. The major causes for profits or losses incurred by investments during the most recent year; rectifications and investment plans for the next year

1. The Company's investment policy

The Company’s current reinvestment policy focuses on investment relating to fundamental business and does not involve in any reinvestment unrelated to fundamental business, where the relevant units are bound by Rules Governing Acquisition and Disposal of Assets and Rules Governing Oversight and Management of Subsidiaries stipulated by the Company, and in accordance with the investment cycle policy under the internal control system. Each subsidiary shall comply with the Company’s rules and shall conduct proper internal control considering local laws and actual operation.

2. The main reasons for the profit or loss of investment in the most recent year (2025): Unit: NTD thousands

Transfer investment	Investment gains and losses	Remark
United Strategy Inc.	167,219	Good operating condition
POWER LOGIC HOLDINGS INC.	(3,842)	Good operating condition
Sunny Sharp International Ltd.	41,716	Good operating condition
POWER LOGIC TECH. INC	32,613	Good operating condition
DONG GUAN DONG LI DIAN ZI CO. LTD	33,353	Good operating condition
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	153,888	Good operating condition
CICHENG TECHNOLOGY CO., LTD.	(6,511)	The volume of orders received was not enough to harmonize the production capacity, so there was still a loss. In the future, we will continue to explore the market to increase revenue.
POWER LOGIC TECH(THAILAND)CO. LTD.	59	New subsidiary planned for establishment in Thailand

VI. Risk management and assessment:

(I) Risk factor

1. Impacts of interest rates, exchange rates, and inflation to The Company’s earnings, and the responsive measures

(1) Interest rate changes and response measures

The interest income of the Company for the year of 2024 and 2025 was NT$19,122 thousand and NT$21,112 thousand, respectively, accounting for 1.51% and 1.20% of the combined net operating income for the year, respectively, and the interest expenses for 2024 and 2025 were NT$9,252 thousand and NT$14,426 thousand, respectively, accounting for 0.73% and 0.82% of the combined net operating income for the year, had little impact on the company's revenue and profit. The Company's future response measures: The Company will pay attention to the changes in the financial interest rate at any time, and adjust the use of funds in a timely manner to meet the financial risks that may arise from changes in interest rates. In the future, the company's capital planning is still based on sound principles, and the first allocation of funds is safely managed. Considering the future development of the company, different funding sources and costs will be adopted in addition to maintaining good relations with banks, and different financing methods will be chosen for future growth.

(2) Exchange rate changes and response measures

The company primarily collects payments in New Taiwan dollars, US dollars, and renminbi and purchases materials in New Taiwan dollars, US dollars and renminbi. The natural risk-hedging effect is produced by offsetting receipts and payments in the same currency to reduce exchange demand. The net exchange gain in 2024 is NT$25,795 thousand and the net exchange loss in 2025 is NT$13,971 thousand, representing 2.04% and 0.80% of the consolidated net operating income, respectively. This is primarily due to the fluctuating value of the US dollar and is intended to mitigate the impact of exchange rate fluctuations on the company’s profit and loss. The specific measures of the company in response to exchange rate changes are as follows:

A. Financial staff should collect real-time currency information at any time, make judgments based on the trend of future exchange rates, maintain adequate foreign exchange reserves and provide a business as a reference basis for quotation.
B. Adjust the foreign currency deposit position according to the exchange rate change situation. Considering the pre-purchase or pre-sale forward foreign exchange contract for the purpose of hedging and the method of borrowing foreign debt to reduce the exchange rate risk if necessary.
C. Adopt the method of automatic hedging of foreign exchange receipts and payments to reduce the foreign currency net assets by offsetting the foreign currency receipts and payments generated by foreign sales and foreign purchases.
D. According to Article 36-1 of the Securities and Exchange Act, the “Procedures for Financial Derivatives Transactions” is established as the basis for engaging in derivative commodity transactions, so that the foreign exchange losses of daily operations are limited to a controllable range.

(3) Inflation response measures

The Company has considered the risk of inflation in the planning of the annual operating plan. The past profit and loss of the Company has not been significantly affected by inflation. If the purchase cost increases due to inflation, the Company will also keep abreast of the price of upstream goods. Changes are timely reflected in costs and quotations to reduce the profit and loss impact on the company due to cost changes.

2. Policies on high risk and highly leveraged investments, loans to others, endorsements / guarantees, and the trading of derivative instruments; describe the main causes of profit or loss and responsive measures in the future

   (1) Based on prudent principles and pragmatic business philosophy, the company has not engaged in high-risk and highly leveraged investment except in the fields of the company's business.

   (2) The Company has set has "Regulations Governing of loans to other", "Regulations Governing of Endorsements/Guarantees", "acquisition or disposal of asset disposal program," "derivative commodity transaction processing" and other measures. The company will comply with the above procedures, so the relevant risks should be limited.

3. R&D plan in the future and projected investment

R&D expenses for 2024 and 2025 were NT$88,143 thousand and NT$106,420 thousand, respectively, or 6.98% and 6.07% of total revenue. R&D expense is budgeted according to the product roadmap. We have planned a R&D budget of NT$137,639 thousand for 2026 to cater various development projects.

R&D projects	2026 R&D budget by project item
Cooling fans for graphic cards, NB and gaming	Approximately NT$137,639 thousand
Telecom/AI, servers	
Vehicle fans	

In response to the needs of multiple research and development projects (graphics card cooling fans, NB cooling fans, LED gaming cooling fans, smart and power-saving appliance, telecom/5G servers, vehicle fans, and AI fan promotion), in addition to laboratories expansion, purchase of relevant testing equipment, increasing professional research and development ability, cultivating research and development talents, and close cooperation with buyers, the Company also uses our technology in designing innovative products and developing new manufacturing techniques to improve the Company’s competitiveness and expand non-computer, smart fan and server applications. It develops new market applications and increases the overall profits.

4. The effect of major changes in policies and legal practices, whether domestic or foreign, to the company’s financial and business performance, and the responsive actions:

The company is registered in the Cayman Islands and the main place of operation is Mainland China. The implementation of the company's various businesses is handled in accordance with important domestic and international policies and laws, and it is important to pay attention to important policies and legal changes in the countries and regions. Information, and prepare for prevention through various pipelines. If there are any changes, consult with lawyers, accountants and other relevant units, or appoint them to evaluate and plan the corresponding measures, and timely respond to market changes and take appropriate measures. The Company has not had significant influence

on the financial operations of the Company due to significant policy and legal changes in the Cayman Islands and the major operating countries.

5. Effects of technological (including cyber security risks) and industrial changes to the company's financial and business performance, and the responsive actions The Company keeps abreast of the changes in technology and product demand in the industry, keeps abreast of the latest market information, and assesses its impact on the company's operations. The evaluation and research and development of various products have met the market demand, and the latest annual and annual reports are printed. At the end of the day, the company has no major technological changes or industrial changes, which has caused significant impact on the company's financial business.

   To implement information security management, the Company stipulates Rules Governing Information Security Management and relevant operational procedures, which shall be the basis of implementing information work plans. The Company strictly restricts the use and safety maintenance of information, establishes firewalls, encryption systems and personal information storage to restrict and audit access and records to reduce risks to information security.

6. Impacts of changes in corporate image to the company's crisis management, and the responsive measures

   Since the establishment of the company, the company has a good corporate image, complies with relevant laws and regulations, actively researches and develops new products and obtained patent certification, while maintaining harmonious labor and local relations, in order to maintain a good corporate image, so this crisis has not happened yet.

7. The expected benefits from mergers and acquisitions, the potential risks associated, and the responsive measures

   The Company has no plan for merger and acquisition with any other company in the prospectus was printed, and will take caution in evaluation of any possible merger and acquisition in the future with overall assessment on the synergy after the merger to ensure the rights of the shareholders.

8. The expected result, possible risk of capacity expansion, and the response

   In November 2024, the Company purchased the office for the Taipei factory. Considering the future growth and development of the Group, the existing office area, laboratory, and warehouse are dispersed across different buildings, and the individual floor spaces are small, making it difficult to meet the needs of development and operational management. In addition, to align with the future operational strategy, incorporate operational planning such as pilot run lines or test lines to meet the Company’s objectives.

   The main reason that the Company purchases the plants is to upgrade the production volume and quality, and allow customers to display relevant processes and equipment. In addition, the Company conducts pilot runs or relevant deployment planning and continues to be committed to improving quality and services, which will help reduce operating risks.

   The Company purchased land and plant facilities in Thailand in February 2026, primarily for the production of automotive cooling fans. This will not only meet the growing demand for cooling systems in new energy vehicles in Europe and the United States but also facilitate business development in these key markets and alleviate concerns about the origin of auto parts from China. Consequently, the Company established a new production department and service base outside China, selecting

Thailand as its manufacturing hub to enhance profitability and mitigate operational risks. This decision aligns with the “China Plus One” strategy, offering long-term strategic value and supporting the expansion of the automotive market, as well as the Group’s future operational plans and the Company’s overseas business development goals.

9. Risks of concentrated purchases or sales, and responsive measures to such risks

(1) Risks of concentrated purchases, and responsive measures to such risks:

The main customer of the company is Taiwan Computer Display Card System Factory. Due to customer's requirements for quality, the main raw materials such as PBT/PC plastic materials, rolling bearings, enameled wire, tin wire, tin bar, square wire, integrated circuit, etc. Raw materials such as silicon steel sheets, iron shells, magnetic strips, copper, electronic components, power cords, packaging materials, shaft cores, etc., are used in a variety of ways to purchase goods from multiple manufacturers to increase bargaining space and reduce the risk of material shortage. Or according to changes in the product structure of the company's sales, there is no risk of concentration of purchases.

(2) Risks of concentrated sale, and responsive measures to such risks:

The revenue of the Company's largest sales customers in 2025 and 2024 was 27.19% and 19.79%, respectively, while the top ten customers accounted for 79.22% and 78.79% respectively, and the revenue of the first customer was In the case of a high proportion, the Company will strengthen the control of its credit limit. If the order quantity is greater than the credit limit granted and the sum of the receivables, the company will suspend the shipment and will also periodically check accounts receivable with customers, timely collection to avoid bad debt. In addition, in order to spread the risk of sales, the company will actively look for new customers and new business opportunities to spread the source of customers, such as the development of vehicles, network communication, industrial control, home appliances and other different product areas of customer orders. With the wave of AI technology ignited by Chat GPT, and emerging applications such as Vehicle-to-everything, Internet of Things, and Metaverse are on the rise, coupled with the fact that governments are actively promoting infrastructure such as smart cities, smart grids/charging piles and energy storage systems, etc., we will continue to explore a diverse range of markets and to develop the design and application of cooling fans for various industries. The company shall continue to actively expand the product market of high-end niche cooling fans, which is expected to achieve gradual growth and disperse the risk of sales concentration.

10. The risks and impacts of significant shareholding transfers by directors, supervisors, or major shareholders with more than 10% ownership interest, and the responsive measures to such risks

In the most recent year and the end of the annual report, the directors of the Company and the majority shareholder holding 10% of the shares did not have a significant transfer of equity.

11. The influence and risk from the change hands of the management, and the response

The company has not changed its management rights in the most recent year and up to the date of publication of the annual report. The Company has strengthened various corporate governance measures and established the Nomination Committee in January 2025. Directors shall be appointed by nomination. The Audit Committee shall be made up of four independent directors in order to strengthen the protection of shareholders’ rights and interests. In addition, the company’s operations rely on the

professional managers' sound operating performance, which should be supported by shareholders. Complete internal control systems and relevant management regulations have been set up. Changes in management rights, if any, shall not subject the company's operations to detrimental impacts.

12. List out the legal proceedings or non-contentious matters, or administrative actions, involving the Company, the Directors, Supervisors, President, the deputy agent, or dominant shareholders holding more than 10% of the shares issued by the Company and its subsidiaries, concluded with rulings or still pending, the result of which may cause significant influence on the shareholders equity or stock price of the Company. Disclose the factual account of the contention, the starting date of the proceedings, the parties concerned, and the action taken by the Company to the date this report was printed: None.

13. Other significant risks and responsive measures:

    (1) Risk of rapid market changes

        The Company pays attention to the change and development in technologies in the industry, as well as new products launched by international brands, to quickly grip the trend and propose a response plan. We also proactively expand the market applications by continuously developing new clients in different industries to reduce operational risks and by obtaining more orders from clients to reduce risks of industrial changes. Therefore, risks are diversified in the unstable economy and our income source is relatively stable. The Company has always operated conservatively and stably to effectively reduce the risks posed by economy changes.

    (2) Risk of shareholder equity protection

        The company's registered Cayman Islands law has many differences with the Republic of China. Although the company has not touched the laws of the Isle of Man, it is subject to the regulations of the Taiwan Stock Exchange Co., Ltd. The National Shareholders' Rights Protection Matters Checklist amends the company's articles of association. However, there are still many differences between the two local laws and regulations on the operation of the company. Investors cannot guarantee the investment in the legal rights of the Republic of China company, and apply it to the Cayman invested. In an archipelago company, investors should know and consult with experts to invest in whether the Cayman Islands company can obtain effective shareholder rights protection. Please refer to pages 199 to 203 of this annual report for the differences between the articles of association and the checklist of shareholders' rights and interests' protection.

(II) Other important notes:

Please refer to pages 199 to 203 of this annual report for an explanation of the significant differences between these shareholder protection regulations and those of the ROC.

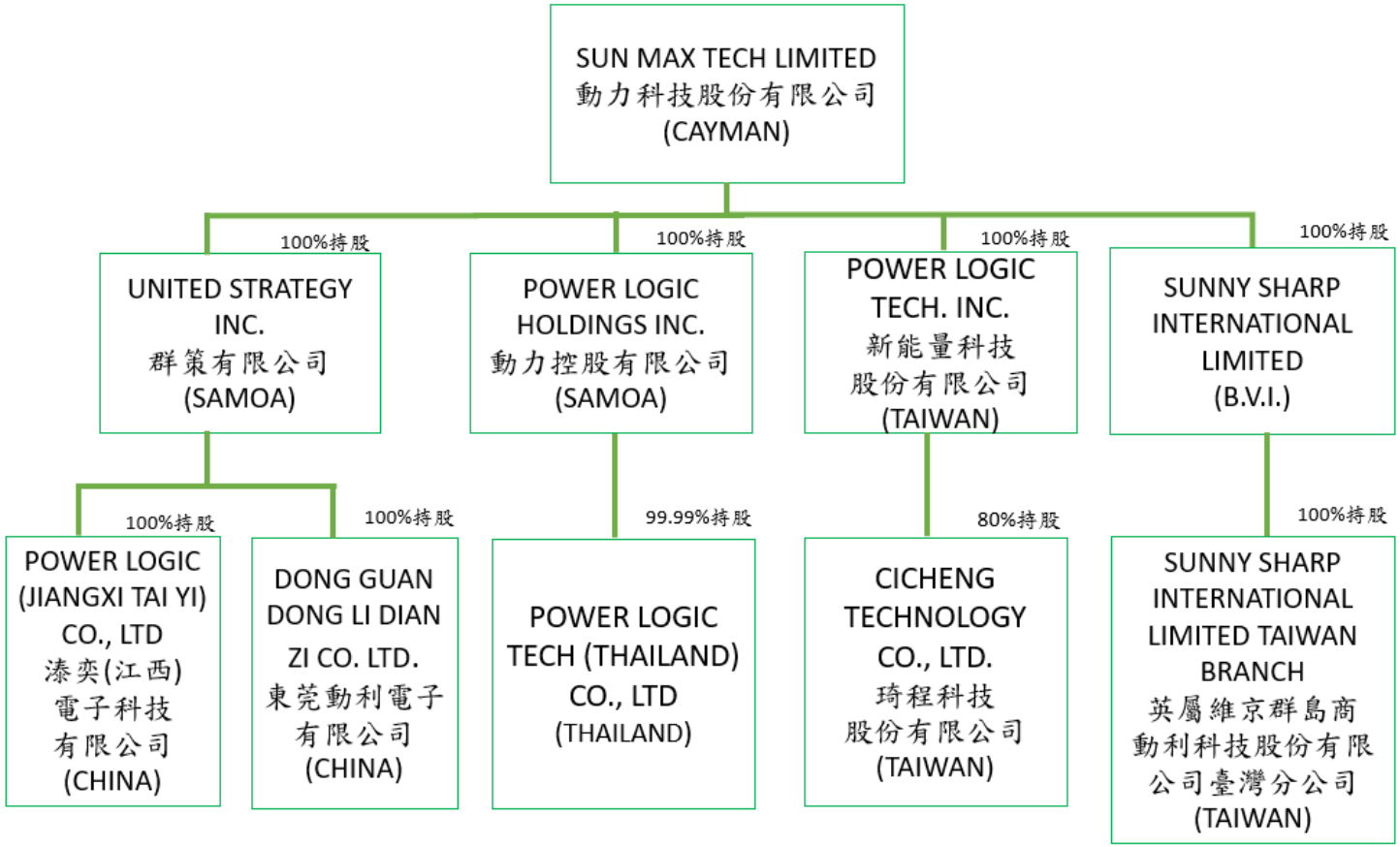
VI. Special remarks

I. Information regarding the affiliated enterprises

(I) Information regarding the affiliated enterprises

1. Organization chart for affiliates:

(1) Organization chart for affiliates:



Note: POWER LOGIC TECH (THAILAND) CO., LTD was registered on April 11, 2025.

(2) Presumption of Controlled and Subordinate Company in accordance with Article 369-3 of the Company Act: None

(3) Subsidiary companies that directly or indirectly control personnel, finance or business operations in accordance with the second paragraph of Article 369-2 of the Company Act: None

2. Basic information of affiliated enterprises:

December 31, 2025 Unit: NT$ thousand

Name of affiliated enterprises	Date of establishment	Address	Paid-in shares Capital	Major operations
United Stragegy INC.	2003/07/01	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	US$16,960	Investment holding
POWER LOGIC HOLDINGS INC.	2008/08/21	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa	US$4,445	Investment holding
Power Logic Tech. Inc.	1998/04/04	9F, 9-1F, No. 166, Jian 1st Rd., Zhonghe Dist., New Taipei City	NT$219,200	Sales of electronic components
Sunny sharp International Limited	2015/11/11	Portcullis Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, British Virgin Islands VG1110	US$1,550	Investment holding
DONG GUAN DONG LI DIAN ZI CO. LTD	2003/12/10	No. 13, Tianheng Road, Tianwei Village, Changping Town, Dongguan City, Guangdong Province, China	HK$21,000	Sales of electronic components
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	2019/06/26	Anfu Industrial Park, Jiangxi Province	RMB150,000	Production and sales of electronic components
CICHENG TECHNOLOGY CO., LTD.	2021/02/03	No. 9, Ln. 39, Sec. 2, Zhongshan Rd., Guanyin Dist., Taoyuan City	NT$50,000	Production and sales of electronic components
POWER LOGIC TECH (THAILAND) CO., LTD	2025/04/11	700/420 Moo.7, Tambol Don hua roh, Amphur Muang Chonburi, Chonburi 20000, Thailand	THB 313,316	Production and sales of electronic components

Note: POWER LOGIC TECH (THAILAND) CO., LTD was registered on April 11, 2025.

3. Information on the same group of shareholders presumed as under control and in subordinated relation: None
4. The industries housed in the same business location of the whole Affiliated Enterprises:
   The business of the Company and its related companies includes the molding, injection molding, painting and assembly of 3C products.

5. Information on directors, supervisors, and general managers of affiliated enterprises:

December 31, 2025

Name of affiliated enterprises	Title	Company name or representative	Status of shareholding	
			Number of Shares	Ratio of Shareholding
United Stragegy INC.	Director	HSU Wen-Faung	3,025,000	100%
POWER LOGIC HOLDINGS INC.	Director	HSU Wen-Faung	3,050,000	100%
Power Logic Tech. Inc.	Executive Director	HSU Wen-Faung	21,920,000	100%
Sunny sharp International Limited	Director	HSU Wen-Faung	490,000	100%
DONG GUAN DONG LI DIAN ZI CO. LTD	Executive Director Supervisor	HSU Wen-Faung LAI, Jen-Chung	Capital HK$21,000,000	100%
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	Executive Director Supervisor	HSU Wen-Faung LAI, Jen-Chung	Capital RMB150,000,000	100%
CICHENG TECHNOLOGY CO., LTD.	Chairman Supervisor	Yen His-Fen Chang Chi-Jen	1,000,000 0	20% 0%
POWER LOGIC TECH (THAILAND) CO., LTD	Director Director	HSU Wen-Faung Hsu, Jia-Heng	39,999,998	99.99%

Note: POWER LOGIC TECH (THAILAND) CO., LTD was registered on April 11, 2025.

(II) Business Performance of Affiliated Enterprises:

Financial status and operating results of each related company: December 31, 2025

Unit: NTD thousands, except Earnings Per Share (NTD)

Name of affiliated enterprises	Capital	Total assets	Total liabilities	Net value	Operating revenue	Profit (loss) from operations	Current period profit (after tax)	Earnings per share (After tax)
United Stragegy INC.	90,705	1,487,452	90,340	1,397,112	0	(326)	167,219	Note 1
POWER LOGIC HOLDINGS INC.	151,868	332,877	0	332,877	0	(2,707)	(3,842)	Note 1
Power Logic Tech. Inc.	219,200	880,912	476,519	404,393	207,951	32,177	32,613	1.49
Sunny sharp International Limited	15,190	345,438	216,328	129,110	708,270	39,261	39,729	Note 1
DONG GUAN DONG LI DIAN ZI CO. LTD	88,456	282,976	87,109	195,867	361,426	35,088	33,353	Note 2
Taiyi (Jiangxi) Electronic Technology Co., Ltd.	688,394	1,729,013	448,266	1,280,747	1,774,826	229,762	155,422	Note 2
CICHENG TECHNOLOGY CO., LTD.	50,000	34,048	3,109	30,939	16,715	(8,339)	(8,139)	(1.63)
POWER LOGIC TECH(THAILAND)CO.LTD.	299,903	313,800	484	313,316	0	(536)	59	0.001

Note 1: It is not applicable to overseas companies.
Note 2: It is a mainland limited company, not applicable.

(III) Consolidated financial statements of affiliated companies: Please visit the MOPS for the consolidated financial statements.
(IV) Affiliation Report: None.

II. Private placement of securities during the latest year up till the publication date of this annual report: none.

III. Other supplementary information: None.

IV. Explanation of significant differences with the provisions of the shareholders' rights and interests of the Republic of China:

Due to the slight inconsistency between the British Cayman Islands Act and the Republic of China Act, the Taiwan Stock Exchange Co., Ltd. recently amended the "Registration Form for the Protection of Shareholders' Rights and Interests of Foreign Issuer Registration Countries" (hereinafter referred to as "Registration Form for the Protection of Shareholders' Rights and Interests") does not apply to the Company of course. The following list shows the differences between the Company's currently valid Articles of Association (the "Articles of Association") and the protection of shareholders' interests due to the provisions of the British Cayman Islands Act, and the Company. The provisions of the charter.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
The Company repurchased its own shares for assignment to its employees with the restriction of no transfer within the specific period of time. Such period could not be longer than 2 years.	The contents of this requirement are stated in Article 40D of the Articles of Incorporation, read as "Unless Article 40E of the Articles of Incorporation and the laws governing the listing on the TWSE or TPEx provide otherwise, the treasury shall be disposed in accordance with the provisions and conditions determined by the Board. If the repurchase of treasury shares shall be subject to assignment to employees under applicable laws governing the listing on the TWSE or TPEx, the employees concerned shall promise not to transfer these shares within a stipulated period no longer than 2 years. (Note: The above is the extract in Chinese)"	According to Article 1 of the Articles of Incorporation, Treasury Shares as referred to shall be those shares issued in accordance with the Articles of Incorporation, the company law of the Cayman Islands, and applicable laws governing the listing on the TWSE but repurchased or redeemed, or repossessed through any other means by the Company without cancellation. As such, the requirement of this section is provided by Article 40D of the Articles of Incorporation. According to the lawyers of the Cayman Islands, "the restrictions agreed between the transferor and transferee is a	Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
		contractual matter between themselves.”	
The following matters shall be listed and explained in the convening of the shareholders' meeting, and shall not be proposed in a temporary motion; the main contents of the following matters shall be placed at the securities counter trading center or the stock exchange or the company's designated website, and their website shall be stated. In the call for notice: (1) The election or dismissal of directors; (2) Amendments to the Company Corporate Charter (Articles of Incorporation); (3) Decapitalization ; (4) Application for discontinuation of public offering: (5) Company dissolution, merger, share conversion, division; (6) Entering into, alteration, or termination of the agreement on leasing of the whole operation, entrustment of operation, or	The contents of requirement in this section are stated in Article 50 of the Articles of Incorporation and specified as, “The following shall be cited in the notice of the Shareholders Meeting, and cannot be proposed as extemporary motions: (a) Election or relief of Directors (b) Alteration of the MOU and/or the Articles of Incorporation; (c) Decapitalization; (d) Application for discontinuation of public offering; (e) Dissolution of the Company, transfer of shares (defined by applicable laws governing the listing on the TWSE or TPEx), merger, or spinoff; (f) Entering into, alteration, or termination of the agreement on leasing of the whole operation, entrustment of operation, or joint venture in operation with a third party; (g) Assignment of all or the principal business operations or assets; (h) Acceptance of business operations or assets assigned by a third party that caused significant influence on the operation of the Company; (i) Offering of equity securities through private placement; (j) Engagement of the Directors in business	1. Amendments to Article 50 of the company’s Articles of Incorporation have been completed in accordance with the updated provisions in the left column of the “Checklist for Shareholders’ Rights and Interests Protection in the Foreign Issuer’s Country of Registration” announced by the Taiwan Stock Exchange Corporation on May 2, 2024. 2. The operation in the Cayman Islands has no specific rules and regulations governing extemporary motions. According to the lawyer of the Cayman Islands, the Company shall explicitly state the content of the meeting for discussion and provide related information for the shareholders in the meeting notice in the aspect of extemporary motion. However, “Miscellaneous motions” will	1. Amendments to Article 50 of the company’s Articles of Incorporation have been completed at the 2025 shareholders meeting in accordance with the provisions in the left column of the “Checklist for Shareholders’ Rights and Interests Protection in the Foreign Issuer’s Country of Registration” announced by the Taiwan Stock Exchange Corporation on May 2, 2024. 2. Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
joint venture in operation with a third party. (7) Transfer the entire or the main part of business or assets; (8) Acceptance of business operation or assets assigned by a third party that caused significant influence on the operation of the Company; (9) Offering of equity securities through private placement; (10) The engagement of the Directors in business prohibited under the rule of no competition; (11) Payment of dividends and bonuses in whole or in part through the offering of new shares. (12) Appropriation of the legal reserve or additional paid-in capital or as gifts for capitalization into new shares payable to the original shareholders in whole or in part.	activities prohibited under the rule of no competition; (k) Payment of dividends and bonuses in whole or in part through the offering of new shares; (l) Appropriation of legal reserves or additional paid-in capital, or gifts for capitalization into new shares or in cash payable to the original shareholders, in whole or in part; (m) According to the Company Act, payment of dividends and bonuses in whole or in part through the offering of new shares; (n) The Company may assign treasury shares to employees; (o) Termination of listing; (p) Issuance of employee stock warrants at a price lower than the closing price of the stock on the date of issuance; and (q) Issuance of new restricted employee shares. Shareholders may propose motions at the convention of the Shareholders Meeting unless the Company Act or the Articles of Incorporation provide otherwise but only confined to the scope of the original motions. (Note: The above is the extract in Chinese)”	usually be included in the meeting notice of the Shareholders Meeting. In general, these motions are informal and insignificant so that the Chairman (Presiding Officer) cannot include major issues in this category. In case of major issues, meetings shall be called under the agenda for further discussion and resolution. In case of an emergency where the issue must be resolved in the convention of the Shareholders Meeting, the substantive content of these issues must be presented in the next session for ratification. Nevertheless, extemporary motion is not regulated under the laws of the Cayman Islands. Yet, the lawyer of the Cayman Islands recommended not to bring up any extemporary motion in the convention of a Shareholders Meeting.	

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
If balloting could be made by correspondence or electronic means, the method must be elaborated in the notice of Shareholders Meeting. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, and waived his or her rights to the extempore motion and amendments to existing proposals at the shareholders' meeting.	This item is stipulated in Article 67 of the Articles of Association: “In addition to the provisions of the Listing Cabinet Act, when the company convened a shareholders meeting, the electronic method shall be listed as one of the channels for the voting rights of the shareholders' meeting, and may be adopted in writing. The exercise of voting rights shall be stated in the method of convening the shareholders' meeting. And Article 68: “Shareholders electing to cast their votes by correspondence or via electronic means as stated in the previous article shall be deemed the appointment of the Chairman (Presiding Officer) of the session of the Shareholders Meeting to exercise the right to votes as per the instruction of the aforementioned correspondence or electronic document. However, the balloting of these shareholders by correspondence or electronic means shall be construed as their abstention from the balloting on extemporary motions or amendments to the motions proposed in the session. The act of the aforementioned appointment shall not be construed as the appointment of proxy under the rules and regulations governing the	The Cayman Company Law has no special provisions on the protection of the shareholders' rights and interests on the left, so it is stipulated in Articles 67 and 68 of the Articles of Association. According to the opinion of Cayman’s lawyer, the shareholders vote in writing as the chairman of the shareholders' meeting. Therefore, in accordance with Cayman's lawyer's opinion, the second paragraph of the second paragraph is stipulated in Article 68 of the Articles of Association.	In Article 68 of the Articles of Incorporation, it is suggested that when the Chairman (Presiding Officer) acts on behalf of and in the names of the shareholders in casting the votes for decision as per the instructions of these shareholders by correspondence or via electronic means, he or she cannot exercise the right to vote not specified in the aforementioned correspondence or electronic document. This practice does not cause unfavorable and significant influence on shareholder equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
	listing on the TWSE or TPEx. Once appointed by the aforementioned shareholders, the Chairman (Presiding Officer) cannot exercise the right to vote beyond the scope inscribed in the aforementioned correspondence or electronic documents. During the period when the shares of the Company have been registered in Xinggui or listed at the securities counter trading center or the stock exchange, the company shall appoint a financial management committee, a securities counter trading center or a stock exchange in the territory of the Republic of China when the shareholders' meeting is held outside the Republic of China. Shares of approved service agencies to deal with administrative matters relating to the meeting of shareholders (including but not limited to accepting shareholders vote matters).” (Note: The above is the extract in Chinese)		
If, after having exercised the voting rights in writing or electronically, a shareholder intends to attend the shareholders' meeting in person, he or she shall revoke the prior expression of intent on exercise	The contents of the requirements of this section are inscribed in Article 70 of the Articles of Incorporation, and specified as “Where the shareholders may desire to attend the session of the Shareholders Meeting in person after expressing the intent of voting by	The Cayman Company Law has no special provisions on the protection of the shareholders' rights and interests on the left. Therefore, it is stipulated in Article 70 of the Articles of Association. According to	Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed,

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
of voting rights in the same manner as how he or she has exercised the voting rights two days before the shareholders' meeting. If the revocation is not made within the specified time limit, exercise of voting rights in writing or electronically shall prevail.	correspondence or electronic means, they shall revoke the previous expression of intent of voting by correspondence or electronic means at least 2 days prior to the meeting date. The revocation of the voting by correspondence or electronic means shall constitute the revocation of the appointment to the Chairman (Presiding Officer) in exercising the right to vote as stated in Article 68". If the shareholders expressed the intent of revoking the previous intent of voting by correspondence or electronic means as stated Article 67 after the aforementioned deadline, the previous expression of intent of voting by correspondence or electronic means shall stand and the Chairman (Presiding Officer) shall be appointed for casting the votes on behalf of and in the names of these shareholders as stated in Article 68. Where the shareholders may change their mind after expressing the intent of voting by correspondence or electronic means as stated in Article 67 by the appointment of proxies to attend the session of the Shareholders Meeting, it shall be construed as the revocation of the previous appointment of the Chairman (Presiding Officer) for voting on their behalf and in their names in Article 68.	Cayman's lawyer, under the Common Law, the principal can revoke its proxy by attending the meeting in person, due to written or electronic Shareholders who exercise their voting rights are deemed to have entrusted the chairman of the shareholders' meeting to exercise their voting rights at the shareholders' meeting on the basis of the instructions in the written or electronic documents. Therefore, the protection of shareholders' rights and interests on the left may not be enforceable.	there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
	Accordingly, the votes cast by the proxies in the session shall stand. (Note: The above is the extract in Chinese)"		
After serving the proxy to the Company, the shareholders who wish to attend the meeting of the shareholders in person or to vote in writing or by electronic means shall notify the Company in writing to revoke the proxy two days prior to the meeting of the shareholders. If the proxy is not revoked before the deadline, the vote by proxy shall prevail.	The contents of the requirements are inscribed in Article 62B of the Articles of Incorporation, which are specified as "If the shareholders desire to attend the meeting in person, or exercise the right to vote by correspondence of electronic means after the delivery of the power of attorney to the Company, they shall notify the Company for revocation of the power of attorney previous made at least 2 days prior to the meeting date. The attendance by proxy to exercise the right to vote shall stand if notification cannot be made by the aforementioned deadline. (Note: The above is the extract in Chinese)"	The Cayman Company Law has no special provisions on the collection of power of attorney or power of attorney; therefore, the protection of the shareholders' rights and interests listed in the left column is stipulated in Article 62B of the Articles of Association. According to Cayman's lawyer, under the Common Law, the principal is revoke its proxy by attending the meeting in person, so the left shareholder's equity Protection matters may not be enforceable (not enforceable).	Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.
The following motions involve the rights and privileges of the shareholders in materiality and shall be passed by the Shareholders Meeting in a session attended by shareholders representing more than two third of the outstanding shares and a simple majority of the votes from the shareholders in session. If the	Paragraphs 1 and 4 of this paragraph, paragraph 5 and paragraph 6 are respectively specified in Article 32(a)(b)(c)(d)(f)(g) of the Articles of Association, as follows: "The Company may also adopt a Type A Special Resolution or a Type B Special Resolution: (a) conclude, vary or terminate an agreement to lease all of its business, entrusted operations or co-operation with others; (b)	According to the lawyer of the Cayman Islands: (i) The articles of incorporation of the operation in the Cayman Islands must comply with the mandatory requirements of the Company Act of the Cayman Islands. In case of contradiction, the Company Law of the Cayman Islands shall stand; (ii) "Special Resolution" is a legal term under	Article 32(a)(b)(c)(d)(f)(g) and Article 33 (a) of the Articles of Incorporation (voluntary dissolution of the Company in case of insolvency) were amended in accordance with the Protection of Shareholders Equity Checklist generally. Under the mandatory requirement of the Company Law of the Cayman Islands, the Articles of

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
presence of shareholders in this session cannot qualify for a quorum, the motion could be passed by the presence of shareholders representing more than half of the outstanding shares and a two third majority of the votes cast by the shareholders in the session: 1. Entering into, alteration, or termination of the agreement on leasing of the whole operation, entrustment of operation, or joint venture in operation with a third party, assignment of all or the principal business operation or assets, acceptance of business operation or assets assigned by a third party that caused significant influence on the operation of the Company 2. Amendment to the Articles of Incorporation 3. If the amendment to the Articles of Incorporation may jeopardize the rights of the holders of	transfer all or any major part thereof (c) a person who has significant influence on the operation of the company by the transfer of all business or property of others; (d) division of the company in accordance with the Listing Act; (e) permission of directors to engage in non-compete activities; (f) pursuant to section 17B to require issuers to limit employees' rights shares; and (g) to issue new shares assign some or all of the dividend or distribution; in order to avoid controversy, on the basis of Article 129 to set aside staff remuneration and directors remuneration issued by the New shares do not require a special resolution of type A or a special resolution of type B. (Note: The above is the extract in Chinese)" The requirement in Section 2 is presented in Article 157 of the Articles of Incorporation and is specified as "Unless the Company Act and the Articles of Incorporation specify otherwise, the Company may change the MOU and/or the Articles of Incorporation in whole or in part under a special resolution. (Note: The above is the extract in Chinese)" Subparagraph 3 of this section is presented in Article 18 of the Articles of Incorporation and	the Company Law of the Cayman Islands. Issues required for "Special Resolution" under the Company Law of the Cayman Islands shall be decided by shareholders under "Special Resolution" but the minimum votes shall not fall below the requirements under the "Special Resolution" under the Company Law of the Cayman Islands. As such, the Articles of Incorporation shall set a higher standard.	Incorporation (including the amendment to circumstances that may jeopardize the rights of the shareholders of preferred shares), dissolution (situations beyond voluntary dissolution of the Company due to insolvency), and merger must be passed under "Special Resolution" and cannot be changed only under the Articles of Incorporation. The intensity for the protection of the rights of the shareholders provided by the Articles of Incorporation and the Protection of Shareholders Equity Checklist are relevant on the basis of a "Special Resolution" and the means of resolution stated in the Protection of Shareholders Equity Checklist.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
preferred shares, the resolution for approval by the meetings of the preferred shareholders is necessary. 4. Payment of dividends or bonuses in whole or in part by issuing new shares. 5. Decision of dissolution, merger or spinoff 6. The issuance of restricted stock	specified as "The Company may split up its equity capital into different categories of shares (such as common shares or preferred shares) at any time. Any unfavorable and significant change or revocation of the rights (including without limitation to any amendment to the Articles of Incorporation that may jeopardize the rights of any of the shareholders of preferred shares) of any category of shares (except the conditions for the offering of specific categories of shares specify otherwise) shall be made under (I) the special resolution of the Shareholders Meeting (of common shares); and (II) the special resolution of a separate shareholders Meeting of a specific category of shares (such as preferred shares). (Note: The above is the extract in Chinese)" The requirement of section 5 in the aspect of dissolution of the organization is presented in Article 33 of the Articles of Incorporation and is specified as "Unless the Company Act, the Articles of Incorporation, and applicable laws governing the listing on the TWSE or TPEx specify otherwise in attendance, the Company shall (a)resolve to voluntary dissolution in		

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
	case of insolvency for settlement of debts upon due under Special Resolution A or Special Resolution B; or (b) resolve to voluntary dissolution in case of other incidents beyond insolvency under special resolution for the dissolution of the Company. (Note: The above is the extract in Chinese)" Subparagraph 5 of this section in the aspect of merger is presented in Article 31 (c) of the Articles of Incorporation and is specified as "the Company may (c) proceed to merger in accordance with the applicable laws governing listing on the TWSE or TPEx through special resolution. (Note: The above is the extract in Chinese)"		
1. The company continues to hold more than six months the total issued shares of more than one per cent shareholder, by written request Audit Committee of the company filed a lawsuit against directors and to Taiwan Taipei first instance court of competent jurisdiction for the Northern District Court. 2. If the Audit Committee	The contents of the requirements in this Paragraph 2 are included in Article 123 of the Articles of Incorporation and are specified as "under the laws of the British Cayman Islands, shareholders who hold 1% or more of the outstanding shares issued by the Company for more than 6 months consecutively may petition of the Audit Committee in writing for suing the Directors and institute the action with a court of legal jurisdiction (including Taipei District Court of Taiwan, where	1. Amendments to Article 123 of the company's Articles of Incorporation have been completed in accordance with the provisions in the first item of the left column "shareholders holding more than 1% of the company's total shares issued for a period of more than six months" of the "Checklist for Shareholders' Rights and Interests Protection in the	1. Amendments to Article 123 of the company's Articles of Incorporation have been completed at the 2025 shareholders meeting in accordance with the provisions in the first item of the left column of the "Checklist for Shareholders' Rights and Interests Protection in the Foreign Issuer's Country of Registration"

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
declines to institute legal action within 30 days after the shareholder has petitioned for legal action, the shareholder may institute legal action for the Company and submit the jurisdiction of the first instance to Taiwan Taipei District Court.	applicable). If the Audit Committee declines or rejects the request to institute legal action within 30 days after receiving the petition from the shareholders, as mentioned in the previous paragraph, the shareholders may initiate legal action on behalf of the Company in a court of legal jurisdiction (including the Taipei District Court of Taiwan, where applicable), unless the laws of the British Cayman Islands provide otherwise. (Note: The above is the extract in Chinese)"	Foreign Issuer's Country of Registration" announced by the Taiwan Stock Exchange Corporation on May 2, 2024. 2. There is no special requirement or prohibition inscribed in the Articles of Incorporation of the Cayman Company. According to the laws of the Cayman Islands, shareholders may institute legal action for the Company in the following circumstances: (i) an act of offense under law or abusive use of power without authorization of the Company and lacked the ratification of the shareholders; or (ii) An act of fraud against minority shareholders (the parties petitioned for remedy are the majority shareholders. These majority shareholders will not permit the Company to give leeway for the complainant in the petition for remedy through legal action. If the cause under this	announced by the Taiwan Stock Exchange Corporation on May 2, 2024. 2. Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
		paragraph is the cause of legal action, prove that the fraud and illegal activities are committed by those who have control over the Company). Any act within the authority of the Company or the abusive use of power was ratified by the shareholders and is the will of the majority of shareholders, the court of the Cayman Islands tends not to interfere into the internal affairs of the Company. The lawyer of the Cayman Islands went further that Article 123 of the Articles of Incorporation must be in compliance with the legal requirements of the Cayman Islands. Accordingly, it is not the obligation of the Directors to respond to the request of shareholders holding more than 3% of the outstanding shares of the Company to institute legal action against the other Directors if these Directors hold that the institution of legal action is not for the	

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
		interest of the Company.	
1. The Directors of the Company owe a fiduciary duty of care and shall be held responsible to all the damages to the Company for their failure to perform such duty. If an act was committed by directors on their own will or in favor of a third party, the Shareholders Meeting may resolve to take the income from such act as the income of the Company. 2. If the performance of the assigned duties of the Company by the Directors is in violation of applicable laws the extent to which damage is caused to a third party, the Directors shall assume joint and several liabilities of the damages to the third party and the Company. 3. The managers of the Company shall, within the scope of duties, be responsible for the same joint and several liabilities of damages of the Directors.	The content of requirement in this paragraph is presented in Article 97B of the Articles of Incorporation and is specified as "All Directors owe a fiduciary duty to the Company under the law of the Cayman Islands and applicable laws to the listing on the TWSE or TPEx, and such fiduciary duty shall include without limitation the observation of honesty and good will, and avoidance of conflict between obligation and personal interest. If any Director violates the aforementioned obligation of honesty, such Director shall assume responsibility of the damage thereof under the law of the British Cayman Islands and applicable laws for listing on the TWSE or TPEx. According to the law of British Cayman Islands and applicable laws for listing on the TWSE or TPEx, any Director who violates the aforementioned obligation of honesty for self-interest or a third party, the Shareholders Meeting may take any income for the above act as the income of the Company. If any Director of the Company has caused damage to a third party in performing the assigned duties of the	According to the Company Law of the Cayman Islands, Directors owe fiduciary duties to the Company, and any violation which causes damage to the Company may result in a court ruling for assuming liability for the damage. If there is an act of breach of honesty by the Director for self-interest or a third party with the return of benefit, the court may rule to return the benefit. According to the law of the Cayman Islands, if a Director has caused damage to a third party in performing the assigned duties of the Company, such third party may claim for the damage against the Company. Likewise, the Company may claim for the loss due to the damage claimed by the third party against the Director. From the perspective of the law of the Cayman Islands, the third party cannot make a claim directly against the Director even though the Articles of Incorporation specify that Directors shall assume joint and	Based on the opinion of Cayman's lawyers, it is recommended that this section be fully disclosed in the annual report to avoid misunderstandings by the public or company shareholders. If it can be fully disclosed, there is no significant adverse impact on shareholders' equity.

The protection of shareholder equity	Apply for company charter	Cause of variation	Influence on shareholder equity
	Company, this Director shall assume joint and several liabilities to the third party and the Company under the law of the British Cayman Islands and applicable laws for listing on the TWSE or TPEx. Under such circumstance, the Director shall respond to the claim for damage instituted by the third party. According to the law of the British Cayman Islands and applicable laws regarding the TWSE or TPEx, the managers of the Company, within their respective scopes of assigned duties, assume the same responsibilities with the Directors as mentioned in preceding paragraphs. (Note: The above is the extract in Chinese)"	several liabilities with the Company.	

VII. Occurrences of events defined under Article 36-3-2 of the Securities Exchange Act in the latest year up till the publishing date of this annual report that significantly impacted shareholders' equity or security prices: None.

SUN MAX TECH LIMITED

Chairman：SINOTEAM HOLDINGS INC.

Representative: HSU Wen-Faung