

Stock Code : 3028



2025

Annual Report
(Translation)

Printed Date: April 29, 2026

Market Observation Post System: <http://mops.twse.com.tw>

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

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Accounting firm name: PricewaterhouseCoopers Taiwan
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- V. Name of overseas stock exchange and method for accessing information on overseas negotiable securities: None.
- VI. Company Website: <http://www.zenitron.com.tw>

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I. Letter to Shareholders

(I) 2025 Business Report

1. Implementation results of business plan

The individual revenue for 2025 was NT\$18,196,539 thousand, compared to the revenue of NT\$13,860,527 thousand in 2024, representing an increase of NT\$4,336,012 thousand and a growth rate of 31.28%. The net income before income tax for 2025 was NT\$803,161 thousand, compared to NT\$550,232 thousand in 2024, an increase of NT\$252,929 thousand and a growth rate of 45.97%.

The consolidated revenue for 2025 was NT\$41,450,665 thousand, compared to the consolidated revenue of NT\$36,437,253 thousand in 2024, representing an increase of NT\$5,013,412 thousand and a growth rate of 13.76%. The net income before income tax for 2025 was NT\$918,791 thousand, compared to NT\$585,707 thousand in 2024, an increase of NT\$333,084 thousand and a growth rate of 56.87%.

2. Budget execution status

Financial forecast for 2025 is undisclosed so there is no budget execution status available.

3. Analysis of financial income and expenditure and profitability :

(Parent Company Only)

Analysis item		Year	Financial Analysis	
			2024	2025
Financial Structure (%)	Debt to assets ratio		57.23	61.05
	Long term capital to property, plant and equipment ratio		1,737.72	1,753.34
Profitability	Return on asset (%)		4.20	5.96
	Return on equity (%)		8.15	11.92
	Pre-tax net profit to paid-in capital ratio (%)		23.19	33.85
	Profit ratio (%)		3.52	4.10
	Earnings per share (NT\$)		2.08	3.15

(Consolidated)

Analysis item		Year	Financial Analysis	
			2024	2025
Financial Structure (%)	Debt to assets ratio		68.68	73.10
	Long term capital to property, plant and equipment ratio		1,561.53	1,571.08
Profitability	Return on asset (%)		4.03	4.90
	Return on equity (%)		8.15	11.92
	Pre-tax net profit to paid-in capital ratio (%)		24.68	38.72
	Profit ratio (%)		1.34	1.80
	Earnings per share (NT\$)		2.08	3.15

(II) 2026 Business Plan Overview

Reviewing the international economic and industrial environment in 2025, the global economy exhibited a moderate recovery trend, driven by gradually easing high-interest-rate conditions and the shift towards cautiously accommodative policies by major central banks. Although inflationary pressures have eased, geopolitical risks and the restructuring of the global supply chain still bring uncertainty to the market. Artificial Intelligence (AI) and high-performance computing (HPC) continue to be the core driving forces for growth in the global technology industry, leading to a steady increase in the demand for semiconductors, servers, data centers, and related power management and high-performance components. In terms of international politics, economy, and trade environment, the competition between the US and China continues to intensify, with global trade and investment configurations gradually moving towards regionalization. Under the trend of supply chain shifts and enhanced manufacturing capacity, the Southeast Asian market is gradually becoming an important growth base for the global electronics and semiconductor industries. Overall, the global economy is characterized by the coexistence of high growth and high debt, with businesses significantly increasing their focus on operational efficiency, supply stability, and regional flexibility. In terms of technological development, generative Artificial Intelligence (AI) and high-performance computing (HPC) remain the primary growth drivers for the semiconductor and electronics industries. The demand for AI Server continues to be strong, driving data centers and cloud service providers to expand their AI Datacenter infrastructure investments. Customer demand is gradually shifting from the traditional board-level to the complete rack and system integration level, thereby increasing the value of individual cases and the overall project scale. The high-performance power core components, backup battery modules (BBU), and high-speed storage and memory products represented by The Company itself continue to increase their penetration in such applications, contributing stable and scalable growth to revenue scale and profit structure.

Looking forward to 2026, the semiconductor and electronics industries will exhibit a pattern of multi-axial development, with growth momentum mainly coming from artificial intelligence (AI), automotive electronics, communication and networking, optoelectronics and new energy technologies, as well as the education and commercial terminal markets.

In terms of AI and computing platforms, the next-generation server architecture and processor platform continue to advance, driving the demand for data center construction and enterprise-level computing upgrades, further boosting the shipment momentum of high-performance power supplies, backup battery modules (BBU), high-speed storage, and memory products. The deepening application of generative AI and edge computing will also drive the expansion of the industrial computer, smart terminal, and networking equipment markets, creating stable growth opportunities for the Company's high value-added product lines.

In the computer and consumer electronics market, with the successive launch of new-generation chips by Intel and AMD, there is an anticipated wave of device upgrades for notebooks (NB) and motherboards (MB), further driving the shipment momentum of gaming equipment and

mid-to-high-end servers. The wearable device and smart home application markets are showing a trend of stable demand. Products such as sports watches, AI glasses, and AIoT-related items continue to incorporate AI functions and high-performance networking modules, creating stable growth opportunities for communication modules, sensors, and power management products.

In the fields of industrial and high value-added applications, the drone market is seeing increasing demand for industrial inspections, surveying, and defense purposes. As drone systems develop towards longer endurance, higher payloads, high stability, and real-time data transmission capabilities, the demand for high-precision sensing components, motor control, and power management related parts is rising. The Company itself continues to strengthen the layout of industrial-grade and high-reliability product lines. By integrating key modules such as sensing, computing, communication, and power management, it provides system-level integrated solutions to help customers shorten product development cycles and enhance the stability of end systems.

In the memory market, influenced by the simultaneous growth of AI servers, high-speed computing, and automotive applications, the supply-demand structure of the market is becoming tight, leading to a relatively upward trend in prices. As The Company itself gradually ramps up the introduction of new agency lines and high-end storage products, it is expected to continue making a positive contribution to revenue scale and gross profit structure, thus enhancing the overall profit growth momentum.

In the field of automotive electronics, the global automobile market continues to develop towards electrification, intelligence, and connectivity. The demand for pure electric and hybrid vehicles maintains a stable growth trend. Under the background of policy promotion and the maturation of the local supply chain, the Chinese mainland market remains the main growth engine. Smart cockpits, vehicle networking, automotive power management systems, sensing modules, and in-car entertainment systems are continuously expanding, creating vast opportunities for the adoption of automotive-grade semiconductors and electronic components. The Company itself continues to deepen the automotive-grade product layout across various product lines, enhancing project depth and long-term customer loyalty through strategic cooperation with system manufacturers and tier-one suppliers.

In the networking and optoelectronics market, overall demand is showing a trend of steady recovery. WiFi, AIoT, Bluetooth (BT) modules, and high-speed optoelectronic transmission products are gradually ramping up alongside enterprise digital transformation, data center expansion, and the increased penetration of smart terminals, creating new growth opportunities for The Company itself in cross-product line integrated sales and project-based business. In summary, by 2026, the industry's development will continue to unleash medium to long-term growth potential driven by AI, automotive electronics, and new energy sectors, laying a solid foundation for the Company's operations.

In response to the development trends in various application fields of the industry, the Company adopts the following significant sales strategies:

1. Focus on high-growth and high value-added application areas

In the future, we will continue to deeply cultivate core application areas such as "AI and high-performance computing", "data centers and system integration", "computers and peripherals", "power management", "communication and network", "industrial electronics", "automotive electronics", and "new energy and green technology". By integrating marketing and technical team resources, we will strengthen FAE (Field Application Engineer) and application design capabilities to provide competitive overall solutions that meet the diversified needs of customers.

2. Expand product line to promote business growth.

In addition to the continuous deepening of existing agency line products, The Company's new business development department actively evaluates and introduces new agency lines with high growth potential, with a special focus on high-performance memory, high-speed transmission modules, AI server peripherals, high-power power supplies, and compound semiconductor components. This aims to expand the depth and breadth of the product line and strengthen the Company's competitive advantage in high value-added markets.

3. Strengthen FAE technical support and solution-based sales model.

Continuously cultivate FAE professional talents and capabilities for the introduction of new technologies, enhance system integration and application design capabilities, assist customers in shortening product development and time-to-market, with the important goal of becoming a "value-added distributor with leading technology". Additionally, drive the sales of peripheral and auxiliary products through core product lines, strengthen cross-product integration solutions, and enhance overall project value and customer loyalty.

4. Deepen the cooperative relationships with IC Design Houses and upstream module strategic alliances.

Deepen strategic cooperative relationships with domestic and international IC Design Houses, and simultaneously establish strategic alliances with upstream module suppliers and key system component manufacturers, forming a vertically integrated cooperative structure from chip and module to system level. By participating early in the design stages of new platforms, new products, and systems, we can grasp market trends and changes in customer demands, enhance the Company's market visibility, project introduction rate, and long-term cooperation depth in high-growth application fields, and strengthen the competitive advantage of overall solutions.

5. Market expansion in the Southeast Asian market and regional operational layout.

In response to the trends of global supply chain regionalization and the shift of manufacturing bases to Southeast Asia, The Company itself will continue to accelerate its layout in the Southeast Asian market, including key countries such as Thailand and Singapore, and enhance local business centers and logistics service capabilities. By establishing cooperative relationships with local system manufacturers, manufacturing service providers, and regional channel partners, we can enhance the depth of localized

services and market penetration. Simultaneously, we guide the extension of existing multinational customer projects within the region to diversify operational risks brought about by geopolitical and trade policy changes, and to expand medium to long-term revenue growth momentum.

6. Enhancing internal operational efficiency and risk management capabilities.

Facing challenges such as tight production capacity and extended delivery times, the company will continue to deploy diverse supply sources and regional warehousing and logistics strategies, enhance inventory turnover, delivery time management, operational data analysis, and risk management capabilities. This approach aims to mitigate the potential impacts of geopolitical, policy changes, and market fluctuations on operations, reduce operational uncertainty, and ensure the company's stable management.

In summary, generative AI, data center construction, automotive electronics, and new energy technologies will continue to reshape industry structures and supply chain configurations. Changes in international political and trade policies will accelerate the global market's development towards regionalization and diversification. Facing the long-term challenges posed by US-China competition and supply chain reorganization, the company will continue to strengthen its layout in the emerging Southeast Asian markets while deepening local cooperation and distribution networks in the Chinese market to enhance overall operational resilience and market coverage.

To achieve long-term sustainable development, the management team aims to become an "international semiconductor component value-added distributor". By integrating marketing resources, deepening technical services, and expanding high value-added solutions, we will establish a globally competitive service system. At the same time, we continuously invest in the cultivation of international and professional talents to inject innovative momentum and organizational vitality into the company, ensuring steady growth in a rapidly changing industry environment, creating long-term value and operational performance for shareholders and partners.

II. Corporate Governance Report

(I) Directors, (Including Independent Director) President, Vice Presidents, Associates, Departments and Branches Officer Information:

1. Information on Directors (Including Independent Directors)

Apr. 14, 2026 Unit: shares; %

Title	Nationality or Place of registration	Name	Gender Age	Elected (appointed) Date	Term	First Elected Date Elected	Shareholding when elected		Current shareholdings		Spouse, minor shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position in the Company and other companies	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares				Title	Name	Relation
Chairman (Note 1)	Taiwan	Chen, Hsin-Yi	Male 71-80	June 12, 2024	3 years	1984.07.01	2,674,390	1.14	1,474,390	0.62	267,182	0.11	-	-	Department of Electrical Engineering, College of Engineering, Tatung University Deputy Manager of Business of Bellmart Industrial Co., Ltd..	Chairman and Deputy Chief Strategy Officer of the Company Director of Zenitron (H.K) Limited - Corporate Representative of Zenitron Director of Zenitron (Shenzhen) - Corporate Representative of Zenitron (H.K) Limited Supervisor of ZTHC (Shanghai) - Corporate Representative of Zenitron (H.K) Limited Director of Zenitron (Shanghai) International Trading Co., Ltd.- Corporaterepresentative of Zenitron (H.K) Limited Chairman of Xinyada Investment Co., Ltd.	-	-	-
Director	Taiwan	Chou, Yeou-Yih	Male 81-90	June 12, 2024	3 years	1982.09.13	5,192,074	2.22	5,192,074	2.19	9,552	0.00	-	-	Completed MDP class in Asia University College of Management Department of Electrical Engineering, College of Engineering, Tatung University Director of Electronic Design, Tatung Co.	President and Chief Strategy Officer of the Company Director of Zenitron (H.K) Limited - Corporate Representative of Zenitron Director of Supertronic - Corporate Representative of Zenitron Chairman of Zeniboss Corporation Director of NU INC. - Corporate Representative of Zenitron Director of Joyrich Investment Holding Group Co., Limited - Corporate Representative of Supertronic Director of I-Sheng Electric Wire & Cable Co., Ltd. Director of Yutseng Investment Co., Ltd. Supervisor of Zenitex Investment Co., Ltd.	CEO CEO	Chou, Chun-Kuang Chou, Chun-Hsien	Father and Son Father and Son
Director	Taiwan	Yutseng Investment Co., Ltd.	-	June 12, 2024	3 years	2001.04.09	6,090,840	2.60	6,090,840	2.57	-	-	-	-	M.B.A., National Taiwan University Master of Business Administration for Senior Management, Fudan University Master of Communication, University of Melbourne	CEO and President of the Group Chairman of Yutseng Investment Co., Ltd. Director of Zenitex Investment Co., Ltd. Director of Zenicom Corporation - Corporate representative of Zenitron	President CEO	Chou, Yeou-Yih Chou, Chun-Hsien	Father and Son Brothers

Title	Nationality or Place of registration	Name	Gender Age	Elected (appointed) Date	Term	First Elected Date Elected	Shareholding when elected		Current shareholdings		Spouse, minor shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position in the Company and other companies	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares				Title	Name	Relation
	Taiwan	Representative: Chou, Chun-Kuang	Male 51-60	June 12, 2024					3,430,502	1.45	977,883	0.41			Director of Zenicom (HK) Limited - Corporate representative of Zenicom Corporation Supervisor of Zeniboss Corporation Director of ZTHC (Shanghai) Co.,Ltd. - Corporate representative of Zenitron (H.K) Limited Supervisor of Zenitron (Shanghai) International Trade - Corporate representative of Zenitron (H.K) Limited Director of Shanghai Zenicom Industrial Co., Ltd.- Corporate representative of Zenicom Corporation				
Director	Taiwan	Zenitex Investment Co., Ltd.	-	June 12, 2024	3 years	2006.06.14	9,862,828	4.21	9,862,828	4.16	-	-	-	-	Department of Computer Science and Electrical Engineering, Monash University MS in Telecommunications Engineering, University of Entrepreneurial Management Course, National Chengchi University	CEO and President and Chief Sustainability Officer of the Group Chairman of Zenitex Investment Co., Ltd. Supervisor of Yutseng Investment Co., Ltd. Director of Zenitron (H.K) Limited - Corporate Representative of Zenitron Chairman of the Next Generation Entrepreneurs Charity Association	President CEO	Chou, Yeou-Yih Chou, Chun-Kuang	Father and Son Brothers
	Taiwan	Representative: Chou, Chun-Hsien	Male 41-50	June 12, 2024					3,557,925	1.50	5,000	0.00	-	-					
Director	Taiwan	Fang, Yi-Hsiung	Male 71-80	June 12, 2024	3 years	2012.06.15	71,867	0.03	71,867	0.03	106,004	0.04	-	-	Ibiza College of Australia Engineering Management Section	Director of Dragonjet Corporation Director of Dragonjet Corporation and Yisheng Electric Wire Plastic (Kunshan) Co., Ltd. General Manager of I-Sheng Electric Wire & Cable Co., Ltd.	-	-	-
Director (Note 2)		ZENIBOSS CORPORATION	-	2024.06.12	3 years	2024.06.12	8,705,916	3.72	8,705,916	3.67	-	-	-	-	PhD in Technology Management Research Institute, Chung Hua University				
	Taiwan	Representative: Wang, Jiunn-Chih (Note 2)	Male 71-80	June 12, 2024			-	-	N/A	-	N/A	-	N/A	-	President of the Central Trust Bureau President, Entie Commercial Bank Secretary General, National Federation of the R.O.C. Commercial and Industrial Bankers' Associations President, Hua Nan Commercial Bank Chairman of Capital Securities Corporation	N/A	-	-	-

Title	Nationality or Place of registration	Name	Gender Age	Elected (appointed) Date	Term	First Elected Date Elected	Shareholding when elected		Current shareholdings		Spouse, minor shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position in the Company and other companies	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares				Title	Name	Relation
Independent Director	Taiwan	Hsu, Jui-Mao	Male 71-80	June 12, 2024	3 years	2018.06.12	-	-	-	-	-	-	-	-	EMBA, National Taiwan University Master of Business Administration, Fudan University Master of Business Administration, University of Missouri, USA General Manager, IBT Securities Co., Ltd. Senior Deputy General Manager, Industrial Bank of Taiwan Deputy General Manager, CTBC Securities Co., Ltd.	-	-	-	
Independent Director	Taiwan	Liao, Fu-Long	Male 71-80	June 12, 2024	3 years	2021.07.05	-	-	-	-	-	-	-	-	Department of Accounting, National Taipei University of Business Senior Manager, E.SUN Commercial Bank, Ltd.	Independent Director of Well Shin Technology Co., Ltd.	-	-	-
Independent Director	Taiwan	Yeh, Fu-Ling	Female 51-60	June 12, 2024	3 years	2023.06.09	-	-	-	-	-	-	-	-	Master of Business Administration, University of Pittsburgh, USA Master of Urban Planning, University of Pennsylvania, USA Bachelor of Sociology, National Taiwan University Department of Sociology, National Taiwan University Independent Director, Tainergy Tech Co., Ltd Vice President, Industrial Technology Investment Corporation. Chairman, Choice Biotech Founder, CTY Ventures	Representative of a Director of Solomon Technology Corporation	-	-	-
Independent Director	Taiwan	Li, Wei-Chien	Female 51-60	June 12, 2024	3 years	2024.06.12	-	-	-	-	-	-	-	-	Master of Sociology, National Taiwan University Representative of the directors of Etron Technology Inc. Director of Kai Chun Investment Co., Ltd.	Vice President of Coretronic Corp. Independent Director, of ADLINK Technology	-	-	-

Note: 1. On 2025/11/10, the Board of Directors elected Director Chen, Hsin-Yi as Chairman.

2. Director ZENIBOSS CORPORATION resigned from the position of Chairman on September 30, 2025, and Representative Wang, Jiunn-Chih also resigned on September 30, 2025.

(1) Major shareholders of the juristic persons

Apr. 14, 2026

Name of Institutional Shareholders	Major shareholders of the juristic persons
Yutseng Investment Co., Ltd.	Chou, Chun-Kuang (40.7%) , Chou, Chun-Hsien (41%) , Chou, Yeou-Yih (9%) , Chou, Li-Mei-Chen (9%) , Feng, Chiung-Hua (0.3%)
Zenitex Investment Co., Ltd.	Chou, Li-Mei-Chen (32.5%) , Chou, Yeou-Yih (32.5%) , Chou, Chun-Kuang (17.5%) , Chou, Chun-Hsien (17.5%)
ZENIBOSS CORPORATION	Chou, Po-Yen (21.27%), Chou, Po-Han (21.27%), Chou, Po-Jen (13.27%), Chou, Po-Jui (13.27%), Chou, Yeou-Yih (10.91%), Yutseng Investment Co., Ltd. (9.09%), Chou, Li-Mei-Chen (3.64%), Chou, Chun-Kuang (1.82%), Feng, Chiung-Hua (1.82%), Chou, Chun-Hsien (1.82%), Huang, Ya-Ling (1.82%)

For the major shareholders in the above table who are juristic persons, their major shareholders.

Apr. 14, 2026

Name of Institutional Shareholders	Major shareholders of the juristic person
Yutseng Investment Co., Ltd.	Chou, Chun-Kuang (40.7%) , Chou, Chun-Hsien (41%) , Chou, Yeou-Yih (9%) , Chou, Li-Mei-Chen (9%) , Feng, Chiung-Hua (0.3%)

(2) Professional qualifications of directors (including independent directors) and the independence of independent directors:

Criteria		Professional Qualification and Work Experience (Note 2)	Independence	The number of independent directors in other listed companies concurrently
Name (Note 1)				
Chairman	Chen, Hsin-Yi	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business	-	-
Director	Chou, Yeou-Yih	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business	-	-
Director	Chou, Chun-Kuang	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business	-	-
Director	Chou, Chun-Hsien	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business	-	-
Director	Fang, Yi-Hsiung	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business	-	-
Chairman (Note 4)	Wang, Jiunn-Chih	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business	-	-
Independent Director	Hsu, Jui-Mao	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business Work Experience: General Manager of IBT Securities Co., Ltd., Senior Deputy General Manager of Industrial Bank of Taiwan, Deputy General Manager of CITIC Securities Company Limited	(Note 3)	0
Independent Director	Liao, Fu-Long	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business Work Experience: Senior Manager of E.SUN Commercial Bank, Ltd.	(Note 3)	1
Independent Director	Yeh, Fu-Ling	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business Experience: Representative of a Director of Solomon Technology Corporation, Vice President of ITIC, Independent Director, Tainergy Tech Co., Ltd., Chairperson of Choice Biotech Inc., Chairman, Choice Biotech Founder, CTY Ventures	(Note 3)	0

Criteria		Professional Qualification and Work Experience (Note 2)	Independence	The number of independent directors in other listed companies concurrently
Name (Note 1)				
Independent Director	Li , Wei-Chien	Have At Least Five Years' Work Experience in Business Administration, Legal Affairs, Finance, Bank Business Experience: Vice President of Coretronic Corp., Independent Director, of ADLINK Technology, Director of Etron Technology Inc., Director of Kai Chun Investment Co., Ltd.	(Note 3)	1

Note 1: None of the Directors has any of the circumstances set forth in Article 30 of the Company Act.

Note 2: Please refer to the relevant content of the information on Directors (Including Independent Directors) for the relevant experience of Directors.

Note 3: The independence of the Independent Directors of the Company shall comply with the provisions in "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".

Note 4: The Representative of a juristic person, Wang, Jiunn-Chih, resigned on September 30, 2025.

(3) Board diversity and independence:

Board diversity:

The Company has adopted the candidate nomination system for the election of all directors. In accordance with the provisions in "Corporate Governance Best Practice Principles" of the Company to structuring its board of directors, the Company shall determine the appropriate number of at least 5 directors with reference to the scale of corporate development and operations and the shareholdings of the major shareholders, while taking into account practical operational needs. Each board member shall have the necessary knowledge, skill, and experience to perform their duties. To realize the ideal of corporate governance, the Board of Directors as a whole shall possess the following abilities:

1. The ability to make judgements about operations. 2. Accounting and financial analysis ability. 3. Business management ability. 4. Crisis management ability. 5. Knowledge of the industry. 6. International market perspective. 7. Leadership ability. 8. Decision-making ability.

The Company completed the re-election of directors at the 2024 shareholders' meeting, with two female directors elected, demonstrating its commitment to gender equality and diverse participation. In the future, based on corporate governance practices, operational strategies, and sustainable development needs, the Company will actively incorporate considerations of gender balance and professional diversity in the nomination and selection process of directors to continuously strengthen the diversity of the Board of Directors and enhance the effectiveness of corporate governance.

The Company's Board of Directors is composed of diverse backgrounds, sufficient professional knowledge, extensive operating experience and expertise in different industries. Please refer to the information of directors (including independent directors) for the relevant experience of Directors. The diversity of the Board of Directors is shown below:

Title	Name	Gender	Age				Nationality	Other Position in the Company	Job Tenure			Major Expertise							
			41-50	51-60	61-70	71-85			Less than 3 years	3 years to 9 years	Over 9 Years	The ability to make judgments about operations	Accounting and financial analysis ability	Business management ability	Crisis management ability	Knowledge of the industry	International market perspective	Leadership ability	Decision-making ability
Chairman	Chen, Hsin-Yi	Male				✓	R.O.C.	✓			✓	✓		✓	✓	✓	✓	✓	✓
Director	Chou, Yeou-Yih	Male				✓	R.O.C.	✓			✓	✓		✓	✓	✓	✓	✓	✓
Director	Chou, Chun-Kuang	Male		✓			R.O.C.	✓			✓	✓		✓	✓	✓	✓	✓	
Director	Chou, Chun-Hsien	Male	✓				R.O.C.	✓			✓	✓		✓	✓	✓	✓	✓	
Director	Fang, Yi-Hsiung	Male				✓	R.O.C.				✓	✓		✓	✓	✓	✓	✓	✓
Chairman	Wang, Jiunn-Chih (Note)	Male				✓	R.O.C.	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director	Hsu, Jui-Mao	Male				✓	R.O.C.			✓			✓		✓		✓		
Independent Director	Liao, Fu-Long	Male				✓	R.O.C.			✓			✓		✓		✓		
Independent Director	Yeh, Fu-Ling	Female		✓			R.O.C.		✓			✓	✓	✓	✓	✓	✓		
Independent Director	Li, Wei-Chien	Female		✓			R.O.C.		✓			✓	✓	✓	✓	✓			

Note: The Representative of a juristic person, Wang, Jiunn-Chih, resigned on September 30, 2025.

Independence of the Board of Directors:

Among the 10 current directors of the Company, there are 4 independent directors (40%) and 6 non-independent directors (60%), and the number of directors who are related to each other by spouse or second degree of kinship does not exceed half of the total number of directors. The composition is in compliance with Paragraph 3 and Paragraph 4 of Article 26-3 of the Securities and Exchange Act.

2. President, Vice Presidents, Associates, Departments and Branches Officer:

Apr. 14, 2026 Unit: shares; %

Title	Nationality	Gender	Name	Date Appointed	Shareholdings		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position in other Companies	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
CEO and President	Taiwan	Male	Chou, Chun-Kuang	2020.09.01	3,430,502	1.45	977,883	0.41	-	-	M.B.A., National Taiwan University Master of Business Administration for Senior Management, Fudan University Master of Communication, University of Melbourne	Chairman of Yutseng Investment Co., Ltd. Director of Zenitex Investment Co., Ltd. Director of Zenicom Corporation - Corporate representative of Zenitron Director of Zenicom (HK) Limited - Corporate representative of Zenicom Corporation Supervisor of Zeniboss Corporation Director of ZTHC (Shanghai) Co.,Ltd. - Corporate representative of Zenitron (H.K) Limited Supervisor of Zenitron (Shanghai) International Trade - Corporate representative of Zenitron (H.K) Limited Director of Shanghai Zenicom Industrial Co., Ltd.- Corporate representative of Zenicom Corporation	President CEO	Chou, Yeou-Yih Chou, Chun-Hsien	Father and Son Brothers
CEO and President	Taiwan	Male	Chou, Chun-Hsien	2020.09.01	3,557,925	1.50	5,000	0.00	-	-	Department of Computer Science and Electrical Engineering, Monash University MS in Telecommunications Engineering, University of Entrepreneurial Management Course, National Chengchi University	Chairman of Zenitex Investment Co., Ltd. Supervisor of Yutseng Investment Co., Ltd. Director of Zenitron (H.K) Limited - Corporate Representative of Zenitron Chairman of the Next Generation Entrepreneurs Charity Association	President CEO	Chou, Yeou-Yih Chou, Chun-Kuang	Father and Son Brothers

Title	Nationality	Gender	Name	Date Appointed	Shareholdings		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position in other Companies	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
President	Taiwan	Male	Chen, Jian-Cun	2025.06.02	-	-	-	-	-	-	Master, National Chung Cheng University Taiwan Regional Sales Director at Analog Devices Taiwan Regional Sales Director at Maxim Integrated Business Manager at Ericsson Taiwan	None			
Senior Vice President	Taiwan	Male	Zhang, Chang-Fu (Note 1)	2020.09.01	N/A	-	N/A	-	N/A	-	M.S., Graduate Institute of Business Administration, National Taiwan University of Science and Technology Sales Supervisor of Intech Electronics Corp.	N/A	-	-	-
Senior Vice President	Taiwan	Male	Chen, Ting-Huang	2018.09.10	-	-	-	-	-	-	Department of Mechanical Engineering, Tamkang University M.S. in Technology Management, Fu Jen Catholic University	None	-	-	-
Vice President	Taiwan	Male	Liu, Ying-Tso	2018.09.10	-	-	-	-	-	-	St. John's and St. Mary's Institute of Technology Sales Supervisor of Pacific Realtor Co., Ltd. Sales Manager of Farglory Land Development Co., Ltd. Business Deputy Vice President of Concord System Management Corp.	None	-	-	-

Title	Nationality	Gender	Name	Date Appointed	Shareholdings		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position in other Companies	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Vice President	Taiwan	Male	Chen, Yu-Zhang	2021.09.01	-	-	-	-	-	-	Department of Electrical Engineering, Tamkang University Fairchild Account Manager Infineon Account Manager	None	-	-	-
Vice President	Taiwan	Male	Su, Zhong-Bang	2021.09.01	-	-	-	-	-	-	Department of Electronics, China University of Science and Technology Sales Representative, Well Strong Corporation	None	-	-	-
Vice President	Taiwan	Male	You, Sheng-Yuan	2021.09.01	-	-	-	-	-	-	Department of International Trade, Chinese Culture University Business Manager, Jaga International Ltd. None	None	-	-	-
Vice President	Taiwan	Male	Chen, Yung-Chuan	2024.04.15	-	-	-	-	-	-	Universirt of South Australia MBA EPC Sales V.P. Diodes Sales A.V.P. LiteOn Sales V.P. Zetex-Diodes TWN G.M. Vishay Marketing Sr. Manager	None	-	-	-
Vice President	Taiwan	Male	Hsia, Shu-Hsien	2024.03.01	14,000	0.01	-	-	-	-	Department of Electronics, National Kaohsiung University of Science and Technology Section Manager at Yoden Electric Co., Ltd. Section Manager at Yuzon Technology Co., Ltd.	None	-	-	-

Title	Nationality	Gender	Name	Date Appointed	Shareholdings		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position in other Companies	Managers who are spouses or within two degrees of kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Vice President	Taiwan	Male	Hu, Shu-Wei	2025.10.01	3,760	0.00	1,000	0.00	-	-	Department of Applied Foreign Languages, Shih Chien University Department of Computer Engineering, Department of Electronic Engineering, Guangwu University of Science and Technology Yuanmao International Co., Ltd.	None	-	-	-
Head of Finance	Taiwan	Male	Chen, Jian-Chi	2024.06.03	10,000	0.00	-	-	-	-	Department of Accounting, National Taiwan University Deputy Manager of Deloitte Taiwan	None	-	-	-

Note 1: Zhang, Chang-Fu resigned on July 11, 2025.

Title	Name	Directors' Remuneration						Total Remuneration (A+B+C+D) and the Ratio to Net Income		Relevant Remuneration Received by Directors Who are Also Employees						Total Compensation (A+B+C+D+E+F+G) and Ratio to Net Income		Compensation Paid to Directors from an Invested Company Other than the Subsidiaries or Parent Company				
		Base Compensation (A)		Severance Pay (B)		Bonus to Directors (C)				Allowances (D)		Salary, Bonuses, and Allowances (E)		Severance Pay (F) (Note 1)					Profit Sharing- Employee Bonus (G)			
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	Cash	Stock		Cash	Stock	The Company	Companies in the consolidated financial statements
Independent Director	Hsu, Jui-Mao	-	-	-	-	3,600	3,600	160	160	3,760 (0.50%)	3,760 (0.50%)	-	-	-	-	-	-	-	-	3,760 (0.50%)	3,760 (0.50%)	None
Independent Director	Liao, Fu-Long	-	-	-	-	3,600	3,600	160	160	3,760 (0.50%)	3,760 (0.50%)	-	-	-	-	-	-	-	-	3,760 (0.50%)	3,760 (0.50%)	None
Independent Director	Yeh, Fu-Ling	-	-	-	-	3,600	3,600	160	160	3,760 (0.50%)	3,760 (0.50%)	-	-	-	-	-	-	-	-	3,760 (0.50%)	3,760 (0.50%)	None
Independent Director	Li, Wei-Chien	-	-	-	-	3,600	3,600	160	160	3,760 (0.50%)	3,760 (0.50%)	-	-	-	-	-	-	-	-	3,760 (0.50%)	3,760 (0.50%)	None

Note 1: Retirement pension is an expense-based contribution to the pension fund.

Note 2: In accordance with the Company's Articles of Incorporation, the compensation of the Company's directors is based on their participation in the Company's operations, the value of their contributions, and the level of the industry, and the Board of Directors is authorized to determine the compensation based on the evaluation of the Compensation Committee, and the Company's Articles of Incorporation specify that the compensation of directors shall not exceed 3% of annual earnings.

Note 3: On November 10, 2025, the Board of Directors elected Director Chen, Hsin-Yi as Chairman.

Note 4: Director ZENIBOSS CORPORATION resigned from the position of Chairman on September 30, 2025, and Representative Wang, Jiunn-Chih also resigned on September 30, 2025.

* Except as disclosed in the table above, the remuneration received by the directors of the Company for services rendered to all companies in the financial statements (e.g., as consultants to non-employees) in the most recent year: None

Range of Remuneration

2025

Range of remuneration paid to each of the Company's directors	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Under NT\$ 1,000,000	Fang, Yi-Hsiung, Hsu, Jui-Mao, Liao, Fu-Long, Yeh, Fu-Ling, Li, Wei-Chien	Fang, Yi-Hsiung, Hsu, Jui-Mao, Liao, Fu-Long, Yeh, Fu-Ling, Li, Wei-Chien	Fang, Yi-Hsiung, Hsu, Jui-Mao, Liao, Fu-Long, Yeh, Fu-Ling, Li, Wei-Chien	Fang, Yi-Hsiung, Hsu, Jui-Mao, Liao, Fu-Long, Yeh, Fu-Ling, Li, Wei-Chien
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)		-	-	-
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Chen, Hsin-Yi	Chen, Hsin-Yi	-	-
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Chou, Yeou-Yih	Chou, Yeou-Yih	-	-
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Yutseng Investment Co., Ltd., Zenitex Investment Co., Ltd., Zeniboss Corporation	Yutseng Investment Co., Ltd., Zenitex Investment Co., Ltd., Zeniboss Corporation	Chen, Hsin-Yi	Chen, Hsin-Yi
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-	Yutseng Investment and its Representative: Chou, Chun-Kuang, Zenitex Investment and its Representative: Chou, Chun-Hsien, Zeniboss Corporation and its Representative: Wang, Jiunn-Chih	Yutseng Investment and its Representative: Chou, Chun-Kuang, Zenitex Investment and its Representative: Chou, Chun-Hsien, Zeniboss Corporation and its Representative: Wang, Jiunn-Chih
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-	Chou, Yeou-Yih	Chou, Yeou-Yih
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-	-	-
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	-	-	-	-
NT\$100,000,000 or over	-	-	-	-
Total	10	10	10	10

2. Supervisors' Remuneration

The Company has established an Audit Committee, therefore, there is no Supervisors' remuneration.

3. Remuneration of President, and Vice President

2025; Unit: NT\$1,000; %

Title	Name	Salary (A)		Severance Pay (B) (Note 2)		Bonus and special allowance, etc.		(C) Employee bonus (D)				Total Remuneration (A+B+C+D) and Ratio to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Subsidiaries or Parent Company
		The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements	The Company		Companies in the consolidated financial statements		The Company	Companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
CEO and President	Chou, Chun-Kuang	29,228	29,228	1,155	1,155	16,631	16,631	0	0	0	0	47,014 (6.29%)	47,014 (6.29%)	None
CEO and President	Chou, Chun-Hsien													
President	Chen, Jian-Cun (Note 1)													
Senior Vice President	Zhang, Chang-Fu (Note 1)													
Senior Vice President	Chen, Ting-Huang													
Vice President	Liu, Ying-Tso													
Vice President	Chen, Yu-Zhang													
Vice President	Su, Zhong-Bang													
Vice President	You, Sheng-Yuan													
Vice President	Chen, Yung-Chuan													
Vice President	Hsia, Shu-Hsien													
Vice President	Hu, Shu-Wei (Note 1)													
Head of Finance	Chen, Jian-Chi													

Note1: Chen, Jian-Cun took office on June 2, 2025, Zhang, Chang-Fu resigned on July 11, 2025, and Hu, Shu-Wei took office on October 1, 2025.

Note2: Retirement pension is an expense-based contribution to the pension fund.

Range of Remuneration

Range of remuneration paid to each of the Company's President and Vice President	Name of President, and Vice President	
	The Company	Companies in the consolidated financial statements
Under NT\$ 1,000,000	Hu, Shu-Wei	Hu, Shu-Wei
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Chen, Jian-Cun	Chen, Jian-Cun
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Chen, Ting-Huang, Liu, Ying-Tso, Chen, Yu-Zhang, Su, Zhong-Bang, You, Sheng-Yuan, Chen, Jian-Chi	Chen, Ting-Huang, Liu, Ying-Tso, Chen, Yu-Zhang, Su, Zhong-Bang, You, Sheng-Yuan, Chen, Jian-Chi
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Zhang, Chang-Fu, Chen, Yung-Chuan, Hsia, Shu-Hsien	Zhang, Chang-Fu, Chen, Yung-Chuan, Hsia, Shu-Hsien
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Chou, Chun-Kaung, Chou, Chun-Hsien	Chou, Chun-Kaung, Chou, Chun-Hsien
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	-	-
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive) ~ NT\$100,000,000 (exclusive)	-	-
NT\$100,000,000 or over	-	-
Total	13	13

The names of the manager received the distribution of employee's remuneration and the distribution status

2025
Unit: NTS1,000; %

Title		Name	Stock	Cash	Total	Total amount as a percentage of net income after tax (%)
Managers	CEO and President	Chou, Chun-Kuang	-	-	-	-
	CEO and President	Chou, Chun-Hsien				
	President	Chen, Jian-Cun (Note 1)				
	Senior Vice President	Zhang, Chang-Fu (Note 1)				
	Senior Vice President	Chen, Ting-Huang				
	Vice President	Liu, Ying-Tso				
	Vice President	Chen, Yu-Zhang				
	Vice President	Su, Zhong-Bang				
	Vice President	You, Sheng-Yuan				
	Vice President	Chen, Yung-Chuan				
	Vice President	Hsia, Shu-Hsien				
	Vice President	Hu, Shu-Wei (Note 1)				
	Head of Finance	Chen, Jian-Chi				

Note 1: Chen, Jian-Cun took office on June 2, 2025, Zhang, Chang-Fu resigned on July 11, 2025, and Hu, Shu-Wei took office on October 1, 2025.

4. If a listed company has any of the circumstances set out in Item 1 or 5 of Subparagraph 2, Paragraph 1, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies, the remuneration of the top five highest-paid executives should be disclosed individually: N/A.
5. An analysis of the total compensation paid to the Company's directors, president and vice president percentage of net income after tax for the most recent two-year period for the Company and all consolidated companies, respectively, and a description of the policy, standard and combination of compensation payments, the process for setting compensation, and the relationship to operating performance and future risks:

2025; Unit: NT\$1,000; %

Title	2024				Year 2025			
	The Company		Companies in the consolidated financial statements		The Company		Companies in the consolidated financial statements	
	Total remuneration	Total amount as a percentage of net income after tax	Total remuneration	Total amount as a percentage of net income after tax	Total remuneration	Total amount as a percentage of net income after tax	Total remuneration	Total amount as a percentage of net income after tax
Director	57,031	11.66%	57,031	11.66%	70,221	9.39%	70,221	9.39%
President and Vice President	42,927	8.78%	42,927	8.78%	47,014	6.29%	47,014	6.29%

The policy, criteria and composition of compensation payments, the procedures for setting compensation, and the correlation with operating performance and future risks.

- (1) The remuneration for the Company's directors and managers is subject to less than 3% of annual profit pursuant to the Articles of Incorporation; in case of profit, its 3%~12% shall be appropriated as employees' compensation; remuneration for directors and managers is calculated by its depth involved with operation, personal contribution and other criteria such as: whether any events imposing moral risks or causing adverse effect on corporate image occurred to them, improper internal management, staff malpractice, target achievement rate, profitability and others for integrative consideration, referring to peer industry standard and including them into a proposal by Remuneration Committee Member for discussion and resolution by the Board of Directors.
- (2) In addition, the Company has purchased liability insurance for all directors and managers in the amount of US\$5,000,000 to mitigate the unknown risks borne by the Company and to pass on possible damages to directors and key employees and the Company in the performance of their duties through directors' and managers' liability insurance.

(III) Implementation of Corporate Governance:

1. Information on the operation of Board of Directors:

A total of 4 meetings of the Board of Directors were held in Year 2025. The attendance of directors was as follows:

Title	Name	Attendance in person B	Attendance by proxy	Attendance Rate (%)	Remark
Chairman	Chen, Hsin-Yi	4	0	100.00%	Appointed on November 10, 2025
Director	Chou, Yeou-Yih	4	0	100.00%	
Director	Yutseng Investment Co., Ltd. (Representative: Chou, Chun-Kuang)	4	0	100.00%	
Director	Zenitex Investment Co., Ltd. (Representative: Chou, Chun-Hsien)	4	0	100.00%	
Director	Fang, Yi-Hsiung	4	0	100.00%	
Director	ZENIBOSS CORPORATION (Representative: Wang, Jiunn-Chih)	3	0	75.00%	Representative resigned on September 30, 2025
Independent Director	Hsu, Jui-Mao	4	0	100.00%	
Independent Director	Liao, Fu-Long	4	0	100.00%	
Independent Director	Yeh, Fu-Ling	4	0	100.00%	
Independent Director	Li, Wei-Chien	4	0	100.00%	

Other mentionable items:

I.

(I) Matters listed in Article 14-3 of the Securities and Exchange Act:

Meeting Date (Period)	Resolutions	All Independent Directors' Opinions and the Company's Handling of Independent Directors' Opinions
February 25 (2025 1st Board Meeting)	Approval of the Appointment of Certified Public Accountants Approval of our company to provide endorsement guarantee and lending of funds to others	All Independent Directors Approved
May 8 (2025 2nd Board Meeting)	Approval of the amendment to the Company's Internal Control System Approval of our company to provide endorsement guarantee and lending of funds to others	
August 8 (2025 3rd Board Meeting)	Approval of our company to provide endorsement guarantee and lending of funds to others	

November 10 (2025 4th Board Meeting)	Approval of the appointment of audit supervisor Approval of our company to provide endorsement guarantee and lending of funds to others	
<p>(II) Other resolutions of the Board of Directors that are opposed or qualified by the independent directors and for which records or written statements are available: None</p> <p>II. Status of implementation on recusal of directors from proposals related to their interests: None.</p> <p>III. Objectives and evaluation of the implementation of strengthening the functions of the Board of Directors for the current and most recent years: The Board of Directors has established an Audit Committee and a Compensation Committee to assist the Board of Directors in performing its supervisory duties and to report its activities and resolutions to the Board of Directors on a regular basis, respectively. The "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct" have been established to enhance the functions of the Board of Directors and improve information transparency.</p>		

Status of implementation on the evaluation of the Board of Directors

(1) Board Performance Self-Evaluation of the Board of Directors

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation methods	Evaluation contents
Executed once a year	2025.01.01 2025.12.31	<ol style="list-style-type: none"> 1. Board of Directors 2. Individual Board Members 3. Functional Committee 	<p>The board of directors, individual board members and functional committees complete their own performance evaluation self-assessment questionnaires</p>	<p>Self-evaluation by the Board</p> <ol style="list-style-type: none"> 1. Participation in the Company's operation 2. Enhancement of the decision quality of the functional committee 3. Composition of the functional committee and the election of committee members 4. Election and continuous learning of directors 5. Internal Control <p>Self-evaluation by the members of the Board</p> <ol style="list-style-type: none"> 1. Understanding of the Company goals and missions 2. Director's understanding of their duties and responsibilities 3. Participation in the Company's operation 4. Internal relation maintenance and communications 5. Election and continuous learning of directors 6. Internal Control <p>Self-evaluation by Audit Committee</p> <ol style="list-style-type: none"> 1. .Participation in the Company's operation 2. Understanding of the Functional Committee's duties and responsibilities 3. Enhancement of the decision quality of the functional committee 4. Establishment of the Functional Committee and election of its members 5. Internal Control <p>Self-evaluation by Compensation Committee</p> <ol style="list-style-type: none"> 1. Participation in the Company's operation

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation methods	Evaluation contents
				<p>2. Understanding of the Functional Committee's duties and responsibilities</p> <p>3. Enhancement of the decision quality of the functional committee</p> <p>4. Establishment of the Functional Committee and election of its members</p> <p>The results of the overall board evaluation for the year 2025, with an average score of 4.71-4.86 (out of 5), indicate that the operation of the Board of Directors was good, and the results were reported to the Board meeting on March 16, 2026. The Company will continue to enhance the effectiveness of corporate governance based on the results of the Year 2025 Board of Directors' evaluation.</p>

(2) Performance External Evaluation of the Board of Directors

The performance evaluation of the board of directors should be conducted by an external professional institution at least every three years in accordance with the Company's "Board of Directors' Performance Evaluation Method". The Company entrusts Taiwan Institute of Ethical Business (TIEB) to conduct the external board performance evaluations in Year 2025. The association and the executive committee have no business relationship with the Company and are independent, and provided an evaluation report on January 14, 2026. The Company has submitted the evaluation results of the report and the expected measures to be taken to the Board of Directors on March 16, 2026.

Evaluation methods: Evaluation interviews are conducted by means of relevant internal company norms and records, evaluation questionnaires, interviews with directors, etc.

Evaluation content and items: Review the operation of the Company's Board of Directors from four aspects which includes Professional Functions of the Board of Directors, Decision-making Capability of the Board of Directors, the Emphasis and Supervision of the Board of Directors on Internal Control, and the Attitude of the Board of Directors to Sustainable Management.

Conclusions and Suggestions: Based on the board meeting minutes and corporate governance-related internal regulations provided by the evaluated company, and with reference to the written questionnaire responses of the evaluated company's directors and the interviews with individual directors, the observations and conclusions and optimization suggestions regarding the operation of the evaluated company's Board of Directors are as follows:

Evaluation conclusion

- A. The evaluated company continues to increase the proportion of female directors, highlighting the company's emphasis on diverse governance and determination to promote it. The independent directors have various professional backgrounds in finance, management, and investment, which helps the Board of Directors gather diverse perspectives and further enhance decision-making quality.
- B. The evaluated company's audit committee has established a regular communication mechanism with auditors and accountants, which allows for effective monitoring of the effectiveness of audit improvement tracking and

the accuracy of financial data, thereby enhancing the overall quality of risk management monitoring and operational resilience.

- C. Through interviews, it can be learned that the directors have all acknowledged the importance of sustainable development issues and considered it necessary for the evaluated enterprises to carry out continuous promotion and development of such aspect. In order to promote the sustainable development of the enterprises, the evaluated companies also continuously improve the performance evaluation and remuneration promotion system to effectively motivate and retain talent. Furthermore, through the dual President mechanism, they continuously implement the succession plans for the management team.

Optimization Suggestions

Item	Evaluation Report Recommendations	Future improvement plan
1	<p>Pay attention to the regulations on the consecutive terms of Independent Directors to strengthen the supervisory function of the Board of Directors</p> <p>Considering that none of the four Independent Directors of the evaluated company have served more than three consecutive terms, it complies with Article 24 of the current Code of Corporate Governance Practices and ESG evaluation indicators. However, given the difficulty in finding candidates for Independent Directors and that one of the evaluated company's Independent Directors is currently serving a third consecutive term, the evaluated company is reminded to pay early attention to suitable candidates for Independent Directors. This will facilitate the evaluated company in nominating appropriate individuals as Independent Directors in the future and enhance the supervisory function of Independent Directors.</p>	<p>The company will proactively seek suitable candidates through various channels to ensure that the future selection of Independent Directors complies with relevant regulations and maintains the stable operation of the supervisory function of the Board of Directors.</p>
2	<p>Strengthen the independence of the complaint channels</p> <p>The evaluated company has established a whistleblowing mechanism, and it will also accept anonymous reports with specific evidence that require investigation, which should be considered as having strengthened the protection</p>	<p>The Company's current reporting channel is set up in the auditing department, which already has relative independence. To further</p>

Item	Evaluation Report Recommendations	Future improvement plan
	<p>for whistleblowers. However, to strengthen independence, it is recommended that the audit committee or Independent Directors directly access relevant complaint information and then appoint appropriate personnel to conduct subsequent investigations. Alternatively, referring to the practical practices of other companies, the company may consider entrusting an independent external institution to provide a dedicated email address or hotline for complaints to further strengthen the independence of the responsible department, thereby increasing the willingness of internal whistleblowers to report.</p>	<p>strengthen its independent operation mechanism, The Company will evaluate the feasibility of entrusting an independent external institution to set up a dedicated email address or hotline for complaints to enhance the willingness of internal whistleblowers to report.</p>
3	<p>Increase the discussion on sustainable development issues in the Board of Directors' meetings and evaluate the establishment of a sustainable development-related Functional Committee</p> <p>The evaluated enterprises have established a Manager-level sustainability committee to strengthen focus on and implementation of sustainability issues. It is evident from the interviewed directors' explanations that the evaluated enterprises have recognized the importance of sustainable development. However, the interviewed directors also expressed the hope that the Board of Directors will continue to pay attention and engage in more frequent and in-depth discussions in the future. In this regard, for the key issue of supplier management in sustainable development, the evaluated enterprises can continue to deepen specific measures. In addition, to enhance the Board of Directors' understanding and supervision of sustainability issues, the evaluated enterprises may consider elevating the level of the sustainability committee to make it a Functional Committee, further strengthening the company's corporate governance and sustainable management.</p>	<p>The Company has established a Manager-level sustainability committee to continually focus on and implement sustainability issues. In the future, the frequency of reports on sustainable development issues to the Board of Directors will be increased as needed in response to practical demands. The Company will also evaluate the feasibility of elevating the level of the sustainability committee to become a Functional Committee, in order to strengthen the Board of Directors' supervisory function on sustainability issues, and to continuously improve corporate governance and sustainable management.</p>

Item	Evaluation Report Recommendations	Future improvement plan
4	<p>Continuously optimize the risk assessment and management mechanism, and increase the discussion on risk management issues in the Board of Directors' meetings</p> <p>The evaluated company has shown a high level of concern for the risks involved in its operations. It has established each responsible unit and corresponding management mechanisms and countermeasures, with its maximum executive responsible for overseeing the execution and coordination of risk management. However, it is still recommended that the evaluated company consider establishing an independent risk assessment and management unit within the organization. This will continuously optimize risk identification and control processes and further strengthen the cross-departmental risk information integration mechanism. It ensures that risk intelligence from different functional and business units can be gathered, cross-verified, and analyzed in real-time to enhance the timeliness and accuracy of risk warning and decision support.</p>	<p>Risk management issues are regularly reported to the Board of Directors to ensure that the Board fully understands the Company's risk status. To continuously strengthen risk management, The Company will evaluate the feasibility of establishing an independent risk assessment and management unit.</p>

2. Information on the implementation status of the audit committee:
 - (1) The Audit Committee of the Company consists of four independent directors. The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its role of overseeing the quality and integrity of the Company in performing accounting, auditing, financial reporting processes and financial controls.
 - (2) The annual work highlights of the Audit Committee are as follows.
 - A. Financial Statement Review
 - B. Review of audit and accounting policies and procedures
 - C. Appraisal of internal control system and related policies and procedures
 - D. Significant asset or derivative transactions
 - E. Significant lending, endorsement or guarantee of funds
 - F. Supervision of regulatory compliance
 - G. Management Information Security
 - H. Company's risk management:
 - I. Qualifications, Independence and Performance Evaluation of Certified Public Accountants
 - J. Appointment, Dismissal or Compensation of Certified Public Accountants
 - K. Appointment and removal of finance, accounting or internal audit supervisors

(3) A total of 4 meetings (A) of the Audit Committee member were held in Year 2025.

The attendance were as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance Rate (%) (B/A) (Note)	Remarks
Convener	Hsu, Jui-Mao	4	0	100.00%	
Committee Member	Liao, Fu-Long	4	0	100.00%	
Committee Member	Yeh, Fu-Ling	4	0	100.00%	
Committee Member	Li , Wei-Chien	4	0	100.00%	

Other mentionable items:

I.

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

Meeting Date (Period)	Resolutions	All Independent Directors' Opinions and the Company's Handling of Independent Directors' Opinions
Date: Feb. 25, 2025 (4th Committee 3rd Meeting)	Approval of the 2024 Financial Statements Approval of Self-evaluation of the Internal Control System and the Statement of Internal Control for the year 2024 Approval of the Appointment of Certified Public Accountants Approval of the Evaluation of the Independence and Competence of Certified Public Accountants Approval of our company to provide endorsement guarantee and lending of funds to others	All Independent Directors Approved
May 8, 2025 (4th Committee 4th Meeting)	Approval of the Consolidated Financial Statements for Year 2025 Q1 Approval of the amendment to the Company's Internal Control System Approval of our company to provide endorsement guarantee and lending of funds to others	
August 8, 2025 (4th Committee 5th Meeting)	Approval of the Consolidated Financial Statements for Year 2025 Q2 Approval of our company to provide endorsement guarantee and lending of funds to others	
November 10, 2025 (4th Committee 6th Meeting)	Approval of the appointment of audit supervisor Approval of the 2026 Audit Plan	

	Approval of the Consolidated Financial Statements for Year 2025 Q3 Approval of our company to provide endorsement guarantee and lending of funds to others	
March 16, 2026 (4th Committee 7th Meeting)	Approval of the 2025 Financial Statements Approval of Self-evaluation of the Internal Control System and the Statement of Internal Control for the year 2025 Approval of the amendment to the Company's Internal Control System Approval for the amendment of the "Procedures for Lending Funds to Others and Endorsements/Guarantees" Approval of the Appointment of Certified Public Accountants Approval of our company to provide endorsement guarantee and lending of funds to others	

(II) Other resolutions of the Audit Committee that are opposed or qualified by the more than two-thirds of directors and for which records or written statements are available: None

II. Status of implementation on recusal of independent directors from proposals related to their interests: None.

III. Communications among independent directors, supervisors and internal audit supervisors and the CPAs:

(I) The head of internal audit of the Company regularly communicates with the Audit Committee on the results of audit reports and makes internal audit reports at the Audit Committee meetings on a quarterly basis, and reports to the Audit Committee members immediately if there are special circumstances. There were no such special conditions in the year 2025. The Company's Audit Committee has good communication with the Head of Internal Audit.

(II) The Company's certified public accountants report the results of their audits or reviews of the financial statements and other communications required by the relevant laws and regulations at each quarterly meeting of the Audit Committee, and report to the members of the Audit Committee immediately if there are any special circumstances. There were no such special conditions in the year 2025. The Company's Audit Committee has good communication with the certified public accountants.

Meeting Date (Period)	Communication with internal audit supervisor	Communications with CPAs
Date: Feb. 25, 2025 (4th Committee 3rd Meeting)	Review of internal audit reports Audit of the Self-Evaluation of Internal Control and Statement of Internal Control System for the year 2024	Discussion on the auditing status of the financial statements for the year 2024 Discussion on the Appointment of Certified Public Accountants

		Review of the qualifications, performance and independence of the CPAs
May 8, 2025 (4th Committee 4th Meeting)	Review of internal audit reports Audit of the amendment to the Internal Control System	Discussion on the reviewing status of financial statements for 2025 Q1
August 8, 2025 (4th Committee 5th Meeting)	Review of internal audit reports	Discussion on the reviewing status of financial statements for 2025 Q2
November 10, 2025 (4th Committee 6th Meeting)	Review of internal audit reports Review of 2026 audit plans	Discussion on the reviewing status of financial statements for 2025 Q3
March 16, 2026 (4th Committee 7th Meeting)	Review of internal audit reports Audit of the Self-Evaluation of Internal Control and Statement of Internal Control System for the year 2025 Audit of the amendment to the Internal Control System	Discussion on the auditing status of the financial statements for the year 2025 Discussion on the Appointment of Certified Public Accountants Review of the qualifications, performance and independence of the CPAs
Results: The above matters were reviewed or approved by the Audit Committee and the independent directors had no objection.		

3. The Company and the Subsidiaries' Corporate Governance Status, Deviations from "the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
I. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company has established a Code of Corporate Governance Practices, which is disclosed on the Market Observation Post System and the Company's website.	None.
II. Shareholding structure & shareholders' rights				None.
(I) Has the Company established internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedures?	✓		(I) The Code of Corporate Governance Practices has set forth the relevant contents and is handled by the Company's spokesperson and acting spokesperson.	
(II) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	✓		(II) The list of insiders' shareholdings is kept through a pre-post reporting system.	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
(III) Has the Company established and implemented risk management and firewall mechanisms with its affiliates?	✓		(III) The Company's internal control system includes the "Supervision of Subsidiaries" and the "Written System for the Management of Related Party Transactions", and has clearly delineated and operated the authority and responsibility for the management of personnel and property of each company.	
(IV) Has the Company established internal rules against insiders trading with undisclosed information?	✓		(IV) The Company has established the "Procedures for Handling Material Internal Information and Prevention of Insider Trading Management" and the "Ethical Corporate Management Best Practice Principles" to prevent improper information disclosure and ensure the consistency and accuracy of information released externally. It clearly stipulates that insiders are prohibited from using undisclosed information for insider trading. (For detailed content of the aforementioned procedures, please refer to the corporate governance section on the Company's website.)	
III. Composition and responsibilities of the Board of Directors				None.
(I) Whether the Board of Directors has formulated a diversity policy, specific management objectives and implemented them?	✓		(I) In accordance with Article 20 of the Corporate Governance Best Practice Principles, to realize the ideal of corporate governance, the members of the Board shall possess the following abilities: <ol style="list-style-type: none"> 1. The ability to make judgements about operations. 2. Accounting and financial analysis ability. 3. Business management ability. 4. Crisis management ability. 5. Knowledge of the industry. 	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons						
	Yes	No	Abstract Illustration							
			<p>6. International market perspective. 7. Leadership ability. 8. Decision-making ability.</p> <p>The current directors of the Company consist of 10 directors, including 4 independent directors, 2 female directors, and 4 directors with employee titles, accounting for 40%, 20%, and 40% of the total directors, respectively.</p> <p>The specific management objectives and achievement of the Board's composition diversity policy are as follows:</p> <table border="1"> <thead> <tr> <th>Diversity management goal</th> <th>Progress</th> </tr> </thead> <tbody> <tr> <td>The term of office for independent directors may not exceed three terms</td> <td>Completed</td> </tr> <tr> <td>Adequate diversity of professional knowledge and skills and professional background</td> <td>Completed</td> </tr> </tbody> </table> <p>For details of the implementation of its director diversity policy, please refer to Page 12 Board diversity and independence.</p>	Diversity management goal	Progress	The term of office for independent directors may not exceed three terms	Completed	Adequate diversity of professional knowledge and skills and professional background	Completed	
Diversity management goal	Progress									
The term of office for independent directors may not exceed three terms	Completed									
Adequate diversity of professional knowledge and skills and professional background	Completed									
(II) Has the Company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?	✓		(II) The Company has established a Remuneration Committee in accordance with the law and an Audit Committee on June 12, 2018. In the future, different functional committees will be established in accordance with the overall development to meet the actual needs.							
(III) Does the Company establish a standard to measure the	✓		(III) The Company's Board of Directors resolved on March 20, 2020 to establish the "Board of Directors' Performance Evaluation Method", the scope of which is to							

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
performance of the Board, and implement it annual?			<p>evaluate the performance of the Board of Directors and the functional committees established by the Company.</p> <p>The performance evaluation may be conducted by the Board of Directors through internal self-evaluation, self-evaluation by Board members and performance evaluation by an external independent organization or a team of experts and scholars.</p> <ol style="list-style-type: none"> 1. Performance self-evaluation results and improvement actions of the Board of Directors and functional committees: <ol style="list-style-type: none"> (1) Evaluation period: January 1, 2025 - December 31, 2025 (2) Performance self-evaluation result of board members: 4.80 points/5 points, the performance of directors is in line with expectations. (3) Self-evaluation of the operational performance of the Board of Directors and functional committees: 4.71-4.86 points/5 points, the overall performance of the Board of Directors, the Remuneration Committee and the Audit Committee are all in line with expectations. (4) The performance evaluation results of the Board of Directors, Remuneration Committee and Audit Committee have been reported to the Board of Directors on March 16, 2026. Please refer to page 29-33 for all evaluations. 2. Outsourced board performance evaluation: <p>The Company entrusts Taiwan Institute of Ethical Business (TIEB) to conduct the external board performance evaluations in Year 2025. The association and the executive committee have no business relationship with the Company and are independent, and provided an evaluation report on January 14, 2026. The Company has submitted the evaluation results of the</p> 	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
(IV) Does the Company regularly evaluate the independence of CPAs?	✓		<p>report and the expected measures to be taken to the Board of Directors on March 16, 2026.</p> <p>The company evaluates the independence and suitability of the CPAs appointed every year and the results have been submitted to the audit committee and the Board of Directors for approval on March 08, 2024.</p> <p>(IV) The Company evaluates the independence and suitability of the CPAs appointed every year and the results have been submitted to the audit committee and the Board of Directors for approval on March 16, 2026.</p> <p>The audit quality index (AQI) information provided by the Company's independence evaluation project and the certified accounting firm is included in the consideration of the appointment (renewal) of the 2026 CPAs. For related information, please refer to the explanation on page 51 (Note 1).</p> <p>After the evaluation, CPA Lin, Yi-Fan and Liao, Fu-Ming of PwC Taiwan both meet the criteria of independence and competency, and are qualified to serve as the Company's CPAs.</p>	
IV. Has the TWSE/TPEX listed company set up a dedication (or concurrent) corporate governance unit or appointed personnel responsible for corporate governance related matters (including but not limited to providing the directors and supervisors with required information to carry out	✓		<p>In order to implement corporate governance and enable the Board of Directors to perform its due functions to protect the rights and interests of investors, the Board of Directors resolved to appoint a Head of Corporate Governance, and the Stock Affairs Unit is responsible for reporting directly to this position.</p> <p>Additionally, on July 30, 2024, the Company approved a change in the Head of Corporate Governance through the Board of Directors, appointing Senior Director of Finance, Vice President, Chen, Jian-Chi, as the Company's Head of Corporate Governance.</p> <p>The primary responsibility of the Head of Corporate Governance is to provide the directors with information necessary to carry out their business and to assist them in complying with the latest regulatory developments relating to operations. In addition</p>	None.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
their business, handling corporate registration and change of corporate registration related matters and taking the minutes of meetings) ?			<p>to complying with the provisions of the Act, the stock unit shall conduct the meetings of the board of directors and shareholders, prepare the minutes of the board of directors' and shareholders' meetings in accordance with the law, and follow the following principles.</p> <ol style="list-style-type: none"> 1. The Company discloses material information in a timely manner to protect investors' trading information. 2. To maintain communication and exchange between the Board of Directors and the management team. 3. To enhance the efficiency of the Board's operations, an internal performance evaluation of the Board's overall operations for the previous year is conducted annually and the results are presented to the Board. 4. From time to time, we will provide information about the director's further education and complete the reporting of the required hours. 5. We review the achievement of corporate governance evaluation indicators on an annual basis and provide improvement plans and countermeasures for the indicators that are not scored. 6. To handle other matters stipulated in the company's articles of association or contract, etc. 	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons																
	Yes	No	Abstract Illustration																	
			<p>The status of the corporate governance supervisors attending the continued education courses during the year 2025:</p> <table border="1"> <thead> <tr> <th>Course Dates</th> <th>Organizer</th> <th>Course</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>2025/05/08</td> <td>Chinese Association for Corporate Governance</td> <td>Recognition and Prevention of Occupational Illegal Infringement</td> <td>3</td> </tr> <tr> <td>2025/07/09</td> <td>Taiwan Stock Exchange</td> <td>2025 Cathay Sustainable Finance and Climate Change Summit</td> <td>6</td> </tr> <tr> <td>2025/11/10</td> <td>Chinese Association for Corporate Governance</td> <td>Key Analysis of Tax Issues in Corporate Mergers and Acquisitions</td> <td>3</td> </tr> </tbody> </table>	Course Dates	Organizer	Course	Hours	2025/05/08	Chinese Association for Corporate Governance	Recognition and Prevention of Occupational Illegal Infringement	3	2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6	2025/11/10	Chinese Association for Corporate Governance	Key Analysis of Tax Issues in Corporate Mergers and Acquisitions	3	
Course Dates	Organizer	Course	Hours																	
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2025/07/09	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6																	
2025/11/10	Chinese Association for Corporate Governance	Key Analysis of Tax Issues in Corporate Mergers and Acquisitions	3																	
V. Has the Company established communication channels and dedicated sections for stakeholder (including but not limited to the shareholders, employees, clients and suppliers) on its website to respond to important issues of corporate social responsibility concerns?	✓		<p>The Company has an investor area on the Company's website which regularly publishes business and financial information, and has a stakeholder area (https://www.zenitron.com.tw/tw/investor-relations/stakeholder) to explain issues of concern to stakeholders and contact information for various communication channels. Issues of concern to stakeholders will be properly handled with smoother communication channels.</p> <p>The communication status between the Company and various stakeholders and the handling of their issues of concern are reported to the Board of Directors annually. In 2025, the status of communication between the Company and various stakeholders has been submitted to the Company's Board of Directors report on November 10, 2025.</p>	None.																
VI. Has the Company appointed a professional shareholder	✓		The Company has appointed Taishin Securities Stock Agent Department as its stock agent to assist in the shareholders' meeting.	None.																

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
service agency to deal with shareholder affairs?				
VII. Disclosure of information				None.
(I) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?	✓		(I) The Company maintains a corporate website (http://www.Zenitron.com.tw/), which discloses financial operations and corporate governance information and is updated from time to time for investors' review.	
(II) Does the Company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information on collection and disclosure, creating a spokesperson system, webcasting investor conferences) ?	✓		(II) The Company has a spokesperson and an acting spokesperson. In addition to the Chinese version, the website is also available in English and Simplified Chinese. Important information about the corporate presentation, if any, is also available on the Company's website and on the Market Observation Post System.	
(III) Did the Company announce and declare the annual financial statement within two months at the end of the accounting year and announce and declare the Q1, Q2 and Q3 financial statement and monthly		✓	(III) The Company's financial reports and operations for each month were announced and reported within the statutory deadlines.	

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
operational status prior to the deadline in the regulation?				
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors) ?	✓		<p>(I) Employee benefits: We have established various employee welfare measures, training and retirement systems to protect the rights and interests of employees, and have established employee handbooks for daily management in accordance with the law.</p> <p>(II) Employee Care: The Company establishes direct communication and care with employees through labor-management meetings and the operation of the Employee Welfare Committee.</p> <p>(III) Investor Relations: The Company has a spokesperson and a proxy spokesperson to provide a bridge between the Company and its investors. The Company has also set up investor contact information and information notification services on the Company's website, and provides appropriate and reasonable answers to incoming inquiries in order to maintain communication with the investing public.</p> <p>(IV) Supplier relations: The Company maintains smooth communication channels with its suppliers and upholds the principle of honesty and trust in its dealings with them.</p> <p>(V) Stakeholders' rights: The Company is committed to technological innovation and improved services to customers, creating a working environment for employees to grow, seeking a stable return on investment for shareholders through revenue and profit growth, and pursuing the maximum value for shareholders, employees and society as a whole. To maintain a smooth communication channel and respect and protect legitimate rights and interests for stakeholders, the Company has set up a stakeholder area on the website, where they can communicate and make suggestions with the Company to safeguard their legitimate rights and interests.</p>	None.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons																																				
	Yes	No	Abstract Illustration																																					
			<p>And the Company shall appropriately respond to important corporate social responsibility issues of concern to stakeholders.</p> <p>(VI) Directors (including independent directors): All directors (including independent directors) of the Company have a background in finance, business, accounting, information, etc., and their education has been entered into the Market Observation Post System in accordance with the regulations. At the same time, the accountants and legal advisors appointed by the Company also provide appropriate legal advice to help enhance their legal literacy and avoid the possibility of violating the law.</p> <p>Directors (including independent directors) who wish to pursue further education: In accordance with the provisions of the "Important Points for Further Education for Directors and Supervisors of Listed Companies".</p> <table border="1"> <thead> <tr> <th rowspan="2">Title</th> <th rowspan="2">Name</th> <th rowspan="2">Date Appointed</th> <th colspan="2">Course Dates</th> <th rowspan="2">Organizer</th> <th rowspan="2">Course</th> <th rowspan="2">Hours</th> </tr> <tr> <th>Start</th> <th>End</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Chairman</td> <td rowspan="2">Chen, Hsin-Yi</td> <td rowspan="2">2024/06/12</td> <td>2025/05/08</td> <td>2025/05/08</td> <td>Taiwan Corporate Governance Association</td> <td>Understanding and Prevention of Illegal Violations in the Workplace</td> <td>3.0</td> </tr> <tr> <td>2025/11/10</td> <td>2025/11/10</td> <td>Taiwan Corporate Governance Association</td> <td>Key Analysis of Tax Burdens in Corporate Mergers</td> <td>3.0</td> </tr> <tr> <td rowspan="2">Director</td> <td rowspan="2">Chou, Yeou-Yih</td> <td rowspan="2">2024/06/12</td> <td>2025/05/08</td> <td>2025/05/08</td> <td>Taiwan Corporate Governance Association</td> <td>Understanding and Prevention of Illegal Violations in the Workplace</td> <td>3.0</td> </tr> <tr> <td>2025/11/10</td> <td>2025/11/10</td> <td>Taiwan Corporate Governance Association</td> <td>Key Analysis of Tax Burdens in Corporate Mergers</td> <td>3.0</td> </tr> </tbody> </table>	Title	Name	Date Appointed	Course Dates		Organizer	Course	Hours	Start	End	Chairman	Chen, Hsin-Yi	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0	2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0	Director	Chou, Yeou-Yih	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0	2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0	
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Evaluation Item	Implementation Status										Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration								
				Representative of a juristic person	Chou, Chun-Kuang	2024/06/12	2025/02/24	2025/02/24	Taiwan Finance and Economics Development Association	Trump's New Tariff Policy and Global Economic Changes	3.0
							2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0
							2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0
				Representative of a juristic person	Chou, Chun-Hsien	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0
							2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0
				Representative of a juristic person	Wang, Jiunn-Chih	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0
				Director	Fang, Yi-Hsiung	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0
							2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0
				Independent Director	Hsu, Jui-Mao	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0

Evaluation Item	Implementation Status										Deviations from "the Corporate Governance Best Practice Principles" and Reasons	
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						2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0		
			Independent Director	Liao, Fu-Long	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0		
						2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0		
			Independent Director	Yeh, Fu-Ling	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0		
							2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0	
							2025/11/14	2025/11/14	Taiwan Corporate Governance Association	New Trends in Copyright and Data Rights in the AI Era	3.0	
							2025/11/14	2025/11/14	Taiwan Computer Audit Association	Trump 2.0: Corporate Strategies for Global Tax Reform and Supply Chain Restructuring	3.0	
			Independent Director	Li, Wei-Chien	2024/06/12	2025/05/08	2025/05/08	Taiwan Corporate Governance Association	Understanding and Prevention of Illegal Violations in the Workplace	3.0		
							2025/11/10	2025/11/10	Taiwan Corporate Governance Association	Key Analysis of Tax Burdens in Corporate Mergers	3.0	

Evaluation Item	Implementation Status							Deviations from "the Corporate Governance Best Practice Principles" and Reasons	
	Yes	No	Abstract Illustration						
					2025/11/21	2025/11/21	Securities and Futures Institute	Year 2025 Insider Equity Trading Legal Compliance Seminar Explanation	3.0
			<p>(VII) Implementation of risk management policies and risk measurement standards: The President acts as the convener to coordinate and direct the promotion and operation of the risk management plan, and the management personnel of the functional units under the president jointly participate in the implementation. Please refer to the "Analysis and Assessment on Risk Matters" (pages 146-147) in this annual report for the relevant implementation.</p> <p>(VIII) Implementation of customer policies: The Company has established systems for employees to follow in accordance with relevant laws and regulations in its daily operations, and has a legal unit to assist in handling business or customer rights and interests complaints, and an audit unit to check and disclose them in accordance with procedures.</p> <p>(IX) The Company purchases liability insurance for all directors and managers: During their term of office, the directors and managers of the Company have authorized the Board of Directors to purchase liability insurance for the scope of their business to the extent that they are legally liable.</p> <p>(X) The Company has established internal procedures for handling material information and keeps the latest information on the Company's website for stakeholders to understand the operation of corporate governance.</p> <p>(XI) Succession planning for the Company's Board of Directors and middle and senior management:</p> <ol style="list-style-type: none"> 1. The Company adopts a candidate nomination system for the election of directors, and the shareholders elect the directors from the list of director 						

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
			<p>candidates. Currently, the directors are nominated by major shareholders and elected by the shareholders' meeting. Each director is equipped with professional competencies in management, industry knowledge and international perspective. During their term of office, annual refresher courses at least 6 hours are arranged to assist directors in acquiring the necessary professional knowledge to perform their duties.</p> <p>2. In order to meet the needs of sustainable management and to ensure the smooth succession of middle and senior management talents, the Company has divided the selected training model into four modules: management ability, professional ability, personal development, and job rotation, which include human resources, financial risk, overseas dispatch, EMBA, and language learning. The achievement of the annual work objectives of the foster care candidates will be included in the regular work appraisal in accordance with the "Appraisal Regulations" and the regular work appraisal will be used as the basis for assessing the year-end performance.</p>	
<p>IX. According to the latest result of the Corporate Governance Evaluation System by the Corporate Governance Center of TWSE, explain the amendments or propose the priority measurements to the unimproved items. The results of the "Corporate Governance Review" for the year 2025 were 51%-65%. For the following items not scored items, the description is as follows.</p>				
Prioritized items for improvement as noticed from the 8th Corporate Governance Evaluation Indicators				
No.	Indicators			Matters and measures prioritized for improvement

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
1.2			Has the Company established written policies governing financial and business operations between the Company and related parties, including management procedures for transactions such as purchases and sales, acquisition or disposal of assets, and requiring material transactions to be approved by the Board of Directors and submitted to the shareholders' meeting for approval or reporting?	The Company plans to review and revise the relevant policies and procedures.
4.27			Has the Company disclosed the categories and annual emissions of Scope 3 greenhouse gas emissions for the past year?	To enable investors to better understand the Company's sustainable development strategies and achievements, the Company plans to gradually disclose the relevant data.

Note 1:

Independence criteria of accountants

Independence		Yes	No
1.	Does the accountant not serve as a director or independent director of the Company or its affiliates?	✓	
2.	Is the accountant not a shareholder of the Company or a related company?	✓	
3.	Is the accountant not on the payroll of the Company or a related company?	✓	
4.	Has the accountant not provided audit services to the Company for more than seven consecutive years?	✓	
5.	Does the accountant confirm that his or her joint accounting firm has complied with the relevant independence standards?	✓	
6.	Has the CPA's co-practicing accountant not held any position as a director or manager of the Company or had any significant influence on the audit within one year after he/she left the office of the CPA's co-practicing accountant?	✓	
7.	Whether the non-audit service fees and services provided by the CPA firm during the financial reporting period did not violate the relevant independence standards.	✓	

4. If the Company has a compensation committee, it shall disclose its composition and operations:

(1) The Company currently has a compensation committee in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies".

(2) Four members of the Committee shall serve as members of the sixth term, with the term from June 12, 2024 to June 11, 2027.

The list/resume is as follows:

(3) The duties of the Committee are to establish and regularly review policies, systems, standards and structures for the evaluation of the performance and compensation of directors and managers, and to regularly evaluate and set the compensation of directors and managers. The proposal will be submitted to the Board of Directors for discussion.

A. Information on Members of Compensation Committee

Identity	Name	Criteria	Professional Qualification and Work Experience (Note 1)	Independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Independent Director	Li, Wei-Chien (Convener)		Have at least five years of experience in business and corporate requirements and serve as the convener of the Remuneration Committee of the Company	(Note 2)	1
Independent Director	Hsu, Jui-Mao		At least five years of working experience in banking, securities, finance and risk management, and experience as a member of the remuneration committee of other listed companies	(Note 2)	0
Independent Director	Liao, Fu-Long		At least five years of working experience in banking, insurance, finance and risk management, and experience as a member of the remuneration committee of other listed companies	(Note 2)	1
Independent Director	Yeh, Fu-Ling		At least five years of working experience in banking, insurance, finance and risk management, and experience as a member of the remuneration committee of other listed companies	(Note 2)	0

Note1: Please refer to pages 6-8 Information on directors (including independent directors) for related content.

Note2: Each member shall meet the following conditions for the two years prior to election and during the term of office.

- (1) Not an employee of the Company or any of its affiliates.
- (2) Not a Director or Supervisor of the Company or its affiliates, (however, this does not apply, in case where the person is concurrently working as an Independent Director of the Company or its parent company, subsidiary or subsidiary of the same parent company established according to this Act or local country ordinances) .
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company, or ranking in the top 10 in holdings.
- (4) Not a spouse, second-degree relative or third-degree relative of the managers in or persons in (2) or (3) .
- (5) Not a director, supervisor, or employees of a corporate shareholder that directly holds five percent or more of the total number of outstanding shares of the Company or that holds shares ranking in the top five in holdings or is the representative being assigned as the director or supervisor of the Company by in accordance with Article 27, Paragraph 1 or 2 of the Company Act, (However, this does not apply, in case where the person is concurrently working as an Independent Director of the Company or its parent company, subsidiary or subsidiary of the same parent company established according to this Act or local country ordinances) .
- (6) Not a director, supervisor or employee of other company which has over half of the number of directors' seats or shares with voting rights of the Company and is controlled by the same person (however, this does not apply, in case where the person is concurrently working as an Independent Director of the Company or its parent company, subsidiary or subsidiary of the same parent company established according to this Act or local country ordinances) .
- (7) Not a director, supervisor or employee of other companies or institution which concurrently works as or in a spouse relationship to the chairman, president or personnel of relative duties of the Company (however, this does not apply, in case where the person is concurrently working as an Independent Director of the Company or its parent company, subsidiary or subsidiary of the same parent company established according to this Act or local country ordinances).
- (8) Not a director, supervisor, manager or a shareholder holding five percent or more of the shares of a company or institution that has a business or financial relationship with the Company, (however, this does not apply, in case where the specific company or institution holds over 20% but less than 50% of the total number of issued shares of the Company and the person is concurrently working as an Independent Director of the Company or its parent company, subsidiary or subsidiary of the same parent company established according to this Act or local country ordinances).

- (9) Not a professional who provides auditing, nor a professional who provides commercial legal, financial, accounting, or consulting services to the Company or its affiliates with the cumulated remuneration within the last two years less than NT\$500,000, nor is an owner, partner, director, supervisor, or manager, or the spouse of any of the above, of a sole proprietorship, partnership, company, or organization that provides such service to the Company or its affiliates. However, this does not apply for members of the compensation committee, public acquisition audit committee or special committee for merger who exercise power in accordance with relevant laws and regulations in the Securities and Exchange Act or Business Mergers and Acquisitions Act.

B. Information on the Implementation Status of the Remuneration Committee

- a. There are 4 members in the Remuneration Committee.
- b. Terms of Office of the current members: from June 12, 2024 to June 11, 2027. A total of 2 Remuneration Committee meetings (A) were held in the recent period (Year 2025). The qualification and attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Attendance rate (%) (B/A) (Note)	Remark
Convener	Li, Wei-Chien	2	0	100	
Independent Director	Hsu, Jui-Mao	2	0	100	
Independent Director	Liao, Fu-Long	2	0	100	
Independent Director	Yeh, Fu-Ling	2	0	100	

Other mentionable items:

- I. If the Board does not adopt or amend the recommendations of the Remuneration Committee: None
- II. Resolutions of the remuneration committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: In the most recent year, no member of the Remuneration Committee had any objection or reservation to the resolution of the Remuneration Committee: None.
- III. Duties of Compensation Committee:
 - (1) The Compensation Committee of the Company regularly reviews the policies, systems, standards and structures of performance and compensation of the Company's directors and managers on an annual basis.
 - (2) Periodically review the Company's compensation practices and propose amendments.
 - (3) Periodically evaluate the compensation of directors and managers of the Company.
- IV. The reasons for the discussion of the Compensation Committee, the results of the resolution and the Company's handling of the opinions of the members

Meeting Date (Period)	Content of the proposal and follow-up handling	Resolutions	The Company's response to the Compensation Committee's opinions
Date: Feb. 25, 2025 (6th Committee 2nd Meeting)	2024 Employees' and Directors' Compensation Distribution Amendment of certain articles in the "Articles of Incorporation".	All Compensation Members agreed to approve	Submitted to the board of directors and approved by all directors present
August 8, 2025 (6th Committee 3rd Meeting)	Review of the Company's Year 2025 managerial salary increase	All Compensation Members agreed to approve	Submitted to the board of directors and approved by all directors present
March 16, 2026 (6th Committee 4th Meeting)	Year 2025 Employees' and Directors' Compensation Distribution	All Compensation Members agreed to approve	Submitted to the board of directors and approved by all directors present

Note:

- (1) The Board of Directors of the Company appointed Li, Wei-Chien, Hsu, Jui-Mao, Liao, Fu-Long, and Yeh, Fu-Ling as members of the 6th Remuneration Committee, with Li, Wei-Chien as the convener on June 12, 2024.
- (2) The actual attendance rate (%) is calculated based on the number of meetings of the Compensation Committee and their actual attendance during their employment.
- (3) If there is a re-election of the Compensation Committee before the end of the year, both the new and old members of the Compensation Committee should be listed and indicated in the Remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Compensation Committee and their actual attendance during their employment.

5. The Implementation of Sustainable Development and deviations from "the Sustainable Development Practice Principles" and Reasons.

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No		
I. Has the company established a governance structure to promote sustainable development and set up a special (concurrent) unit to promote sustainable development, which is authorized by the board of directors to be handled by senior management, and is supervised by the board of directors?	✓		<p>To implement the vision of sustainable development, the Company takes the business philosophy as the core and integrates the United Nations Sustainable Development Goals (SDGs) into the Company's culture and operating activities. In November 2023, it established the "Sustainability Committee" in accordance with the Company's "Sustainable Development Code of Practice", with the Chairman serving as the chair committee member. Working groups have been set up with five major aspects: environmental sustainability, talent sustainability and social welfare, supply chain sustainability, corporate governance, and information security. The participating departments are highly related to their established businesses.</p> <p>The participating departments are highly related to its established business. As a cross-department cooperation platform to promote sustainable development within the company, the Sustainability Committee is composed of senior executives from across fields and professions as members. It leads the above-mentioned working groups to actively strengthen communication with stakeholders and master key issues to develop responding strategy and work guidelines, plan the task goals of each group and review the implementation to ensure that the promotion strategy is fully integrated with the Company's daily operating activities.</p> <p>Governance structure chart for sustainable development:</p>	None.

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No		
			<pre> graph TD BD[Board of Directors] --> SD[Sustainable Development Committee] SD --> ESTF[Environmental Sustainability Task Force] SD --> TSWF[Talent Sustainability and Social Welfare Task Force] SD --> SCSF[Supply Chain Sustainability Task Force] SD --> CGC[Corporate Governance Committee] SD --> IST[Information Security Team] ESTF --- M[Management, application engineering, logistics] TSWF --- HR[Human resources, welfare committee] SCSF --- POB[Planning, Operations, Business, Products] CGC --- FAL[Finance, accounting, auditing, legal affairs] IST --- I[information] </pre> <p>The "Sustainable Development Committee" reports to the Board of Directors at least once a year on the execution results and future work plans. The Board of Directors evaluates and reviews the information provided, allowing it to fully supervise and manage the operations related to the enterprise's sustainability issues and, when necessary, urge the management team to make adjustments.</p> <p>Supervision of the Board of Directors:</p>	

Evaluation Item	Implementation Status			Deviations from "the Sustainable Development Practice Principles" and Reasons															
	Yes	No	Abstract Illustration																
			<table border="1"> <thead> <tr> <th>Date of the Board of Directors</th> <th>Report content</th> <th>Supervision of the Board of Directors:</th> </tr> </thead> <tbody> <tr> <td>2025.02.25</td> <td>1. Greenhouse Gas Inventory Progress Report.</td> <td>Full discussion acknowledged.</td> </tr> <tr> <td>2025.05.08</td> <td>1. Greenhouse Gas Inventory Progress Report.</td> <td>Full discussion acknowledged.</td> </tr> <tr> <td>2025.08.08</td> <td>1. Greenhouse Gas Inventory Progress Report. 2. Sustainability Report - Report on the Sustainable Development Action Plans of Listed Companies.</td> <td>Full discussion acknowledged. Item 2 was approved with no objections by all directors present.</td> </tr> <tr> <td>2025.11.10</td> <td>1. Greenhouse Gas Inventory Progress Report. 2. The 2025 intellectual property management and implementation report. 3. The 2025 Information Security Management and Implementation Report. 4. The 2025 Stakeholder Communication Report. 5. The 2025 Integrity Management and Sustainable Development Implementation Report.</td> <td>Full discussion acknowledged.</td> </tr> </tbody> </table>	Date of the Board of Directors	Report content	Supervision of the Board of Directors:	2025.02.25	1. Greenhouse Gas Inventory Progress Report.	Full discussion acknowledged.	2025.05.08	1. Greenhouse Gas Inventory Progress Report.	Full discussion acknowledged.	2025.08.08	1. Greenhouse Gas Inventory Progress Report. 2. Sustainability Report - Report on the Sustainable Development Action Plans of Listed Companies.	Full discussion acknowledged. Item 2 was approved with no objections by all directors present.	2025.11.10	1. Greenhouse Gas Inventory Progress Report. 2. The 2025 intellectual property management and implementation report. 3. The 2025 Information Security Management and Implementation Report. 4. The 2025 Stakeholder Communication Report. 5. The 2025 Integrity Management and Sustainable Development Implementation Report.	Full discussion acknowledged.	
Date of the Board of Directors	Report content	Supervision of the Board of Directors:																	
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II. The Company has conducted risk assessment on environmental, social and corporate governance issues related to its operations in accordance with the principle of materiality, and established	✓		This disclosed information covers the sustainable development performance of the Company's main operating locations in Year 2025. The risk assessment boundary is mainly our Company and includes operating locations across Taiwan.	None.															

Evaluation Item	Implementation Status		Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No	
relevant risk management policies or strategies?			<p>To implement the Company's risk management mechanism and strengthen corporate governance to ensure the Company's sound operations and achieve the goal of sustainable operations, the Company formulated the "Risk Management Policies and Procedures" as the highest guiding principle for the risk management of each unit. The President serves as the Convener to coordinate and direct the promotion and operation of the risk management plan, with managers from various functional units participating in the execution.</p> <p>The president serves as the convener and coordinates the promotion and operation of the risk management plan, and the managers of each functional unit under it jointly participate in the promotion and implementation. The Company established appropriate evaluation methods and management basis through each functional unit to monitor the risks of its business. When the exposure exceeds its limit, relevant response policies are formulated and reported to the president. Risk management policies and procedures are regularly reviewed and the relevant implementation results were reported to the Board of Directors. The 2025 annual risk management operation performance was reported to the Board of Directors on November 10, 2025. The relevant risk items and corresponding management strategies are detailed in the table below:</p>

Evaluation Item	Implementation Status			Deviations from "the Sustainable Development Practice Principles" and Reasons									
	Yes	No	Abstract Illustration										
			<table border="1"> <thead> <tr> <th>Orientation</th> <th>Major Issues</th> <th>Risk Management Policy or Strategy</th> </tr> </thead> <tbody> <tr> <td>Environmental risk</td> <td>Climate change response and energy and greenhouse gas management</td> <td> <ul style="list-style-type: none"> The Sustainability Committee regularly convene relevant units to hold meetings to take inventory, confirm climate-related risks and operational impacts. It conducts cross-field knowledge exchanges, and discuss appropriate and feasible response strategies for each department, so as to try to appropriately reduce and transfer the level of risk impacts. When purchasing equipment, give priority to products with energy-saving labels to achieve energy-saving purposes when using equipment. Set specific goals for carbon reduction, water conservation and waste reduction, and implement the expectation of maximizing resource efficiency in daily operations to extend the resource life cycle and mitigate the impact of climate change. </td> </tr> <tr> <td>Corporate Governance</td> <td>Operational and Financial Performance</td> <td> <ul style="list-style-type: none"> Regularly evaluate the optimal timing for issuing medium to long-term corporate bonds (syndicated loans) </td> </tr> </tbody> </table>	Orientation	Major Issues	Risk Management Policy or Strategy	Environmental risk	Climate change response and energy and greenhouse gas management	<ul style="list-style-type: none"> The Sustainability Committee regularly convene relevant units to hold meetings to take inventory, confirm climate-related risks and operational impacts. It conducts cross-field knowledge exchanges, and discuss appropriate and feasible response strategies for each department, so as to try to appropriately reduce and transfer the level of risk impacts. When purchasing equipment, give priority to products with energy-saving labels to achieve energy-saving purposes when using equipment. Set specific goals for carbon reduction, water conservation and waste reduction, and implement the expectation of maximizing resource efficiency in daily operations to extend the resource life cycle and mitigate the impact of climate change. 	Corporate Governance	Operational and Financial Performance	<ul style="list-style-type: none"> Regularly evaluate the optimal timing for issuing medium to long-term corporate bonds (syndicated loans) 	
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Evaluation Item	Implementation Status			Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
			<p>and appropriately utilize bank facilities to reduce funding costs and mitigate the impact of interest rate fluctuations.</p> <ul style="list-style-type: none"> • Use different interest rates in different currencies, and appropriately get loans with the currencies with lower interest rates. • Keep abreast of exchange rate trends, and switch from U.S. dollar borrowings to Taiwan dollar borrowings in an appropriate amount to balance net foreign currency exposure. • Carefully place material orders based on customer needs and market supply and demand conditions. • Regularly and irregularly inspect and confirm the status of slow/ idled material consumptions in each product line, propose improvement methods, and actively communicate with the suppliers for possible replacement or return. 	
			<p>Corporate Governance</p> <p>Information security</p> <ul style="list-style-type: none"> • Comprehensively improve information security protection capabilities, enhance employee security awareness through continuous training, and internalize it 	

Evaluation Item	Implementation Status			Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
			<p>in all operations.</p> <ul style="list-style-type: none"> Design the expected outcomes of various operations as information security indicators. Through regular measurement of these indicators, ensure that all meet the information security goals and requirements of The Company. Mainly covers the following orientations: personnel management, information security monitoring management, incident management, data center management, business continuity management, internal control management, etc. 	
			<p>Corporate Governance</p> <p>Legal compliance</p> <ul style="list-style-type: none"> To protect the rights and interests of shareholders and stakeholders, implement the corporate governance blueprint and improve corporate governance, a Board of Directors, a Remuneration Committee, an Audit Committee, a corporate governance officer, a corporate integrity management unit, and a Sustainability Committee have been established. Actively promote corporate governance, electronic voting and case-by-case voting systems for shareholders' meetings, improve the 	

Evaluation Item	Implementation Status			Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
			<p>transparency of company information disclosure, and formulate important regulations such as corporate governance practices codes, integrity management codes, and ethical codes of conduct for listed companies.</p> <ul style="list-style-type: none"> • Commit to improving projects that have not yet scored in corporate governance assessments. 	
		<p>Social risk</p>	<p>Talent Development and Retention/ Employee Communication</p> <ul style="list-style-type: none"> • Annually, a "Yearly Training Plan" is formulated and planned and executed by the Human Resources Department, integrating the company's strategic direction and employees' career development to construct a comprehensive training system for supervisors and colleagues at all levels. • Conduct regular manpower inventory and audits, and establish key talent retention plans and incentive policies. • Conduct regular employee satisfaction surveys to ensure that employee opinions are accurately conveyed and feedback is provided, thus enhancing employee satisfaction and reducing turnover rates. 	

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No		
III. Environment issues (I) Has the Company established an appropriate environmental management system according to its industrial characteristics?	✓		<p>The Company is committed to the goal of environmental sustainability by complying with environmental laws and regulations and the relevant international standards.</p> <p>(I) The Company is a professional semiconductor distributor with no manufacturing and production activities, and is not an energy-intensive and major energy-consuming industry, so there is no concern that the production process will pollute the environment. In recent years, due to energy shortage, man-made damage to the ecological environment and global warming, the Company has been promoting relevant energy-saving and carbon-reduction measures and targets in response to the impact of such environmental changes as follows:</p> <ol style="list-style-type: none"> 1. Program Objective: To effectively achieve negative growth targets for electricity, water, oil and paper consumption; to regularly promote the importance of energy saving and carbon reduction to employees and to implement them in daily life. 2. Specific measures: <ol style="list-style-type: none"> (1) Electricity saving: <ul style="list-style-type: none"> ◆ When purchasing equipment, give priority to equipment (products) with energy-saving labels, to achieve energy-saving purposes when using the equipment. ◆ The room temperature in the office area is controlled at 26 °C to reduce the load on the air-conditioning servers and reduce the consumption of electricity. 	None.

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No		
			<ul style="list-style-type: none"> ◆ Every evening at 18:30, the management department uniformly turns off all air conditioning and lights in unoccupied areas. ◆ The Taipei head office building has replaced all office lighting fixtures on each floor with LED lights. ◆ Encourage colleagues to take the stairs more often and use the elevator less. <p>(2) Paper saving:</p> <ul style="list-style-type: none"> ◆ Promote the electronicization of document forms and processes to reduce the use of paper. ◆ Promotes duplex printing and reuse of the back side of the paper. ◆ Waste paper is handed over to environmental recycling companies for reuse. ◆ In response to paperless invoices, electronic invoices were issued. <p>(3) Water conservation and other:</p> <ul style="list-style-type: none"> ◆ Promote the use of self-contained tableware to colleagues and reduce the use of disposable cutlery. ◆ Install water-saving devices in the pantry and mopping room faucets to reduce water output and avoid wasting water resources. ◆ Promote and implement waste separation and recycling of recyclable resources to colleagues. ◆ Increase video conferencing software and encourage 	

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No		
(II) The Company has committed to improving the efficiency of the various resources and using recycled materials which have a low impact on the environment?	✓		<p>employees to hold more meetings with customers or suppliers via video conferencing to improve efficiency and reduce the occurrence of external business meetings and trips, thereby reducing the use of transportation and achieving the purpose of reducing greenhouse gas emissions.</p> <ul style="list-style-type: none"> ◆ Packaging eliminates the requirement to manually fill in paper documents and implements a comprehensive online process, which is both efficient and paper-saving. <p>(II) The Company's strategies to enhance various resources are as follows:</p> <ol style="list-style-type: none"> 1. Promote waste classification and recycling of usable resources, and entrust professional waste processing agencies to recycle waste to ensure that waste is processed legally and properly. 2. The pallets are self-purchased and used multiple times, and the Company also recycles and reuses appropriate pallets from suppliers. No single-use pallets are purchased. 3. Use original cartons from suppliers for shipment. Unless there are factors such as sub-packaging or damage to the outer carton, the Company will use self-purchased cartons of appropriate size to reduce the usage of self-purchased cartons. 4. Energy conservation and carbon reduction: The Company regularly promotes the idea of turning off the power supply when leaving a room and replacing old equipment that has 	

Evaluation Item	Implementation Status			Deviations from "the Sustainable Development Practice Principles" and Reasons															
	Yes	No	Abstract Illustration																
(III) Has the Company assessed the current and future potential risks and opportunities to the enterprise due to climate change and adopted countermeasures on issues related to the climate?	✓		<p>weakened its performance. The Company also strives to promote digital document operations and reduce paper usage to reduce the impact on the environment.</p> <p>(III) The Company is not a manufacturing company and is exposed to potential environmental and operational risks, such as shortage of resources, increased costs of raw materials, instability in the transportation process, and extreme weather conditions that threaten the lives of employees, which may have a direct impact on the Company's operations and increase losses.</p>																
(IV) Has the Company conducted statistics on the emission of greenhouse gas, water consumption volume and the total waste weight in the past two years and developed policies for reduction on greenhouse gas, water consumption volume or management of other wastes?	✓		<p>(IV) Total greenhouse gas emissions, water consumption and waste for the last two years</p> <table border="1" data-bbox="1005 911 1865 1147"> <thead> <tr> <th>Greenhouse Gas Emissions</th> <th>2024 (Note 1)</th> <th>2025 (Note 1)</th> </tr> </thead> <tbody> <tr> <td>Scope 1 (tons of CO2e)</td> <td>100.16</td> <td>90.54</td> </tr> <tr> <td>Scope 2 (tons of CO2e)</td> <td>530.18</td> <td>543.48</td> </tr> <tr> <td>Total emissions (tons of CO2e)</td> <td>630.34</td> <td>634.02</td> </tr> <tr> <td>Emission intention (tons of CO2e/revenue in NT\$ million) (Note 2)</td> <td>0.0455</td> <td>0.0348</td> </tr> </tbody> </table> <p>Note 1: The information covers the Taipei head office, Hsinchu and Taichung branch offices.</p> <p>Note 2: The denominator of the calculation is the revenue from Zenitron's individual financial report.</p> <p>Note 3: The above inventory results have not been verified by external agencies, and the verified greenhouse gas emissions will be disclosed in the 2025 sustainability</p>	Greenhouse Gas Emissions	2024 (Note 1)	2025 (Note 1)	Scope 1 (tons of CO2e)	100.16	90.54	Scope 2 (tons of CO2e)	530.18	543.48	Total emissions (tons of CO2e)	630.34	634.02	Emission intention (tons of CO2e/revenue in NT\$ million) (Note 2)	0.0455	0.0348	
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			<p>report.</p> <p>Note 4: The electricity emission factor for purchased electricity in Year 2024 and Year 2025 is 0.474 kg CO2/kWh.</p> <table border="1"> <thead> <tr> <th>Inventory Year</th> <th>Water consumption: (Unit: ML)</th> <th>Total waste (metric tons) (Note5)</th> </tr> </thead> <tbody> <tr> <td>113</td> <td>4.63</td> <td>19.75</td> </tr> <tr> <td>114</td> <td>3.15</td> <td>19.56</td> </tr> </tbody> </table> <p>Note 5: The company is not a manufacturer, therefore, only needs to disclose the total amount of waste, and there is no need to distinguish whether it is hazardous waste.</p> <p>1. Greenhouse Gas: The calculation of the Company's greenhouse gas emissions is mainly based on Scope 1 (mobile combustion sources and stationary fuel combustion sources) and Scope 2 (outsourced electricity). The Company continues to implement improvements in energy-saving and carbon-reduction equipment and replace hybrid vehicles. In 2025, the Company's Scope 1 emissions decreased by approximately 9.60% compared to those in 2024.</p> <p>Short-term goals: Regularly review the power contract capacity, air-conditioning zones, and lighting circuits of each floor to strengthen energy efficiency;</p>	Inventory Year	Water consumption: (Unit: ML)	Total waste (metric tons) (Note5)	113	4.63	19.75	114	3.15	19.56	
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			<p>Air conditioning equipment is equipped with a forced exhaust energy-saving system to increase cooling efficiency and save electricity;</p> <p>Thermal insulation film is applied to the glass on the exterior walls of the office floors, and thermal insulation panels are added to the glass on the exterior walls of the top-floor meeting room to physically reduce indoor temperatures and save air conditioning electricity.</p> <p>Hoping to achieve the goal of reducing greenhouse gas emissions by 3 to 5% compared with the previous year.</p> <p>Mid- to long-term goals:</p> <p>Replace gasoline-fueled vehicles with hybrid vehicles or electric vehicles year by year, and install charging poles to effectively reduce greenhouse gas emissions from fuel.</p> <p>The AI smart air conditioning energy-saving system is introduced to increase the efficiency of the room cooling and electricity saving.</p> <p>2. Water consumption: The Company's main water consumption is employees' domestic water, which comes from the government water supply. To ensure the reduction of water resources, the Company has installed water-saving devices on all faucets to avoid water waste, and regularly promotes water conservation</p>	

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No		
IV. Social issues (I) Has the Company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		<p>idea to employees. In 2025, water consumption decreased by approximately 31.96% compared to 2024. It is hoped that the target of continuously reducing 3 to 5% can be achieved next year.</p> <p>3. Waste: The Company is a non-manufacturing company in the IC channel industry. There is no factory production line waste. The daily waste produced is all ordinary daily waste. The recyclable waste is placed in recycling bins, and the janitors will classify it and pass it to the contracted recycling business for further processing to achieve the purpose of reuse. Relevant electronic waste to be scrapped is handed over to a certified resource recycling unit for processing, and the useful resources will be recycled and reused to reduce the impact on the overall environment.</p> <p>(I) Our Company adheres to the labor-related laws and regulations in the locations where we operate worldwide, protects the legal rights of our employees, and complies with the spirit and basic principles of human rights protection enshrined in international human rights conventions such as the United Nations Global Compact, the United Nations Universal Declaration of Human Rights, and the International Labor Organization Declaration on Fundamental Principles and Rights at Work, fully realizing our responsibility to</p>	None.

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "the Sustainable Development Practice Principles" and Reasons												
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(II) Has the Company established and implemented reasonable employee welfare measures (including remuneration, vacations and other welfares, etc.) and reflected management performances or outcomes on employees' remuneration?	✓		<p>respect and protect human rights and treating all paid employees with dignity and respect. We will treat all employees, including contract employees and interns, with dignity and respect.</p> <p>The Company has formulated human rights policies and procedures and disclosed them in the sustainability development area of the website.</p> <p>The human rights-related training in 2025 is as follows:</p> <table border="1"> <thead> <tr> <th>Course Topic</th> <th>Participants</th> <th>Total Training Hours</th> </tr> </thead> <tbody> <tr> <td>Common legal and personal information protection issues</td> <td>53</td> <td>26.5</td> </tr> <tr> <td>Management Boundaries and Practical Measures for the Prevention of Illegal Violations in the Workplace</td> <td>34</td> <td>51</td> </tr> <tr> <td>Total</td> <td>87</td> <td>77.5</td> </tr> </tbody> </table>	Course Topic	Participants	Total Training Hours	Common legal and personal information protection issues	53	26.5	Management Boundaries and Practical Measures for the Prevention of Illegal Violations in the Workplace	34	51	Total	87	77.5	
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			(II) The Company provides various welfare measures for employees in accordance with the Labor Standards Law and related laws and regulations, and provides market competitive benefits to motivate employees, in addition to regular appraisals and performance bonuses to share the results of earnings with colleagues. <ul style="list-style-type: none"> ◆ The Company attaches great importance to the welfare of its employees and the protection of their rights and interests, and 													

Evaluation Item	Implementation Status		Abstract Illustration	Deviations from "the Sustainable Development Practice Principles" and Reasons
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			<p>its related measures are as follows:</p> <ol style="list-style-type: none"> 1. Employee Welfare Committee: Implement various welfare measures, including wedding and funeral subsidies (e.g., wedding money, childbirth gifts, birthday gifts, funeral sympathy, etc.) , travel subsidies, emergency relief, celebration activities, and club activity subsidies. 2. Retirement system: In accordance with the law, starting from July 1, 2005, the Company make contributions of 6% of monthly wages to the employee's personal pension account for new employees and employees who choose to be covered by the Labor Pension Act (new retirement system) . For employees who choose the old system and those who choose the new system and still retain their seniority in the old system, the Company still appoints professional actuaries to calculate the reserve rate of the old system pension fund and continues to transfer the old system pension fund to the Bank of Taiwan's special account. 3. Workplace Diversity and Equality: <ul style="list-style-type: none"> ◆ In order to implement the concept of gender equality, we continue to build a gender-friendly workplace, with 50.1% of our employees being female and 35.3% of our supervisors being female during 2025. <p>The correlation and reasonableness of the company's operating performance and employee compensation are explained as</p> 	

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(III) Does the Company provide a safe and healthy working environment for employees and regularly carry out safety and health education for employees?	✓		<p>follows: In addition to the Company's Articles of Incorporation, the compensation of the Company's employees is estimated based on the profitability of the year and the performance of the employees for the purpose of salary adjustment and compensation.</p> <p>(III) The Company conducts annual employee health checks, regular workplace fire inspections, and access control with magnetic cards and electronic security to provide a safe and healthy work environment for employees, and conducts the "Labor Safety and Health Education Series" education and training, and the specific implementation details for 2025 are listed in the table below.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Implementation Date</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>Working environment fire inspection</td> <td>2025/07/09</td> <td>Once a year</td> </tr> <tr> <td>Building public safety inspection</td> <td>2025/09/12</td> <td>Once a year</td> </tr> <tr> <td rowspan="2">Fire drill education training</td> <td>2025/05/14</td> <td rowspan="2">Every half year</td> </tr> <tr> <td>2025/10/22</td> </tr> <tr> <td>Office environment carpet cleaning</td> <td>2025/01/04 2025/07/05</td> <td>Every half year</td> </tr> <tr> <td>Office environment disinfection</td> <td>2025/01/11 2025/07/12</td> <td>Every half year</td> </tr> </tbody> </table>	Item	Implementation Date	Remark	Working environment fire inspection	2025/07/09	Once a year	Building public safety inspection	2025/09/12	Once a year	Fire drill education training	2025/05/14	Every half year	2025/10/22	Office environment carpet cleaning	2025/01/04 2025/07/05	Every half year	Office environment disinfection	2025/01/11 2025/07/12	Every half year	
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(IV) Has the Company developed an effective training program for employees?	✓		<p>Note 2: The Company obtained the "Healthy Workplace Certification Qualification" certified by the National Health Service of the Ministry of Health and Welfare on December 25, 2023.</p> <p>◆ Employee occupational accident report:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Category</th> <th>Case count</th> <th>Head count (%)</th> </tr> </thead> <tbody> <tr> <td>2025</td> <td>Commuting occupational hazards</td> <td>6 cases</td> <td>6 people (0.8%)</td> </tr> </tbody> </table> <p>These incidents took place while employees were commuting to and from work. Health training and traffic safety promotion will be carried out for employees in the future.</p> <p>◆ Fire accident report:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Fire evacuation drill</th> <th>Fire statistics</th> <th>Casualties (%)</th> </tr> </thead> <tbody> <tr> <td>2025</td> <td>2 times</td> <td>0 cases</td> <td>0 people (0%)</td> </tr> </tbody> </table> <p>There were no fire incidents and no relevant improvement measures in 2025.</p> <p>(IV) The Company has established training programs for all levels of staff, and set up courses according to the qualifications and job levels of employees to enhance their professional abilities and knowledge and skills. The orientation, scope and implementation of the relevant training programs are as follows.</p>	Year	Category	Case count	Head count (%)	2025	Commuting occupational hazards	6 cases	6 people (0.8%)	Year	Fire evacuation drill	Fire statistics	Casualties (%)	2025	2 times	0 cases	0 people (0%)	
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Evaluation Item	Implementation Status			Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
(V) Regarding the health and safety of products and services, customers' privacy, marketing and labelling, has the Company complied with relevant regulations and international principles and developed relevant policy and compliant procedure to protect consumers' rights and interests?	✓		(V) The Company has taken out product liability insurance to ensure consumers' rights and interests. Consumers can file complaints through the customer service hotline or customer service mailbox, and the Company also provides information on corporate governance and other related contents through the Company's website for the investment public's consideration, and has a dedicated email address to handle complaints about the Company and reply to related questions.	
(VI) Has the Company established management policy for suppliers and asked the suppliers to comply with environmental friendly, occupational safety or labor rights and present its implementations?	✓		(VI) As a professional semiconductor distributor, the Company evaluates the past background and corporate image of suppliers before acting as an agent for product lines to ensure that the supply of raw materials meets the requirements of environmental restricted substances management regulations and maintains good relationships with suppliers. No major social responsibility violations have occurred.	
V. Has the Company referenced the international principles or guidelines for preparing generalized report to prepare its non-financial reports such as sustainability reports? Has the Company obtained confirmation or guarantee opinions from third-party verification agencies regarding the aforementioned report?	✓		This Report is compiled in accordance with the latest version of the GRI Sustainability Reporting Standards (GRI Standards) of the Global Reporting Initiative. This Report was coordinated and planned by the Corporate Governance Officer and senior executives from different fields. The disclosed data, strategic goals, performance indicators, etc. are provided by each responsible unit, and then compiled, proofread, and revised by the Sustainability Committee. The final complete draft is issued publicly after approval by the Board of Directors.	None.

Evaluation Item	Implementation Status			Deviations from "the Sustainable Development Practice Principles" and Reasons
	Yes	No	Abstract Illustration	
			The Year 2025 Sustainability Report is expected to be made public in the "Corporate Sustainability Zone" of the Company's official website in August 2026 for all stakeholders to download.	
<p>VI. If the Company has its own corporate sustainable development in accordance with the Corporate Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe the difference between its operational and prescribed code: No difference.</p> <p>The Company has established a Code of Corporate Sustainable Development, which was approved by the Board of Directors on March 23, 2015. Its operation is not materially different from the Code of Conduct, and the spirit of its operation and governance is in compliance with the Code of Conduct, and the relevant regulations are disclosed on the Company's website and the Market Observation Post System.</p> <p>In addition, the Company actively practices corporate social responsibility in order to meet the international trend of balancing environmental, social and corporate governance development, and to enhance national economic contribution, improve the quality of life of employees, communities and society through corporate citizenship, and promote a competitive advantage based on corporate responsibility.</p>				
<p>VII. Other important information about the Company that is useful in understanding the operation of sustainable development:</p> <p>The Company participates in environmental protection, community participation, social contribution, social services, social interests, consumer rights, human rights, safety and health and other social activities, it actively fulfills its social responsibilities, and fulfills its due responsibilities to all stakeholders and take on different responsibilities.</p> <p>In addition, it also regularly holds various environmental protection activities and encourages employees to participate in such activities organized by the brand suppliers and customers to further enhance environmental awareness.</p> <p>Various participated activities and donations in 2025 are listed below:</p> <ol style="list-style-type: none"> (1) In response to the blood donation activities, the Company called on employees to roll up their sleeves for blood donation with enthusiasm. We held two blood donation activities in May and December 2025, and collected a total of 128 bags of blood. (2) On March 22, 2025, the Company participated in the "Reduce. Share. The "Love the Earth Alliance" was held at Shalun Section beach in Dayuan, Taoyuan, where more than 1.8 tons of human-made waste was picked up and organized. We called on colleagues to take action to protect the earth, thereby developing the habit of being environmentally friendly and showing public morality by not littering. (3) The Company sponsors and supports the "Taiwan Good Air, Benefiting Farming Land" no-burn straw project by funding decomposing microbes for 5 hectares of rice fields to address air pollution caused by open-air burning of straw and reduce carbon emissions. <p>For more details, please visit the "Corporate Sustainability Zone" on the Company's official website.</p>				

6. The and the Subsidiaries' Ethical Corporate Management Best-Practice, Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons:

The Company has always operated under the principle of integrity, and has complied with relevant laws and regulations and internal control systems to operate in a sound manner. At present, the Company has formulated the Code of Business Integrity and the Code of Ethical Conduct.

Evaluation Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
I. Establishment of ethical corporate management policies and programs				
(I) Does the company formulate its ethical corporate management policies approved by the Board of Directors and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board and senior management to implement the policies?	✓		(I) The company has established Ethical Corporate Management Best Practice Principles. In addition, the Company has also revised the Code of Ethical Conduct, which was approved by the Board of Directors on March 23, 2015. The aforementioned regulations will also be publicly disclosed in the corporate governance section of the Company's website.	None.
(II) Does the company establish evaluation system for the risk of unethical conducts, regularly analyze and evaluate the operating activities with the risk of high-potential unethical conducts within its operating scope and formulate prevention programs and precaution measures against unethical conducts or listed activities stated in Article 2, Paragraph 7 of the "Ethical Corporate Management Best-Practice Principles for	✓		(II) In the course of its operations, the Company has implemented the management policy of integrity and has been actively implementing the operational management requirements of the Board of Directors and the management.	None.

Evaluation Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(III) TWSE/TPEX Listed Companies"? Does the company establish clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, and rules of appeal in its prevention programs against unethical conducts, ensure its implementation, and regularly review and revise the aforementioned programs?	✓		(III) The company regulates the newcomers to sign an employee commitment when reporting to the company, requiring all colleagues to comply with the principle of honesty, integrity and self-discipline work to avoid any illegal behavior	None.
II. Fulfill ethical management (I) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		(I) The Company has agreed to the sunshine integrity and anti-bribery clauses in the form of commercial terms and conditions or pledges to our suppliers and customers to eliminate improper practices and establish a good cooperation relationship for coexistence and development.	None.
(II) Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of the promotion of corporate ethical management, regularly (at least once a year) report its ethical management policies and prevention programs against unethical conducts, and supervise its implementations?	✓		(II) The Company has established Ethical Corporate Management Best Practice Principles. The Human Resources and Administration Headquarters and the Legal Department are jointly responsible for formulating, implementing, and supervising the corporate ethical management policy and regularly (once a year) report the	None.

Evaluation Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(III) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		<p>implementation status to the Board of Directors.</p> <p>The implementation status for 2025 was reported to the Board of Directors on November 10, 2025.</p> <p>(III) The Company's personnel shall recuse themselves from any conflict of interest in the execution of business, and the relevant regulations are set forth in the "Code of Ethical Conduct" as a policy to prevent conflicts of interest.</p>	None.
(IV) Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management? Does the company's internal audit unit prepare relevant audit plans based on the evaluation results of risk of the unethical conducts from the internal audit unit? Is the compliance of prevention program against unethical conducts audited by either internal auditors or CPAs?	✓		<p>(IV) The accounting and internal control systems established by the Company for the purpose of operating with integrity are in accordance with the relevant laws and regulations, and are operated effectively through the performance of internal and external audit functions.</p>	None.
(V) Does the company regularly hold internal and external educational trainings on ethical management?	✓		<p>(V) The company holds internal and external education training from time to time.</p> <p>In 2025, several online advocacy courses on ethical management and business secret protection were held, with a total of 53 employee participations and 238.5 hours.</p>	None.

Evaluation Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
<p>III. Operation of the company's complaint system</p> <p>(I) Does the company establish both a specific complaint and reward system and a convenient complaint channel? Can the accused be reached by an appropriate person for follow-up?</p> <p>(II) Does the company establish standard operating procedures for investigating accusation cases, and follow-up measures and relevant confidential system to be adopted after the completion of the investigation?</p> <p>(III) Does the company provide proper whistleblower protection?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>The Company, in order to protect the rights and interests of all stakeholders, has established appropriate reporting/complaint channels and formulated relevant codes of conduct and reporting systems and procedures.</p> <p>If an employee violates the rules of honest management, he or she will be disciplined according to the seriousness of the case. If a reported matter is verified to be true and helps the company avoid losses, appropriate rewards will be given.</p> <p>Pledge to protect whistleblowers from unfair treatment due to reporting.</p>	None.
<p>IV. Strengthening information disclosure</p> <p>Does the company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?</p>	<p>✓</p>		<p>The Company's website has a special area for investors, in which information about corporate governance-related organizations and important company regulations are disclosed on the Company's website for stakeholder inquiries. The information will be disclosed on the Company's website and on the Market Observation Post System.</p> <p>The Company has a dedicated department responsible for maintaining the information content of the Company's website on a regular basis so that the website can fully disclose information related to</p>	None.

Evaluation Item	Implementation Status			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			the Company's integrity and corporate governance operations.	
V.			If the company has established the ethical corporate management policies based on the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the policies and their implementation: The Board of Directors has approved the establishment of the "Ethical Corporate Management Best Practice Principles" and "Code of Ethical Conduct," and has disclosed the relevant regulations on the Company's website and the Market Observation Post System. Based on the management philosophy of integrity, transparency, and accountability, we have established an integrity-based policy and set out clearly and thoroughly in the Code of Conduct a program to prevent dishonest behavior, including operating procedures, behavioral guidelines, and education and training, so as to establish a good corporate governance and risk control mechanism and create a sustainable business environment.	
VI.			Other important information to help understand the operation of the Company's integrity management (such as the Company's review and amendment of the Company's code of ethical conduct) : The Company has established a code of ethical conduct and an additional code of ethical conduct, and keeps an eye on the development of domestic and international codes of ethical conduct and reviews and improves them in order to enhance the effectiveness of the Company's integrity management.	

In the Investor Zone of the Company's website, a corporate governance section is set up and the articles of incorporation, the election of directors, and the rules and regulations of the shareholders' meeting are placed for investors to inquire.

7. Other Important Information for the Enhancing the Understanding of the Company's Corporate Governance Operations may be disclosed: The Company will promptly disclose material information and corporate presentation information, and will post the relevant information on the Market Observation Post System and the Company's website.

8. Implementation Status for Internal Control System

(1) Statement of Internal Control

Zenitron Corporation
Statement of Internal Control System

Date: March 16, 2026

The Company's Internal Control System for the year 2025 is hereby stated as follows based on the results of the self-evaluation:

- A. The Company is aware that establishing, implementing, and maintaining an internal control system is the responsibility of the Company's Board of Directors and managers, and the Company has established this system. Its purpose is to provide reasonable assurance of the achievement of objectives related to operational effectiveness and efficiency (including profitability, performance, and safeguarding of assets), reliability, timeliness, and transparency of reporting, as well as compliance with relevant regulations and laws.
- B. The Internal Control system has inherent limitations. Regardless of how well it is designed, even an effective Internal Control system can only provide reasonable assurance of the completion of the aforementioned three objectives. Moreover, due to changes in the environment and circumstances, the effectiveness of the Internal Control system may change accordingly. However, the Company's Internal Control system has a self-monitoring mechanism, and once deficiencies are identified, the Company takes corrective actions.
- C. The Company determines the effectiveness of the design and implementation of the Internal Control System based on the criteria for evaluating the effectiveness of internal control systems stipulated in the "Regulations Governing the Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the Regulations). The Internal Control System criteria set forth in these Regulations are divided into five components according to the management control process: 1. Control Environment, 2. Risk Assessment, 3. Control Activities, 4. Information and Communication, and 5. Monitoring Activities. Each component includes several items. Please refer to the stipulations of the "Regulations" for the aforementioned items.
- D. The Company has adopted the aforementioned Internal Control System criteria to evaluate the effectiveness of the design and implementation of the Internal Control System.
- E. Based on the results of the previous assessment, the Company believes that as of December 31, 2025, the Company's internal control system (including the supervision and management of subsidiaries) effectively ensures understanding of the degree of achievement of operational effectiveness and efficiency objectives, reliability, timeliness, transparency of reporting, and compliance with relevant regulations and laws. This system is effectively designed and implemented to provide reasonable assurance of achieving the aforementioned objectives.
- F. This statement will become the Main content of The Company's annual report and public Explanation and will be disclosed to the public. If the disclosed content contains falsehoods, concealments, or other illegal activities, it will involve legal liabilities under Article 20, Article 32, Article 171, and Article 174 of the Securities and Exchange Act.
- G. This statement has been approved by the Board of Directors of the Company on March 16, 2026. None of the ten directors present expressed any objections, and all agreed to the content of this statement, hereby declaring the same.

Zenitron Corporation
Chairman: Chen, Hsin-Yi
President: Chou, Chun-Kuang
President: Chou, Chun-Hsien

- (2) In case that a CPA was engaged to conduct a Special Audit of Internal Control System. its audit report shall be provided: None.

9. Significant resolutions of the shareholders' meeting and the board of directors for the most recent year and up to the date of printing of the annual report:

(1) Important resolutions of the shareholders' meeting

Date	Important Resolutions
2025.06.13	<ol style="list-style-type: none"> 1. Adoption of the 2024 Business Report and Financial Statements. Execution: The resolution was passed. 2. Adoption of the 2024 Earnings Distribution Case. Execution: The resolution was passed. The distribution of cash dividends from earnings is approximately NT\$498,206,505, around NT\$2.1 per share. (The ex-dividend date is set as July 17, 2025 and the cash dividend payment date is July 31, 2025.) 3. Amendment of certain articles in the "Articles of Incorporation". Execution: The resolution was passed.

(2) Important resolutions of the Board of Directors

Date	Important Resolutions
2025.02.25	<ol style="list-style-type: none"> 1. 2024 Employees' and Directors' Compensation Distribution 2. Proposal for the 2024 Business Report and Financial Statements. 3. 2024 Earnings Distribution Case 4. 2024 Earnings Distribution and Cash Dividend Plan 5. Self-Assessment of Internal Control and Statement of Internal Control System for the year 2024 6. 2025 Business Plan Overview 7. Amendment of certain articles in the "Articles of Incorporation". 8. Approval of relevant matters for convening 2025 Regular Shareholders' Meeting. 9. Election of the Vice Chairman of the Company. 10. Appointment of Financial Statement CPAs and Evaluation of CPAs' Independence and Competence 11. To enrich operating funds, we plan to adopt applying for or renewing credit lines from banks, derivative trading lines, providing endorsement guarantees, and lending funds to others.
2025.05.08	<ol style="list-style-type: none"> 1. Proposal for the Consolidated Financial Reports for 2025 Q1. 2. Amendment to the Company's Internal Control System proposal 3. To enrich operating funds, we plan to adopt applying for or renewing credit lines from banks, derivative trading lines, providing endorsement guarantees, and lending funds to others.
2025.08.08	<ol style="list-style-type: none"> 1. Proposal for Organization Restructuring of The Company 2. Review of the Company's Year 2025 salary adjustment proposal. 3. Attached is the Company's 2024 Sustainability Report. 4. Proposal for the Consolidated Financial Reports for First Half of the Year 2025. 5. To enrich operating funds, we plan to adopt applying for or renewing credit lines from banks, derivative trading lines, providing endorsement guarantees, and lending funds to others.

Date	Important Resolutions
2025.11.10	<ol style="list-style-type: none"> 1. Election of the Chairman of the Company. 2. Appointment of the Chief Sustainability Officer of The Company. 3. Appointment of audit supervisor 4. Review of 2026 audit plans 5. Proposal for the Consolidated Financial Reports for 2025 Q3. 6. To enrich operating funds, we plan to adopt applying for or renewing credit lines from banks, derivative trading lines, providing endorsement guarantees, and lending funds to others.
2026.03.16	<ol style="list-style-type: none"> 1. Year 2025 Employees' and Directors' Compensation Distribution, proposed for discussion. 2. Year 2025 Business Report and Financial Statements Proposal, proposed for discussion. 3. Year 2025 Profit Distribution Proposal, proposed for discussion. 4. Year 2025 Profit Distribution and Cash Dividend Proposal, proposed for discussion. 5. Discussion on amending the Company's "Procedures for Lending Funds to Others and Endorsements/Guarantees". 6. Approval of relevant matters for convening 2026 Regular Shareholders' Meeting, proposed for discussion. 7. 2026 Business Plan Proposal, proposed for discussion. 8. Self-Assessment of Internal Control and Statement of Internal Control System for the year 2025, proposed for discussion. 9. Discussion on amending the Company's Internal Control System "Payroll Cycle - Salary Operations" proposal. 10. Evaluation scope for the Company's grassroots employees, proposed for discussion. 11. Appointment of Financial Statement CPAs and Evaluation of CPAs' Independence and Competence, proposed for discussion. 12. To enrich operating funds, we plan to adopt applying for or renewing credit lines from banks, derivative trading lines, providing endorsement guarantees, and lending funds to others, and submit for discussion.

10. For the most recent year and as of the printing date of the annual report, if the directors or supervisors have dissenting opinions on important resolutions passed by the board of directors and there are records or written statements of such dissenting opinions, the main content of which: None.

(IV) Information on CPA Professional Fees

1. CPA Professional Fees

Unit: NTD\$1,000

Accounting firm	Name of CPA	Audit by government sponsorship	Non-audit government sponsorship					Duration of CPA audit	Remark
			system design	Industrial registration	Human resources	Other	Subtotal		
PwC Taiwan	Lin, Yi-Fan	4,427					4,427	2025/01/01	
	Liao, Fu-Ming							2025/12/31	
						1,077	1,077	2025/01/01	
								2025/12/31	

Note: Other non-audit fees mainly consisted of research and analysis on group transfer pricing, NT\$710 thousand, Country-by-Country Report and group master file, NT\$180 thousand, etc.

- If the accounting firm is changed and the audit fees paid in the year of the replacement is less than that of the previous year, the amount of the audit fees before and after the replacement and the causes shall be disclosed: None.
- If the audit fee is reduced by 10% or more from the previous year, the amount, percentage and reasons for the reduction shall be disclosed: None.

(V) Information on Replacement of Certified Public Accountants:

1. About the preceding accountant:

Replacement Date	Approval by the Board of Directors on February 25, 2025.		
Reason for the Replacement and Explanation	Starting from the first quarter of 2025, due to internal adjustments within the accounting firm, The Company replaced CPA Chen, Chin-Chang and Liao, Fu-Ming with CPA Lin, Yi-Fan and Liao, Fu-Ming.		
Explanation refers to the termination or non-acceptance of the appointment by the appointee or accountant.	Party involved	Accountant	Appointee
	Situation		
	Proactively terminate the appointment	N/A	N/A
	No longer accept (continue) the appointment	N/A	N/A
Opinions and reasons for audit reports other than unqualified opinions issued in the past two years	None		

Are there any differing opinions with the Relation with Issuer?	Yes		Accounting principles or practices
			Disclosure of Financial Statements
			Audit scope or procedures
			Other
	No	V	
Explanation			
Other Disclosure Matters (Items four to seven of point one under subparagraph six, Article 10 of these Guidelines should be disclosed)	None		

2. About the succeeding accountant:

Name of accounting firm	PwC Taiwan
Name of CPA	CPA Lin, Yi-Fan and Liao, Fu-Ming
Date Appointed	Approval by the Board of Directors on February 25, 2025.
Consultation items and results regarding accounting treatment methods or accounting principles for specific transactions and possible opinions to be issued on the financial reports prior to engagement	None
The written opinions of the successor accountants regarding matters on which the predecessor accountants had different opinions	None

3. Reply from the previous accountant on the matters set out in Article 10, Subparagraph 6 and (2) -3 of the principles: Not applicable

(VI) If the chairman, president, or manager in charge of financial or accounting matters of the Company has worked in the firm of the certified public accountant or its affiliates within the last year, the name, title, and period of employment in the firm of the certified public accountant or its affiliates should be disclosed: None.

(VII) Any Transfer of Equity Interests and/or Pledge of or Change in Equity Interests by A Director, Supervisor, Managerial Officer, or Shareholder with a Stake of More than 10 Percent during the Most Recent Year or During the Current Year up to the Date of Publication of the Annual Report:

1. Changes in shareholdings of directors, supervisors, managers and majority shareholders:

Unit: shares

Title	Name	Year 2025		Year 2026, As of April 14	
		Shareholdings increase (decrease)	Number of pledge shares increase (decrease)	Shareholdings increase (decrease)	Number of pledge shares increase (decrease)
Chairman (Note 1)	Chen, Hsin-Yi	(1,200,000)	0	0	0
Chairman (Note 1)	Zeniboss Corporation	0	0	0	0
Representative of a Director (Note 1)	Wang, Jiunn-Chih	0	0	N/A	N/A
Director	Chou, Yeou-Yih	0	0	0	0
Director	Fang, Yi-Hsiung	0	0	0	0
Director	Yutseng Investment Co., Ltd.	0	0	0	0
Representative of a Director	Chou, Chun-Kuang	0	0	0	0
Director	Zenitex Investment Co., Ltd.	0	0	0	0
Representative of a Director	Chou, Chun-Hsien	0	0	0	0
Independent Director	Hsu, Jui-Mao	0	0	0	0
Independent Director	Liao, Fu-Long	0	0	0	0
Independent Director	Yeh, Fu-Ling	0	0	0	0
Independent Director	Li, Wei-Chien	0	0	0	0
Senior Vice President (Note 1)	Zhang, Chang-Fu	0	0	N/A	N/A
Senior Vice President	Chen, Ting-Huang	0	0	0	0
Vice President	Liu, Ying-Tso	0	0	0	0
Vice President	Chen, Yu-Zhang	0	0	0	0
Vice President	Su, Zhong-Bang	0	0	0	0
Vice President	You, Sheng-Yuan	0	0	0	0
Vice President	Chen, Yung-Chuan	0	0	0	0
Vice President	Hsia, Shu-Hsien	0	0	0	0
Vice President	Hu, Shu-Wei	0	0	1,000	0
Head of Finance	Chen, Jian-Chi	10,000	0	0	0

Note 1: Note: Director ZENIBOSS CORPORATION resigned from the position of Chairman on September 30, 2025, and Representative Wang, Jiunn-Chih also resigned on September 30, 2025. On November 10, 2025, the Board of Directors elected Director Chen, Hsin-Yi as Chairman. Zhang, Chang-Fu resigned on July 11, 2025.

- Information on the transfer of shares: The Company's directors, supervisors and 10% shareholders transfer their shares to the general investing public through the centralized securities market.
- Information on pledge of equity interest: None.

(VIII) Information on the Relationship between any of the top Ten Shareholders (Related Party, Spouse, or Kinship within the Second Degree)

Apr. 14, 2026 Unit: shares / %

NAME (Note 1)	OWN SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEE ARRANGEMENT		THE NAMES AND RELATIONSHIPS OF THE TOP TEN SHAREHOLDERS WHO ARE RELATED PARTIES WHO ARE RELATED TO EACH OTHER AS SPOUSES OR SECOND-DEGREE RELATIVES (Note 3)		REMARKS
	Shares	% (Note 2)	Shares	%	Shares	%	Name	Relation	
Zenitex Investment Co., Ltd. Representative: Chou, Chun-Hsien	9,862,828	4.16%	0	0.00%	0	0.00%	Chou, Chun-Hsien	Chairman of the Company	
	3,557,925	1.50%	5,000	0.00%	0	0.00%	Chou, Li-Mei-Chen Chou, Chun-Kuang Chou, Yeou-Yih	The director of the Company The director of the Company The supervisor of the Company	
E Ink Holdings Inc. Representative: Li, Cheng-Hao	9,000,000	3.79%	0	0.00%	0	0.00%	None	None	
	0	0.00%	0	0.00%	0	0.00%	None	None	
Zeniboss Corporation Representative: Chou, Yeou-Yih	8,705,916	3.67%	0	0.00%	0	0.00%	Chou, Yeou-Yih	Chairman of the Company	
	5,192,074	2.19%	9,552	0.00%	0	0.00%	Chou, Chun-Kuang	The supervisor of the Company	
YuanHan Materials Inc. Representative: Chen, Yong-Heng	7,849,000	3.31%	0	0.00%	0	0.00%	None	None	
	0	0.00%	0	0.00%	0	0.00%	None	None	
The Taipei Branch of Deutsche Bank is entrusted with the custody of the SPDR Portfolio Emerging Markets of the SPDR (R) Index Share Fund.	6,171,000	2.60%	0	0.00%	0	0.00%	None	None	

NAME (Note 1)	OWN SHAREHOLDING		SPOUSE & MINOR SHAREHOLDING		SHAREHOLDING BY NOMINEE ARRANGEMENT		THE NAMES AND RELATIONSHIPS OF THE TOP TEN SHAREHOLDERS WHO ARE RELATED PARTIES WHO ARE RELATED TO EACH OTHER AS SPOUSES OR SECOND-DEGREE RELATIVES (Note 3)		REMARKS
	Shares	% (Note 2)	Shares	%	Shares	%	Name	Relation	
Yutseng Investment Co., Ltd. Representative: Chou, Chun-Kuang	6,090,840	2.57%	0	0.00%	0	0.00%	Chou, Chun-Kuang	Chairman of the Company	
	3,430,502	1.45%	977,883	0.41%	0	0.00%	Chou, Li-Mei-Chen Chou, Yeou-Yih Chou, Chun-Hsien	The director of the Company The director of the Company The supervisor of the Company	
Chou, Yeou-Yih	5,192,074	2.19%	9,552	0.00%	0	0.00%	Chou, Li-Mei-Chen Chou, Chun-Kuang Chou, Chun-Hsien	Husband and Wife Father and Son Father and Son	
Taishin International Bank Trust Account - Chou, Li-Mei-Chen Trustee: Chou, Li-Mei-Chen	5,000,000	2.11%	0	0.00%	0	0.00%	Chou, Yeou-Yih Chou, Chun-Kuang Chou, Chun-Hsien	Husband and Wife Mother and son Mother and son	
Chou, Chun-Hsien	3,557,925	1.50%	5,000	0.00%	0	0.00%	Chou, Yeou-Yih Chou, Li-Mei-Chen Chou, Chun-Kuang	Father and Son Mother and son Brothers	
Chou, Chun-Kuang	3,430,502	1.45%	977,883	0.41%	0	0.00%	Chou, Yeou-Yih Chou, Li-Mei-Chen Chou, Chun-Hsien	Father and Son Mother and son Brothers	

Note1: All of the top ten shareholders should be listed, and the names of corporate shareholders and their representatives should be listed separately if they are corporate shareholders.

Note2: The calculation of the percentage of shareholding refers to the calculation of the percentage of shareholding in the name of oneself, one's spouse, minor children or the use of others, respectively.

Note3: The shareholders listed in the preceding paragraph include both legal and natural persons, and the relationships between them should be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(IX) The number of shares held by the Company, its directors, supervisors, managers and businesses directly or indirectly controlled by the Company in the same re-invested business and the consolidated percentage of shareholding are calculated as follows

December 31, 2025

Unit: shares; %

Re-invested businesses	The Company's investment		Directors, Supervisors, Managers and Investments in Direct or Indirectly Controlled Businesses		Total investment	
	Shares	%	Shares	%	Shares	%
Zenicom Corporation	16,520,000	100.00%	-	-	16,520,000	100.00%
SUPERTRONIC INTERNATIONAL CORP.	100,000	100.00%	-	-	100,000	100.00%
Zenitron (HK) Limited	22,372,872	100.00%	210,035,468	(Note 2)	232,408,340	100.00%
Zenicom (HK) Limited			23,800,000	100.00%	23,800,000	100.00%
Zenitron (Shanghai) International Trading Co., Ltd.			-(Note 1)	100.00%	-(Note 1)	100.00%
ZTHC (Shanghai) Co., Ltd.			-(Note 1)	100.00%	-(Note 1)	100.00%
Zenitron (Shenzhen) Technology Co., Ltd.			-(Note 1)	100.00%	-(Note 1)	100.00%
Shanghai Zenitron Electronic Trading Co., Ltd.			-(Note 1)	100.00%	-(Note 1)	100.00%
Shanghai Zenicom Industrial Co., Ltd.			-(Note 1)	100.00%	-(Note 1)	100.00%

Note 1: The invested company has not issued shares, so there is no number of shares held.

Note 2: Zenitron (HK) Limited has issued 210,035,468 special shares on July 03, 2023, all of which were subscribed by the company's 100% owned subsidiary Supertronic International Corp.

III. Capital Overview

(I) Capital and Shares

1. Source of Share Capital

- (1) The formation process of the Capital stock during the most recent year and up to the date of printing of the annual report.

Apr. 14, 2026

Year/Month	Issue Price (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Number of Shares (Shares)	Amount (NT\$)	Number of Shares (Shares)	Amount (NT\$)	Source of Share Capital	Capital increased by assets other than cash for the number of shares.	Other
2025/12	10	350,000,000	3,500,000,000	237,241,193	2,372,411,930	Convertible bonds to common stock conversion	None	Note 2

Note 1: Please refer to the Market Observation Post System (Basic Information > Historical Amendments) for the historical formation of capital stock.

Note 2: Approved by the Letter Ching-Shou-Shang-Tzu No. 11330208110 on Dec. 05, 2024.

- (2) Type of Shares

Apr. 14, 2026

Type of Shares	Authorized Capital			Remarks
	Issued Shares (Note)	Unissued Shares	Total	
Registered Common Stock	237,241,193 shares	112,758,807 shares	350,000,000 shares	

- (3) Relevant Information for Shelf Registration Form: N/A.

2. List of Major Shareholders

Apr. 14, 2026

Shareholder's Name	Number of Shares	Shareholding percentage
Zenitex Investment Co., Ltd.	9,862,828	4.16%
E Ink Holdings Inc.	9,000,000	3.79%
Zeniboss Corporation	8,705,916	3.67%
YuanHan Materials Inc.	7,849,000	3.31%
The Taipei Branch of Deutsche Bank is entrusted with the custody of the SPDR Portfolio Emerging Markets of the SPDR (R) Index Share Fund.	6,171,000	2.60%
Yutseng Investment Co., Ltd.	6,090,840	2.57%
Chou, Yeou-Yih	5,192,074	2.19%
Taishin International Bank Trust Account - Chou, Li-Mei-Chen	5,000,000	2.11%
Chou, Chun-Hsien	3,557,925	1.50%
Chou, Chun-Kuang	3,430,502	1.45%

3. Dividend Policy and Implementation Status

(1) Dividend Policy of the Company:

The Company's dividend policy, as set forth in the Company's Articles of Incorporation, is as follows: "The Company shall first make up prior years' deficits and pay all taxes and contributions in accordance with the law, and then set aside 10% of its legal reserve (except when the legal reserve has reached the total capitalization) , and set aside or reverse the special reserve as required by law, and then set aside the remainder as distributable earnings for the year, and consolidate the undistributed earnings at the beginning of the period. The Board of Directors shall prepare a proposal for distribution and submit it to the shareholders for resolution.

Dividends are paid on the basis of at least 50% of the current year's distributable earnings, and cash and stock dividends are appropriately distributed in accordance with the Company's operating strategy and capital planning, with cash dividends paid each year being limited to no less than 20% of the actual amount of earnings distributed in that year.

The Board of Directors is authorized to distribute all or part of the dividends and bonuses payable in cash to the Company by the presence of at least two-thirds of the directors and by a resolution of a majority of the directors present at the latest shareholders' meeting.

When the Company has no deficit, the Board of Directors is authorized to distribute all or part of the legal reserve (exceeding 25% of the paid-in capital) and the capital reserve in accordance with the Company Law in the form of cash when two-thirds or more of the directors are present and a majority of the directors present resolve to do so and submit it to the latest shareholders' meeting.

(2) Status of Dividend Payments

On March 16, 2026, the Board of Directors resolved the appropriation of earnings for the Year 2025. The appropriation of earnings has not yet been recognized by the shareholders' meeting.

(3) Expected dividend policy: There were no significant changes in the Company's dividend policy.

4. The effect of the proposed gratis stock allotment at the shareholders' meeting on the Company's operating results and earnings per share:

The Company's Year 2025 earnings distribution proposal is not applicable because there is no gratis stock allotment.

5. Remuneration of Employees and Directors:

(1) The percentage or scope of remuneration for employees, directors and Director as set forth in the Articles of Incorporation:

The percentage or scope of remuneration for The Company employees, directors and Director as set forth in the Articles of Incorporation:

If the Company makes a profit in a year, 3% to 12% should be appropriated as compensation to employees and up to 3% as compensation to directors, but if the

Company still has accumulated losses, the amount of compensation should be retained before the remaining balance is appropriated. Of the aforementioned ratio of compensation to employees, no less than 1% shall be appropriated for compensation distributed to grassroots employees. Employee compensation may be in the form of stock or cash, and may be paid to employees of affiliated companies who meet certain criteria.

- (2) The basis for estimating the amount of compensation to employees and Directors, the basis for calculating the number of shares for employee compensation distributed in stock, and the accounting treatment if the actual amount of allotment differs from the estimated amount:

Compensation to employees and directors is estimated on the basis of the pre-tax net income for the year ended, taking into account the legal reserve and other factors, and is recognized as operating expenses for the year. However, if the actual amount distributed as resolved by the Board of Directors subsequently differs from the accrued amount, the difference shall be recognized in profit or loss in the year of the Board resolution. In addition, the Company has not allotted stock dividends this year.

- (3) Information on allotment of employees' remuneration and directors' remuneration approved by the Board of Directors.

2025; Unit: NT\$1,000

Disclosure of information	Amount
Proposed Employee Compensation - Stock	0
Proposed Employee Compensation - Cash	40,000
Proposed allotment of directors' emoluments	26,000
The amount of the proposed employee stock bonus and its proportion to the aggregate amount of individual or individual financial report net income after tax and total employee compensation for the period.	None

- (3-1) If there is any difference between the estimated amount of the expense and the amount recognized in the year of recognition, the amount of the difference, the reasons for the difference, and the circumstances under which the difference was handled should be disclosed.

The Company has no such circumstances.

- (4) The actual allotment of employees', directors' and supervisors' remuneration in the previous year (including the number of shares allotted, the amount and the price of shares) , the difference between the allotment and the recognition of employees' bonuses and directors' and supervisors' remuneration, and the amount of the difference, the reasons for the difference and the circumstances under which the difference was handled, should be stated:

The actual amount of directors' remuneration of NT\$17,000 thousand and employees' remuneration of NT\$21,000 thousand for 2024 is no different from the amount proposed by the Board of Directors on Date: Feb. 25, 2025.

6. Buyback of Treasury Stock: None.

(II) Corporate Bond: None.

(III) Preferred Shares: None.

(IV) Issuance of Overseas Depositary Receipts: None.

(V) Employ Stock Warrants: None.

(VI) New Restricted Employee Shares: None.

(VII) Issuance of New Shares for Acquisition or Exchange of Other Companies' Shares: None.

(VIII) Implementation of capital utilization plan: None.

IV. Operations Profile

(I) Business Content

1. Scope of Business

(1) Main business scope

- A. General import and export trade business (except licensing business)
- B. Import and export of various electronic parts and components (except controlled products)
- C. Domestic and foreign agent manufacturers of the product distribution tender quotation business (except futures)
- D. CC01050 Data Storage Media Manufacturing and Duplicating
- E. CC01070 Telecommunication Equipment and Apparatus Manufacturing
- F. CC01080 Electronic Parts and Components Manufacturing
- G. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
- H. F113070 Telecommunications equipment wholesale industry
- I. F213060 Retail Sale of Telecommunication Apparatus
- J. I301010 Software Design Services
- K. F113030 Wholesale of Precision Instruments
- L. F116010 Wholesale of Photographic Equipment
- M. F401010 International Trade Industry
- N. F213040 Retail Sale of Precision Instruments
- O. F216010 Retail Sale of Camera Equipment
- P. EZ05010 Instrument and Meters Installation Engineering
- Q. CB01020 Office Machines Manufacturing
- R. CB01010 Machinery Manufacturing
- S. CC01030 Electrical Appliances Manufacturing
- T. CC01040 Lighting Equipment Manufacturing
- U. CC01060 Wired Communication Equipment and Apparatus Manufacturing
- V. CC01090 Manufacture of Batteries and Accumulators
- W. CE01010 Precision Instruments Manufacturing
- X. CE01030 Optical Instruments Manufacturing
- Y. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing (electrical switches optoelectronic converters, optical fiber electro-coupling connector)
- Z. CG01010 Jewelry and Precious Metals Products Manufacturing
- AA. E701010 Telecommunications Construction
- AB. E701030 Controlled Telecommunications Radio-Frequency Devices Installation Engineering
- AC. F113020 Wholesale of Electrical Appliances
- AD. F113050 Wholesale of Office Machinery and Equipment
- AE. F118010 Wholesale of Computer Software
- AF. AF.F119010 Wholesale of Electronic Materials

- AG. AG.F213010 Retail Sale of Household Appliance
- AH. AH.F213110 Retail Sale of Batteries
- AI. AI.F214010 Retail Sale of Motor Vehicles
- AJ. AJ.F208050 Retail Sale of Over-the-counter drugs class B
- AK. AK.C199990 Other Food Manufacturing Not Elsewhere Classified
(Ganoderma lucidum powder, Ganoderma lucidum tablets, Ganoderma lucidum capsules)
- AL. AL.F203010 Retail Sale of Food, Grocery and Beverage
- AM. AM.F102160 Wholesale of Assist Food Products
- AN.ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

(2) Percentage of Operation

Unit: NT\$1,000

Type of Products	Year	2025	
		Amount	Percentage of Operation
Memory Card		12,660,746	30.55%
Power field effect transistors		5,066,816	12.22%
Linear integrated circuits		5,059,591	12.21%
Logic and specific applications Integrated circuits		3,974,165	9.59%
Digital Integrated Circuits		3,203,576	7.73%
Diodes		1,166,773	2.82%
Passive components		397,527	0.96%
Transistor		367,342	0.87%
Modules and others		9,554,129	23.05%
Total (Note)		41,450,665	100.00%

Note:Filled in with consolidated financial information.

- (3) Main distributorship of semiconductor brands:
The brands distributed by the Group are Biwin, Cyntec, Cinterion, Diodes, Dosilicon, Fuji, Giantec, Infineon, Invensense, Microchip, Nichicon, Parade, Power Forest, Rohm, SanDisk, SCY, Sensortek, Skyhigh, Southchip, Taiyo Yuden, Team, V-color, Vishay, Western Digital, Etc.
- (4) Main distributorship of semiconductor products:
- A. Storage Product (Memory Card, SSD, eMMC)
 - B. IC (LINEAR, LOGIC, DIGITAL, ASSP)
 - C. Transistor
 - D. Power Mosfet
 - E. DIODE (Small Signal, SCHOTTKEY, Fast Rectifier Diode)
 - F. LED/LED
 - G. Power Module, GSM/MODEM

- H. RESISTOR/RESISTOR
- I. Capacitor (Laminated Capacitor, Tantalum Capacitor, Functional Polymer Capacitor)
- J. Camera Module
- K. MCU Solution
- L. L.G Sensor/GYRO Sensor
- M. T-CON
- N. N.IoT module

(5) Act as agent and distribute new products planned to be developed

We continue to cultivate the PC and peripheral, power supply, and consumer product markets, and maintain the IT industry's momentum by continuously introducing new products to meet the ever-evolving needs of applications.

In response to the new normal life caused by the epidemic, causing the reduction in the movement of people and contact needs, this will further catalyze the technology development of Internet of Things, which is used in production, medical monitoring and service reception of related Internet of Things devices as the main growth momentum. Depending on the user and the environment, relevant IoT devices integrate the required AI computing, image recognition, high-speed transmission and other hardware. The related functions will require higher processing performance of related semiconductors, network integration, and power consumption. Therefore, from the upstream chip to the downstream end product, automotive electronics, industrial control, cloud big data, 5G/6G transmission, data center and artificial intelligence will be the focus of future development. We are also focusing on the application of our key points and expanding our agency product line so that we can provide better service.

2. Industry Overview

(1) Industry Status and Development

The current vertical division of labor in the global information industry has highlighted the increasing importance of electronic component distributors. For upstream suppliers, distributors can replace a dense and complete marketing channel network; for downstream manufacturers, the distributors have complete logistics and inventory management, and can achieve order confirmation, goods preparation, and delivery services in the shortest time. In addition, distributors can provide customers with information about new products and new industry development areas to assist customers in designing and planning new products as well as transmitting downstream market information to the original manufacturers. Thus, electronic component distributors have become an indispensable part of the global information electronics industry system. Under the consideration of global electronics manufacturers to reduce marketing costs and improve technical support for engineering applications, the role of distributors in the supply chain of the electronics industry will become increasingly important. For upstream suppliers,

distributors provide marketing development, product integration, and customer service; for downstream customers, the distributors have the function of supplying them with sufficient goods and technical support, etc.

At present, direct sales from semiconductor manufacturers to customers account for more than 60% of their revenue, while sales through distributors account for 30-40%, making semiconductor manufacturers highly dominant. Although the original manufacturer itself has the right to decide whether to adopt the direct sales or distribution model, the customer side also has the right to take the lead, and the customer has the right to choose the distributors they want to meet their needs. Therefore, distributors must continue to improve their own service value and strive for support from the original manufacturers and customers in order to win.

With the booming electronics industry and the increase in the number of semiconductor manufacturers, Taiwan's role in Asia has gradually emerged. Domestic semiconductor parts distributors are striving to transform themselves into global component handling professionals, with some investing in the component channel market and others cultivating the strength of professional design consultants. They are moving toward the concept of professional division of "service" and "integrated marketing." The industrial characteristics of the semiconductor component distributor are mainly "agency model" and "channel establishment"; based on the nature of the agency business, distributors need to sign agency contracts with the original manufacturers to protect their agency rights. Generally speaking, an agency contract is usually signed once a year and can be renewed or automatically effective if both parties do not disagree at the end of the contract. Marketing strategy, contract duration, sales performance, and other factors may cause changes in product distribution rights, so there may be uncertainty and risk of cooperation with the original manufacturer. Hence, the marketing channels and customer relationships held by the distributor are the guarantee of continuous cooperation between the two parties. For large professional semiconductor component distributors, their continuous cooperation with the original manufacturers should be maintained, and can even help them obtain more product lines from the suppliers for distribution.

In terms of "channel establishment," customer satisfaction has become an important indicator affecting corporate revenue, especially in marketing-oriented industries. Therefore, in the component marketing channel industry, ensuring customers can receive their goods in the shortest time has become the key to business success. Controlling the channel is equivalent to controlling the market, so companies are committed to increasing sales locations to form a dense marketing channel network. As the development in the semiconductor industry accelerates, the lifecycle of electronic components has shortened. Channel operators have to keep up by expanding the market, serving customers, as well as sharing inventory costs and reducing the pressure. To provide the best service to customers, it is

necessary to comprehensively consider factors such as product characteristics, market conditions, and appropriate channels to create the best value for the product. This is where the value of a professional semiconductor component distributor lies.

In 2026, the memory industry is in the explosive phase of the "AI storage supercycle." With the global establishment of AI servers reaching its peak, along with the significant increase in the penetration rate of AI PCs and AI smartphones, the memory market is undergoing a structural transformation from quantitative to qualitative changes.

AI infrastructure driving structural shortages: Due to the global top three manufacturers (Samsung, SK Hynix, Micron) fully shifting their production to high-bandwidth memory (HBM), a significant "die penalty" effect has occurred, squeezing the capacity for traditional DDR4, DDR5, and standard NAND Flash. Server DRAM prices are expected to soar by more than 60% year-over-year in the first quarter of 2026, with contract prices also showing a rare continuous upward trend.

Demand for high-performance storage products surges: Cloud service providers require extremely high read and write speeds for AI training and inference, making enterprise-grade SSDs essential. The Company represented the SanDisk/WD brand, which performed strongly in fiscal year 2026, benefiting from the increase in the proportion of data center and cloud business to nearly 90%, with gross margins approaching software industry levels.

Edge AI and Niche Product Opportunities: As the penetration rate of edge AI hardware approaches 20%, smart glasses and wearing devices see an increasing demand for miniaturized storage. BIWIN, represented by The Company, has successfully entered the AI glasses and domestic substitution supply chain, with revenue showing exponential growth at the beginning of 2026. In addition, Dosilicon (Eastchip Semiconductor) has seen prices enter a long-term upward trend in the fields of SLC NAND and niche memory due to the capacity squeeze effect from original manufacturers.

Commercialization of New Technology Agreement: The CXL (Compute Express Link) protocol began large-scale commercialization in the latter half of 2026, pooling memory resources and providing more flexible expansion solutions for data centers, which is expected to bring a new wave of hardware upgrades for downstream customers.

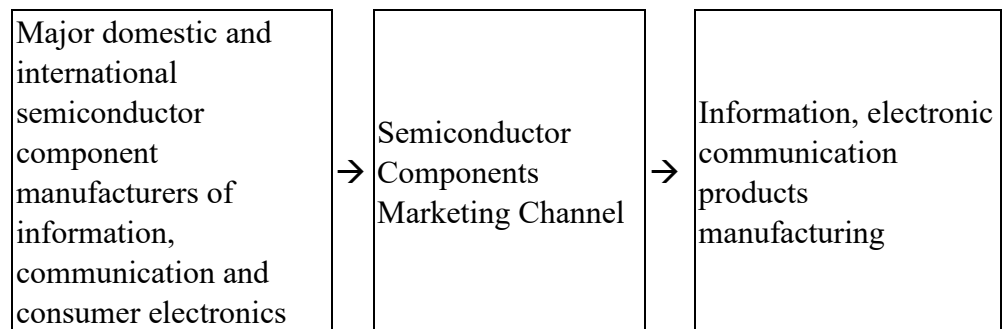
(2) Upstream, midstream and downstream industrial linkages

A. The Company is a professional distributor of semiconductor components, and its upstream, midstream and downstream connections are described as follows:

In the production and distribution structure of the information electronics industry, semiconductor component distributors play an important role as a bridge between upstream component suppliers and downstream production manufacturers, with the upstream being mainly domestic and

foreign manufacturers of various information, communication, and consumer electronics products, and the downstream being manufacturers of information, communication, and consumer electronics products. The midstream channel provides a complete sales network to upstream manufacturers, and provide downstream manufacturers with professional technical skills and extensive knowledge of semiconductor parts and components to provide integration and application consulting services to downstream manufacturers, and channel providers can integrate the needs of downstream manufacturers to purchase from upstream manufacturers to obtain the greatest price advantage, and with systematic warehouse management and diversified distribution. In addition, the channel can integrate the needs of downstream manufacturers to purchase from upstream manufacturers to obtain the greatest price advantage, and with systematic warehousing and diversified distribution brands, the products are sold to the downstream industry.

B. Upstream, midstream and downstream linkage diagram



- a. Upstream semiconductor component suppliers can be divided into two major categories, the first category of semiconductor component suppliers is the international integrated design manufacturer (IDM factory), which has a high degree of vertical integration, that is, in addition to designing ICs, they also produce their own. For example, Intel, Samsung Semiconductor, Texas Instruments, etc. all belong to this category. The second category of semiconductor component suppliers are Fabless IC design companies such as Qualcomm and MediaTek. Fabless IC companies focus on designing ICs, while production is left to foundries such as TSMC and UMC. These two major categories of semiconductor component suppliers are the main upstream suppliers in the semiconductor channel industry, and each semiconductor channel vendor obtains the sales rights of its semiconductor parts and components through distribution or agency mode.

Semiconductor component agents: Most of them do not have manufacturing plants, and their main business is to distribute semiconductor products such as integrated circuits, distributed components, linear components, memory, CPUs, software, electronic components, etc. from major international manufacturers, and through their professional value-

added services, they sell the semiconductor components they represent and distribute to downstream EMS, ODM and OBM manufacturers of electronic products. oo

Downstream manufacturers of finished products: Downstream manufacturers of finished products can be divided into three major categories: OEM (mainly manufacturing, such as Hon Hai and Flextronics), ODM (in addition to manufacturing capabilities, they also have the ability to accept commissioned designs, such as Quanta, Hon Hai, Compal, Wistron, and Pegatron), and OBM (in addition to design and manufacturing capabilities, they also have the ability to market their own brands, such as ASUS, Sony, and Lenovo).

Semiconductor component distributors play a two-way communication role between OEMs and customers, providing diverse professional services such as market information collection, business marketing, product promotion, logistics/inventory management, technical support, and financial leverage , as well as careful maintenance of their own operations and profitability in order to sustain in the ever-changing electronics industry. As a result, the value of the channel's presence in the industry is increasing day by day, and it is regarded as a strategic business partner by both the original manufacturer and the customer.

- b. In 2026, within the memory industry chain, the role of distributors has shifted from traditional "stock suppliers" to "AI solution integrators."

Upstream: Semiconductor component suppliers (IDM and original manufacturers) primarily include original manufacturers such as SanDisk, Samsung, and Micron. In 2026, upstream capacity allocation is highly prioritized for AI-related products, leading to extended delivery times for standard products.

Midstream: The added value of semiconductor component distributors (The Company): In the supply-demand imbalance of 2026, The Company not only served as a logistics bridge but also ensured stable supply for downstream EMS manufacturers during shortages by locking in long-term capacity with SanDisk/WD. Technical Support: Provide design support for the latest technology specifications like DDR5 CUDIMM for high-end gaming and AI PC modules such as TEAM (T-Force) and v-color, helping customers shorten their time to market.

Downstream: The main application areas of finished product manufacturers (OEM/ODM/OBM) have shifted from traditional 3C to "AI Everywhere." AI servers: Companies like Quanta, Foxconn, and Inventec have strong demand for high-capacity enterprise-grade SSDs and HBM/DDR5. Terminal devices: Despite a potential slight decline in PC and smartphone shipments due to rising cost pressures, the memory capacity per device (standard 16GB/32GB) has significantly increased, offsetting the

impact of reduced volume. Emerging markets: including automotive electronics (autonomous driving systems), smart home, and the demand in the Chinese market under the wave of domestic substitution, provide momentum for the Company's business growth in cross-strait regions.

(3) Various development trends and competition of products

A. Product development trends

- a. The Company is primarily engaged in the agency and retail business of memory products (DRAM and Flash), with applications covering the consumer electronics and enterprise-level markets. In recent years, driven by the demand for Artificial Intelligence (AI), cloud computing, and high-performance computing (HPC), the global memory industry will enter a new growth cycle starting in 2024, leading to an increase in demand and prices for DRAM and NAND Flash markets.

Taiwan's memory industry is primarily focused on module manufacturing and channel sales, where the market is highly competitive and prices fluctuate rapidly. The Company enhances operational performance by flexibly adjusting inventory and sales strategies through real-time monitoring of original supply and market price trends. Influenced by the increased demand for AI servers, memory supply is tightening, and some products adopt allocation or price adjustment mechanisms, driving overall sales momentum. The Company will continue to strengthen supply chain management and optimize product portfolios to respond to market changes and enhance competitive advantage.

- b. Forecasting semiconductor applications based on terminal products reveals a surge in global demand for Artificial Intelligence (AI) and high-performance computing (HPC), driving strong demand for GPUs for AI servers from NVIDIA and AMD. Additionally, there's anticipated growth in customized AI computing chips and network communication chips supporting AI computing. Moreover, market demand stabilization for notebooks, PCs, servers, and other sectors is expected to bolster the semiconductor industry's growth. As the global semiconductor market gradually recovers, compound semiconductors, leveraging their material properties, possess considerable development potential in communication, power, automotive, energy storage, and other application areas. The semiconductor supply chain, including design, manufacturing, and packaging and testing industries, is expected to benefit from recovering terminal markets and the growth of AI, 5G, and high-performance computing applications, achieving favorable results in the upcoming year of 2026.

The Company is a distributor of semiconductors focusing in the fields, such as handheld devices, computers and peripherals (IT/Computing), consumer electronics, telecommunications & communications, industrial electronics, and automotive applications. Concurrently, we remain aligned with upstream technology suppliers by continuing to focus on long-term investments, maintaining interactions with partners and potential customers, and seeking stability in specific markets, while emerging technologies such as 5G, data centers, AI and the Internet of Things (IoT), high-performance computing, and smart edges will underpin the economic recovery.

The following are highlights by client application area:

(a) Handheld devices

According to the latest forecast by research firm IDC, the global smartphone market is projected to shrink significantly in 2026, with shipments expected to decrease by 12.9% year-on-year to 1.1 billion units.

If this decline materializes, it will mark the steepest annual drop on record and push global smartphone shipments to their lowest point in over a decade.

IDC stated that the revised outlook is significantly downgraded from the forecast made in November last year due to worsening memory component shortages, triggering a chain reaction in the consumer electronics supply chain.

Looking ahead, IDC expects a moderate recovery of only 2% in 2027 as supply conditions begin to stabilize, followed by a strong rebound of 5.2% in 2028, although the company emphasizes that the industry is unlikely to return to pre-crisis dynamics.



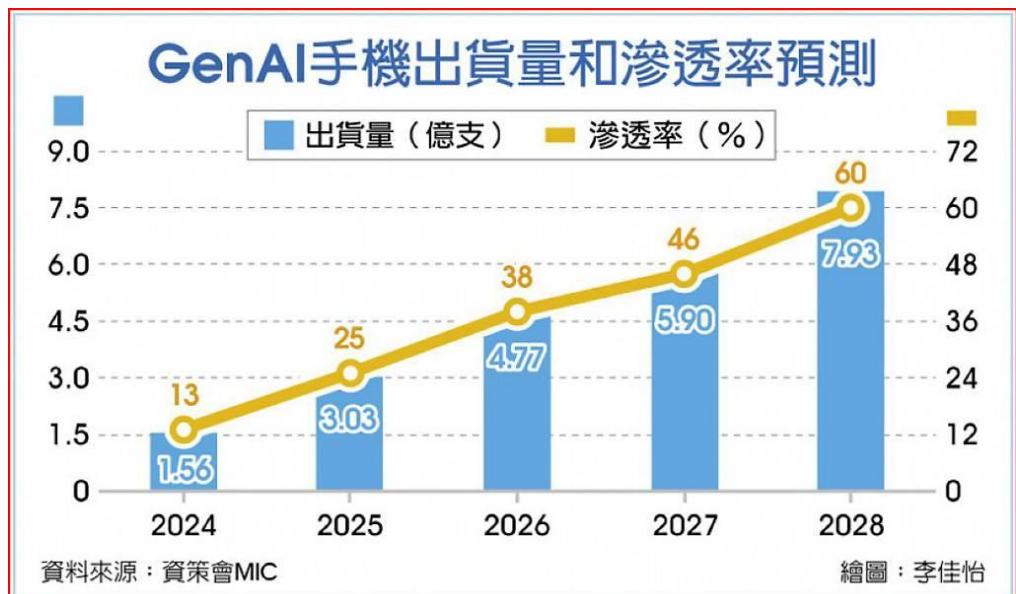
Worldwide smartphone forecast

Shipments (millions) and annual growth rate



Source: IDC Quarterly Mobile Phone Tracker, February 2026

Major smartphone brands are accelerating the integration of Generative AI (GenAI) into their products. According to a study by market research firm Counterpoint, GenAI smartphone shipments are projected to exceed 730 million units by 2028. Counterpoint's explanation indicates that initially, most of GenAI applications will be concentrated in high-end smartphones, but by 2026 and 2027, GenAI applications will further extend to high-end and mid-range phones priced between \$400-\$599 and \$250-\$399. By then, they will contribute to about 30% of GenAI smartphone shipments, primarily driven by Chinese brands. By 2028, GenAI applications may penetrate into low-end or entry-level smartphones priced below \$250.



(b) Computer and its surrounding IT&Computing

IDC again revises down the 2026 PC market outlook and issues a more severe warning than before! This year, global PC shipments are expected to decline by 11.3% year-on-year, significantly worse than the originally forecasted 2.4% drop in November 2025.

The reason for this forecast revision is mainly due to memory shortages, rising component prices, and ongoing supply chain pressures. IDC has further stated that these issues are likely to persist until 2027, making the recovery time for the entire consumer electronics market more difficult to predict.

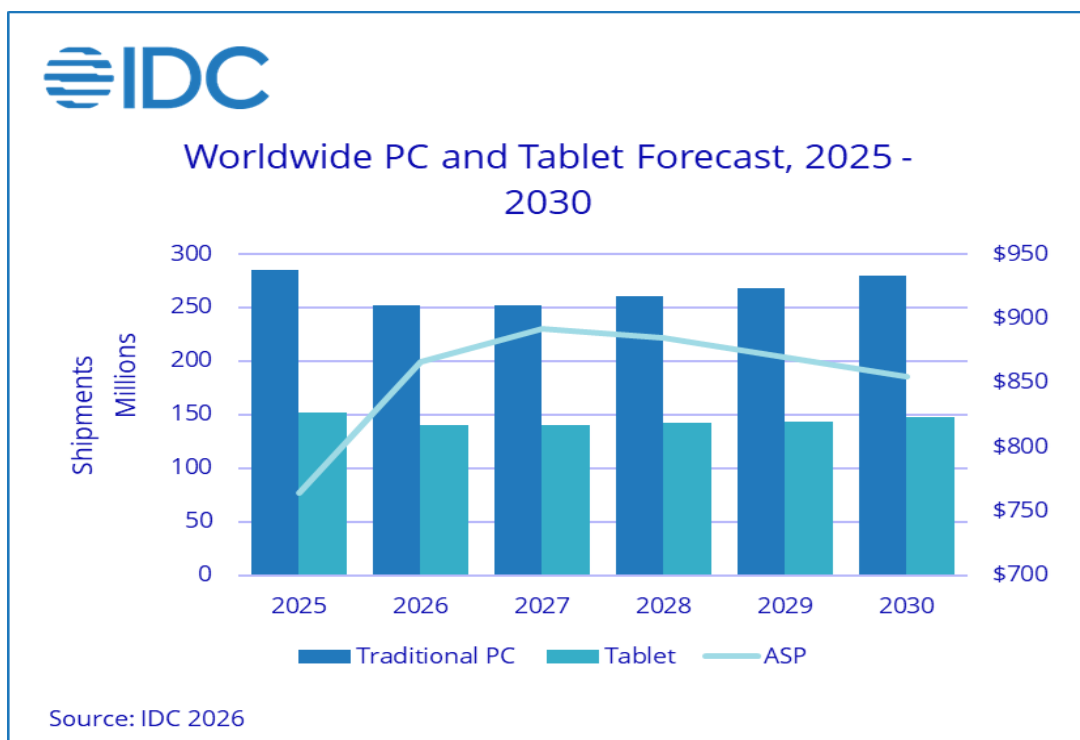
IDC pointed out that this significant downward revision in the forecast is because the current market is facing not just a single component price increase, but multiple pressures occurring simultaneously. In addition to the continued tight supply of memory such as DRAM, the global supply chain is also still affected by various unstable factors. For example, further escalation in the Middle East situation has not even been fully accounted for in this forecast.

In other words, IDC's current prediction of an 11.3% decline, although already quite poor to some extent, still has room for further deterioration in the actual situation. IDC also described that the technology industry and other industries are facing uncontrollable headwinds, making decision-making and even the survival of some companies very difficult.

This wave of pressure does not only affect PCs. IDC also predicts that global tablet shipments will decline by 7.6% in 2026, reflecting the significant impact of rising memory and component costs on the entire personal computing device market. In other words, whether you're looking at laptops, desktops, or tablets, the market is entering a new phase of "declining volume, rising prices." A decline in shipment volume does not necessarily mean that the overall market value will decrease, as manufacturers are likely to sustain their revenue through price increases.

IDC predicts that although PC shipments will drop significantly in 2026, the overall value of the PC market will instead increase by 1.6% year-on-year, reaching \$274 billion due to the rise in average selling prices. The total value of the tablet market will also increase by 3.9%, rising to \$66.8 billion.

Fewer units are sold, but each one is more expensive. For consumers, this is not good news because it means that even if market demand is weak in the future, computers and tablets may not necessarily become cheaper.



IDC directly stated in the report, "The era of affordable PCs and tablets has temporarily come to an end." Analyst Jitesh Ubrani stated that memory shortages will persist until the latter part of 2027. Even as prices have a chance to slightly ease in 2028, the market is unlikely to return to 2025 price levels.

In other words, the market's "normal state" in the future might no longer be the familiar era of cheap hardware but rather a new normal based on higher average selling prices. For consumers, this may directly change the device replacement cycle. From the brand perspective, this means that sales and pricing strategies need to be readjusted.

Gartner Senior Research Director Ranjit Atwal stated: "AI PCs are reshaping the market, but their adoption rate in 2025 has slowed due to tariffs and market uncertainties that have led to a slowdown in PC procurement." Nevertheless, in the future, users will still purchase AI PCs to cope with the increasing integration of edge AI.

Gartner analysts predict that in 2026, AI PC shipments will reach 143 million units, accounting for 55% of the entire PC market (see Table 1), and AI PCs will become the norm by 2029.

表一、2024-2026 年全球 AI PC 市場份額和出貨量

	2024	2025	2026
AI PC 佔 PC 市場的份額 (%)	15.6	31.0	54.7
AI 筆記型電腦占筆記型電腦市場的份額 (%)	19.4	35.7	58.7
AI 台式電腦占台式電腦市場的份額 (%)	3.8	16.4	42.1
AI PC 總出貨量 (千台)	38,145	77,792	143,113

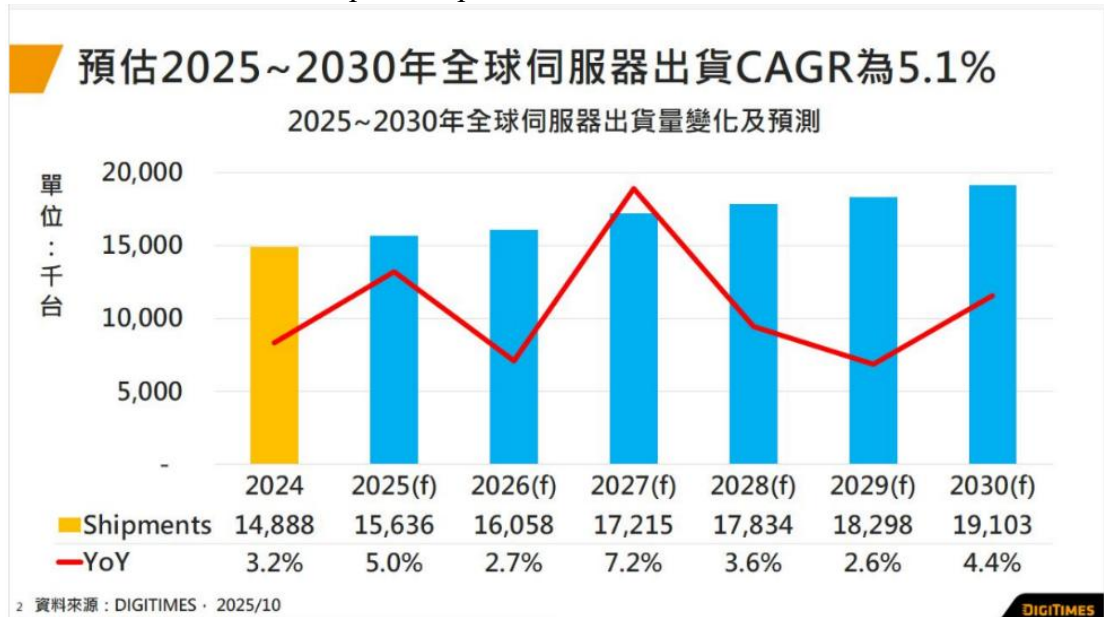
來源：Gartner (2025 年 8 月)

DIGITIMES estimates that the global server shipment CAGR from 2025 to 2030 will be 5.1%. In 2025, major cloud providers in North America, apart from making significant purchases of high-end AI servers, have not slowed down the procurement of general-purpose servers, which is expected to bring a higher annual growth rate than anticipated. In 2026, the global server shipment growth rate is expected to slow down, and as general enterprise procurement recovers, it is likely to stimulate brand vendors' shipments. It is anticipated that 2027 will see significant advancements in AI and general-purpose server-related technologies, making it the year with the highest annual growth rate in server shipments. The growth in server shipments is expected to slow from 2028 to 2029, while in 2030, with the full maturity of CPO technology, energy consumption could be significantly reduced, leading to a new wave of server upgrade demand.

Regarding the shipment performance of major operators, the procurement volume of large cloud providers, which mainly purchase white-label servers, is expected to reach a relative peak in 2025 as a proportion of overall server shipments. Afterward, it will gradually decline to 55% and maintain this share. American and Chinese brands are expected to see a more significant rebound in shipments in 2026. After 2028, as generative AI applications gradually mature across various fields, brands that master high-end, mid-range, low-end, and edge AI server solutions will have the opportunity to regain the

spotlight in market shipments.

Regarding AI server shipments, DIGITIMES maintains its estimate that high-end AI server shipments will reach 1.09 million units in 2025 and estimates that shipments will grow to 1.3 million units in 2026, with the annual growth rate expected to decline further, mainly due to expectations that NVIDIA Vera Rubin, because of the high technological span in various aspects, may not significantly increase as expected in the second half of 2026. In addition, the high level of AI computing power deployment by major cloud providers in 2024-2025 will also impact the procurement momentum in 2026.



DIGITIMES maintains its previous forecast, estimating that high-end AI server shipments will reach 1.09 million units in 2025, but general AI server shipments have been revised down from 720,000 units to 700,000 units.

The main procurement targets for general AI servers are primarily enterprises. However, due to weaker-than-expected enterprise server procurement in 2025 and the anticipated insufficient acceptance of the NVIDIA RTX PRO series models in the China market, the growth in general server shipments is relatively limited.

High-end AI server shipments are expected to grow by nearly 20% in 2026, reaching approximately 1.3 million units. It is estimated that the annual shipment growth rate will be halved compared to 2025, mainly due to the anticipated slower pace of product updates by industry leader NVIDIA in 2026. Although next-generation product Vera Rubin is expected to be launched in the second half of 2026, it will still face new

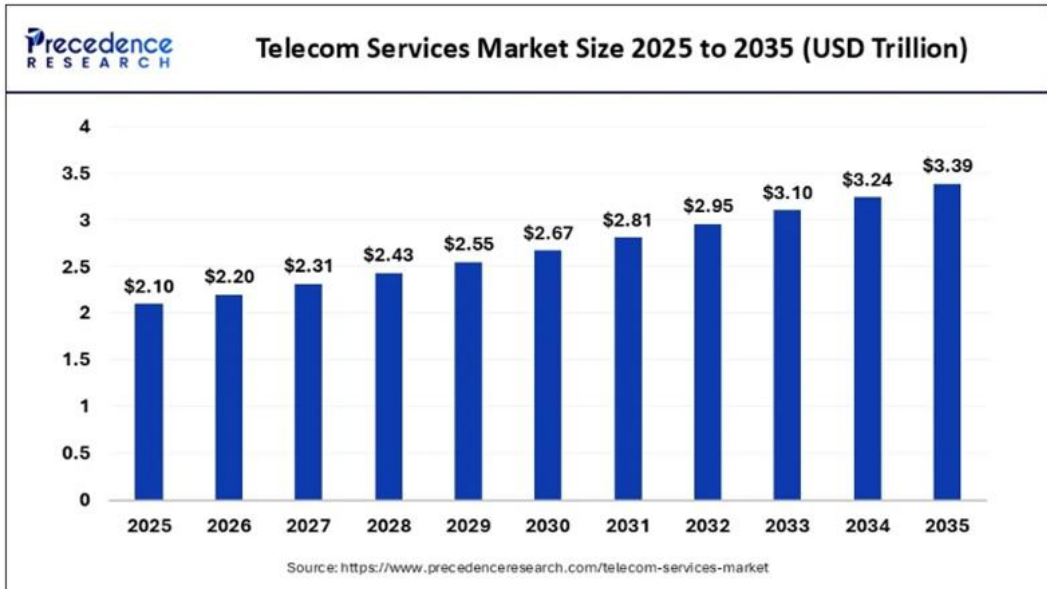
challenges in chip manufacturing and packaging, motherboard materials and cooling, system assembly and integration, among other areas. Various factors may all contribute to delays in the final shipments.

The shipments of general AI servers are expected to accelerate, with projections indicating that by 2026, as AI applications become established across various industries, enterprises will have more mature solutions to utilize, thereby increasing their motivation to procure general AI servers on their own.



(c) Networking and Telecommunications Telecom&Communication

According to a report by Precedence Research, the global network communication market size is expected to be \$2.1 trillion in 2025, and it will grow from \$2.2 trillion in 2026 to approximately \$3.39 trillion by 2035, with a compound annual growth rate (CAGR) of 4.91% from 2026 to 2035. The growth in demand for 5G networks and cloud computing has driven the development of the network communication market. The increasing prevalence of IoT technology has also driven the demand for telecommunication services.

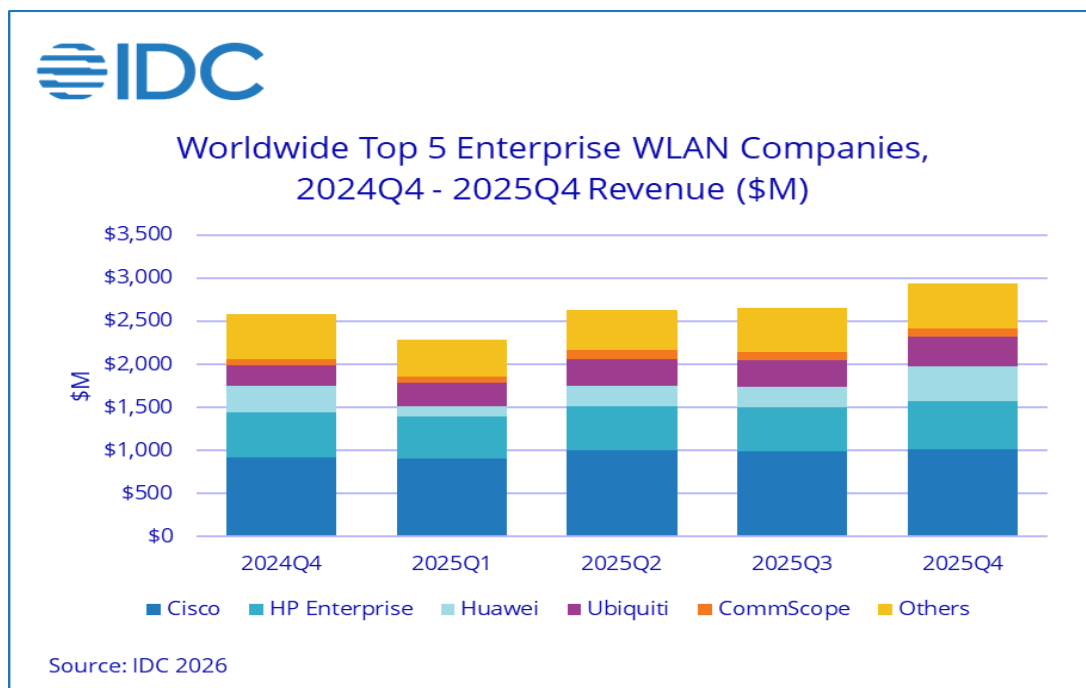


The telecom market has shifted from a phase of rapid growth to a structural adjustment period. Demand is no longer broadly expanding but is focused on specification upgrades and generational transitions. Starting in the second half of 2025, telecom equipment customers have gradually felt the pressure of rising DDR4 (Wi-Fi 6/6E/7) costs, and this situation is expected to continue into 2026 with tight memory supply. The actual impact will be observed in the first half of 2026 as it affects shipment pacing and project advancement. Simultaneously, data centers are continuously upgrading to high-speed switching architectures, with a clear trend towards the introduction of 800G and 1.6T. The year 2026 will be a critical year for specification changes in telecommunications and optical communications.

The enterprise wireless local area network market is being shaped by ongoing innovation, architectural evolution, and the growing influence of AI. The expansion of the 6GHz spectrum with Wi-Fi 6E, along with the accelerated adoption of Wi-Fi 7, is driving a new wave of upgrades.

At the same time, AI is enhancing WLAN design and operation through more automation and optimization, while enterprises are adopting a platform approach to integrate WLAN with broader network, security, and observability tools. Overall, these trends drive the enterprise wireless local area network market towards strong growth in the fourth quarter and the entire year of 2025.

From a geographical perspective, the Americas experienced an annual increase of 13.9% in the fourth quarter of 2025, while Europe, the Middle East, and Africa achieved a strong annual growth of 25.2%. In contrast, the revenue in the Asia-Pacific region slightly declined by 0.9% year-on-year, highlighting the regional differences in technology adoption and investment priorities.



- ◆ Cisco continues to lead the enterprise wireless local area network market, with revenue increasing by 10.8% year-over-year to reach \$1 billion, and a market share of 34.6% in the fourth quarter of 2025. Full-year revenue grew by 4.9% to reach \$3.9 billion, with a market share of 37.2% by the end of the year.
- ◆ HPE experienced a year-over-year increase of 4.7% to reach \$552.8 million after acquiring Juniper in July 2025, holding an 18.8% market share in the fourth quarter of 2025. Full-year revenue grew by 7.6% to reach \$20 billion, with a market share of 19.7% by the end of the year.
- ◆ Ubiquiti had the highest growth rate among major suppliers, increasing by 49.0% year-over-year to reach \$344.5 million, with a market share of 11.7% in the fourth quarter of 2025. Full-year revenue grew by 53.1% to reach \$1.2 billion, maintaining a market share of 11.7% in 2025.
- ◆ Huawei achieved strong growth, with a year-over-year increase of 32.1% to reach \$409.8 million, and a market share of 14.0% in the fourth quarter of 2025. Full-year revenue grew by 18.4% to reach \$1 billion, with the company holding a 9.6% share.

- ◆ CommScope (Ruckus Networks) achieved a year-over-year growth of 13.4% to reach \$88.8 million, holding a 3.0% market share as of the fourth quarter of 2025. Full-year revenue grew by 26.0%, with the company holding a 3.4% market share.

IDC expects enterprise wireless local area network upgrades to continue driving forward as organizations seek higher performance, greater automation, and tight integration with AI-driven and distributed workloads. The adoption rate of Wi-Fi 7 is expected to further accelerate, accompanied by an increase in tri-band access point (AP) deployments, particularly in regions with strong digital transformation initiatives.

As enterprises seek more scalable and flexible environments, growth will also be supported by the increased adoption of AI-driven network operations, platform-based network approaches, and cloud architectures. At the same time, the evolving security requirements, including zero trust frameworks, will remain crucial drivers, while supply chain constraints or macroeconomic headwinds might curb growth in certain regions. In the coming quarters, please continue to focus on innovations in AI capabilities, architectural models, and vendor strategies.

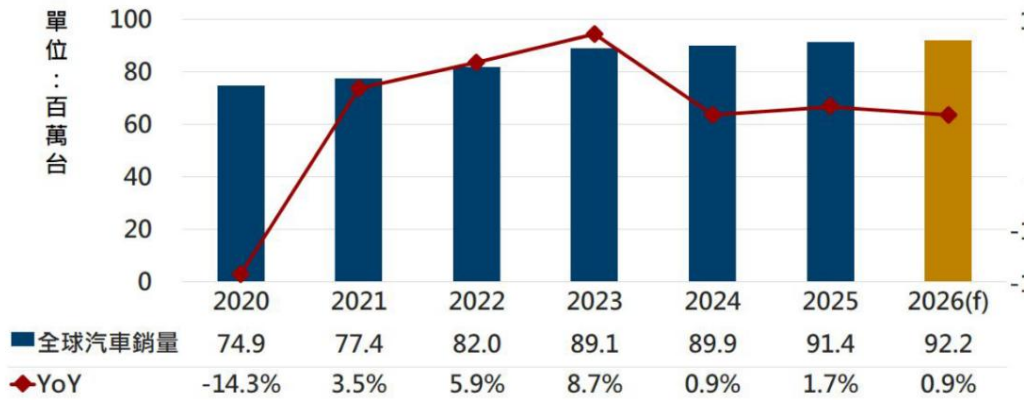
(d) Automotive

Looking ahead to 2026, the global automotive market is expected to see an annual growth rate increase only slightly to 0.9% due to the uncertainty of interest rate cuts and persistently high vehicle prices.

In 2026, the global extent of interest rate cuts remains uncertain, leading to a limited decline in car loan interest rates. Coupled with persistently high vehicle and component prices following the tariff increase in 2025, consumers are delaying vehicle replacements. Against this backdrop, the annual growth rate of the global automotive market in 2026 is expected to slow further to only 0.9%, with sales reaching 92.2 million units.

2026年全球汽車市場受降息幅度不確定 與換車週期延長影響 年增率將僅0.9%

2020~2026年全球汽車銷售量變化暨預測



4 資料來源：各國汽車協會、Tier 1業者、DIGITIMES · 2026/1

Looking ahead to 2026, DIGITIMES estimates global electric vehicle sales to reach 24.17 million units, with an annual growth rate of 15.2%, which is lower than the 21.8% growth rate in 2025. In 2026, the global electric vehicle sales will continue to be dominated by the primary regional markets of China, Europe, and the United States, with these three major markets accounting for 92% of global electric vehicle sales. However, the annual growth rates of these three markets will all be lower than in 2025. From a quantitative perspective, global electric vehicle sales in 2026 are forecasted to increase by 3.18 million units compared to 2025, slightly lower than the growth of 3.75 million units in 2025, reflecting a gradual slowdown in market growth momentum.

2026年全球電動車市場增速放緩 年成長將降至15.2% 銷量為2,417萬台

2020~2026年全球電動車銷售量變化暨預測



10 資料來源：各國汽車協會、汽車製造商協會、DIGITIMES · 2026/1

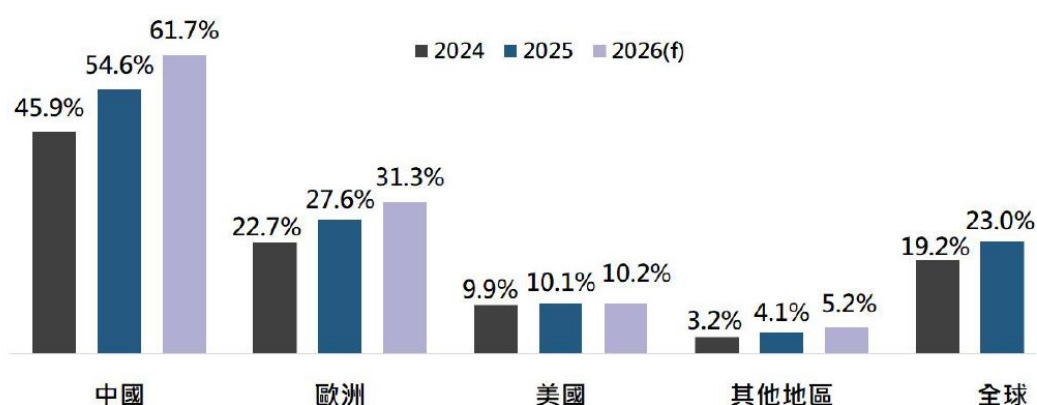
In 2026, global electric vehicle sales are estimated to reach 24.17 million units, with an annual growth rate of 15.2%; the largest market, China, will see growth significantly taper off after the re-imposition of the 5% vehicle purchase tax and the phasing out of related subsidies compared to 2025, but it will still maintain its global leading position. The second-largest market, Europe, is expected to continue its growth momentum under the five-year carbon reduction targets and car purchase incentives from various countries. Although local subsidies support the United States, the complete withdrawal of federal subsidies has led the market into an adjustment period.

Further converting the aforementioned electric vehicle sales volumes into penetration rates, it can be observed that the markets with the greatest increase from 2024 to 2026 are primarily China and Europe.

In the China market, the penetration rate will significantly increase from 45.9% in 2024 to 61.7% in 2026, surpassing 60%. In the European market, the penetration rate will increase from 22.7% in 2024 to 31.3% in 2026. In contrast, the penetration rate changes in the U.S. market are limited, increasing only slightly from 9.9% to 10.2%. In terms of the overall global market, the penetration rate will further increase from 19.2% in 2024 to 26.2% in 2026, indicating that the improvement in global electric vehicle penetration is mainly contributed by the China and European markets.

2026年全球電動車滲透率將達26.2% 中國突破6成、歐洲逾30%

2024~2026年主要國家及地區電動車市場滲透率暨預測



註：其他地區包含日本。
資料來源：各國汽車協會、汽車製造商協會、DIGITIMES · 2025/12

Additionally, the high-end trend in automotive in-car displays shows stable growth among the three major manufacturers.

According to the latest statistics from Sigmaintell, global vehicle display panel shipments reached approximately 120 million units in the first half of 2025, representing a 5.6% annual growth. Although sales in the automotive industry have slowed down, smart cockpits have become a selling point, leading vehicle display panels towards larger sizes and higher-end qualities. Among them, BOE, Tianma, and AUO continued to grow in shipments in the first half of the year, firmly maintaining their positions as the top three vehicle display panel suppliers.

Sigmaintell pointed out that in the first half of 2025, global vehicle display panel shipments totaled approximately 120 million units, with an annual growth of 5.6%. Among these, the original equipment market growth was more significant, contributing approximately 88.5%. The overall sales growth rate of the automotive industry has slowed down, affecting the demand for vehicle display panels to some extent. However, smart cockpits have become a core competitive selling point for automakers, increasing consumer demand for diverse and high-end in-car screens, driving the stability of the fundamental market for display panels.

From a competitive landscape perspective, the vehicle display panel market remains fiercely competitive, with the top three suppliers having a significant lead. BOE's production capacity advantage and extensive customer resources resulted in a shipment volume of approximately 21.6 million units in the first half of the year, reflecting an 8.2% annual growth and a global market share of 18.1% in vehicle display panel shipments. Tianma has focused on the vehicle business for many years, especially having a leading advantage in small to medium-sized vehicle display panels, with shipments totaling 21 million units in the first half of the year, reflecting a 24.7% annual growth and a market share of nearly 20%. AUO has completed integration of the automotive electronics supply chain through the acquisition of BHTC, promoting a transition in its vehicle business from a single panel supplier to a provider of cockpit display solutions. The significant increase in the proportion of high-end products has not only boosted shipment growth but also greatly enhanced revenue from the vehicle business. In the first half of the year, AUO's vehicle display panel shipments reached 12.4 million units, reflecting a year-over-year growth of 6.5% and a market share of 11.8%.

LG Display focuses on LTPS and OLED panel technologies and collaborates with LG Group's Automotive Electronics-related businesses, securing a place in the high-end vehicle display panel market. In the first half of the year, shipments were approximately 9.7 million units, reflecting a 12.3% year-over-year growth. In the first half of the year, JDI continued to face severe challenges, with shipments reduced to 8.9 million units, and a significant drop to 3.7 million units in the second quarter. As it adjusts its strategy, with the gradual shutdown or sale of factory production lines and other fixed assets, its competitiveness may be further squeezed. Sigmaintell forecasts that the vehicle display panel shipments for the entire year 2025 are expected to grow by 4.0%, reaching 240 million units. In 2026, the automotive market is expected to maintain the trend of "slowing growth and structural optimization."

B. Competition situation

In the past, the revenue of the products distributed by Taiwan's distributors was concentrated on components for notebook computers, memory, and motherboards, and this concentration was due to the fact that most of the customers in Taiwan's system business were concentrated in this area. With the advent of the post-PC era and IA products, notebook computers and their peripherals have been reduced to single-digit growth, and the key to success for semiconductor distributors lies in their ability to continue to identify the killer applications with market potential and then distribute the necessary key components for them. Such emerging applications include smartphones, LED lighting, industrial control, intelligence, automotive electronics, IOT, networking and other related product groups.

In terms of the structure of semiconductor distributors, large distributors usually have strong operational resources and represent a large number of products. If the product price fluctuations come from these high-volume products, the risk is naturally very high. The other category of small and medium-sized channel operators have relatively fewer operating resources, and most of the products they represent are for special applications and more technical support, and the specifications and markets are not fixed, so the competition in the industry is relatively less intense. The risk is also from wrong product development direction.

Semiconductor distributors who demonstrate familiarity with the local market and customer base, as well as the ability to provide technical support, will have the opportunity to secure distributorship with leading semiconductor companies. Our company is one of the most extensive semiconductor component agents in Taiwan. We are currently the agent of linear ICs, diodes, power field effect transistors, transistors, passive ICs,

specific ICs, memory ICs, digital ICs and control ICs, memory cards, panels, etc. We have a wide range of products to provide customers with the convenience of purchasing them all at once. We offer a wide range of products to provide customers with the convenience of one-time purchase. Skilled application engineers (FAE) can help customers to shorten product design time and increase market competitiveness; marketing staff keep an eye on industry dynamics and add new brands and products for distribution in a timely manner so that our new product development can be ahead of the industry. As the Company provides value-added services to the market as a whole, it will continue to grow in the competitive market in the future.

At present, most of the agency granted by major international semiconductor companies are compound distributorship contracts, not exclusive contracts, resulting in dozens of companies playing the role of midstream semiconductor distributor in the domestic semiconductor industry. In addition to the company, the main distributors include WPG Holdings, WT, Weikeng, EDOM, and Alltek, etc.

In recent years, under the promotion of the business units, the Company has successfully acquired the distribution rights of key components of wireless communication products, optoelectronics products and video multimedia, and continues to cooperate with downstream system manufacturers to develop products, so as to quickly raise the level of technical support and development and achieve the effect of product integration.

3. Technology and R&D profile:

Research and development expenses and technologies or products successfully developed in the most recent year and as of the date of publication of the annual report: The Company is a semiconductor distributor and not a manufacturer, so it is not applicable.

The company believes that professional semiconductor parts and components marketing and distribution channels for sustainable management, so the company established "New Business Development Division".

In addition to providing the best service, we also provide different solutions to help our customers reduce the time to market. We have developed application design solutions in various fields such as power management (Server power/Industrial and 5G, optoelectronics, peripherals/HMI, communication, video, multimedia devices, MCU, etc.). In addition to continuing its efforts to develop new markets based on its existing product lines and marketing, the Company expects to strengthen its distribution or agency development of products and markets related to IOT, automotive electronics, smart home and other related opportunities in the future.

Classification by Properties	Product Application Areas	Solution Description
Handheld devices	Wearing device	Integration of wireless communication modules, etc.
Computers and their peripherals	PC (personal computer) , NB (laptop) , Tablet (Tablet) , Server (server)	After the launch of USB4 and the upgrade of PC specifications, PC peripheral related accessories such as Docking/HUB/Cable related solutions. Take and control the ReDriver/ReTimer in Type-C and MUX solution.
Telecom and Communication	Telecom for 5G base stations, switches, XPON	5G base station deployment and terminal device modulation and security solutions POE+ENT in Switch Market Solution
Industrial Electronics	Security monitoring, instruments, etc.	Wireless communication solutions, new energy devices, and grid management systems.
Automotive Electronics	Charging Pile and OBC Car AV, ADAS	Electric vehicle charging pile with OBC, BMS and self-driving system. In-car audio-visual entertainment system solutions.
Consumer Electronics	Home Appliance Board, Smart Home	Home appliance boards in motor drive applications, smart lighting solutions, home appliance/small home appliance motor drive solutions. Home security, smart doorbell, smart lock and other solutions

4. Long- and short-term business development plans

(1) Short-term development plan

A. Strengthen marketing and product planning capabilities.

- (a) Strengthen the market planning ability of the Product Division, fully grasp the market pulse, and analyze the future market trend and scale, respond to the market dynamics to the original suppliers and assist the sales department to promote products.
- (b) To adjust the product mix of the agent's products in line with the product development trend of the agent's product line, and develop its derivative products to expand the added value of the agent's distribution.
- (c) Continuously plan to introduce products that meet new market applications, with special emphasis on the 3C market and emerging applications and industries (such as smart grid, Internet of Things, industrial control applications, automotive electronics, smart home, and energy-saving industries) .

- B. Continuously strengthen the R&D and application engineering process capabilities
 - (a) Integrate the company's overall product and technology resources, so as to provide TURNKEY SOLUTION as a whole technology to recommend the products we represent to our customers.
 - (b) Actively cultivate software, firmware and hardware talents, cooperate with the Market Development Division to plan the introduction of technology-oriented products, and extend upstream and downstream the agency of new key components, to achieve the purpose of providing complete technology.
- C. Strengthen operational and financial management
 - (a) Emphasis on internal talent training will be combined with internal resources and external professionals to arrange close courses to improve the overall professionalism of employees; in addition, in order to improve the quality of customer service, we emphasize the implementation of target management to comprehensively improve the operating performance of each business unit.
 - (b) To obtain long-term, low-cost capital in the capital market in response to future operational growth at an appropriate time, and to assist the Company in completing its development plans and financial improvement through a sound internal control system and operating procedures.
 - (c) Strengthen management to improve the efficiency of the company's manpower and capital utilization, reduce unnecessary processes and waste of human resources, so that the company can maintain good growth and profitability in the competitive market.

(2) Long-term development plan

A. Focus on seven major product applications

In the face of increasingly fierce competition in the electronics industry, Zenitron strives to become a "value-added application design solution provider" by strengthening its own R&D capabilities, moving beyond traditional component trading to provide customers with total solutions that accelerate their time-to-market and create irreplaceable value for Zenitron. In order to match the solution-oriented marketing mode, the Company integrated the existing marketing team and also commit to training FAE and R&D designers. Currently effectiveness through hard work of application design solutions has gradually shown, and specific solutions in seven areas such as, "handheld devices", "computers and peripherals", "power management", "consumer electronics", "communication and network", "industrial power supply", and "automotive electronics". In addition to focusing on the

integration of existing agency line products, we also set up a market development department to actively seek new agency lines to strengthen the competitiveness of various solutions.

- B. Strengthen FAE technical support and design development capabilities to focus on solution sales strategy

Focusing on the solution sales strategy, becoming a Technology-leading Value-added Channel Provider is the company's business strategy. Therefore, mastering new technologies and cultivating professional R&D talents to develop high quality application design solutions are important goals for the company's human resources development. The provision of solutions not only reduces the R&D cost and time for customers, but also cultivates customer loyalty and widens the gap with competitors. On the other hand, the cultivation of our own technology will help the company to obtain new product distribution rights and strengthen the competitiveness of our product lines.

- C. Invest in related electronic access-related businesses to expand the depth of service in the parts and components industry

In addition, the company is also constantly seeking new market opportunities to increase its competitiveness. In the long term, the Company will continue to focus on the semiconductor component channel as its core business. In the future, the Company will focus on its own business and extend its investment in electronic channel-related businesses by investing in upstream IC design houses or strategic alliances with the industry. By investing in upstream IC design houses or strategic alliances with peers, we will be able to grasp the pulse of the technology and semiconductor industries, increase product distribution opportunities, create revenue growth and profit streams, and expand the depth of services provided by the component channel industry to upstream, midstream and downstream related companies.

- D. Establish long-term cooperative development customer and supplier relationships.

Distributors and agents play an important role as consultants to suppliers and in customer service, providing the most comprehensive information and after-sales service to suppliers and customers.

(II) Market and Production and Sales Overview

1. Market Analysis

(1) Major products (services) sold (provided) in the region

Unit: NT\$1,000

Sales Area \ Year	2024		2025	
	Sales amount	%	Sales amount	%
China	30,865,183	84.71	34,903,303	84.20
Taiwan	3,658,847	10.04	4,087,205	9.86
Other	1,913,223	5.25	2,460,157	5.94
Total	36,437,253	100	41,450,665	100

Note: Filled in with consolidated financial information.

(2) Market share

The Company's 2025 revenue was NT\$41,450,665 thousand, which is approx. 2% market share of revenue of major publicly traded semiconductor component specialty marketers. We are not only a key distributor/distributor for INFINEON, SANDISK, BIWIN, PARADE, WD, ROHM and DIODES etc. in Asia Pacific region, but also continue to plan and introduce new products to meet new markets and applications. The professional technology and services provided to downstream electronic information manufacturers are also highly valued and recognized by the industry.

(3) Future market supply and demand and growth

A. The global semiconductor market continues to heat up.

According to Gartner's preliminary report, global semiconductor revenue in 2025 will reach \$793 billion, with an annual growth rate of 21%, primarily driven by the demand for artificial intelligence (AI). The report indicates that AI semiconductors, including processors, high-bandwidth memory, and networking components, continue to drive unprecedented growth in the semiconductor market, with sales of related products approaching one-third of the overall market.

In this wave of growth, NVIDIA (NVDA) has performed particularly well. In 2025, NVIDIA's global semiconductor revenue reached \$125.7 billion, with an annual growth of 64%, successfully surpassing the \$100 billion annual revenue milestone. Its Blackwell architecture was completely sold out by mid-2026, integrating technologies such as Spectrum-X Ethernet and NVLink 5.0 to build large-scale GPU clusters for AI "factories."

Table 1. Top 10 Semiconductor Vendors by Revenue, Worldwide, 2025 (Millions of U.S. Dollars)

2025 Rank	2024 Rank	Vendor	2025 Revenue	2025 Market Share (%)	2024 Revenue	2025-2024 Growth (%)
1	1	NVIDIA	125,703	15.8	76,692	63.9
2	2	Samsung Electronics	72,544	9.1	65,697	10.4
3	4	SK Hynix	60,640	7.6	44,186	37.2
4	3	Intel	47,883	6.0	49,804	-3.9
5	7	Micron Technology	41,487	5.2	27,619	50.2
6	5	Qualcomm	37,046	4.7	32,976	12.3
7	6	Broadcom	34,279	4.3	27,801	23.3
8	8	AMD	32,484	4.1	24,127	34.6
9	9	Apple	24,596	3.1	20,510	19.9
10	10	MediaTek	18,472	2.3	15,934	15.9
		Others (outside top 10)	298,315	37.6	270,536	10.3
		Total Market	793,449	100.0	655,882	21.0

(Source: Gartner)

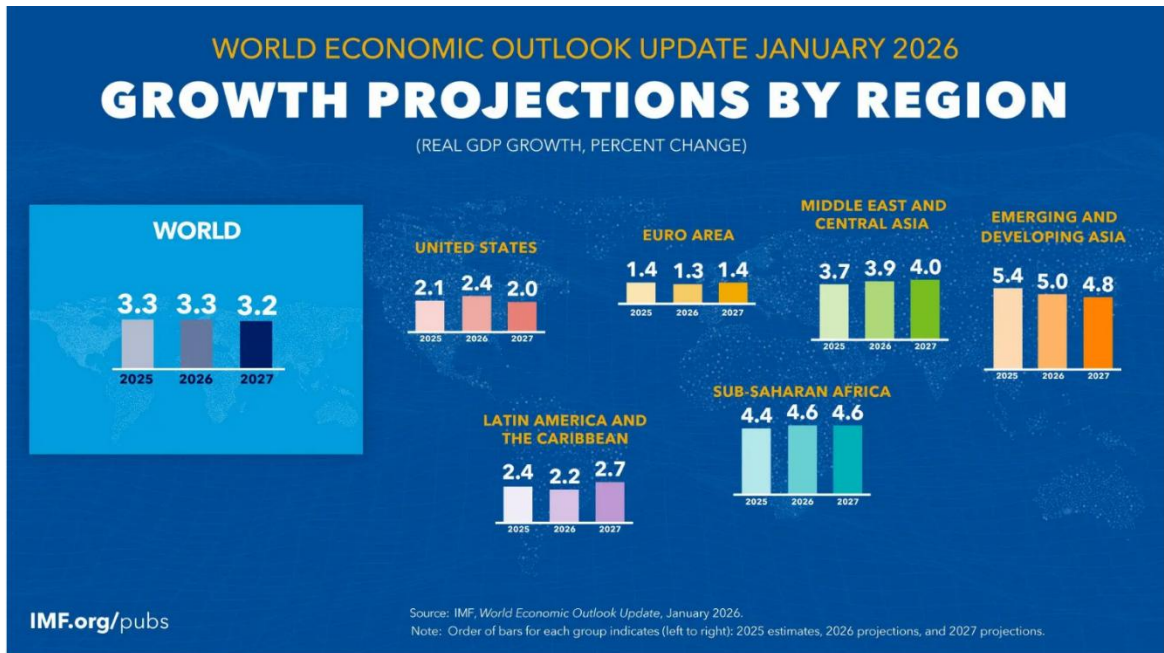
In addition, Asian semiconductor giants also hold a key position in the global market. Samsung ranked second with \$72.5 billion in revenue, while SK Hynix ranked third with \$61 billion, demonstrating Asia's indispensable role in AI chip production, especially amidst the dramatic shifts in the global supply chain landscape.

Gartner's analysis further emphasizes that AI infrastructure is evolving from niche applications to the core of the semiconductor market, with global spending related to it expected to exceed \$1.3 trillion by 2026. This transformation reflects a long-term trend of accelerated computing, as if the global digital infrastructure is being rebuilt at an unprecedented pace. Hyperscale data centers and national players competing for AI capabilities have become the main protagonists of this wave of investment.

According to the IMF's global GDP annual growth rate forecast (2026 Jan), the global economic growth rate is expected to be 3.3% in 2026 and 3.2% in 2027, slightly revised upwards from the World Economic Outlook released in October 2025. Technical investments, fiscal and monetary support, accommodative financial conditions, and the adaptability of the private sector offset the impact of changes in trade policy.

Global inflation is expected to decrease, but U.S. inflation will gradually return to target levels. The main downside risks include a reassessment of technology expectations and an escalation of geopolitical tensions.

Policymakers should restore fiscal buffers, maintain price and financial stability, reduce uncertainty, and implement structural reforms.



B. Taiwan's semiconductor industry shows strong capabilities and has a bullish future.

According to the latest data from the World Semiconductor Trade Statistics (WSTS) and ITRI's Institute of Information Technology, the global semiconductor market is showing remarkable growth momentum in 2025. The global annual sales value officially surpassed the \$790 billion mark, growing by over 25% compared to the previous year. In Taiwan, benefiting from the surge in AI demand, the output value of Taiwan's IC industry is expected to reach NT\$6.5225 trillion in 2025, with a potential to surpass NT\$7.7 trillion in 2026.

Observing the performance of global regional markets, the United States and the Asia-Pacific region will become the core engines of growth in 2025. The U.S. market's annual sales value surpassed \$250 billion, increasing by more than 30% year-over-year; meanwhile, the Asia-Pacific region performed the best, with an annual growth rate as high as 45%, showcasing strong market resilience. In contrast, the European and Chinese markets maintained steady growth at 6.3% and 17.3% respectively, while the Japanese market appeared relatively sluggish, becoming the only major global economy to experience a decline, with annual production value falling by approximately 4.7% compared to last year.

Taiwan's semiconductor industry also delivered an impressive report card in 2025, showcasing its core position in the global supply chain. ITRI predicts that in 2025, Taiwan's IC industry will reach a total output value of NT\$6.5225 trillion, with an annual growth rate of 22.7%. Among them, the IC manufacturing industry played the role of a leader, with an annual growth rate as high as 28.3%. Particularly, in the field of wafer foundry, bolstered by

the demand for AI and high-performance computing, the annual output value surpassed NT\$4.1 trillion. In addition, the IC design, packaging, and testing industries also grew simultaneously, each delivering annual growth rates ranging from 12% to 14%.

(4) Competitive Niche

A. Solid management team

The company's main management team has more than years of experience at the managerial level, and the management team has a good business philosophy and cooperation tacit understanding, in addition to a complete training program to enable employees to quickly complete the new knowledge of the industry and work mastery, but also to establish a full staff marketing service consciousness, in order to provide customers with and time and professional services. In addition, through monthly management meetings, the company effectively grasps the industry environment and market trends, and constantly conceives business strategies for semiconductor component distributors in order to create market value for distributors.

B. Clear product and market positioning

With years of experience in marketing semiconductor components, we have developed into a professional distributor of semiconductor components. Our original product lines are based on linear ICs, analog ICs and discrete devices, especially in the power conversion/power management and consumer electronics related product markets.

C. Professional product service capability

As the global information industry is gradually moving toward international division of labor and integration, professional semiconductor component distributors need to play an active role in industry integration in the promotion of product marketing. Due to the global production model, the value provided by professional semiconductor component distributors to their customers is no longer limited to product and price, but extends to logistic support. We also have a team of Application Engineers (FAE) who not only support the sales staff to introduce products to customers, but also actively assist customers in solving various engineering problems so that the new products developed by customers can be launched in the market ahead of others to enhance the overall efficiency and increase the satisfaction of the end market.

D. Highly recognized channel value by suppliers

Our company has established a professional market value as a semiconductor component distributor in our professional marketing organization, and has been cooperating with suppliers for more than 30 years in our original product lines. With our professional marketing ability and complete distribution network, we have been able to increase the number of new product lines, and domestic and foreign IC design companies also highly

recognize our agency sales ability and are willing to cooperate with us to develop and sell products, showing that we have successfully established the value of a professional semiconductor parts distributor.

E. Accurate and efficient inventory management

The company uses computerized import and export system to closely monitor the purchase and inventory of various products, in order to grasp the market trends, the supply and demand status between customers and suppliers, and effectively improve the efficiency of material import and export and streamline inventory management costs to meet the needs of customers and time-to-order (BTO/JIT) purchase of materials.

(5) Favorable and unfavorable factors of development prospect and countermeasures

A. Favorable factors

(a) Distributorship of brands and completeness of supply of a wide variety of components:

The Company is the distributor of INFINEON, SANDISK, BIWIN, PARADE, WD, ROHM and DIODES and other major brands, providing the semiconductor components required by the electronic information industry to meet the convenience of customers' one-time purchase. SANDISK is a global leader in flash memory technology research, development, manufacturing, product design, consumer branding, and retail distribution, and Infineon is the technology leader in power field-effect transistors (MOSFETs) and the world's largest manufacturer of these products. The brands we represent continue to develop new products to create new market needs and maintain a competitive advantage.

(b) Continue to plan for non-3C niche markets and develop new product line.

Negotiate and cultivate new agent lines to develop new products and new markets that meet future market trends. Energy saving industry, industrial control, white goods, automotive electronics (new energy vehicles) , smart home, IOT, wearable devices, unmanned aerial vehicles, etc. are the markets to focus and cultivate.

(c) Complete marketing organization and industry professionalism oriented market development office/business unit.

The product department is responsible for planning the overall marketing plan for each agent's products and analyzing the future market trend and scale. The Business Unit specializes in its specific industries and regions, providing specialized services and long-term customer relationship development, including PC and peripheral markets, power supplies, consumer electronics, network communications, and other favorable markets. Our head office in Taiwan is located in Taipei, and we have set up business units in

Hsinchu, Taichung and Kaohsiung to serve our customers in close proximity. In the highly growing Mainland China market, Zengqi has sales and logistics centers in Hong Kong, Southern China, Eastern China, Northern China, and Southwest China.

- (d) Professional technical support team to provide customers with immediate solutions:

The company quickly grasps the latest technology market trends, communicates the latest product solutions to customers and provides immediate services, and holds seminars with suppliers on related industries and product information to discuss with customers to grasp the latest information. The Company provides total solution for our products and responds to customers' technical questions about components quickly, save R&D cost and shorten time to market for new products.

B. Adverse factors and countermeasures:

- (a) General electronic products continue to low price fermentation profit space is constantly compressed

Countermeasures:

- a. Enhance employee education and training, stimulate self-learning awareness among employees, and implement overall marketing management to improve the company's production and competitiveness.
- b. To instruct the product manager to reflect the overall market competition to the suppliers in a timely and strict manner, and to actively seek the suppliers' price support in order to expand the business performance and increase the profit.
- c. Develop high margin markets, such as industrial computers, servers, etc. Increase the distribution line of components for special applications, which are irreplaceable and have relatively higher gross margins.
- d. Set up R&D application engineering team to assist customers to use our products to complete the design more quickly to grasp the market opportunities and ensure higher profits and market, and timely introduction of new agent products to grasp the market out of the old and replace the new business opportunities.
- e. In response to reduced consumer demand and high inventory and capital costs caused by inflation, the Company is making every effort to adjust our PO and inventory management.

- (b) Deteriorating competition and increased risk of bad debts
Countermeasures:
 - a. Strengthen the management of credit and account recovery, and instruct the Customer Service Department, the Business Department and the Finance Department to gain an in-depth understanding of customers' operating conditions and implement customer credit and credit evaluation.
 - b. The finance department collates the accounts receivable collection situation on a monthly basis and forwards it to the head of the business department to urge the business colleagues to collect the accounts receivable on time.
- (c) Short product life cycle Countermeasures:
 - a. Weekly meeting of each sales department to review the status of parts and components used by customers for production and development of models and import/sales regularly and occasionally.
 - b. Standardize sales forecast, ordering (stocking) / purchasing process, use computerized information management system to clearly obtain inventory aging analysis, and instruct product managers to set up handling methods and preventive measures to be taken.
- (d) Industry consolidation, the larger the better Countermeasures:
 - a. Strengthen staff education and training, fully familiar with the products and related application technology of each distribution brand, fully exploit the value of professional semiconductor distribution channels, and provide customers with the convenience of one-time purchase.
 - b. Strengthen the cultivation of niche markets, provide a more flexible and long-term cooperative approach to customer management, and strengthen the company's overall team service standards to gain customer recognition and consolidate and develop better customer-supplier relationships.
 - c. Actively seek investment in related electronic channel business to expand the depth of the component channel industry's services to upstream, midstream and downstream related manufacturers and customers.

2. Significant uses of major products and production processes

(1) Important applications of the main product

Main Product Categories	Product Name and Usage
Linear integrated circuit (LINEAR)	Operational amplifiers, comparators, voltage stabilized ICs, bandwidth regulation, digital/analog converters, audio ICs, image processing, sound processing, video processing, DC motor drivers, integrated circuits for telephones and communications, etc.
Logic and specific applications Integrated circuits	Logic processing, microcontroller (MCU) , USB chip digital signal processor (DSP) , optical disk drive products, computer motherboards, satellite positioning systems, LCD monitors/TVs, digital cameras, and other uses.
Embedded Flash/Memory Card, Solid State Drive (NAND Flash Memory IC/Card & SSD), SRAM	NAND flash memory ICs/memory cards and solid state drives for tablet PCs, notebooks, digital cameras, cell phones, GPS, Gaming, etc.
Distributed semiconductor component (including transistors, power field effect transistors, diodes, light emitting diodes, etc.)	It is used for signal amplification, signal switching, signal control, signal display and voltage stabilization, rectification, and circuit driving of electronic circuits.
Passive components	Wafer and array resistors, tantalum capacitors, laminated capacitors, functional polymer capacitors, voltage control oscillators for mobile phones, SAW FILTER, etc.
Modules and others	Power modules, camera modules for cell phones, SENSOR, FLASH Memory, etc.

(2) Production process: The Company is a semiconductor distributor and not a manufacturer, so it is not applicable.

3. Supply of major raw materials: The Company is a semiconductor distributor, not a manufacturer, so it is not applicable.

4. The names of customers who have accounted for more than 10% of the total purchase (sales) and the amount and proportion of purchase (sales) in any of the last two years

- (1) Name of suppliers who have accounted for more than 10% of total imports in any year of the last two years

Unit: NT\$1,000

Item	2024 (Note 1)				Year 2025 (Note 1)			
	Name	Amount	Percent (%)	Relation with Issuer	Name	Amount	Percent (%)	Relation with Issuer
1	Supplier A	5,255,713	16.29	None	Supplier A	4,990,210	12.64	None
2	Supplier B	924,321	2.86	None	Supplier B	4,386,372	11.12	None
3	Supplier C	1,243,731	3.86	None	Supplier C	4,212,803	10.68	None
4	Supplier D	4,979,881	15.44	None	Supplier D	3,908,504	9.91	None
5	Other	19,856,038	61.55	None	Other	21,956,703	55.65	None
	Net Total Supplies	32,259,684	100.00	-	Net Total Supplies	39,454,592	100.00	-

Note 1: Filled in with consolidated financial information.

The main products distributed by the Company are memory cards, power field effect transistors, integrated circuits, and diodes. The main suppliers include INFINEON, SANDISK, BIWIN, PARADE, WD, ROHM and DIODES etc. Since the Company has maintained long-term relationships with these suppliers, the distribution rights are quite stable, and they have been among the top ten suppliers over the years.

- (2) Information on customers who have accounted for more than 10% of total sales in any of the last two years

Unit: NT\$1,000

Item	2024 - Consolidated (Note 1)				2025 - Consolidated (Note 1)			
	Name	Amount	Percent Relation	with Issuer	Name	Amount	Percent Relation	with Issuer
1	Other	36,437,253	100.00	None	Other	41,450,665	100.00	None
2								
	Net sales	36,437,253	100.00		Net sales	41,450,665	100.00	

Note 1: Filled in with consolidated financial information.

We are mainly engaged in the sales of semiconductor components, and our main customers are well-known domestic electronic product manufacturers, such as Xiaomi and LONGCHEER for smart phones, BOE, AUO for LCD panel manufacturer; ASUS, Gigabyte, and Micro Star for motherboard manufacturers; Inventec, Tech-Front, Tech-Com, and Compal for notebook computer manufacturers; Lite-on, Delta, Greatwall and Hon Hai for power supply and communication peripherals. In addition, the Company established Zengqiang (Hong Kong) subsidiary in 1998 in order to strengthen the demand for parts and components for manufacturers relocated to Hong Kong and Mainland China, and the business scale of the Hong Kong subsidiary grew rapidly due to the accelerated

westward expansion of domestic manufacturers. Overall, the amount and proportion of sales to each of the Company's major customers may increase or decrease depending on the industry trend, business conditions or strategic adjustments of the customer.

(III) The number of workers, average years of service, average age and education distribution of employees in the industry for the last two years and as of the printing date of the annual report:

Year		2024	2025	As of March 31, 2026
Number of employees	Business Technology of Products	548	547	542
	Administration and Management	203	195	194
	Total	751	742	736
Average age		39.89	40.39	41.33
Average Length of Service		8.11	8.55	8.75
Education Distribution	PhD	0.13%	0%	0%
	Master	6.92%	7.14%	7.2%
	College	82.7%	83.02%	82.75%
	High School	10.25%	9.84%	9.78%
	Below high school	0.00%	0%	0.27%

(IV) Environmental Expenditure Information

1. In accordance with the provisions of the law, those who should apply for a pollution facility installation permit or a pollution discharge permit, or those who should pay pollution prevention and control fees, or those who should establish a special unit for environmental protection, the application, payment or establishment of the situation: The Company is not a manufacturing industry, so it is not applicable.
2. The Company's investment in major equipment for environmental pollution control and its use and potential benefits: The Company is not a manufacturing industry, so it is not applicable.
3. In the latest fiscal year and as of the day that annual report is printed, the company has improved the environmental pollution, and if there is a pollution dispute, the company should explain the handling process: The company is a professional technology integration marketing distributor, so there is no pollution in our business scope.
4. In the latest fiscal year and as of the day that annual report is printed, all losses caused to the Company due to environmental pollution (included liability and the environmental protection assessment result showed violation of laws and regulations; punishment date, punishment document No., Article No. with violation, clause details with violation and

punishment details shall be specified, and current and future potential amount forecast and countermeasures shall be disclosed; in case of failure of reasonable forecast, facts which failed to be forecasted shall be specified) : None

5. The current pollution status and the impact of its improvement on the company's earnings, competitive position and capital expenditure and its expected significant environmental capital expenditure in the next two years: None.
6. In response to the EU Restriction of Hazardous Substances Directive (RoHS) :
 - (1) We are a distributor of semiconductors and electronic components (we do not manufacture any products ourselves) and serve as an agent for the sale of semiconductors and electronic components from international semiconductor companies in Europe, the United States and Japan, as well as domestic IC design companies. Our main sales customers include domestic and foreign manufacturers of electronic information, network communications and consumer electronics products.
 - (2) We do not sell our products directly to Europe, but mainly to domestic and foreign manufacturers of electronic information products.
 - (3) Our main agent suppliers have all completed the development of new products and related production processes in accordance with the EU Environmental Directive (RoHS) , and according to the customer's new product model development schedule requirements (whether RoHS certification is required) , we provide products that comply with environmental certification for system manufacturers to use in production.
 - (4) In order to meet the different material production requirements of leaded and unleaded materials, our company has planned the related material and storage operations and has completed all the related operations.

(V) Labor relations

1. Employee welfare measures, training, training, retirement system and its implementation status, and the agreement between labor and management and various employee rights and interests protection measures:
 - (1) Employee Benefit Measures
 - A. In addition to general benefits such as labor insurance, health insurance, group insurance, and pension benefits, our employees are provided with a complete system of education and training, annual bonuses, and employee compensation.
 - B. On April 9, 1999, the Company obtained approval from the competent authorities to set up the Employee Welfare Committee under the letter No. 129635 of Labor 4, 1988, which is responsible for handling various employee benefits, including birthday parties, birthday gifts, holiday gifts, employee travel activities, annual employee health check-ups, wedding and funeral

subsidies, emergency relief and educational training subsidies.

C. Praise for senior and outstanding employees.

(2) Further education and training.

Our company attaches great importance to the learning and development of our employees, and training is planned in two parts: internal training and external training. Through training needs surveys and satisfaction questionnaires after internal training courses, we understand the needs of supervisors and colleagues for the training courses.

A. Internal training

Our internal training is divided into three categories: management courses, newcomer training courses and professional training courses, all of which are taught by internal professional colleagues, or by external professional instructors.

(a) Management Course: Training for supervisors to improve their management skills and strategic abilities.

(b) Newcomer Training:

Training for new recruits includes:

a. Introduction and explanation for Company policy: Group profile, company business philosophy, introduction to personnel regulation and system, sexual harassment prevention and sexual equality advocacy and corporate resource website introduction, etc.

b. Courses and discussions related to laws and regulations: ISO promotion matters, occupational safety and health education and training, business secrets, information security courses...etc.

c. Instructions and implementation of the company's commonly used information systems.

(c) Professional Training

Each department conducts professional training and product training from time to time according to work progress and professional needs.

Based on the total of the three types of courses mentioned above, the participation of the Company's employees' internal training in 2025 is as follows:

Total Number of Trainees	Total Training Hours
934 people	1,357.5 hours

B. External Training

Our employees can apply for external professional training courses according to their work and personal learning needs, or be assigned by their supervisors. The participation of employees in external professional training in Year 2025 is as follows:

Total Number of Trainees	Total Training Hours
21 people	250 hours

(3) Retirement System

In accordance with the official letter Pei-Shi-Lau-Er-Zhi No. 09832095900 dated April 13, 2009 from the Bureau of Labor Affairs of Taipei City Government, it is approved that the Labor Standards Law shall be applied to the industry to which the Company belongs from March 1, 1998 in accordance with the official letter Tai-Lau-Dong-I-Zhi No. 037287 dated September 1, 1997 from the Labor Affairs Commission of the Executive Yuan.

In order to establish long-term harmonious labor relations, the Company established the Employees' Retirement Reserve Fund Supervisory Committee in December 1998 and obtained the approval of the Taipei County Labor Bureau for registration in the letter Pei-Fu-Lau-Er-Zhi No. 396072 dated December 16, 1998, and regularly contributes 2% of the total amount paid to the retirement reserve fund:

- A. Seniority prior to March 1, 1998 is recognized, but the pension base is not calculated.
- B. For the first fifteen years of service after March 1, 1998, two basis points will be granted for each year of service; for the sixteenth year of service, one basis point will be granted for each year of service, up to a maximum of forty-five basis points. If it is less than six months, it will be counted as six months; if it is more than six months, it will be counted as one year.
- C. Starting from July 1, 2005, in accordance with the Labor Pension Act, monthly contributions of 6% of employees' salaries are made to the Labor Insurance Bureau's individual labor pension accounts.

(4) Agreement between the Labor and the Management

All regulations and measures of the Company regarding labor relations are in accordance with the relevant laws and regulations and are therefore well implemented. Any new or amended measures regarding labor relations are fully agreed and communicated between employers and employees and sent to the labor-management meeting for approval before being finalized.

The Company has implemented the above benefits and retirement system.

2. For the most recent year and as of the printing date of the annual report, the losses suffered by the Company as a result of labor disputes, and disclose the estimated amount of current and potential future losses and the measures to be taken, and if the amount cannot be reasonably estimated, the facts that cannot be reasonably estimated.
 - (1) Up to now, the Company has not had any significant labor disputes, and the employees and employers are in harmony with each other, and there are no losses arising from labor disputes.
 - (2) Current and possible future measures in response.
 - A. To fully comply with labor laws and regulations and to enhance welfare measures.
 - B. Establish open and honest communication and grievance channels between employers and employees.
 - C. Establish an operation management system with full participation of all employees.
 - (3) Current and potential future losses: The Company has always adhered to the management policy of harmony and honesty, and if there are no other external changes, labor relations should become more normal and harmonious, and no losses will occur.

(VI) Information Security Management:

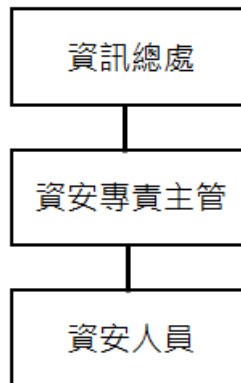
1. Information security risk management framework, information security policies, specific management plans and resources devoted to information security management:
 - (1) Information security risk management framework

The company's information security authority is MIS Center, administered by the Chairman, which is responsible for coordinating and implementing information security policies, including a dedicated information security officer and at least one information security personnel, disseminating information security information, raising employees' awareness of information security, and collecting and improving technologies, products or procedures for the performance and effectiveness of the organization's information security management system.

The Auditing Office conducts an annual information security audit on the internal control system—information system management and information security inspection operations to evaluate the effectiveness of the company's internal controls over information operations.

In addition, the accounting firm conducts annual information environment risk assessment and necessary control test based on the company's current information operation method and risk management to evaluate the effectiveness of the company's internal controls over information operations.

The Chief Information Security Officer is required to review the information security policy and its implementation annually and report to the Board of Directors.



(2) Information security policy objectives



(3) Specific management programs for information security

- A. After obtaining ISO 27001 certification in 2024, we continue to promote the second year of the PDCA cycle operation this year:
- By implementing access management, security incident reporting, vulnerability patching, and backup drills, the incidence of information security incidents is effectively reduced.
 - The company will continue to optimize monitoring mechanisms and reporting processes, strengthen threat intelligence analysis and automated defense tools, and enhance overall protection capabilities to ensure the long-term stable operation of the information security governance system and maintain the validity of international standard certifications.
- B. Implementation of multi-factor authentication software.
- By implementing a Multi-factor Authentication (MFA) system,

comprehensively enhance account and Title authentication security, and reduce the risks of external intrusions and account misuse.

C. Vulnerability scanning and patching

- According to the annual information security management plan, the vulnerability scanning and remediation operations for the Year 2025 have been completed, covering internal servers, network equipment, application systems, critical services, etc.
- The scan results are categorized by risk level. High-risk vulnerabilities have been immediately addressed with patch deployment or security configuration adjustments. Medium-risk vulnerabilities are handled according to priority to ensure the security and stability of systems and services.

D. Oracle ERP zero-day vulnerability management

- In response to cybersecurity reports indicating that the Clop ransomware exploits zero-day vulnerabilities to attack Oracle ERP business applications, the cybersecurity team immediately identified the affected system versions and Scope, conducting a priority assessment based on risk levels.
- After the official release of the patch, testing and installation verification were completed in the shortest possible time to confirm that the system functions normally and has no compatibility issues, and that critical system operations were not affected during this period.
- Strengthen the communication mechanism with vendors, information security notification platforms, and government information security units to ensure that cybersecurity threat information is obtained at the earliest possible time.

E. Restore drill test

- According to the information security management system and business continuity plan, the annual disaster drill was completed to verify the integrity and availability of critical equipment and data backups, as well as business recovery capability.
- The drill covered the main data center's environmental control facilities, databases, and application systems, simulating recovery procedures in disaster or major malfunction scenarios. It included 15 items related to data center environmental controls and 15 sets of various systems and databases. The process was carried out step by step according to the established SOP, including inspection, backup restoration, system rebuilding, and data consistency verification.
- Through the restore drill test, verify the effectiveness of backup and disaster recovery capabilities, enhance confidence in responding to

emergencies, and ensure the continuous operation of information assets and critical business systems to support the company's long-term operational safety and sustainable development goals.

(4) Information security implementation

- A. The ISO/IEC 27001:2022 certification for "Enterprise Resource Planning System and Data Center Operations and Management" was obtained on December 24, 2024, and the certificate is valid until December 23, 2027.
- B. A total of 2 internal audit training sessions for ISO27001 international information security certification were conducted this year, with a total of 16 participants and a total of 32 person-hours.
- C. A group-wide system disaster recovery drill was conducted on 2025/09/20.
- D. A total of 40 information security training sessions (online) were conducted this year, with a total of 53 participants and a total of 79.5 person-hours.
- E. The panoramic multi-factor authentication (MFA) system was implemented in May 2025.
- F. In the 2025 vulnerability scanning operations, 45 high-risk, 197 medium-risk, and 19 low-risk vulnerabilities had been remediated.

The above 2025 information security implementation report has been reported to the board of directors on November 10, 2025. Due to the solid implementation of information security management, there were no major cyber attacks or incidents, no customer information leaks, and no significant information security incidents related to breaches of information security in the company in 2025.

- 2. Please specify the losses, possible impacts and responses to major information security incidents suffered in the most recent year and up to the publication date of the annual report, and if it is not reasonably estimable, please state the fact why it cannot be reasonably estimated: None.

(VII) Important Contracts:

Supply and sales contracts, technical cooperation contracts, construction contracts, long-term loan contracts and other contracts of significance to investors' interests that are still in effect in the recent year

Nature of Contract	Agent Firm	Date of commencement of agency contract	Main content	Restricted Terms
	Infineon Technologies Asia Pacific Pte Ltd	2015.08.01 -Agreement terminated	Sales agent for semiconductor parts	None
	BIWIN SEMICONDUCTOR (HK) COMPANY LIMITED	2019.05.06~Automatic renewal	Sales agent for semiconductor parts	None
	Parade Technology, Ltd	2015.7.1 to termination	Sales agent for semiconductor parts	None
	Western Digital Technologies, Inc.	2018.7.12~Automatic renewal	Sales agent for semiconductor parts	None
	ROHM Semiconductor Taiwan Co., Ltd.	2017.04.01~Automatic renewal	Sales agent for semiconductor parts	None
	Diodes Taiwan, Inc.	2014.12.15 -Agreement terminated	Sales agent for semiconductor parts	None
	Microchip Technology Ireland Limited	2018.11.8 to termination	Sales agent for semiconductor parts	None
	FUJI ELECTRIC TAIWAN CO., LTD.	2025.4.1~2027.03.31 Automatic renewal for one year	Sales agent for semiconductor parts	None
	Vishay Intertechnology Asia PTE LTD	2008.04.01 -Agreement terminated	Sales agent for semiconductor parts	None

V. Review of Financial Conditions, Financial Performance, and Risk Management

(I) Financial status-Adopt International Financial Reporting Standards:

Unit: NT\$1,000

Item \ Year	2025	2024	Difference		
			Amount	%	Explanation
Current assets	22,219,969	18,549,807	3,670,162	19.79	
Non-current assets	1,210,094	1,368,168	(158,074)	(11.55)	
Total assets	23,430,063	19,917,975	3,512,088	17.63	
Current liabilities	16,929,039	13,454,917	3,474,122	25.82	1
Non-current liabilities	198,683	226,417	(27,734)	(12.25)	
Total liabilities	17,127,722	13,681,334	3,446,388	25.19	
Capital stock	2,372,412	2,372,412	-	-	
Capital surplus	1,345,992	1,345,992	-	-	
Retained earnings	2,291,644	1,992,921	298,723	14.99	
Other interests	292,293	525,316	(233,023)	(44.36)	2
Total shareholders' equity	6,302,341	6,236,641	65,700	1.05	

Note: Filled in with consolidated financial information.

Explanation:

Analysis of the change in the percentage of increase or decrease in the last two years (those with an increase or decrease of less than 20% are exempt from analysis) :

1. Mainly due to the increase in short-term borrowings.
2. The main reason is the exchange difference change arising from accumulated translation adjustments and the valuation and disposal changes of financial assets measured at fair value through other comprehensive income.

(II) Financial performance: Adopt International Financial Reporting Standards:

Unit: NT\$1,000

Item \ Year	2025	2024	Increase (decrease) Amount	Changes ratio (%)	Change Analysis Explanation
Operating revenues	41,450,665	36,437,253	5,013,412	13.76	
Operating costs	38,420,076	34,161,772	4,258,304	12.47	
Gross profit	3,030,589	2,275,481	755,108	33.18	1
Operating expenses	1,722,436	1,539,784	182,652	11.86	
Operating profit	1,308,153	735,697	572,456	77.81	1
Non-operating income and expenses					
Other income	132,697	101,517	31,180	30.71	2
Other gains and losses	(126,983)	170,969	(297,952)	(174.27)	3
Financial costs	395,076	422,476	(27,400)	(6.49)	
Net income before income tax	918,791	585,707	333,084	56.87	1
Total income tax expense	171,275	96,528	74,747	77.44	1
Net income	747,516	489,179	258,337	52.81	1

Note: Filled in with consolidated financial information.

Explanation:

Analysis of the change in the percentage of increase or decrease in the last two years (those with an increase or decrease of less than 20% are exempt from analysis)

1. Due to the revenue growth and active disposal of slow-moving inventory in this period, the annual gross profit, operating profit, net income before income tax, total income tax expense, and net income increased compared with the previous period.
2. Increase in other income from overseas operations.
3. Due to the exchange fluctuation, the net exchange loss of this period was increased to the previous period.

1. The expected sales volume and its basis, the possible impact on the Company's future financial operations and the plan to respond:

The Company's main products are various electronic parts and components. Due to the wide variety of products and the significant difference in unit price of each product, it is not appropriate to use sales volume as the basis for measurement. On the business side, the Company will provide higher value-added services to its customers, increase its distribution of new product lines, increase its sales and customer penetration in Mainland China, and leverage its own strengths and information to increase its market share and create maximum value for the Company and its shareholders.

(III) Cash flowAnalysis on cash flow

Unit: NT\$1,000

Beginning cash balance (1)	Net cash flow from operating activities throughout the year (2)	Net cash flow from investment and financing activities throughout the year (3)	Exchange differences (4)	Cash surplus (deficiency) amount (1) + (2) + (3) + (4)	Remedial measures for estimated cash deficit													
					Investment plans	Financial plans												
1,717,124	(971,965)	1,867,240	(98,718)	2,513,681	-	-												
<p>1. The change in cash flow for the year increased by \$796,557 thousand from the beginning of the period, as follows</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Item</th> <th style="text-align: right;">Increase (decrease) in net cash flow</th> </tr> </thead> <tbody> <tr> <td>(1) Operating activities: Net cash outflow from operating activities</td> <td style="text-align: right;">\$ (971,965) thousand</td> </tr> <tr> <td>(2) Investing activities: Net cash inflow from investing activities</td> <td style="text-align: right;">31,540 thousand</td> </tr> <tr> <td>(3) Financing activities: Net cash inflow from financing activities</td> <td style="text-align: right;">1,835,700 thousand</td> </tr> <tr> <td>(4) Effect of exchange rate</td> <td style="text-align: right;">(98,718) thousand and</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">\$ 796,557 thousand and</td> </tr> </tbody> </table>							Item	Increase (decrease) in net cash flow	(1) Operating activities: Net cash outflow from operating activities	\$ (971,965) thousand	(2) Investing activities: Net cash inflow from investing activities	31,540 thousand	(3) Financing activities: Net cash inflow from financing activities	1,835,700 thousand	(4) Effect of exchange rate	(98,718) thousand and		\$ 796,557 thousand and
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(4) Effect of exchange rate	(98,718) thousand and																	
	\$ 796,557 thousand and																	
2. Analysis on the remedial measures for estimated cash deficit and liquidity: Not applicable.																		
3. Cash flow analysis for the coming year:																		
Beginning cash balance (1)	Net cash flow from operating activities throughout the year (2)	Net cash flow from investment and financing activities throughout the year (3)	Cash surplus (deficiency) amount (1) + (2) + (3)	Remedial measures for estimated cash deficit														
				Investment plans	Financial plans													
2,513,681	1,347,392	(1,911,000)	1,950,073	-	-													
<p>Analysis on cash flow situation for the coming year:</p> <p>(1) Operating activities: The net cash outflow from operating activities was mainly due to revenue growth, increased inventory preparation, and higher accounts receivable.</p> <p>(2) Financing activities: The net cash inflow was mainly due to the increase in short-term borrowings.</p> <p>Analysis on the remedial measures for estimated cash deficit: Not applicable.</p>																		

Note: Filled in with consolidated financial information.

(IV) The impact of major capital expenditure in the last year on the financial business

Review and analysis of significant capital expenditures and their funding sources: None

(V) Re-investment policy, major reason for profit/loss of the last year, improvement plan and the investment plan for the coming year:

Unit: NT\$1,000

Explanation	Carrying amount	Policy	Investment in profit or loss	Major reason for profit or loss	Improvement plan	Other investment plans for the future
Zenicom Corporation	176,657	Long-term equity investment	(6,566)	Loss due to the decline in gross profit	N/A	Adjustment for subsidiary development
SUPERTRONIC INTERNATIONAL CORP.	2,973,385	Long-term equity investment	1,815	Re-investment profitability	N/A	None
Zenicom (HK) Limited	117,064	Long-term equity investment through Zenicom Corporation	111	Ceaseless business expansion	N/A	Adjustment for subsidiary development
Zenitron (HK) Limited	1,238,894	Long-term equity investment	543,733	Ceaseless business expansion	N/A	Adjustment for subsidiary development
Zenitron (Shanghai) International Trading Co., Ltd.	242,997	Long-term equity investment through Zenitron (HK) Limited	37,159	Ceaseless business expansion	N/A	Adjustment for subsidiary development
ZTHC (Shanghai) Co., Ltd.	383,429	Long-term equity investment through Zenitron (HK) Limited	17,006	Ceaseless business expansion	N/A	Adjustment for subsidiary development
Zenitron (Shenzhen) Technology Co., Ltd.	119,615	Long-term equity investment through Zenitron (HK) Limited	13,228	Ceaseless business expansion	N/A	Adjustment for subsidiary development
Shanghai Zenitron Electronic Trading Co., Ltd.	88,253	Long-term equity investment through Zenitron (HK) Limited	(4,449)	Loss due to the unfavorable promotion of sales	N/A	Adjustment for subsidiary development
Shanghai Zenicom Industrial Co., Ltd.	5,012	Long-term equity investment through Zenicom Corporation	(125)	Loss due to the unfavorable promotion of sales	N/A	Adjustment for subsidiary development

(VI) Analysis and Assessment on Risk Matters during the most recent year and up to the date of printing of the annual report:

1. Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures:

- (1) The Company's bank borrowings are mainly due to the capital requirements arising from operating cycles. An increase in market interest rates will have an adverse effect on the Company's profit and loss. The Company will evaluate the trend of interest rates from time to time and reduce the impact of interest expenses on the Company through financing instruments and working capital management.
- (2) Most of our sales and purchase orders are quoted on U.S. dollars, which has a naturally hedging effect and The Company has a dedicated risk control unit to observe and analyze the changes and trends of exchange rates on a long-term basis, and to ensure appropriate hedging of changes in the Company's foreign currency positions.
- (3) Inflation, inventory, and other factors heavily impacted the Company in recent years, however, as the Company's product market price changes are more flexible, and the team worked effortlessly to destock, so it is not yet affected by this factor too much.

2. Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions:

The Company adopts a conservative financial policy and does not engage in high-risk investments, except for hedging exchange rate operations and conservative fixed-income investments. The Company's engagement in lending and endorsement guarantees is not conducted, except for Zenitron (HK) Limited, Ltd., Zenicom Corporation, ZTHC (Shanghai) Co., Ltd., Zenitron (Shenzhen) Technology Co., Ltd., and Zenitron (Shanghai) International Trading Co., Ltd..

3. Future Research & Development Projects and Corresponding Budget: The company is a professional technology integrated marketing channel, so it is not applicable.

Our main core business is the electronic marketing channel business, providing technical support for customers' inventory, marketing and total solutions, etc. We have a number of FAE staff to provide original technical services, consultation and total solutions for different customers, and we have a good grasp of the support and progress of such cases. In the future, we expect to continue to invest and expand our technical services to our customers, and to move towards the technical level of product integration, so that we can enhance our professional technology and become a professional technical integration marketing channel provider.

4. Effects and Response to Changes in Domestic and Foreign Policies and Regulations Relating to Corporate Finance and Sales: None.

5. Impacts of technological changes (including information security risks) and industry

changes on company financials and response measures:

With the advancement of information product application technology, consumers' willingness to replace their products is accelerated, and the Company's agent lines are all international manufacturers, which have considerable influence on the development and leadership of technical products. In short, technological changes and enhancements have had a positive impact on the Company's operations and competitiveness. In addition, in response to the impact and challenges of such technology, the Company continues to seek out advanced technology partnerships to support its future growth.

6. The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures: None.
7. Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans: None.
8. Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans: Not applicable.
9. Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration: None.
10. Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%: None.
11. Effects of, Risks Relating to and Response to the Changes in Management Rights: None.
12. For the contentious or non-contentious events, it shall list the directors, president, substantial person in charge, and shareholders with more than 10% shareholding, as well as the major contentious and non continuous events or administrative litigation event related to the affiliates currently or in the past according to the judgment. For those that the result might show substantial influence on the shareholder's equity or price of securities, it shall disclose its fact, target amount, start date of litigation, major involved parties and handling situation until the date of using the annual report: None.
13. Other major risks and countermeasures: None

(VII) Other important matters: None.

VI. Special Disclosure

(I) Recent Annual Summary of Affiliated Companies

1. **2025 Consolidated Business Reports of Affiliated Companies:** Please refer to the Market Observation Post System > Single Company > Electronic Document Download > Affiliated Companies' Three-Statement Section
(URL: https://mopsov.twse.com.tw/mops/web/t57sb01_q10).
2. **Statement for the consolidated financial statements of affiliated enterprises:** Please refer to the Company's 2025 consolidated financial report.
3. **Affiliation Reports:** Not applicable.

(II) Private Placement Securities during the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report: None.

(III) Other Necessary Supplementary Notes: None.

VII. In the event of any matter which has had a significant impact on shareholders rights or the price for the securities referred to Article 36, paragraph 2, subparagraph 2 of the Securities and Exchange Act during the most recent fiscal year as well as the current fiscal year up to the date of publication of the annual report: None.

Zenitron Corporation
Chairman: Chen, Hsin-Yi