

Stock Code: 6108

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◆**Market Observation Post System:**

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

◆**The Company's website:**

<http://www.apcb.com.tw>

APCB INC.

2025 Annual Report

Printed on May 5, 2026

- I. Names, titles, telephone numbers and e-mail addresses of spokespersons and deputy spokespersons
Spokesperson: Tsai, Cheng-Hung
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- II. Addresses and telephone numbers of headquarters and factories
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Telephone: (02)2683-2626
- III. Name, address, website and telephone of stock transfer agent
Name: Stock Agency Department of KGI Securities Co., Ltd.
Address: 5F., No. 2, Sec. 1, Chongqing S. Rd., Taipei City
Website: <http://www.kgi.com.tw>
Telephone: (02)2389-2999
- IV. Names of attesting CPAs, and name, address, website and telephone number of CPA firm for the latest year
CPAs: Jhao, Min-Ru and Wu, Chia-Han
CPA firm: KPMG
Address: 68F., No. 7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City
Website: <http://www.kpmg.com.tw>
Telephone: (02)8101-6666
- V. Name of any exchanges where the Company's securities are traded offshore, and method by which to access information on said offshore securities: None.
- VI. Website: <http://www.apcb.com.tw>

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I. Report to the shareholders

Dear Shareholders:

In April 2025, the Trump administration imposed reciprocal tariffs globally, causing significant disruption to the world economy. Reciprocal tariffs on China reached as high as 145% at one point. In response, printed circuit board manufacturers and related electronics companies sought to establish new facilities in neighboring Southeast Asian countries, such as Thailand and Vietnam, in order to benefit from lower tariff rates on exports to the United States.

The Company's standalone revenue for fiscal year 2025 was NT\$570,206 thousand, with standalone gross profit of NT\$41,662 thousand. Compared to fiscal year 2024, standalone revenue decreased by 54.41%, while standalone gross profit improved from a loss of approximately NT\$203 million to a profit of approximately NT\$42 million. The primary reason for the decline in standalone revenue was that the Taiwan plant's production lines operated only through December 2024. From 2025 onward, the Company proactively reduced orders for LED gold-plated boards, which had been generating substantial losses due to surging gold prices, and also lost orders from customers who could not follow the transfer of production to the subsidiary Jing-Lu Electronics. The turnaround in standalone gross profit from negative to positive was mainly attributable to the fact that, from 2025 onward, upon receiving orders, the Company retains a margin in accordance with transfer pricing rules and transfers all production to its subsidiary, Jing-Lu Electronics, thereby eliminating the need to absorb manufacturing-related gains and losses. Future growth in gross profit will depend on the volume of orders received.

The Company's consolidated revenue for fiscal year 2025 was NT\$4,176,321 thousand, with a consolidated gross profit of NT\$181,151 thousand. Compared to fiscal year 2024, consolidated revenue decreased by 18.04%, while consolidated gross profit increased by 6.45%. The decline in consolidated revenue reflects not only the reduction in standalone revenue but also the fact that, following the divestiture of the Thai subsidiary Jing-Yi Electronics in September 2024, its revenue is no longer consolidated from 2025 onward. By contrast, the mainland China subsidiary, Jing-Lu Electronics, saw its individual revenue increase by 29.4% year-on-year due to higher memory module board sales; however, consolidated revenue still declined overall. The improvement in consolidated gross profit reflects the elimination of losses from gold-plated board operations, as well as the removal of Jing-Yi Electronics' chronic losses following its divestiture. However, Jing-Lu Electronics' individual gross profit declined year-on-year despite higher revenue, due to rising costs including gold prices. Overall, consolidated gross profit still posted a modest year-on-year improvement.

Looking ahead to 2026, geopolitical tensions globally remain unresolved, and the decline in inflation has been slower than expected, driving gold prices to historic highs. Given that gold-surface-treated products account for approximately 60% of the Company's PCB output, the Company faces considerable pressure on profitability this year even after seeking price increases from customers. As AI server technology continues to advance rapidly, data transmission speed requirements are growing exponentially. In response to this market demand, the Company has introduced new products including optical transceiver module boards and high-speed connector boards, with the expectation that, under favorable production conditions, these products will inject new growth momentum into revenue and profitability in the coming year.

1. Operating results for 2025

(1) Outcome of business plans

Unit: NT\$ thousands

Items \ Year	2025	2024	Variance Ratio
Operating revenue	4,176,321	5,095,425	(18.04%)
Operating costs	3,995,170	4,925,244	(18.88%)
Operating Income	181,151	170,181	6.45%
Operating expenses	544,163	649,075	(16.16%)
Operating net income (losses)	(363,012)	(478,894)	(24.20%)
Non-operating revenue and expenses	175,450	635,831	(72.41%)
Net income before tax	(187,562)	156,937	(219.51%)
Net income of the period	(138,760)	147,973	(193.77%)

(2) Analysis of revenue, expenditures, and profitability

Items \ Year		2025	2024
Financial Structure	Debt to asset ratio	49.68%	48.43%
	Long-term funds to property, plant and equipment ratio	289.69%	362.72%
Profitability	Return on assets	(1.38%)	2.87%
	Return on Equity	(3.95%)	4.06%
	Profit before tax to paid-in capital ratio	(11.95%)	9.81%
	Profit margin	(3.32%)	2.90%
	Earnings per share	(\$0.88)	\$0.93

(3) Budget implementation: The Company did not publish its financial forecast for 2025, so it is not applicable.

(4) Research and Development: In addition to the development of products and technology that meet the market demand requested by its customers, the Company continues to advance its innovation in new camera modules and SMD LED environmental sensors, and at the same time aims at the research and development of heavy copper products for high-power industrial power supply units, power IC copper subtracts, high-speed transmission products and special automotive products.

2. Summary of 2026 business plan

(1) Guideline for management

In addition to strengthening the operation and strictly controlling the cost, the Company also aims to improve product quality through process management. Furthermore, the Company will enhance its research and development and enter the market for high-end products in order to raise profitability, thereby strengthening its competitiveness in the market.

(2) Expected sales volume and its basis

The Company currently designates Kunshan, China as its primary production base, with a current monthly production capacity of approximately 1.4 million square feet.

(3) Production and sales policies

1. To continuously improve the technology level, to process capability and quality yield and to control the production cost.
2. To provide satisfactory service for customers and to establish a long-term close cooperation relationship with them.
3. To enhance marketing development and to grasp global business opportunities.
4. To develop specialized processed products and to increase product value

Chairman:
Tsao, Yueh-Hsia

Manager:
Lai, Chin-Tsai

Accounting Supervisor:
Tsai, Cheng-Hung

II. Corporate Governance Report

1. Information on the Company's directors, supervisors, general manager, deputy general managers, associates, and supervisors of all the Company's divisions and branches

(1) Directors and supervisors

Information on directors and supervisors (I)

March 31, 2026																				
Title	Nationality/ place of incorporation	Name	Gender age	Date elected	Term (years)	Date first elected	Shareholding when elected		Current shareholding		Spouse & minor shareholding		Shareholding by nominee arrangement		Principal work experience and educational record	Current positions at the company and other companies	Executives, directors or supervisors who are spouses or within two degrees of kinship			Remarks
							Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relation	
Chairperson	R.O.C.	Tsao, Yueh-Hsia	Female 71-75	June 20, 2025	3	August 10, 1988	9,924,708	6.32	9,924,708	6.32	10,299,803	6.56	0	-	Educational record: Fu-Hsin Trade & Arts School Work experience: person in charge of Tang Jung Co., Ltd.	Chairperson of I Tzu Investment Co., Ltd. Chairperson of APCB Investment Co., Ltd. Director of Command Machinery Co., Ltd. Chairperson of APCB Electronics (Kunshan) Co., Ltd. Director of APCB International Co., Ltd. Director of APCB Investment Co., Ltd. Director of APCB Holdings Co., Ltd. Director of U-PEAK Limited Director of Red Noble Limited Director of APCB Capital Limited Director of New Day Limited	General Manager	Lai, Chin-Tsai	Spouses	Please refer to page 8 (3) for explanation
Director	R.O.C.	Lai, Chin-Tsai	Male 71-75	June 20, 2025	3	December 12, 1998	10,299,803	6.56	10,299,803	6.56	9,924,708	6.32	0	-	Educational record: Shulin Junior High School Work experience: General manager of APCB INC.	General manager of APCB INC. Director of I Tzu Investment Co., Ltd. Director of APCB Investment Co., Ltd. Director of APCB Electronics (Kunshan) Co., Ltd.	Chairperson	Tsao, Yueh-Hsia	Spouses	Please refer to page 8 (3) for explanation
Director	R.O.C.	Lin, Chun-Hao	Male 66-70	June 20, 2025	3	December 12, 1998	488,926	0.31	488,926	0.31	96,468	0.06	0	-	Educational record: Zhongshan School of Medicine, Sun Yat-sen University Work experience: Dazan Hospital	Doctor of An-Shin Hospital	-	-	-	
Director	R.O.C.	Ko, Ching-Yu	Male 36-40	June 20, 2025	3	June 20, 2025	1,080,000	0.69	1,122,000	0.71	200,000	0.13	0	-	Educational record: Master of Business Administration, National Chung Hsing University Work experience: Chairperson of Ching Hao Co., Ltd.	Chairperson of Ching Hao Co., Ltd.	-	-	-	Elected on June 20, 2025
Independent director	R.O.C.	Tsai, Li-Yun	Female 71-75	June 23, 2022	3	December 31, 2004	0	-	0	-	0	-	0	-	Educational record: Accounting and Statistics Department, Cheng Kung University Work experience: finance officer of Wai Lih Company Limited	Chairperson of Hung Yu Investment Co., Ltd.				Dismissal on June 20, 2025
Independent director	R.O.C.	Chang, Hui	Female 66-70	June 20, 2025	3	June 13, 2008	0	-	0	-	0	-	0	-	Educational record: Master of Business Administration, University of California, Riverside Work experience: audit manager of Taiwan High Speed Rail Co., Ltd.	-	-	-	-	
Independent director	R.O.C.	Hung, Ju-Mei	Female 61-65	June 20, 2025	3	June 16, 2009	0	-	0	-	0	-	0	-	Educational record: EMBA (Finance), Pacific Western University Work experience: accountant of Tien I Industrial Co., Ltd.	Deputy manager of RUCA Co., Ltd.	-	-	-	-
Independent director	R.O.C.	Lin, Pao-Chu	Female 66-70	June 20, 2025	3	June 14, 2023	0	-	0	-	0	-	0	-	Educational record: M.A., Graduate Institute of Commerce, National Taiwan University Work experience: Chairman of KPMG Taiwan/Advisor of CEO Office CPA, KPMG Taiwan	Independent Director of CHIA HSIN CEMENT CORPORATION	-	-	-	
Independent director	R.O.C.	Tsai, Yi-Ling	Female 51-55	June 20, 2025	3	June 20, 2025	844	-	844	-	0	-	0	-	Educational record: M.A. in Communication Advertising and Public Relations, University of Ulster, U.K. Work experience: Sales Assistant Manager, Principal Insurance Brokers Co., Ltd.	Sales Assistant Manager, Principal Insurance Brokers Co., Ltd.	-	-	-	Elected on June 20, 2025

Major Shareholders of Corporate Shareholders: N/A

If any Major Shareholder Listed in Form 1 is a Corporate/Juristic Person, List its Major Shareholders: N/A

Information on directors and supervisors (2)

1. Information on professional qualifications of directors and supervisors, and independence of independent directors

Qualification Name	Professional qualification and experience	Independence	Number of other public companies in which the individual is concurrently serving as an independent director
Tsao, Yueh-Hsia	- For professional qualifications and experience of directors and supervisors, please refer to the information on directors and supervisors on page 4 (1). - None of the directors and supervisors are a person of any conditions defined in Article 30 of the Company Act.	N/A	0
Lai, Chin-Tsai		N/A	0
Lin, Chun-Hao		N/A	0
Ko, Ching-Yu		N/A	0
Chang, Hui		The independence requirements stipulated in Article 14-2 of the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies are met. (Note)	0
Hung, Ju-Mei		The independence requirements stipulated in Article 14-2 of the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies are met. (Note)	0
Lin, Pao-Chu		The independence requirements stipulated in Article 14-2 of the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies are met. (Note)	1
Tasi, Yi-Ling		The independence requirements stipulated in Article 14-2 of the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies are met. (Note)	0

Note: None of the following events have occurred during the two years prior to and during the term of office:

- (1) An employee of the Company or any of its affiliates.
- (2) A director or supervisor of the Company or any of its affiliates.
- (3) A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.
- (4) A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.
- (5) A director, supervisor, or employee of an institutional shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under paragraph 1 or 2 of article 27 of the Company Act.
- (6) If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: a director, supervisor, or employee of that other company.
- (7) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: a director of that company (governor), audit committee member (supervisor), or employee of that other company or institution.
- (8) A director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company.
- (9) A professional individual, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the company for which the provider in the latest 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof.

2. Diversification and independence of board of directors:

(1) Diversification of board of directors:

The diversification policy for the Company's board of directors includes, but is not limited to, criteria for selection of directors, professional qualifications which directors should possess, experience, gender, age, nationality and cultural background.

The Company's current board of directors consists of eight directors, including four independent directors; the board members have extensive experience and expertise in the domains of commerce and management. In addition, the Company also places emphasis on gender equality in the composition of the board of directors. The target percentage of female directors is at least 30%, and currently five are eight directors, five of whom are female, which represents a percentage of 62.5%. The actual status is shown in the table below.

Qualification Name	Composition				Industry experience			Expertise			
	Nationality	Gender	Age	Employee of the Company	Electronics industry	Biomedicine	Trading	Finance & accounting	Operational management	Marketing	Risk management
Tsao, Yueh-Hsia	R.O.C.	Female	71-75		√			√	√		
Lai, Chin-Tsai	R.O.C.	Male	71-75	√	√				√	√	
Lin, Chun-Hao	R.O.C.	Male	66-70			√			√		√
Ko, Ching-Yu	R.O.C.	Male	36-40		√			√	√		
Chang, Hui	R.O.C.	Female	66-70		√			√			√
Hung, Ju-Mei	R.O.C.	Female	61-65		√		√	√			√
Lin, Pao-Chu	R.O.C.	Female	66-70		√		√	√			√
Tasi, Yi-Ling	R.O.C.	Female	51-55		√			√		√	

(2) Independence of board of directors:

- A. The current board of directors of the Company is composed of eight directors, including four independent directors, representing a ratio of 50%.
- B. Regarding provisions stipulated in paragraph 3 & 4 of article 26-3 of the Securities and Exchange Act, the current directors' compliance is described as follows:
 - A spousal relationship and a familial relationship within the second degree of kinship relationships may not exist among more than half of a company's directors: Two of the current directors have a spousal relationship. Nonetheless, the proportion is less than half; therefore, the requirement is met.
 - At least one supervisor seat shall have no spousal relationship or familial relationship within the second degree of kinship with another supervisor or a director: There is no such relationship; therefore, the requirement is met.
- C. In 2025, the attendance rate of the Company's independent directors at board meetings reached 92%, and they continued to provide suggestions to management.

As a result of the preceding assessment, the Company believes that the current board of directors has independence.

(2) General manager, deputy general manager, associate, heads of departments and branches

March 31, 2025

Title	Nationality	Name	Gender	Date elected	Shareholding		Spouse & minor shareholding		Shareholding by nominee arrangement		Principal work experience and educational record	Concurrent positions at other companies	Managers who are spouses or within two degrees of kinship			Remarks
					Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relation	
General manager	R.O.C.	Lai, Chin-Tsai	Male	December 12, 1998	10,299,803	6.56	9,924,708	6.32	0	-	Educational record: Shulin Junior High School Work experience: general manager of APCB Inc.	Director of I Tzu Investment Co., Ltd. Director of APCB Investment Co., Ltd. Director of APCB (Kinshan) Electronics Co., Ltd.	Chairperson	Tsao, Yueh-Hsia	Spouse	Please refer to page 8 (3) for explanation
Head of finance division	R.O.C.	Tsai, Cheng-Hung	Male	April 1, 2011	30,410	0.02	0	-	0	-	Educational record: Accounting and Statistics Department, Tamsui Commercial Industrial College Work experience: assistant manager of finance department of Chien Feng Construction Co., Ltd.	None	-	-	-	-
Head of audit division	R.O.C.	Wu, Hui-Chuan	Female	April 1, 2010	0	-	0	-	0	-	Educational record: Accounting and Statistics Department, National Taipei College of Business Work experience: accountant of Kwo Ger Metal Technology Inc.	None	-	-	-	-

(3) Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto

In response to corporate governance requirements, the Company increased the number of independent directors by one seat during the board re-election at the shareholders' meeting held on June 23, 2022, and ensured that a majority of directors do not concurrently serve as employees or managers, thereby enabling the Board of Directors to operate with greater independence.

2. Remuneration to directors, supervisors, general manager and deputy general managers in the latest year

(1) Remuneration to directors

Unit: NTD thousand

Title	Name	Remuneration to directors						Total and Ratio of (A+B+C+D) to net income after tax (Note 7)	Relevant remuneration received by directors who are also employees						Total of first seven items (A+B+C+D+E+F+G) and ratio of net income after tax (Note 7)		Remuneration from ventures other than subsidiaries or from the parent company				
		Base remuneration (A) (Note 1)		Pensions (B) (Note 2)		Remuneration to directors (C) (Note 3)			Business allowance (D) (Note 4)		Salary, bonuses, and allowances (E) (Note 5)		Pensions (F) (Note 2)					Employee remuneration (G) (Note 6)			
		The Company	All the companies included in the financial report	The Company	All the companies included in the financial report	The Company	All the companies included in the financial report		The Company	All the companies included in the financial report	The Company	All the companies included in the financial report	The Company	All the companies included in the financial report				Cash Amount	Stock Amount	The Company	All the companies included in the financial report
Chairperson	Tsao, Yueh-Hsia	0	0	0	0	0	30	30(0.02%)	2,388	2,388	0	0	0	0	0	0	2,418(1.74%)	2,418(1.74%)	0		
Director	Lai, Chin-Tsai	0	0	0	0	0	30	30(0.02%)	2,630	2,630	137	137	0	0	0	0	2,797(2.02%)	2,797(2.02%)	0		
Director	Lin, Chun-Hao	0	0	0	0	0	30	30(0.02%)	0	0	0	0	0	0	0	0	30(0.02%)	30(0.02%)	0		
Director	Ko, Chang-Yu	0	0	0	0	0	20	20(0.01%)	0	0	0	0	0	0	0	0	20(0.01%)	20(0.01%)	0		
Independent director	Tsai, Li-Yun	0	0	0	0	0	10	10(0.01%)	0	0	0	0	0	0	0	0	10(0.01%)	10(0.01%)	0		
Independent director	Chang, Hui	0	0	0	0	0	25	25(0.02%)	0	0	0	0	0	0	0	0	25(0.02%)	25(0.02%)	0		
Independent director	Hung, Ju-Mei	0	0	0	0	0	30	30(0.02%)	0	0	0	0	0	0	0	0	30(0.02%)	30(0.02%)	0		
Independent director	Lin, Pao-Chu	0	0	0	0	0	25	25(0.02%)	0	0	0	0	0	0	0	0	25(0.02%)	25(0.02%)	0		
Independent director	Tsai, Yi-Ling	0	0	0	0	0	20	20(0.01%)	0	0	0	0	0	0	0	0	20(0.01%)	20(0.01%)	0		

Range of remuneration to the Company's directors	Names of directors				Total of the first seven remuneration items (A+B+C+D+E+F+G)	
	Total of the first four remuneration items (A+B+C+D)		Total of the first seven remuneration items (A+B+C+D+E+F+G)		All the companies included in the financial report	
	The Company		The Company		The Company	
Less than NT\$1,000,000	Tsao, Yueh-Hsia and Lai, Chin-Tsai and Lin, Chun-Hao and Ko, Chang-Yu and Tsai, Li-Yun and Chang, Hui and Hung, Ju-Mei and Lin, Pao-Chu and Tsai, Yi-Ling		Tsao, Yueh-Hsia and Lai, Chin-Tsai and Lin, Chun-Hao and Ko, Chang-Yu and Tsai, Li-Yun and Chang, Hui and Hung, Ju-Mei and Lin, Pao-Chu and Tsai, Yi-Ling		Lin, Chun-Hao and Ko, Chang-Yu Tsai, Li-Yun and Chang, Hui Hung, Ju-Mei and Lin, Pao-Chu Tsai, Yi-Ling	
\$1,000,000 (inclusive)–\$2,000,000 (exclusive)						
\$2,000,000 (inclusive)–\$3,500,000 (exclusive)						
\$3,500,000 (inclusive)–\$5,000,000 (exclusive)						
\$5,000,000 (inclusive)–\$10,000,000 (exclusive)						
\$10,000,000 (inclusive)–\$15,000,000 (exclusive)						
\$15,000,000 (inclusive)–\$30,000,000 (exclusive)						
\$30,000,000 (inclusive)–\$50,000,000 (exclusive)						
\$50,000,000 (inclusive)–\$100,000,000 (exclusive)						
Over \$100,000,000						
Total	9 persons		9 persons		9 persons	

Note 1: The amounts are remuneration to directors in the latest year (including directors' salary, duty allowance, severance, various bonuses, and incentives)

Note 2: The actual amount of pension paid during 2025 is 0. The amount recognized or appropriated as pension expense is NT\$137 thousand.

Note 3: The amounts are the directors' remuneration approved by the board of directors in the latest year.

Note 4: The amounts are business allowance (including travel expenses, special disbursements, allowances, accommodation, company car, other physical items, and other remuneration) paid to the directors in the latest year.

Note 5: The amounts are salary, duty allowance, severance, various bonuses, incentive, travel expenses, special disbursements, allowances, accommodation, company car, other physical items, and other remuneration to the directors who double as the employees (including those who double as general manager, deputy general manager, other manager or employee) in the latest year.

Note 6: The salaries recognized in accordance with IFRS 2 "Share-based Payment" including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock at cash capital increase, shall also be calculated as remuneration.

Note 7: The net income after-tax refers to the net income after tax in the parent company only financial statements for the latest year.

Note 8: Please specify directors and independent directors' remuneration policies, system, standards and structure, as well as the linkage to responsibilities, risks and time spent: Please refer to page 12 (6) for explanation.

(2) Remuneration to Supervisor: N/A

(3) Remuneration to general manager and deputy general manager

Unit: NTD thousand

Title	Name	Salary (A) (Note 1)		Pensions (B) (Note 2)		Bonuses, and allowances (C) (Note 3)		Employee remuneration (D) (Note 4)				Total and Ratio of (A+B+C+D) to net income after tax (Note 5)		Remuneration from ventures other than subsidiaries or from the parent company
		The Company	All the companies included in the financial report	The Company	All the companies included in the financial report	The Company	All the companies included in the financial report	The Company	All the companies included in the financial report	Cash Amount	Stock Amount	The Company	All the companies included in the financial report	
General manager	Lai, Chin-Tsai	2,280	2,280	137	137	350	350	0	0	0	0	2,767 (1.99%)	2,767 (1.99%)	0

Range of remuneration to the Company's general manager and deputy general manager	Names of general manger and deputy general manger	
	The Company	All the companies included in the financial report
Less than NT\$1,000,000		
\$1,000,000 (inclusive)–\$2,000,000 (exclusive)		
\$2,000,000 (inclusive)–\$3,500,000 (exclusive)		
\$3,500,000 (inclusive)–\$5,000,000 (exclusive)	Lai, Chin-Tsai	Lai, Chin-Tsai
\$5,000,000 (inclusive)–\$10,000,000 (exclusive)		
\$10,000,000 (inclusive)–\$15,000,000 (exclusive)		
\$15,000,000 (inclusive)–\$30,000,000 (exclusive)		
\$30,000,000 (inclusive)–\$50,000,000 (exclusive)		
\$50,000,000 (inclusive)–\$100,000,000 (exclusive)		
Over \$100,000,000		
Total	1 persons	1 persons

Note 1: The amounts are the salary, duty allowance and severance to general manager and deputy general manager.

Note 2: The actual amount of pension paid during 2025 is 0. The amount recognized or appropriated as pension expense is NT\$137 thousand.

Note 3: Refers to the remuneration paid to the general manager and deputy general manager, including various bonuses, incentives, travel expenses, special disbursements, allowances, accommodation, company car, other physical items, and other compensations. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. The salaries recognized in accordance with IFRS 2 "Share-based Payment," including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock at cash capital increase, shall also be calculated as remuneration.

Note 4: The amounts are employee remuneration (including stock and cash) approved by the board of directors for general manager and deputy general manager in the latest year. If the amount of employee remuneration cannot be estimated this year, the proposed amount should be calculated based on the actual amount and ratio distributed in the previous year.

Note 5: The net income after-tax refers to the net income after tax in the parent company only financial statements for the latest year.

(4) If the circumstance in subparagraph 2-1 or 2-5 of paragraph 3 of article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies applies to a company listed on the TWSE or the TPEX, it shall disclose the individual remuneration paid to each of its top five management personnel

Unit: NTD thousand

Title	Name	Salary (A) (Note 1)		Pensions (B) (Note 2)		Bonuses, and allowances (C) (Note 3)		Employee remuneration (D) (Note 4)				Total and Ratio of (A+B+C+D) to net income after tax (Note 5)		Remuneration from ventures other than subsidiaries or from the parent company
		The Company	All the companies included in the financial report	The Company	All the companies included in the financial report	The Company	All the companies included in the financial report	The Company		All the companies included in the financial report		The Company	All the companies included in the financial report	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
General manager	Lai, Chin-Tsai	2,280	2,280	137	137	350	350	0	0	0	0	2,767 (1.99%)	2,767 (1.99%)	0
Head of finance division	Tsai, Cheng-Hung	1,380	1,380	83	83	215	215	0	0	0	0	1,678 (1.21%)	1,678 (1.21%)	0
Head of audit division	Wu, Hui-Chuan	1,380	1,380	83	83	215	215	0	0	0	0	1,678 (1.21%)	1,678 (1.21%)	0
Engineering Manager	Li, Hui-Chuan	960	960	58	58	130	130	0	0	0	0	1,148 (0.83%)	1,148 (0.83%)	0
Accounting Manager	Tsao, Chun-Ching	960	960	58	58	130	130	0	0	0	0	1,148 (0.83%)	1,148 (0.83%)	0

Note 1: The amounts are the salary, duty allowance and severance to general manager and deputy general manager.

Note 2: The actual amount of pension paid during 2025 is 0. The amount recognized or appropriated as pension expense is NT\$419 thousand.

Note 3: Refers to the remuneration paid to the general manager and deputy general manager, including various bonuses, incentives, travel expenses, special disbursements, allowances, accommodation, company car, other physical items, and other compensations. Where housing, cars, other means of transportation, or expenditures exclusively for individuals are offered, the nature and costs of the offered assets, the actual rent or fair market rent, fuel expenses, and other benefits shall be disclosed. The salaries recognized in accordance with IFRS 2 "Share-based Payment," including the share subscription warrants issued to employees, new restricted stock award shares issued to employees, and employee stock at cash capital increase, shall also be calculated as remuneration.

Note 4: The amounts are employee remuneration (including stock and cash) approved by the board of directors for general manager and deputy general manager in the latest year. If the amount of employee remuneration cannot be estimated this year, the proposed amount should be calculated based on the actual amount and ratio distributed in the previous year.

Note 5: The net income after-tax refers to the net income after tax in the parent company only financial statements for the latest year.

(5) Name of managers who received employee remuneration and distribution status

Unit: NTD thousand

	Title	Name	Stock amount	Cash amount	Total	Proportion of total amount to net profits after tax (%)
Managers	General manager	Lai, Chin-Tsai	0	0	0	0%
	Head of finance division	Tsai, Cheng-Hung				
	Head of audit division	Wu, Hui-Chuan				

Note: The amounts are the undistributed employee remuneration approved by the board of directors in 2026.

(6) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by the Company and by each other company included in the consolidated financial statements during the latest 2 years to directors, supervisors, general managers, and deputy general managers, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

1. Total remuneration to the Company's directors, supervisors, general managers and deputy general managers as a percentage of net income stated in the parent company only financial reports during the latest two years

Unit: NTD thousand

Item \ Year	2024		2025	
	The Company	All the companies included in the financial report	The Company	All the companies included in the financial report
Total remuneration	15,239	15,239	5,375	5,375
Net income stated in the parent company only financial reports	147,973	147,973	(138,760)	(138,760)
Percentage of net income	10.30%	10.30%	(3.87%)	(3.87%)

2. Policies, standards, and packages of remuneration distribution

Remuneration to directors (including independent directors) and supervisors:

In accordance with the Company's "Regulations on Distribution of Directors' and Supervisors' Remuneration," the remuneration includes directors' travel expenses for their attendance at board meetings and bonus to directors and supervisors based on the profitability of the year.

Remuneration to general manager and deputy general manager:

Remuneration are paid and approved in accordance with the employee remuneration management guidelines of the Company. Annual bonuses and employee bonuses are paid in accordance with the Company's "Regulations Governing the Distribution of Managers' Year-end Bonuses and Employee Bonuses."

3. Procedure for determining remuneration

Remuneration to directors (including independent directors) and supervisors:

Bonuses to directors and supervisors shall be appropriated within the limits stipulated in the Company's articles of incorporation. After deliberation and approval by the remuneration committee, the proposal of bonuses shall be submitted to the board of directors for resolution and then reported to the shareholders' meeting pursuant to the law.

Remuneration to general manager and deputy general manager:

Remuneration are paid and approved in accordance with the employee remuneration management guidelines of the Company.

After deliberation and approval by the remuneration committee, the proposal of annual bonuses and employee bonuses shall be submitted to the board of directors for resolution and then reported to the shareholders' meeting pursuant to the law.

4. Linkage to operating performance and future risk exposure

Remuneration to directors (including independent directors) and supervisors:

Remuneration may vary based the Company's business performance, financial position, and the level of participation, as well as the potential risk that may occur in the operation in the future.

Remuneration to general manager and deputy general manager:

Remuneration may vary based the Company's business performance, financial position, and the level of participation, as well as the potential risk that may occur in the operation in the future.

3. Implementation of corporate governance

(1) Operations of board of directors

1. A total of 6 【A】 meetings of the board of directors were held in 2025. The attendance of director and supervisor are as follows:

Title	Name	Attendance in person 【B】	Attendance by proxy	Attendance rate in person (%) (Note) 【B/A】	Remarks
Chairperson	Tsao, Yueh-Hsia	6	0	100%	Reelected on June 20, 2025
Director	Lai, Chin-Tsai	6	0	100%	Reelected on June 20, 2025
Director	Lin, Chun-Hao	6	0	100%	Reelected on June 20, 2025
Director	Ko, Ching-Yu	4	0	100%	Elected on June 20, 2025
Independent director	Tsai, Li-Yun	2	0	100%	Dismissal on June 20, 2025
Independent director	Chang, Hui	5	0	83%	Reelected on June 20, 2025
Independent director	Hung, Ju-Mei	6	0	100%	Reelected on June 20, 2025
Independent director	Lin, Pao-Chu	5	0	83%	Reelected on June 20, 2025
Independent director	Tasi, Yi-Ling	4	0	100%	Elected on June 20, 2025

Note: Attendance rate in person (%) is calculated based on the number of meetings held by the board of directors and the actual attendance during the terms of the directors.

2. Other mentionable items

- (1) If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the Company's response shall be specified:
 - A. Matters referred to in Article 14-3 of the Securities and Exchange Act.
 - B. Except for the preceding matters, matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors.

None.
- (2) If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

- (3) TWSE/TPEX listed companies are required to disclose the evaluation cycle and period, scope of evaluation, evaluation method, and evaluation items of the self (or peer) evaluations conducted by the board of directors, and to fill out “Implementation Status of Board Evaluations”:

Evaluation cycle	Evaluation period	Scope of evaluation	Evaluation method	Evaluation items
Once a year	January 1, 2025 ~ December 31, 2025	Evaluation by the entire board of directors	Internal evaluation of board of directors	The evaluation includes the following: level of participation in company operations, quality improvement of board decisions, board composition and structure, appointment of directors and their continuing education, and internal controls.
Once a year	January 1, 2025 ~ December 31, 2025	Evaluation by Individual director	Individual director evaluation	The evaluation includes the following: grasp of company targets and missions, understanding of the director's role and responsibilities, level of participation in company operations, internal relationship management and communication, director's specialty and continuing education, and internal controls.
Once a year	January 1, 2025 ~ December 31, 2025	Evaluation of the audit committee	Internal evaluation	Including participation in the operation of the company, awareness of the duties of the functional committee, improvement of quality of decisions made by the functional committee, makeup of the functional committee and election of its members and internal control.
Once a year	January 1, 2025 ~ December 31, 2025	Evaluation of the remuneration committee	Internal evaluation	Including participation in the operation of the company, awareness of the duties of the functional committee, improvement of quality of decisions made by the functional committee, makeup of the functional committee and election of its members and internal control.

- (4) Objectives for enhancement of the board of directors' functions in 2025 and 2026 and evaluation of implementation thereof.

A. Improvement of information transparency

The board of directors not only acts in compliance with the laws and regulations, but also sees safeguarding the shareholders' rights and interests and operating transparency as the Company's objectives and responsibilities. After each board meeting, important resolutions made by the board of directors are announced within the time limit in order to realize information transparency.

B. Continuing education of directors and supervisors

In order to encourage the directors and supervisors to further their education, the Company arranges lecturers to give lectures at the Company to meet the requirements of the hours of training for directors and supervisors, thus bringing a better interactive effect.

Continuing education for directors and supervisors in 2025 is described below.

Title	Name	Study date	Organizer	Course Title	Training hours
Chairperson	Tsao, Yueh-Hsia	2025/08/08 2025/11/07	1. Taiwan Directors Institute	1. Analysis of IFRS 18 “Presentation and Disclosure in Financial Statements” and Practical Challenges	6
Director	Lai, Chin-Tsai	3 hours each	2. Securities and Futures Institute, Republic of China (Taiwan)	2. Regulations and Analysis on the Prevention of Fraudulent Lending and Money Laundering through Straw Accounts	6
Director	Lin, Chun-Hao				6
Director	Ko, Ching-Yu				6
Independent director	Chang, Hui				6
Independent director	Hung, Ju-Mei				6
Independent director	Lin, Pao-Chu				6
Independent director	Tasi, Yi-Ling				6

(2) State of operations of audit committee or state of participation in board meetings by supervisors

1. State of operations of audit committee

(1) Members of the Audit Committee

Title	Name	Professional Qualifications and Experience
Independent Director (Convener)	Chang, Hui	Please refer to the Information on the Company's Directors and Supervisor I from Page 4 for the Professional Qualifications and Experience.
Independent Director	Hung, Ju-Mei	
Independent Director	Lin, Pao-Chu	
Independent Director	Tasi, Yi-Ling	

(2) Responsibilities of the Audit Committee

The Company's Audit Committee consists of four independent directors. The Audit Committee is primarily engaged in assisting the Board of Directors in its role of overseeing the quality and integrity of the Company's performance of accounting, financial reporting processes and internal controls.

The main issues considered Audit Committee included:

- I. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act.
- II. Assessment of the effectiveness of the internal control system.
- III. Adoption or amendment, pursuant to Article 36-1, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- IV. A matter bearing on the personal interest of a director.
- V. A material asset or derivatives transaction.
- VI. A material monetary loan, endorsement, or provision of guarantee.
- VII. The offering, issuance, or private placement of any equity-type securities.
- VIII. The hiring, dismissal of an attesting CPA, or the compensation given thereto.
- IX. The appointment or discharge of a financial, accounting, or internal auditing officer.
- X. Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
- XI. Any other material matter so required by the company or the Competent Authority.

(3) Key operations of Audit Committee

- Review financial reports

The Board of Directors prepared the 2025 Business Report, Financial Statements, and the Proposal of Earnings Distribution. The CPAs of KPMG have audited the financial statements and issued the audit opinions. The Business Report, Financial Statement, and the Proposal for Earning Distribution have been reviewed and determined to be correct and accurate by the audit committee.

- Assess efficiency of internal control system

The Audit Committee evaluated the effectiveness of the Company's internal control system policies and procedures (including financial, operational, risk management, information security, legal compliance and other control measure) and reviewed the audit department and the CPAs of the Company. By referring to Internal Control —Integrated Framework published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013, the Audit Committee concluded that the Company's risk management and internal control systems are effective. The Company has adopted the necessary control system to monitoring and to correct deficiencies.

- Appointment of CPA

The Audit Committee is empowered to supervise the independence of the CPA as to provide reasonable assurance on the reliability of the financial statements. The CPA may not provide the Company with other services other than those permitted by the Audit Committee. To ensure the independence of the CPA, an independence evaluation form was drawn up by the Audit Committee based on Article 47 of the Certified Public Account Act, and the Section on "Integrity, Objectivity, and Independence" in the Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10 to evaluate the independence, professionalism and suitability of the Certified Public Accountants, and to assess whether they are related parties or with business or financial interest and others with the Company.

Certified Public Accountants Jhao, Min-Ru and Wu, Chia-Han were approved as meeting the independence assessment criteria at the 15th Audit Committee Meeting of the 1st Term and the 16th Board of Directors Meeting of the 12th Term, both held on March 7, 2025, and were deemed qualified to serve as the Company's financial and tax accountants.

(4) The Audit Committee convened 5 【 A 】 meetings in 2025, and the attendance status of independent directors is as follows:

Title	Name	Actual Attendance (B)	Proxy	Attendance Rate (%) (Note) (B/A)	Remarks
Independent Director (Convener)	Chang, Hui	4	0	80%	Reelected on June 20, 2025
Independent Director	Tsai, Li-Yun	2	0	100%	Dismissal on June 20, 2025
Independent Director	Hung, Ju-Mei	5	0	100%	Reelected on June 20, 2025
Independent Director	Lin, Pao-Chu	4	0	80%	Reelected on June 20, 2025
Independent Director	Tasi, Yi-Ling	5	0	100%	Elected on June 20, 2025

Note: The attendance rate (%) shall be calculated by the number of Audit Committee meetings held during service and the frequency number of attendance in the meetings.

(5) The contents of the motion, resolution and the Company's response to the opinions of the audit committees' members

Date of Meeting	Contents of Motion	Resolution	The company's response to the opinions of the audit committees' members
The 15th Meeting of the 1st Session (March 7, 2025)	- Approval to the motion of 2024 financial statements and consolidated financial statements prepared by the Company and audited by the CPAs - Approval of matters related to the 2025 regular shareholders' meeting - Approval to the motion of the Company's earnings distribution for 2024 - Approval of the independence and suitability of the Company's attesting CPAs - Election of the 13th Board of Directors (including Independent Directors). - Proposal to lift the non-compete restrictions on the newly elected Directors (including Independent Directors) and their representatives.	Approved with the consent of all after the chairperson puts the matter to all the members present at the meeting.	Proposed to the Board of Directors and with the consent of all the directors present at the meeting.

	7. Proposal to amend certain provisions of the Company's Articles of Incorporation. 8. Proposal to cancel the shares repurchased by the Company in its first share buyback. 9. Replacement of the signing certified public accountant in connection with the change of the Company's external auditing firm. 10. Replacement of the Company's Deputy Spokesperson. 11. Approval of revision to the Company's internal control system 12. Approval of the Company's 2024 statement of internal control system 13. Proposal for the Company to apply for renewal of credit facilities with financial institutions.		
The 16th Meeting of the 1st Session (May 7, 2025)	1. Report on the Company's consolidated financial statements of Q1 2025 2. Approval of revision to the Company's internal control system 3. Approval of endorsement/guarantee for subsidiaries 4. Proposal for the Company to apply for renewal of credit facilities with financial institutions.	Approved with the consent of all after the chairperson puts the matter to all the members present at the meeting.	Proposed to the Board of Directors and with the consent of all the directors present at the meeting.
The 1th Meeting of the 2st Session (August 8, 2025)	1. Report on the Company's consolidated financial statements of Q2 2025 2. Approval to set the record date and distribution date and book closure date for cash dividends 3. Approval of revision to the Company's internal control system	Approved with the consent of all after the chairperson puts the matter to all the members present at the meeting.	Proposed to the Board of Directors and with the consent of all the directors present at the meeting.
The 2th Meeting of the 2st Session (November 7, 2025)	1. Report on the Company's consolidated financial statements of Q3 2025 2. Approval of revision to the Company's internal control system	Approved with the consent of all after the chairperson puts the matter to all the members present at the meeting.	Proposed to the Board of Directors and with the consent of all the directors present at the meeting.

The 3th Meeting of the 2st Session (December 3, 2025)	1. Proposal to approve the Company's second share buyback. 2. Approval of the Company's 2026 annual audit plan. 3. The Company's budget for fiscal year 2026. 4. Approval of revision to the Company's internal control system 5. Approval of endorsement/guarantee for subsidiaries 6. Proposal for the Company to apply for renewal of credit facilities with financial institutions.	Approved with the consent of all after the chairperson puts the matter to all the members present at the meeting.	Proposed to the Board of Directors and with the consent of all the directors present at the meeting.
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(6) Other Matters to be Included

A. If any of the following circumstances occur during Audit Committee meetings, the date of said meeting, session number, proposal content, objection opinions, reserved opinions, major suggestions from the independent directors or Audit Committee resolutions and the Company's responses to Audit Committee opinions should be recorded:

- (A) Item listed according to Article 14-5 of the Securities and Exchange Act
- (B) Other Instances apart from the aforementioned matters where the Audit Committee did not approve a proposal, but more than two-third of directors approved said proposal.

None.

B. Implementation of Independent Director Recusals on Proposals due to Conflicts of Interest, including Independent Director Names, Proposal Content, Reasons for Recusal, and Participation in Voting Procedures:
None.

C. Communication Status Between Independent Directors, Chief Internal Auditor, and Certified Public Accountants (CPAs):

Date of Meetings	Independent Director	Certified Public Accountant	Chief Internal Auditor	Communication of Major items	Communication Methods	Results
March 7, 2025	Chang, Hui Hung, Ju-Mei Lin, Pao-Chu	Jhao, Min-Ru	Wu, Hui-Chuan	Corporate Governance and the New System of Finance and Taxation	Brief Report and Discussion	No Objection
March 6, 2026	Chang, Hui Hung, Ju-Mei Lin, Pao-Chu Tasi, Yi-Ling	Jhao, Min-Ru	Wu, Hui-Chuan	Corporate Governance and the New System of Finance and Taxation	Brief Report and Discussion	No Objection

2. State of participation in board meetings by supervisors: N/A

- (3) State of the Company's implementation of corporate governance, any deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviations

Evaluation item	Implementation status		Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies"?		V	The Company has not yet established its own "Corporate Governance Best-Practice Principles." Nonetheless, the operation of the board of directors and the internal control system are governed based on the spirit and norms of corporate governance. This matter will be implemented according to the actual needs or statutory provisions.
2. Shareholding structure & shareholders' rights			
(1) Does the Company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		The stock service personnel will act as a contact person for shareholders. For legal issues, a legal advisor will be assigned to handle them. There have been no significant deviations.
(2) Does the Company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		The Company maintains good relations with its major shareholders and reports changes in the number of shares held by the insiders monthly on the Market Observation Post System. There have been no significant deviations.
(3) Does the Company establish and execute the risk management and firewall system within its conglomerate structure?	V		The Company has established regulations to supervise and manage its subsidiaries, and the regulations are enforced in order to properly control risks. There have been no significant deviations.
(4) Does the company establish internal rules against insiders trading with undisclosed information?	V		The "Procedures for Handling Material Inside Information" have been established for compliance. There have been no significant deviations.

Evaluation item	Implementation status		Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	
3. Composition and responsibilities of the board of directors			
(1) Does the board of directors develop and implement a diversified policy for the composition of its members?	V	The Company attaches importance to the diversification of its board of directors, which includes, but is not limited to, professional qualifications and experience, gender, age, nationality and culture. The Company’s current board of directors consists of eight directors, including four independent directors; the board members have extensive experience and expertise in the domains of commerce and management. In addition, the Company also places emphasis on gender equality in the composition of the board of directors. The target percentage of female directors is at least 30%, and currently there are eight directors, five of whom are female, which represents a percentage of 62.5%. Please refer to page 7 for the implementation status.	There have been no significant deviations.
(2) Does the Company voluntarily establish other functional committees in addition to the remuneration committee and the audit committee?		V Except for the remuneration committee established pursuant to the law, the Company has not established any other functional committees.	This matter will be implemented according to the actual needs or statutory provisions.
(3) Does the Company establish a standard to measure the performance of the board of directors and implement it annually, and are performance evaluation results submitted to the board of directors and referenced when	V	The Company has established a standard to measure the performance of the board of directors and conduct the performance evaluation of the board of directors every year. In January 2026, the Company completed the 2025 performance evaluation of the Board of Directors and its	There have been no significant deviations.

Evaluation item	Implementation status		Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	
determining the remuneration of individual directors and nominations for reelection?		members, and submitted the results to the Board of Directors on March 6, 2026. The Company will continue to implement corporate governance and enhance the functions of the Board of Directors.	
(4) Does the Company regularly evaluate the independence of CPAs?	V	On March 7, 2025, the Company’s board of directors evaluated the independence of the attesting CPAs in accordance with the provisions stipulated in articles 46 and 47 of the “Certified Public Accountant Act,” and the Company’s finance division has conducted a review on the suitability and independence of the attesting CPAs. As of the publication date of the review report, no unsuitable or non-independent factors have been detected. Besides this, None of the attesting CPAs is a related party of the Company, and neither has potential impact on the independence of the attesting CPAs been detected.	There have been no significant deviations.
4. Does the Company appoint a suitable number of competent personnel and a supervisor responsible for corporate governance matters (including but not limited to providing information for directors and supervisors to perform their functions, assisting directors and supervisors with compliance, handling work related to meetings of the board of directors and the shareholders’ meetings, and producing minutes of board meetings and shareholders’ meetings)?	V	The Company have set up a dedicated corporate governance unit in charge of matters related to corporate governance.	There have been no significant deviations.

Evaluation item	Implementation status		Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	
5. Does the Company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, and suppliers), as well as handling all the issues they care for in terms of corporate social responsibilities?	V	The Company has set up a designated section on its website for stakeholders. Thus, if stakeholders have needs, they can communicate with us by phone, e-mail or correspondence at any time.	There have been no significant deviations.
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	V	The Company appointed stock agency department of KGI Securities Co., Ltd. to act on its behalf in all matters relating to the Company's stock affairs.	There have been no significant deviations.
7. Information Disclosure			
(1) Does the Company have a corporate website to disclose both financial standings and the status of corporate governance?	V	The Company's website has sections for information referable to finance, business and corporate governance, which are updated regularly or sporadically.	There have been no significant deviations.
(2) Does the Company have other information disclosure channels (e.g. setting up an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V	Dedicated personnel are assigned to collect and disclose the Company's information. Furthermore, a spokesperson system is implemented pursuant to regulations, and information from the investor conferences is also posted on the Company's website.	There have been no significant deviations.
(3) Does the Company announce and report annual financial statements within two months after the end of each fiscal year, and announce and report Q1, Q2, and Q3 financial statements, as well as monthly operation results, before the prescribed time limit?	V	The Company's quarterly financial reports and monthly operating results are all disclosed within the prescribed deadlines.	There have been no significant deviations.

Evaluation item	Implementation status			Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	Explanation	
8. Is there any other important information to facilitate a better understanding of the Company’s corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors’ and supervisors’ training status, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		1. Employee rights: Employees’ rights are governed pursuant to the Labor Standards Act and the Company’s personnel regulations. 2. Employee wellness: Setting up healthcare personnel, the Company provides health and management consulting services for employees, and there are multiple communication ways open for employees to express their opinions. The Company also has an employee welfare committee to handle various employee welfare matters. 3. Investor relations: The Company’s ultimate goal is to protect the interests of its shareholders. In addition to disclosing significant information on finance, business, and insider shareholding changes on the Market Observation Post System pursuant to the relevant regulations, information concerning shareholders’ meetings is recorded and disclosed pursuant to the Company Act and applicable laws and regulations and archived permanently in the Company. 4. Supplier relations: The Company has always maintained good relationships with its suppliers. 5. Rights of stakeholders: The Company respects and protects legal rights of its stakeholders, maintains smooth communication channels with its customers, employees, suppliers, etc., and discloses relevant information pursuant to the regulations set by the competent authorities.	There have been no significant deviations.

Evaluation item	Implementation status		Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	
			6. Directors’ and supervisors’ training status: A six-hour external training course is arranged annually in accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.” 7. Implementation of risk management policies and risk evaluation measures: The Company analyzes and responds to issues concerning operational objectives, accuracy of financial reporting, possibility of fraud prevention and influential risk in order to strengthen the Company’s corporate governance and build a sound risk management procedure. 8. Implementation of customer relations policies: The Company provides customers with high quality products and fast delivery service to meet their requirements. 9. Purchasing insurance for directors and supervisors: To protect directors and supervisors from personal liabilities and financial loss arising from lawsuits by third parties when performing their duties, the Company has purchased liability insurance for the directors and supervisors.
9. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange in the latest year, and provide the priority enhancement measures for the unimproved matters. (I) Improvements that have been made in accordance with the 12th Corporate Governance Evaluation (Year of Evaluation: 2025): 1.19 Do the Company provide a live online broadcast of its shareholders’ meeting, or upload a complete, uninterrupted audio and video recording after the meeting?			

Evaluation item	Implementation status		Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	
Explanation: The Company made a complete, uninterrupted audio and video recording of the 2025 Annual General Meeting and uploaded it after the meeting, thereby complying with this requirement. 2.8 Do more than half of the company's independent directors have served for no more than three consecutive terms? Explanation: The Company has completed compliance with this requirement following the 2025 Annual Regular Shareholders' Meeting.			
(II) Prioritised Improvement and Measures to be taken for improvements that have yet to be carried out in the 11th Corporate Governance Evaluation (Year of Evaluation: 2024): 4.4 Do the Company's sustainability report disclose relevant ESG information with reference to the SASB Standards? Explanation: The Company plans to take the relevant information into account when preparing its sustainability report in 2026, thereby complying with this requirement.			

(4) Composition, duties and operation status of remuneration committee

1. Information on members of remuneration committee

March 31, 2026

Position	Qualification Name	Professional qualification and experience	Independence	Number of other public companies in which the individual is concurrently serving as a remuneration committee member
Independent director (Convener)	Chang, Hui	For professional qualifications and experience, please refer to information on directors and supervisors (1) on page 4	The independence requirements stipulated in Article 14-2 of the Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies are met. (Note)	0
Independent director	Hung, Ju-Mei			0
Independent director	Lin, Pao-Chu			1
Independent director	Tasi, Yi-Ling			0

Note: Each member has met the following conditions two years prior to and during his/her 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 any of its affiliates.
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under "(1)" or any of the persons in "(2)" and "(3)."
- (5) Not a director, supervisor, or employee of an institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under paragraph 1 or 2 of article 27 of the Company Act.
- (6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: not a director, supervisor, or employee of that other company.
- (7) If the chairperson, general manager, or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: a director of that company (governor), audit committee member (supervisor), or employee of that other company or institution.
- (8) Not a director, supervisor, manager, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company.
- (9) Not a professional individual, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the latest two years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof, provided this restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Not been a person of any conditions defined in Article 30 of the Company Law.

2. Duties and responsibilities of remuneration committee

The Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the board of directors for discussion.

1. Periodically reviewing this charter and making recommendations for amendments.
2. Establishing and periodically reviewing the performance assessment standards, annual and long-term performance goals, and the policies, systems, standards, and structure for the compensation of the directors, supervisors, and managers of the Company.
3. Periodically assessing the degree to which performance goals for the directors, supervisors, and managers of the Company have been achieved, setting the types and amounts of their individual remuneration based on the results of the reviews conducted in accordance with the performance assessment standards.

3. Operations of remuneration committee

(1) There are four members in the Company's remuneration committee.

(2) The term of office of the current members: June 20, 2025–June 19, 2028.

The Remuneration Committee convened 2 【A】 meetings in 2025, and the qualifications and attendance of the committee members are as follows:

Title	Name	Attendance in person 【B】	Attendance by proxy	Attendance rate in person (%) (Note) 【B/A】	Remarks
Convener	Chang, Hui	2	0	100%	Reelected on June 20, 2025
Member	Tsai, Li-Yun	1	0	100%	Dismissal on June 20, 2025
Member	Hung, Ju-Mei	2	0	100%	Reelected on June 20, 2025
Member	Lin, Pao-Chu	1	0	50%	Reelected on June 20, 2025
Member	Tasi, Yi-Ling	1	0	100%	Elected on June 20, 2025

Note: Attendance rate in person (%) is calculated based on the number of meetings held by the remuneration committee and the actual attendance during the terms of the committee members.

4. Other mentionable items:

- (1) If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (e.g. the remuneration passed by the board of directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None
- (2) Resolutions of the remuneration committee objected to by members or expressed reservations 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: None

5. The cause of motions and resolutions of the remuneration committee, and how the Company handled the members' opinions

Meeting date	Cause of motion	Resolution	How the Company handled the members' opinions
The 6th meeting of the 5th Compensation Committee March 7, 2025	Review on distribution of remuneration to employees, directors and Supervisors of 2024	The motion is approved after the chairperson of the meeting put the matter before all the members present at the meeting and None voices an objection.	The motion had been submitted to the board of directors and approved by all the directors present.
The 1th meeting of the 6th Compensation Committee December 3, 2025	Review of the 2025 year-end bonuses of managerial officers	The motion is approved after the chairperson of the meeting put the matter before all the members present at the meeting and None voices an objection.	The motion had been submitted to the board of directors and approved by all the directors present.

6. Operations of the Nomination Committee: The Company has not established a Nomination Committee.

- (5) State of the Company's promotion of sustainable development, any deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such deviations

Evaluation item	Implementation status		Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	
1. Does the Company establish a governance structure to achieve sustainable development, and set up a dedicated (or ad hoc) unit to promote sustainable development, which is authorized by the board of directors for senior management, and supervised by the board of directors?	V		In compliance with the "Sustainable Development Action Plan for TWSE/TPEX Listed Companies," the Company has established a sustainability governance framework centered on "Board-led oversight, cross-functional synergy, and company-wide participation." Guided by the "Sustainable Development Best Practice Principles," the Board of Directors has mandated the President to convene a cross-functional "ESG Task Force," clearly defining responsibilities and operational mechanisms across all levels. This structure ensures the seamless integration of Environmental, Social, and Governance (ESG) issues into daily operations and management, continuously enhancing the efficacy of our sustainability initiatives. To ensure the integrity of sustainability information management, progress and results are regularly reported to the Board of Directors and the Audit Committee.
2. Does the Company conduct risk assessments on environmental, social and corporate governance topics related to company operations according to the principle of materiality, and formulate relevant risk management policies or strategies?	V		There have been no significant deviations.

Evaluation item	Implementation status		Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	
			and interests of its stakeholders when fulfilling its corporate social responsibility. - Management policy: The Company shall identify its key stakeholders, pay attention to stakeholder issues, and maintain smooth communication channels for them. 3. Corpora governance topic - Risk assessment: The Company shall move towards sustainable development and protect the interests of its shareholders. - Management policy: The Company shall ensure that all its employees comply with applicable laws and regulations through the establishment of corporate governance-related regulations and implementation of internal control systems,
3. Environmental topic			
(1) Does the company establish proper environmental management systems based on the characteristics of its industry?	V		There have been no significant deviations.
(2) Is the Company committed to improving resource efficiency and to the use of renewable materials with low environmental impact?		V	This matter will be implemented according to the actual needs.
(3) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?		V	This matter will be implemented according to the actual needs or statutory provisions.

Evaluation item	Implementation status		Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons												
	Yes	No													
(4) Does the company conduct assessment on greenhouse gas, water consumption and waste for the last two years, and establish policies for energy conservation and carbon reduction, greenhouse gas reduction, water saving and waste management?	V	APCB INC. (Parent Company) 1. Greenhouse gas emissions, Water consumption, and Total weight of waste for the Past Two Years <table><tr><td></td><td>2025</td><td>2024</td></tr><tr><td>Greenhouse as emissions:</td><td>918.69 metric tons of CO2e</td><td>12,195 metric tons of CO2e</td></tr><tr><td>Water consumption:</td><td>5,832 kl</td><td>271,139 kl</td></tr><tr><td>Total weight of waste:</td><td>659.88 metric tons</td><td>1,344 metric tons</td></tr></table> 2. Energy saving, carbon reduction and water management targets - Managerial quantitative targets for energy saving and carbon reduction in the future: 10% of reduction in 2025 compared to 2016 - Managerial quantitative targets for water consumption management in the future: 10% of reduction in 2025 compared to 2016 3. Measures to achieve the target - Energy saving and carbon reduction: Power saving plans are implemented in three major aspects: air conditioning system, electric lighting and other electricity consumption, and energy-consuming equipment is regularly inspected and replaced. - Water consumption management: The Company shall conserve water internally. Through wastewater discharge classification systems, the Company shall build a firm foundation for water conservation and recycling in its manufacturing process.		2025	2024	Greenhouse as emissions:	918.69 metric tons of CO2e	12,195 metric tons of CO2e	Water consumption:	5,832 kl	271,139 kl	Total weight of waste:	659.88 metric tons	1,344 metric tons	There have been no significant deviations.
		2025	2024												
Greenhouse as emissions:	918.69 metric tons of CO2e	12,195 metric tons of CO2e													
Water consumption:	5,832 kl	271,139 kl													
Total weight of waste:	659.88 metric tons	1,344 metric tons													

Evaluation item	Implementation status		Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons												
	Yes	No													
		Explanation 4. The Company's current performance - Energy saving and carbon reduction: Taking 2016 as a base year, the emissions in 2025 were decreased by 95%. - Water consumption management: Taking 2016 as a base year, the water consumption in 2025 were decreased by 99%. APCB Electronics (kunshan) Co. Ltd. (Subsidiary) KPI targets are established, and meetings are convened regularly to review progress.<table><tr><td></td><td>2025</td><td>2024</td></tr><tr><td>Greenhouse as emissions: 134,314 metric tons of CO2e</td><td>133,601 metric tons</td><td>133,601 metric tons of CO2e</td></tr><tr><td>Water consumption: 841,742 kl</td><td>778,680 kl</td><td>778,680 kl</td></tr><tr><td>Total weight of waste: 10,028.89 metric tons</td><td>9,393.019 metric tons</td><td>9,393.019 metric tons</td></tr></table>		2025	2024	Greenhouse as emissions: 134,314 metric tons of CO2e	133,601 metric tons	133,601 metric tons of CO2e	Water consumption: 841,742 kl	778,680 kl	778,680 kl	Total weight of waste: 10,028.89 metric tons	9,393.019 metric tons	9,393.019 metric tons	
	2025	2024													
Greenhouse as emissions: 134,314 metric tons of CO2e	133,601 metric tons	133,601 metric tons of CO2e													
Water consumption: 841,742 kl	778,680 kl	778,680 kl													
Total weight of waste: 10,028.89 metric tons	9,393.019 metric tons	9,393.019 metric tons													
4. Social topic															
(1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V	The Company complies with applicable labor laws and regulations, protects legal rights and interests of its employees, and has established relevant measures to ensure a sound working environment and internal management system.	There have been no significant deviations.												
(2) Does the Company formulate and implement reasonable employee benefits measures (including remuneration, vacation and other benefits), and appropriately reflect operating performance or results in employee remuneration?	V	The Company has established internal policies, including the Articles of Incorporation, Work Rules, Remuneration Management Regulations, and Employee Performance Appraisal Regulations, to provide a framework for governance and incentives. Furthermore, in accordance with our regulations, profit-sharing compensation shall be distributed to employees when the Company generates earnings.	There have been no significant deviations.												

Evaluation item	Implementation status			Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	Explanation	
(3) Does the Company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?	V		1. Health checkups and health seminars for employees are held regularly every year. 2. Fire safety inspections and fire safety seminars are held regularly every year.	There have been no significant deviations.
(4) Has the Company established effective career development training plans for its employees?	V		1. To enhance the employees' self-skills, all the departments plan their training programs every year. 2. The Company's employees are encouraged to proactively participate in educational training, such as external seminars and workshops.	There have been no significant deviations.
(5) Does the Company comply with relevant regulations and international standards on the health and safety of customers, customer privacy, marketing and labeling of products and services, and formulates relevant policies and procedures to protect consumer rights and handling complaints?	V		The brand owner, RoHS mark, product specifications, etc., are labeled on the Company's products. Also, the Company has set up a standard procedure for customer complaint handling and established a customer-oriented quality system as a basis for quality system optimization.	There have been no significant deviations.
(6) Does the Company set supplier management policy and request suppliers to comply with related standards on the topics of environmental protection, occupational safety and health or labor right, and their implementation status?	V		When signing a contract with a supplier, the Company stipulates various terms for its suppliers to comply with. If the supplier is found to be in violation, the Company may terminate or cancel the cooperation relationship.	There have been no significant deviations.
5. Does the Company refer to international reporting rules or guidelines to prepare its sustainability report to disclose non-financial information of the Company? Is the preceding report accredited from accreditation agency or third party verification organization?		V	The Company has prepared its 2025 Sustainability Report, which is scheduled to be disclosed in August 2026. Currently, the Company only conducts annual ISO 14064-1 verification by external certification bodies, TÜV NORD (for APCB INC.) and CTI (for APCB Electronics (Kunshan) Co., Ltd.). The verification is performed by qualified personnel recognized by the Taiwan Stock Exchange (TWSE).	This matter will be implemented according to the actual needs or statutory provisions.

Evaluation item	Implementation status		Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	
6. If the Company has established its Sustainable development best-practice principles according to “Sustainable Development Best-Practice Principles for TWSE/TPEx Listed Companies,” please describe the operational status and differences. The Company has established the “Sustainability Information Management Procedures” in accordance with applicable laws and regulations for compliance purposes, and there are no material differences between its implementation and the relevant code of practice.			
7. Other important information to facilitate better understanding of the Company’s implementation of sustainable development: APCB INC. (Parent Company) 1. Social contribution: Aiming at a stable and sustainable business growth, the Company has created sound working environment for its employees in order to secure their financial conditions. 2. Community participation: In 2025, the Company donated NT\$100,000 to support the installation of eco-friendly burning facilities in Shulin District. 3. Social services: The Company provided NT\$224,000 in sponsorship for local festivals, including manpower and material resources. 4. Social charity: In 2025, the Company participated in Anue’s “ESG Project Campaign” and “Charity Project” activities, with total donations amounting to NT\$140,000. In 2025, the Company sponsored the Spring Festival couplets event organized by the Shutan Branch of the New Taipei City Volunteer Fire Department with NT\$50,000. 5. Safety and health: The Company attaches importance to its employees’ physical and mental health development. In addition to regular staff health checkups and fire safety inspections. 6. The Company has received the following certifications: (1) The international quality system certification—TUV IATF 16949: 2016 (2) The international environmental management system certification —ETC ISO 14001:2015 (3) The occupational health and safety management system certification—ETC ISO 45001:2018 (4) The GHG inventory verification —TUV ISO 14064-1:2018 APCB Electronics (kunshan) Co. Ltd. (Subsidiary) 1. Social contribution: Aiming at a stable and sustainable business growth, the Company has created sound working environment for its employees in order to secure their financial conditions.			

Evaluation item	Implementation status		Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and reasons
	Yes	No	
2. Community participation: The Company's dedicated volunteer group, "Ci-Hui Society," has established an ongoing community service network to provide convenient services for local residents. It regularly organizes various public welfare programs, including free medical consultations, blood pressure screenings, vision tests, home appliance repair services, and free haircut services. 3. Social services: The "Ci-Hui Society" launched a winter warmth initiative under the theme "Hand-knitted Scarves for Sanitation Workers – Stitching Warmth with Heart," delivering care and warmth to frontline sanitation workers and other grassroots laborers during the cold winter season. 4. Social charity: In June 2025, the Ci-Hui Society launched the second-quarter "New Life for Used Clothing" initiative, encouraging all employees to donate unused clothing to provide warmth and support to children in rural areas and disadvantaged groups, while promoting environmental sustainability through resource recycling and reuse. 5. Safety and health: The Company attaches importance to its employees' physical and mental health development. In addition to regular staff health checkups and fire safety inspections. 6. The Company has received the following certification: (1) The international quality system certification—TUV ISO 9001: 2015 (2) The international quality system certification—TUV IATF 16949: 2016 (3) The international environmental management system certification —ETC ISO 14001:2015 (4) The GHG inventory verification —ISO 14064-1:2018 (5) The International Sustainable Water Management Standard Version 2.0—TÜV Rheinland (6) The Occupational Health and Safety Management System certification—CQC ISO 45001:2018 (7) The Hazardous Substance Process Management system certification—BV QC 080000:2017 (8) The energy management system certification—WIT Assessment ISO 50001 / GB/T 23331			

Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	Through the “Sustainable Development Best Practice Principles,” the Board of Directors authorizes the President to establish a cross-functional “ESG Task Force” to ensure clear responsibilities at each level and an effective operational mechanism. This ensures that environmental, social, and governance (ESG) issues are fully integrated into business operations and management, thereby continuously enhancing the effectiveness of sustainability initiatives.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	Due to changes in business operations and industry conditions, the Company, originally engaged in PCB manufacturing, ceased its production operations in Taiwan in 2024 and transitioned to an outsourced manufacturing model. Accordingly, beginning in 2026, the Company will adopt 2025 as its base year for emissions reduction to align with the current business strategy of APCB Inc.

Summary Table of Climate Change Opportunity Identification				
Opportunity Ranking	Opportunity Category	Opportunity Factors	Estimated Timeframe	Opportunity Rating
1	Climate Opportunities - Process Optimization	The Company can achieve the dual objectives of cost reduction and operational efficiency improvement through the upgrading and optimization of surface treatment processes. By modernizing production processes and implementing waste heat recovery systems, the Company can reduce carbon emissions while lowering energy consumption costs. <u>Mitigation Strategies:</u> Optimize high energy-consuming processes, particularly core operations such as electroplating, lamination, and drying. In addition, establish waste heat recovery systems to capture and reuse waste heat generated by equipment such as air compressors and boilers.	Short-term	Medium

	2	Climate Opportunities - Energy Transition	By purchasing Renewable Energy Certificates (RECs), the Company can reduce Scope 2 carbon emissions and increase the proportion of renewable energy usage, thereby enhancing its competitiveness among downstream customers. <u>Mitigation Strategies:</u> Purchase 10,947 Renewable Energy Certificates (RECs).	Short-term	High
	3	Climate Opportunities - Market Expansion	The demand for high-end PCB products in low-carbon industries such as new energy vehicles and energy storage is experiencing explosive growth. In particular, high-layer-count and high-density interconnect (HDI) PCB products are expected to achieve relatively high annual market growth rates. By producing products that meet low-carbon verification standards and successfully entering the supply chain of new energy vehicles, the Company expects the proportion of incremental revenue to total annual revenue to increase significantly. <u>Mitigation Strategies:</u> Continuous optimization of production processes and technological upgrades.	Long-term	High

Summary Table of Climate Change Risk Identification				
Risk Ranking	Risk Category	Risk Factors & Mitigation Strategies	Estimated Timeframe	Risk Rating
1	Transition Risks - Policy and Legal Risks	In accordance with the phased requirements of the Financial Supervisory Commission (FSC) based on paid-in capital, APCB Inc. is required to disclose consolidated greenhouse gas (GHG) inventory information for its subsidiaries in the 2027 annual	Short-term	High

			report (covering 2026 data). Starting in 2028, the Company will be required to prepare sustainability disclosures in accordance with IFRS Sustainability Disclosure Standards, with corresponding disclosures beginning in 2029. In addition, disclosure of Scope 3 GHG emissions for the preceding year will be required starting from 2032. Failure to complete Scope 1 and Scope 2 GHG inventories by 2027 may result in administrative penalties imposed by the competent authorities. Meanwhile, as the carbon fee mechanism is being implemented in phases, production costs for carbon-intensive processes will increase directly. Failure to timely upgrade production equipment and processes may also result in operational risks, including potential loss of orders from high-end customers. <u>Mitigation Strategies:</u> Implement ISO 14064-1 for organization-level GHG quantification, reporting, and obtain third-party verification and assurance.		
	2	Transition Risks - Technology Risks	The Company is facing significant pressure to upgrade its low-carbon manufacturing processes. Traditional resistance-heated hot air solder leveling (HASL) furnaces have low thermal efficiency, and there is an emerging industry trend toward replacing them with electromagnetic induction heating equipment. <u>Mitigation Strategies:</u> Regularly review contracted capacity, implement zoning for air-conditioning systems and lighting circuits to enhance energy efficiency; enter into equipment maintenance contracts to ensure optimal operating performance; and periodically replace aging and inefficient equipment to improve overall energy utilization efficiency.	Long-term	Medium

	3	Transition Risks - Market and Reputation Risks	Downstream customers are imposing increasingly stringent low-carbon requirements for products. If the Company is unable to provide customers with compliant product carbon footprint verification reports, it may be excluded from the supply chains of key customers, thereby resulting in a direct adverse impact on the Company's revenue scale. <u>Mitigation Strategies:</u> The Company will, in the future, enhance and complete its product carbon footprint verification reports in accordance with downstream customer requirements.	Mid-term	High
	4	Physical Risks - Acute Risks	The Company's main production site (Kunshan Plant) is located in the Yangtze River Delta region and is vulnerable to extreme weather events such as typhoons and heavy rainfall. Such events may cause production incidents, including damage to electroplating tanks and short-circuiting of electrical systems. <u>Mitigation Strategies:</u> Install waterproof flood barriers to prevent flood intrusion; elevate the facility entrance by 1 meter to reduce flood-related damage; conduct regular disaster preparedness drills to minimize risks to personnel and equipment; pre-position flood prevention materials and supplies; and strengthen emergency response capabilities for heavy rainfall, flooding, and other sudden flood-related events.	Short-term	High
	5	Physical Risks - Chronic Risks	PCB manufacturing processes are highly dependent on water resources. If water resource pressure in the Kunshan region continues to increase, the Company may face production restrictions, and the cost of water procurement may also rise accordingly. <u>Mitigation Strategies:</u> Implement reclaimed water recycling and reuse to improve water circulation efficiency and reduce the Company's reliance on externally purchased water resources.	Mid-term	Medium

3. Describe the financial impact of extreme weather events and transformative actions.	The Company continues to implement energy-saving measures to reduce electricity demand at the source, and has purchased energy-efficient equipment such as LED lighting and high-efficiency air conditioning systems to replace high-energy-consuming equipment, with the aim of reducing carbon emissions and lowering operating costs. The Company's "Business Planning Management Procedures" explicitly require each unit to conduct SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats analysis) to comprehensively identify internal and external risks in the course of business operations.
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	To effectively manage climate-related risks and opportunities, the Company has adopted the TCFD framework to analyze climate change risks and opportunities, establishing a climate risk and opportunity assessment structure as recommended by the TCFD. Furthermore, the Company discusses corresponding response strategies and metrics for high-risk and high-impact risks and opportunities, which serve as concrete measures for climate governance.
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	Based on the climate change risk register, the Company has identified and assessed the following types of risks: transition risks, technological substitution risks, and market and reputational risks, as well as physical risks, including acute risks and chronic risks. The corresponding risk factors, response strategies, timing of occurrence, and risk levels have been evaluated, and relevant KPIs have been established in accordance with the "Business Planning Management Procedures" for ongoing monitoring and control.
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	Article 3 of the Carbon Fee Collection Regulations stipulates that the carbon fee applies to emission sources that are required under Article 21, Paragraph 1 of the Act to conduct greenhouse gas emissions inventory reporting and verification, and whose total emissions from direct emissions and indirect emissions from purchased electricity at all facilities reach 25,000 metric tons of CO₂ equivalent or more per year, including electricity and gas supply industries and manufacturing industries. The Company's current carbon emissions have not reached the statutory threshold of 25,000 metric tons; therefore, no internal carbon pricing mechanism has been established at this stage.
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	APCB INC. (Parent Company) Has implemented the ISO 14064-1 organizational-level greenhouse gas emissions quantification and reporting system, which has been verified by an external third party, TÜV NORD. APCB Electronics (kunshan) Co. Ltd. (Subsidiary) Has also implemented the ISO 14064-1 GHG emissions quantification and reporting system, with verification conducted by an independent third party, CTI (China Testing & Inspection Institute / CTI Certification). The relevant carbon reduction targets, strategies, and specific action plans have been disclosed in the Company's Annual Report.

9. Greenhouse gas inventory and assurance status, as well as reduction targets, strategies, and specific action plans.	Please refer to Sections 1-1 and 1-2.
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1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

1-1-1 Greenhouse Gas Inventory Information

Greenhouse Gas Inventory Information		Describe the emission volume (metric tons CO2e), intensity (metric tons CO2e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.	
APCB INC. (Parent Company)		2025	2024
Scope 1 :		111.53(metric tons CO2e)	199(metric tons CO2e)
Scope 2 :		554.04(metric tons CO2e)	9,713(metric tons CO2e)
Scope 3 :		253.12(metric tons CO2e)	2,283(metric tons CO2e)
Emission volume :		918.69(metric tons CO2e)	12,195(metric tons CO2e)
Intensity :		1.64(metric tons CO2e/NT\$ million)	9.95(metric tons CO2e/NT\$ million)
APCB Electronics (kunshan) Co. Ltd. (Subsidiary)		2025	2024
Scope 1 :		4,010.82 (metric tons CO2e)	1,830.69 (metric tons CO2e)
Scope 2 :		54,330.28 (metric tons CO2e)	50,471.38 (metric tons CO2e)
Scope 3 :		75,972.52 (metric tons CO2e)	81,298.90 (metric tons CO2e)
Emission volume :		134,314 (metric tons CO2e)	133,601 (metric tons CO2e)

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The intensity of greenhouse gas emissions be calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.	
APCB INC. (Parent Company)	The Company conducted greenhouse gas (GHG) inventories covering Scope 1, Scope 2, and Scope 3 emissions for fiscal years 2024 and 2025. The inventories were verified by TÜV in accordance with ISO 14064-1:2018 requirements.
APCB Electronics (kunshan) Co. Ltd. (Subsidiary)	The Company conducted greenhouse gas (GHG) inventories covering Scope 1, Scope 2, and Scope 3 emissions for fiscal years 2024 and 2025. The inventories were verified by CTI (China Testing & Inspection Institute / CTI Certification) in accordance with the ISO 14064-1 GHG accounting and verification system.

Note 1: The Company does not prepare a sustainability report, that “Complete assurance information will be disclosed on the Market Observation Post System (MOPS),” and shall disclose the complete assurance information in the annual report of the following fiscal year.

1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

APCB INC. (Parent Company)	
Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.	
Reduction base year and its data:	2016 was set as the base year in which the greenhouse gas emission volume was 19,279 metric tons CO ₂ e.
Reduction target:	Currently, the target is 1% reduction from the carbon emissions produced by the total electricity consumption filed in the annual energy reduction program.
Reduction strategy:	1. Continue to implement measures for energy saving and carbon reduction. 2. Participate in energy saving and carbon reduction activities by all employees. 3. Comply with environmental protection laws, requirements of clients and other applicable regulations.

Concrete action plans:	1. Implement energy saving to eliminate energy waste. 2. Regularly review contract capacity, air conditioning zoning and lighting circuits, and strengthen energy efficiency. 3. Sign equipment maintenance contracts to keep equipment operating at optimum efficiency level and reduce energy consumption. 4. Regularly replace old and inefficient equipment to improve energy efficiency.
Status of achievement of the reduction targets:	The emissions decreased by 95% in 2025.

APCB Electronics (kunshan) Co. Ltd. (Subsidiary)	
Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.	
Reduction base year and its data:	2025 was set as the base year in which the greenhouse gas emission volume was 134,314 metric tons CO2e.
Reduction target:	Reduce carbon emissions by 2% in 2026.
Reduction strategy:	1. Continue to implement measures for energy saving and carbon reduction. 2. Participate in energy saving and carbon reduction activities by all employees. 3. Comply with environmental protection laws, requirements of clients and other applicable regulations.
Concrete action plans:	Establish KPIs for energy-saving, carbon reduction, and water usage control, and hold regular review meetings
Status of achievement of the reduction targets:	The first carbon reduction project will be implemented in 2026, and the results of the 2026 carbon reduction efforts will be disclosed in 2027.

- (6) The Company's fulfillment of ethical corporate management, any deviations from the ethical corporate management policies for TWSE/TPEX Listed Companies, and the reason for any deviations

Evaluation item	Implementation status		Deviations from the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reason for such Deviations
	Yes	No	
1. Establishment of ethical corporate management policies and programs			
(1) Does the Company have a board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the board of directors and senior management towards enforcement of such policy?	V	1. The Company has set up its “ethical corporate management policies.” 2. The board of directors and the management are both proactively implementing the policies in accordance with the law.	There have been no significant deviations.
(2) Does the Company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the Company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies?	V	The Company has established policies as a guideline and has strengthened the promotion of ethics in order to ensure that no employees have a chance to exploit the Company’s property or information for their own interests.	There have been no significant deviations.

Evaluation item	Implementation status		Deviations from the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reason for such Deviations
	Yes	No	
(3) Does the Company provide clearly the operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the Company enforce the programs above effectively and perform regular reviews and amendments?	V	The Company has established a “Codes of Ethical Conduct,” which stipulate matters that the Company’s personnel should pay attention to when conducting business. Any violation of these codes is subject to the provisions of the “Employee Reward and Punishment Regulations”.	There have been no significant deviations.
2. Fulfillment of ethical corporate management			
(1) Does the Company evaluate business partners’ ethical records and include ethics-related clauses in business contracts?	V	The Company always conducts evaluations and reviews before starting business dealings with others. Further, default clauses are stipulated in the contracts to ensure ethical corporate management.	There have been no significant deviations.
(2) Does the Company have a unit responsible for ethical corporate management on a full-time basis under the board of directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the board of directors while overseeing such operations?		V The Company have not set a unit responsible for ethical corporate management on a full-time basis.	This matter will be implemented according to the actual needs or statutory provisions.
(3) Does the Company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V	If a member of the Company has an interest in a motion at a meeting, the main content of the interest shall be stated at that meeting. If the interest may be prejudicial to the Company’s interests, the member shall not participate in and shall recuse himself/herself from the discussion and voting.	There have been no significant deviations.

Evaluation item	Implementation status		Deviations from the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reason for such Deviations
	Yes	No	
(4) Does the Company have effective accounting and internal control systems in place to implement ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or hire CPAs to perform the audits?	V	1. The Company has set effective accounting and internal control systems. In addition, they are promptly revised in accordance with laws and practical needs to ensure sustainable effectiveness of design and implementation of the system. 2. The internal auditors prepare their annual audit plan based on risk assessment to conduct audits.	There have been no significant deviations.
(5) Does the Company regularly hold internal and external educational training on operational integrity?	V	In 2025, the Company conducted internal and external training on integrity management (including courses related to compliance with ethical corporate management laws and regulations, safety and health management, financial system and internal control), with a total of 119 participants and 399 training hours.	There have been no significant deviations.
3. Operation of the whistleblowing system			
(1) Does the Company establish both a reward/punishment system and a whistleblowing channel? Can the accused be reached by an appropriate person for follow-up?	V	1. The Company has established its “fraud management regulation” and has also set up a Chairperson’s Mailbox. Therefore, opinions can be communicated securely and confidentially. 2. Prosecuted persons will be investigated by an investigation team composed of appropriate personnel.	There have been no significant deviations.
(2) Does the Company have in place standard operating procedures for investigating accusation cases, as well as follow-up actions and relevant post-investigation confidentiality measures?	V	1. Whistleblowing matters are handled in a confidential and careful manner by the Company in accordance with the “Fraud Management Regulation.” 2. The reward and disciplinary committee is responsible for the investigation, discussion and punishment.	There have been no significant deviations.

Evaluation item	Implementation status		Deviations from the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, and the reason for such Deviations
	Yes	No	
(3) Has the Company set measures to protect whistleblowers do not suffer for which he or she reported?	V	The Company keeps whistleblowers' information confidential and protects them from unfair retaliation.	There have been no significant deviations.
4. Strengthening information disclosure			
Does the Company disclose its ethical corporate management policies and the results of its implementation on the Company's website and MOPS?	V	The Company's website and the Market Observation Post System disclose information related to ethical corporate management for reference.	There have been no significant deviations.
5. 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 Company upholds the business philosophy of "honesty, innovation, respect and teamwork," and complies with provisions of applicable laws and regulations.			
6. Other important information for better understanding of the ethical corporate management (such as review and revision of the regulations on corporate management policies) None.			

(7) Other significant information that will provide a better understanding of the state of the Company's implementation of corporate governance

1. In order to establish a good mechanism for handling and disclosing material internal information, the Company has established "Procedures for Handling Material Inside Information". These procedures are implemented after the board of directors' approval, and are disclosed on the Company's electronic document management system, so that managers and employees can refer to them at any time, thus avoiding any unlawful insider trading.

The Company provides training on "Procedures for Handling Material Inside Information" and applicable laws and regulations thereof to its directors, supervisors, managers and employees at least annually; for new directors, supervisors and managers, the training is held within three months from their appointment; for new employees, the personnel is responsible for educating and disseminating such information to them during induction training.

The Company has conducted the training for the current directors, supervisors, managers and employees on March 6, 2026. The training course covers the scope of important internal information, confidentiality practices, and handling of non-compliance, and the slides are sent to all the directors, supervisors, managers and employees for their reference.

2. Upon the appointment of new directors, supervisors and managers, the Company distributes the latest version of the directors' and supervisors' handbooks and brochures of insider stock transactions issued by the competent authorities to them in order to help the Company's insiders follow the guidelines.
3. Managers' participation in corporate governance-related in-service courses and training

Title	Name	Study Date	Organizer	Training Hours
Head of audit division	Wu,Hui-Chuan	2025/04~2025/10	The Institute of Internal Auditors	15
		2025/08	KPMG	3
		2025/09	TUV Rheinland	3
		2025/10	Accounting Research and Development Foundation	6
		2025/10	TPEX	3
Head of finance division	Tsai,Cheng-Hung	2025/08~2025/12	Taiwan Institute of Directors	6
		2025/09	Accounting Research and Development Foundation	12
		2025/11	Securities and Futures Institute	3

(8) Internal control system execution status

1. Statement of internal control system

APCB INC.

Statement of Internal Control System

Date: March 6, 2026

Based on the findings of a self-assessment, The Company states the following with regard to its internal control system during the year 2025:

1. The Company acknowledges that the establishment, implementation and maintenance of the internal control system are the responsibilities of the Board of Directors and management of the Company.
The Company has established such a system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of the operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of the reporting, and compliance with applicable rules, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three stated objectives. Furthermore, the effectiveness of an internal control system may change with the environment and under different situations. Nevertheless, the Company's internal control system contains self-monitoring mechanisms, and the Company takes prompt remedial actions in response to any identified deficiencies.
3. The Company uses the assessment items specified in the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Regulations") to determine whether the design and implementation of the internal control system are effective. The criteria adopted in the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each component also includes several items. Please refer to the Regulations for details of these items.
4. The Company has evaluated the design and operating effectiveness of its internal control system by adopting the aforesaid criteria.
5. Based on the self-assessment results in the preceding paragraphs, the Company concluded that its internal control system (including supervision and management over the subsidiaries) as of December 31, 2025, is effective on the design and implementation of the internal control system for helping understand the effectiveness of the Company's operations and the extent to which the Company's efficiency targets are achieved, presenting reports in a reliable, timely transparent and regulatory-compliant manner, etc. The internal control system can reasonably ensure the achievement of the aforesaid objectives.
6. This Statement will be an integral part of the Company's annual report and prospectus, and will be publicly disclosed. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchanged Act.
7. This Statement was passed by the board of directors in their meeting held on March 6, 2026, with None of the eight attending directors expressing dissenting opinions, and the remainder all affirming the content of this statement.

APCB INC.

Chairperson: Tsao, Yueh-Hsia

General Manager: Lai, Chin-Tsai

2. Where CPAs are retained to audit the internal control system, please disclose the CPAs' audit report: None

- (9) Material resolutions of the shareholders' meeting or the board of directors meeting during the latest year or during the current year up to the date of publication of the annual report

1. Material resolutions of the shareholders' meeting and implementation thereof

Date	2025 Annual Shareholders' Meeting	Execution Situation
June 20, 2025	Report Items (1) 2024 Business Report (2) 2024 Audit Committee Report (3) Report on Endorsements/Guarantees Status in 2024 (4) Report on Loaning of Funds in 2024 (5) Report on Investment status in Mainland China in 2024 (6) Report on Distribution of Remuneration to Employees, Directors of 2024 (7) Report on the Implementation of the Share Repurchases by the Company Proposals (1) The Company's 2024 financial statements and business report are proposed for acceptance. (2) The Company's 2024 earnings allocation is proposed for acceptance. (cash dividends to shareholders \$1 per share) Discussion (I) (1) Amendment to the certain provisions of the "Articles of Incorporation." Election Matters (1) Election of the 13th Board of Directors (including independent directors) Discussion (II) (2) The motion to release newly elected directors and their representatives from the prohibition of competition is proposed for resolution.	Dividend base date: September 5, 2025 Issue date: September 19, 2025 It has been operated in accordance with the revised procedures. Election results : Directors elected: Tsao, Yueh-Hsia 、Lai, Chin-Tsai 、Lin, Chun-Hao 、Ko, Ching-Yu Independent directors elected: Chang, Hui 、Hung, Ju-Mei 、Lin, Pao-Chu 、Tsai, Yi-Ling The proposal to release the newly elected directors (including independent directors) from the non-competition restriction has been duly resolved.

2. Material resolutions of the board of directors

Date	Decision making unit	Major resolutions
March 7, 2025	The 16th Meeting of the 12st board of directors	1. Approval to the motion of 2024 financial statements and consolidated financial statements prepared by the Company and audited by the CPAs 2. Approval of matters related to the 2025 regular shareholders' meeting 3. Approval to the motion of the Company's earnings distribution for 2024 4. Approval of the Company's 2024 bonuses to employees and directors 5. Approval of the Company's 2024 statement of internal control system 6. Approval of revision to the Company's internal control system 7. Replacement of the signing certified public accountant in connection with the change of the Company's external auditing firm. 8. Approval of the independence and suitability of the Company's attesting CPAs 9. Approval of resolved to redeem and cancel shares for capital reduction 10. Approval of the change of acting spokesperson
May 7, 2025	The 17th Meeting of the 12st board of directors	1. Report on the Company's consolidated financial statements of Q1 2025 2. Approval to the motion of the Company's earnings distribution for 2024 3. Approval of the statutory review of shareholder-nominated candidates for directors (including independent directors) of the Company 4. Approval of revision to the Company's internal control system 5. Approval of endorsement/guarantee for subsidiaries
June 20, 2025	The 1th Meeting of the 13st board of directors	1. Approval of the election of the 13th Chairman of the Board. 2. Approval of the appointment of members of the Audit Committee. 3. Approval of the appointment of members of the Compensation Committee.
August 8, 2025	The 2th Meeting of the 13st board of directors	1. Report on the Company's consolidated financial statements of Q2 2025 2. Approval to set the record date and distribution date and book closure date for cash dividends 3. Approval for the issuance of the Company's 2024 Sustainability Report. 4. Approval of revision to the Company's internal control system
November 7, 2025	The 3th Meeting of the 13st board of directors	1. Report on the Company's consolidated financial statements of Q3 2025 2. Approval of revision to the Company's internal control system

Date	Decision making unit	Major resolutions
December 3, 2025	The 4th Meeting of the 13th board of directors	1. Proposal to approve the Company's second share buyback. 2. Approval of the Company's 2025 annual audit plan. 3. Approval of endorsement/guarantee for subsidiaries 4. Approval of revision to the Company's internal control system
March 6, 2026	The 5th Meeting of the 13th board of directors	1. Approval to the motion of 2025 financial statements and consolidated financial statements prepared by the Company and audited by the CPAs 2. Approval of matters related to the 2026 regular shareholders' meeting 3. Approval of the Company's 2025 earnings allocation is proposed for acceptance. 4. Approval of the Company's 2025 bonuses to employees and directors 5. Approval of the independence and suitability of the Company's attesting CPAs 6. Approval of resolved to redeem and cancel shares for capital reduction 7. Approval of revision to the Company's internal control system 8. Approval of the Company's 2024 statement of internal control system

- (10) Where, during the latest year or during the current year up to the date of publication of the annual report, a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None

4. Information on the professional fees of the attesting CPAs

- (1) Amounts of the audit fees and non-audit fees paid to the attesting CPAs and to the CPA firm to which they belong and to any affiliated enterprises as well as the details of non-audit services:

Unit: NTD thousand

CPA firm	CPAs	Audit period	Audit fee	Non-audit fee	Total	Remarks
KPMG	Jhao, Min-Ru	January 1, 2025 ~ December 31, 2025	4,660	592	5,252	1. \$200 thousand of TP service fee
	Wu, Chia-Han					2. \$93 thousand of audit travel fee 3. \$104 thousand of financial report printing fee 4. \$30 thousand of working hour review fee 5. \$165 thousand of other expenses

- (2) When the Company changes its CPA firm and the audit fees paid for the year in which such change took place are lower than those for the previous year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: N/A
- (3) When the audit fees paid for the current year are lower than those for the previous year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: The audit fee for the current year was NT\$4,660 thousand, representing a decrease of NT\$930 thousand, or approximately 16.65%, compared with NT\$5,590 thousand in the previous year. The decrease was mainly due to the completion of liquidation procedures for certain subsidiaries, resulting in a reduction in the number of companies included in the scope of the consolidated financial statement audit, and consequently a decrease in the related audit fee.

5. Information on replacement of CPAs

(1) Former CPAs

Date of replacement	March 7, 2025		
Information on replacement of CPAs	The replacement is made due to internal restructuring of the attesting CPA firm.		
Statement on whether the Company or the CPA terminates or rejects engagement	Status of the		
	Principal	CPA	The Company
	Voluntary termination	N/A	N/A
	CPAs declined to accept (continue with) the appointment	N/A	N/A
Opinion and reason for audit report expressing other than an unqualified opinion during the latest 2 years	N/A		
Disagreement between the issuer and CPAs	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or procedures
			Others
	None	V	
	Note: N/A		
Other disclosures	None.		

(2) Successor CPAs

CPA firm	KPMG
CPAs	Jhao, Min-Ru and Wu, Chia-Han
Date of appointment	March 7, 2025
Consulted accounting treatment of or application of accounting principles to a specified transaction, or the type of audit opinion that might be rendered on the company's financial report prior to the formal engagement of the successor CPAs and results thereof	N/A
Written opinions from the successor CPAs on the disagreement between the company and former CPAs	N/A

(3) Former CPAs' reply letter for matters listed in item 1, 2 & 3 of subparagraph 6 of article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies: None

6. The Company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters in the latest year who held a position at the CPA firm of its CPA or at an affiliated enterprise of such accounting firm: None.
7. Any transfer of equity interests and pledge of or change in equity interests by a director, supervisor, managerial officer, or shareholder with a stake of more than ten 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 major shareholders

Unit: shares

Title	Name	2025		As of March 31, 2026	
		Increase (decrease) in shares held	Increase (decrease) in pledged shares	Increase (decrease) in shares held	Increase (decrease) in pledged shares
Chairperson	Tsao, Yueh-Hsia	0	0	0	0
Director and general manager	Lai, Chin-Tsai	0	0	0	0
Director	Lin, Chun-Hao	0	0	0	0
Director	Ko, Ching-Yu	0	0	0	0
Independent director	Chang, Hui	0	0	0	0
Independent director	Hung, Ju-Mei	0	0	0	0
Independent director	Lin, Pao-Chu	0	0	0	0
Independent director	Tasi, Yi-Ling	0	0	0	0
Head of audit division	Wu, Hui-Chuan	0	0	0	0
Head of finance division	Tsai, Cheng-Hung	0	0	0	0

- (2) Where the counterparty in any such transfer or pledge of equity interests is a related party, disclose the counterparty's name, its relationship between that party and the company as well as the company's directors, supervisors, managerial officers, and ten-percent shareholders, and the number of shares transferred or pledged: None.

8. Relationship information, if among the company's 10 largest shareholders any one is a related party, a spouse or a relative within the second degree of kinship of another

Name	Shares held in person		Shares held by spouse and children of minor age		Shares held in name of other persons		Title or name and relationship of top ten shareholders who are related parties or each other's spouse and relative within the second degree of kinship		Remarks
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Name	Relation	
Lai, Chin-Tsai	10,299,803	6.56%	9,924,708	6.32%	0	-	Tsao, Yueh-Hsia	Spouses	-
Tsao, Yueh-Hsia	9,924,708	6.32%	10,299,803	6.56%	0	-	Lai, Chin-Tsai	Spouses	-
Chia Fei Su Investment Co., Ltd.	6,046,000	3.85%	0	-	0	-	-	-	-
Representative: Hsiao, Chen-Sheng	4,565,000	2.91%	0	-	0	-	-	-	-
Hefeng United Co., Ltd.	5,850,000	3.73%	0	-	0	-	-	-	-
Representative: Su, Hui-Chen	0	-	0	-	0	-	-	-	-
Lai, Jen-He	5,684,740	3.62%	0	-	0	-	Lai, Chin-Tsai and Tsao, Yueh-Hsia	Parents and son	-
Lai, Yu-Fu	4,848,928	3.09%	0	-	0	-	Lai, Chin-Tsai and Tsao, Yueh-Hsia	Parents and son	-
Hsiao, Chen-Sheng	4,565,000	2.91%	0	-	0	-	-	-	-
Lin, Gao-Huang	3,300,000	2.10%	0	-	0	-	-	-	-
Lai, Shui-Shu	3,017,537	1.92%	0	-	0	-	Lai, Chin-Tsai	Brothers	-
Tai Lin, Chun-Mei	2,928,923	1.87%	0	-	0	-	-	-	-

9. Total number of shares and total equity stake held in any single enterprise by the Company, its directors and supervisors, managerial officers, and any companies controlled either directly or indirectly by the Company

Unit: thousand shares

Investee company	The Company's investment		Equity held by directors, supervisors, managers, and any companies controlled either directly or indirectly by the Company		Comprehensive investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
APCB INTERNATIONAL CO., LTD. (Note)	-	100%	-	-	-	100%
APCB INVESTMENT CO., LTD. (Note)	-	-	-	100%	-	100%
NEW DAY LIMITED (Note)	-	-	-	100%	-	100%
APCB Electronics (Kunshan) Co., Ltd. (Note)	-	-	-	100%	-	100%
Gao Duo Electronics Co., Ltd. (Note)	-	-	-	100%	-	100%
APCB Capital Limited (Note)	-	-	-	100%	-	100%
U-PEAK LTD. (Note)	-	100%	-	-	-	100%
RED NOBLE LIMITED (Note)	-	100%	-	-	-	100%
SMART EXPLORER LIMITED (Note)	-	-	-	100%	-	100%
APCB ELECTRONICS(THAILAND) CO., LTD	-	-	-	100%	-	100%

Cut-off date: March 31, 2026

Note: The Companies are limited companies

III. Capital Raising Status

1. Capital and shares

(1) Sources of share capital

April 30, 2026

Year/ month	Offering price (\$)	Authorized share capital		Paid-in capital		Remarks		
		Number of shares (shares)	Amount (\$)	Number of shares (shares)	Amount (\$)	Sources of share capital	Shares purchased with property other than cash	Others
June 2025	10	250,000,000	2,500,000,000	156,994,311	1,569,943,110	Retirement of 2,905,000 treasury shares	None	Note 1
April 2026	10	250,000,000	2,500,000,000	154,494,311	1,544,943,110	Retirement of 2,500,000 treasury shares	None	Note 2

Note 1. Approval number for change of registration: Ching-Shou-Shang-Tzu No. 11430063470

Note 2. Approval number for change of registration: Ching-Shou-Shang-Tzu No. 11530046890

Unit: shares

Cmt. shares						
Type of share	Authorized share capital					Remarks
	Shares outstanding			Unissued shares	Total	
	Listed	Unlisted	Total			
Common share	154,494,311	0	154,494,311	95,505,689	250,000,000	—

Information on shelf registration system: N/A.

(2) List of major shareholders

April 30, 2026

Name of Major Shareholder	Shares	Shares held	Shareholding ratio
Lai, Chin-Tsai		10,299,803	6.56%
Tsao, Yueh-Hsia		9,924,708	6.32%
Chia Fei Ssu Investment Co., Ltd.		6,046,000	3.85%
Hefeng United Co., Ltd.		5,850,000	3.73%
Lai, Jen-He		5,684,740	3.62%
Lai, Yu-Fu		4,848,928	3.09%
Hsiao, Chen-Sheng		4,565,000	2.91%
Lin, Gao-Huang		3,300,000	2.10%
Lai, Shui-Shu		3,017,537	1.92%
Tai Lin, Chun-Mei		2,928,923	1.87%

(3) Dividend policy and implementation

1. Dividend policy as stipulated in the Articles of Incorporation

If there is profit in the Company's annual financial statements, the Company shall first pay taxes and offset accumulated losses, and then set aside 10% as legal reserve and set aside special reserve in accordance with the law. If any surplus remains, the board of directors shall, after adding the undistributed earnings from previous years, prepare a proposal for distribution and submit it to the shareholders for resolution.

To meet the Company's future needs for equipment replacement and expansion, cash dividends shall be distributed at a rate of not less than 10% of the total dividends, and the rest shall be distributed in the form of stock dividends.

2. Dividend distributions proposed at the shareholders' meeting

For 2025, the Company's net loss after tax was NT\$138,758,402; the total cash dividends distributed to shareholders were NT\$154,494,311.

APCB INC.
Earnings Distribution and Deficit Compensation Statement
2025

Unit: NTD

Items	Amount
Beginning balance	887,718,033
Less: cancellation of treasury shares	(10,717,248)
Less: net loss after tax of the period	(138,758,402)
Less: legal reserve appropriation (10%)	0
Less: appropriation to special reserve	(47,559,545)
Retained earnings available for distribution	690,682,838
Appropriation:	
Less: cash dividends to shareholders (\$1 per share)	(154,494,311)
Undistributed earnings at the end of the period	536,188,527

Note: The capital used for calculating the cash dividend to shareholders is based on the total number of issued shares as of March 2026, which was 156,994,311 shares. After deducting 2,500,000 shares to be retired (treasury shares), the total number of shares outstanding after cancelation will be 154,494,311 shares.

Chairman:
Tsao, Yueh-Hsia

Manager:
Lai, Chin-Tsai

Accounting Supervisor:
Tsai, Cheng-Hung

- (4) Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the shareholders' meeting.

Item		Year	2026 (Estimate)
Paid-in capital as of the beginning of period			\$1,544,943,110
Dividend distribution for the year	Cash dividend per share		\$1
	Stock dividends from earnings per share		—
	Stock dividends from capital surplus per share		—
Changes in operating performance	Operating income		—
	Increase (decrease) ratio of operating income compared to the same period last year		—
	Net income after tax		—
	Increase (decrease) ratio of operating net income compared to the same period last year		—
	Earnings per share		—
	Increase (decrease) ratio of earnings per share compared to the same period last year		—
	Average annual return on investment (reciprocal of average annual price-to-earnings ratio)		—
Proforma earnings per share and price-to-earnings ratio	If all the stock dividends from earnings were distributed in cash	Proforma earnings per share	—
		Proforma average annual return on investment ratio	—
	If share dividends from capital surplus were not distributed	Proforma earnings per share	—
		Proforma average annual return on investment ratio	—
	If stock dividends from capital surplus were not distributed, and stock dividends from earnings were distributed in cash	Proforma earnings per share	—
		Proforma average annual return on investment ratio	—

Note 1: The capital used for calculating the cash dividend to shareholders is based on the total number of issued shares as of March 2026, which was 156,994,311 shares. After deducting 2,500,000 shares to be retired (treasury shares), the total number of shares outstanding after cancelation will be 154,494,311 shares.

2: The Company has not made its 2026 financial forecast public, and therefore it is not required to disclose the forecast information for 2026.

(5) Remuneration to employees, directors and supervisors

1. Percentage or scope of remuneration to employees, directors and supervisors stipulated in the Articles of Incorporation

If the Company makes a profit in a year, it shall set aside not less than 5% for remuneration to employees and not more than 3% for remuneration to directors. However, if the Company has accumulated losses, the Company shall first reserve an amount to offset the losses.

2. Basis for estimating the amount of employee, director, and supervisor remuneration, for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.

Remuneration to employees and remuneration to directors and supervisors are estimated in accordance with the Company's Articles of Incorporation and are recognized under expenses payable. If employees' remuneration is paid by means of stock distribution, the number of shares distributed is calculated based on the closing price on the day before the board of directors' resolution. However, if the actual distributed amount subsequently resolved by the board of directors differs from the estimated amount, it will be treated as a change in accounting estimate and will be recognized as profit or loss in the current year. Relevant information is available on the Market Observation Post System.

3. Information on any approval by the board of directors of distribution of remuneration

- (1) Amount of any employee remuneration and director and supervisor remuneration distributed in cash or stocks

2025

Unit: NTD

Remuneration to be distributed	Amounts resolved by the board of directors	Amounts recognized as expenses	Discrepancy
Remuneration to directors	0	0	0
Cash remuneration to employees	0	0	0
Stock remuneration to employees	0	0	0

- (2) Amount of any employee remuneration distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee remuneration: N/A.

4. Actual distribution of employee, director, and supervisor remuneration for 2024

Unit: NTD

Remuneration to be distributed	Amounts recognized as expenses	Actual distributed amounts	Discrepancy
Remuneration to directors	6,000,000	6,000,000	0
Cash remuneration to employees	14,741,995	14,741,995	0
Stock remuneration to employees	0	0	0

(6) Status of the Company repurchasing its own shares:

1. Repurchases Already Completed

April 30, 2026

Repurchase no.	Second
Purpose of repurchase	To protect the Company's credit and shareholders' interests
Repurchase period	From December 4, 2025 to January 30, 2026
Repurchase price range	Within the range of NT\$9.70 to NT\$20.58; however, if the share price falls below the lower limit of the aforementioned repurchase price range, the share repurchase will continue to be executed.
Types and numbers of shares bought back	2,500,000 shares
Amount of shares bought back (NT\$)	NTD 37,061,977
Ratio of the number of shares already repurchased to the number of shares intended to be repurchased (%)	100%
The number of repurchased shares that have been cancelled or transferred	2,500,000 shares
Accumulated number of the Company's shares held by the Company	0 shares
Ratio of the accumulated number of the Company's shares held by the Company to the total number of issued shares (%)	1.59%

2. Repurchases Still in Progress Completed: None.

2. Status of corporate bonds: None.
3. Status of preferred Shares: None.
4. Status of global depositary receipts: None.
5. Status of employee stock option plan: None.
6. Status of new restricted employee shares: None.
7. Status of new share issuance in connection with mergers and acquisitions: None.
8. Financing plans and implementation: None.

IV. Overview of Operations

1. Description of Business

(1) Business scope

1. The Company's major lines of business

- (1) Printed circuit board manufacturing, processing and trading
- (2) Dealing, agency and tender offer for electronic parts and materials (except government restricted products)
- (3) Printed circuit board drilling processing and trading
- (4) Lamination process for various types of printed circuit boards
- (5) Manufacturing, processing and trading of multi-layer printed circuit boards
- (6) Manufacturing, processing and trading flexible printed circuit boards
- (7) Electronic component manufacturing
- (8) Import/export trading for the preceding businesses

2. Major business activities the company engages in and their percentage to the whole business.

Unit: NTD thousand

Business items	2024		2025	
	Revenue	Business proportion	Revenue	Business proportion
Double-sided printed circuit board	1,241,380	24.36%	309,789	7.42%
Multi-layer printed circuit board	3,836,433	75.29%	3,860,228	92.43%
Samples and others	17,612	0.35%	6,304	0.15%
Total	5,095,425	100.00%	4,176,321	100.00%

3. The Company's current products (services)

- (1) Manufacturing of double-sided/multi-layer printed circuit boards
- (2) Trading of double-sided/multi-layer printed circuit boards

4. New products (services) planned to be developed

In recent years, consumer electronic products have developed toward a light, thin, and small-sized trend. In addition to continuing to innovate lens modules and SMD LED-derived environmental sensor products, the Company has also engaged in the R&D of high-power industrial power supplies, thick copper products, power IC copper substrates, high-speed transmission products and special-purpose automotive products. In addition, in terms of manufacturing technology, the Company has also invested in the research and development of Anylayer HDI plating technology, thick copper etching technology, characteristic impedance product control technology, and relevant processes.

(2) Industrial profile

1. Current status and development of industry

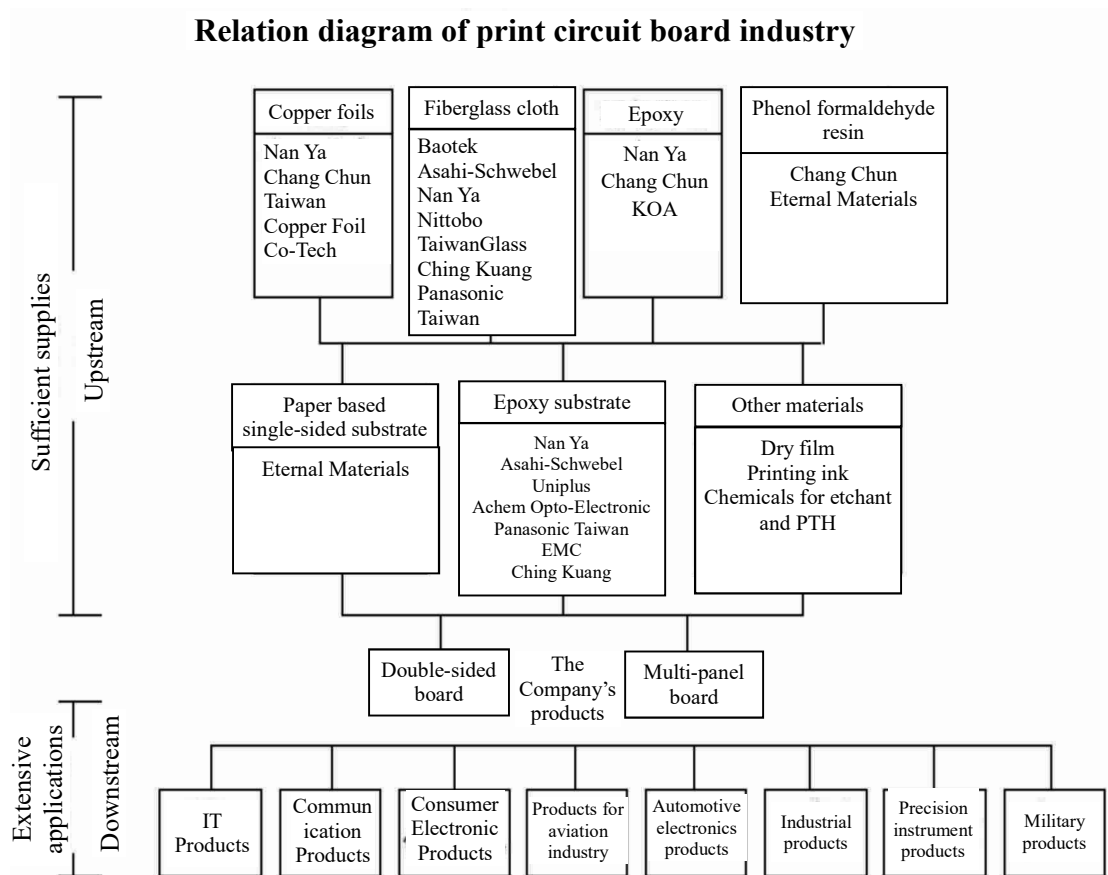
Regarding the development trends of the global printed circuit board (PCB) industry in 2025, as AI technology continues to innovate, the growing demand for computing power in high-end applications will not only continue to drive upgrades in hardware devices such as processors and memory, but will also impose more challenging requirements on PCB design specifications. In addition, AI is expanding from cloud-based applications to edge and end-user devices, which is expected to stimulate demand growth and specification upgrades in consumer electronics, further increasing the market demand for high-performance hardware. At the same time, this trend will accelerate the evolution of PCB manufacturing technologies, driving the industry into a new stage of growth and becoming a key force behind future industrial upgrading and technological innovation.

Key Topics for the Global PCB Industry in 2025:

1. In 2025, the global PCB industry will continue to show overall growth driven by technological innovation.
2. Demand for high-end products will lead the development of the semiconductor and PCB industries.
3. AI is gradually expanding from cloud computing to edge computing, triggering another wave of transformation in electronic products.
4. EMS manufacturers are launching manufacturing operations in the United States, which may reshape the global trade landscape.
5. Labor shortages in Thailand are emerging as a concern and may affect mass production schedules.
6. Fluctuations in copper prices and geopolitical developments are creating potential risks for the electronics industry.

2. Upstream, midstream, and downstream in the industry and relations thereof

The Company is specialized in manufacture of printed circuit boards, and its products' upstream industries mainly include substrates, glass cloth, copper foil, plastic sheet, dry film, printing ink and chemical raw materials; the downstream industries thereof include IT products, communication products, consumer electronics, aviation products, automotive electronics products, industrial products, precision instrument products, and military products. Most of the materials for upstream are sufficiently supplied by domestic companies, and the applications in the downstream industry are extensive. Therefore, the system of printed circuit board industry from upstream to downstream has been developed quite completely. The following is a diagram of the structural relation between the upstream, midstream and downstream of the industry.



3. Trends of product development

The growing trend of product digitalization is making our daily life more convenient. In order to meet consumers' needs, companies are pursuing technological refinement and product miniaturization. They have become the main driving force for the development of PCB products and technologies.

Taiwanese PCB companies shall develop in the following three directions:

1. **Automotive electronic devices:** As smart technology evolves in automobiles, automotive electronics have become a popular topic. The booming development of smart safety devices, and automotive IT, etc., has enabled cars to become more than just tools for transportation, but also proactive interfaces of "interactive relationship" between humans and vehicles.
2. **Connected device hardware:** Smartphones, and the audio/video devices and appliances of all sizes that are directly or indirectly connected to smartphones, will bring comprehensive and innovative applications, e.g. smart home, health and fitness management, or mobile payment. Therefore, the demand of IoT from consumers will definitely increase.
3. **Green production technology:** Regarding the future need of green production in the electronics industry. By connecting resources from industry/universities/institutes, a green process of ultra-narrow linewidth transfer printing and equipment technology development platform shall be established, thereby grasping the key manufacturing mechanism.

4. Competition status

Printed circuit board companies in Mainland China have been expanding rapidly in recent years. Moreover, their government targets to increase the self-sufficiency rate of high-end printed circuit boards year by year for new electronic components. Therefore, their low-price competitiveness is likely to cause Taiwanese, Japanese and Korean companies to lose the market share. As the whole red supply chain is gaining in strength, if Taiwanese printed circuit board companies want to survive, they must strive towards high-end products or even smart manufacturing.

Taiwan: To date, the PCB industry in Taiwan has been developed for many years, and its technical capability and on-time delivery are well recognized around the world. Consequently, Taiwan has a competitive advantage compared to other countries. The domestic product allocation and industrial restructuring are ongoing, including improving the technology level of HDI boards, shifting to full-layer and high-density products, expanding the production capacity of substrates, obtaining alternative product orders and transferring lower-end product orders to manufacture overseas (e.g. China and Southeast Asia). Through globalization, the cost advantage is realized, and the customer base and production are more flexible than in Korea.

China: As the world's main production base for printed circuit boards, China mainly produces multilayer boards for communication products, computer-related products and consumer electronics products.

Japan: In recent years, Japan has been proactive about investing in Southeast Asian countries. Therefore, considering resource allocation and product portfolio diversification, the domestic development of high end HDI boards, substrates and ultra-bendable/flexible boards is the main focus of Japan, and the lower end products are produced overseas instead.

Korea: The development of high-end printed circuit board products is Korea's main focus. With the rise of Korean brands, component set products in the downstream are developed by the corporate groups. Additionally, Korean government controls the exchange rate to ensure the competitiveness of Korean products.

European countries and the United States: European countries and the United States mainly produce printed circuit boards for niche markets, such as military, aviation, medical device, and automobile.

(3) Technology and R&D overview

1. Technology level

Classification		The most advanced technologies available in mass production now	The technologies most commonly used in mass production now
Line width/spacing	Inner layer	1.6mil／1.6mil	2.0mil／2.0mil
	Outer layer	1.6mil／1.6mil	2.5mil／2.5mil
Minimum hole diameter before plating	Laser drilling	3.0mil	4.0mil
	Mechanical drilling	6.0mil	8.0mil
Aspect ratio	Blind hole	1 : 1	0.6 : 1
	PTH	10 : 1	6 : 1
Width/distance of SMD pad		4mil／4mil	8mil／8mil
Number of board layers	Maximum manufacturing capacity	16 layers	12 layers
	Methodology used	One-time lamination/sequential lamination	One-time lamination
Surface finishing		Optional plating	Electroplated gold/electroless nickel immersion gold
Thin board capability		0.04mil	0.05～30mil
Large panel Capacity		20*24 inches	16*20 inches

2. Research and development expenses paid during the latest year or during the current year up to the date of publication of the annual report

Unit: NTD thousand

Year	2025	March 31, 2026
Research and development expenses	17,364	4,069
Research and development expenses as a proportion of net revenue	0.42%	2.91%

3. Technologies or products successfully developed during the latest year or during the current year up to the date of publication of the annual report

Year	Development results	Benefits of results
2023	RF Ceramic Plate Routers Products	Increase of revenue/profitability from new products
2024	Power IC copper substrates Products	Increase of revenue/profitability from new products
2024	High-power industrial thick copper Products	Increase of revenue/profitability from new products
2025	High-speed optical module products	High-speed optical communication products to meet the demands of AI data centers

(4) Long- and short-term business development plans

1. Short-term business development plans

- (1) To improve technology for boards with more than 16 layers
- (2) Mass production of thick copper products above 6 OZ
- (3) Hybrid ceramic heat dissipating substrate products
- (4) To improve the process technology of flat panel transformer products
- (5) High power LED heat dissipating metallic board
- (6) Products of any-layer HDI plated board with microvia filling
- (7) High aspect ratio products (servers for industrial computers)

2. Short-term business development plans

- (1) To develop key materials such as high-frequency materials in order to grasp the R&D advantage and autonomy.
- (2) To develop thin circuit and ultra-thin circuit products
- (3) To develop MEMS products
- (4) CORE Components for big data collection
- (5) To develop MWS
- (6) Sensor substrates for 5G applications
- (7) Power IC copper substrates
- (8) Heat dissipating substrates for electric vehicles
- (9) Thick copper products above 10 OZ

2. Market and sales overview

(1) Market analysis

1. Geographic areas where the main products (services) of the Company are provided

Unit: NTD thousand

Sales region \ Year	2024		2025	
	Net revenue	As a percentage of total net revenue (%)	Net revenue	As a percentage of total net revenue (%)
Asia	4,928,104	96.72	4,120,522	98.67
Europe	73,343	1.44	11,429	0.27
America	93,978	1.84	44,370	1.06
Net sales revenue	5,095,425	100.00	4,176,321	100.00

2. Market share, demand and supply conditions for the market in the future and market's growth potential

(1) Market share

At present, there are 35 TWSE/TPEX listed PCB companies in Taiwan. Comparing the consolidated revenue size of 2025, the total revenue of the PCB companies is approximately NT\$819.4 billion, and the Company's revenue is NT\$4.2 billion, representing 0.51% of the total market share.

In terms of the market share of the global PCB industry, China ranks the highest (37%), followed by Taiwan (33%), Japan (15%) and Korea (10%). Therefore, the industry is pretty much dominated by these four countries.

(2) Demand and supply conditions for the market in the future

From a product structure perspective, demand for printed circuit boards (PCBs) has been strongly driven by high-end applications such as AI and high-performance computing (HPC). Among them, substrate products are expected to grow by 20.6% year-over-year, mainly driven by BT and ABF substrates, benefiting respectively from the recovery in memory demand and the increasing demand for AI and networking chips. HDI boards are projected to grow by 16.2% year-over-year, while multilayer boards are expected to increase by 19.2%. Flexible PCBs and rigid-flex boards are forecast to grow steadily by 4.1% and 4.7%, respectively. However, the automotive market has become one of the few declining application sectors due to the impact of high U.S. tariffs and the phase-out of electric vehicle subsidies in Europe and the United States.

According to the latest analysis by the Taiwan Printed Circuit Association (TPCA) and the Industrial Technology Research Institute's International Industrial Economics and Knowledge Center (IEK),

although the global economy in 2025 still faces uncertainties such as geopolitical tensions, U.S. tariff policies, and exchange rate fluctuations, demand for AI servers and high-performance computing continues to expand rapidly. Global PCB output value is projected to reach US\$92.36 billion, representing an annual growth rate of 15.4%. Looking ahead to 2026, global output value is expected to further increase to US\$105.2 billion, up 13.9% year-over-year, highlighting AI as a key engine driving industrial upgrading and value-chain transformation.

(3) Market's growth potential

According to the Taiwan Printed Circuit Association (TPCA), the growth momentum of the PCB industry stems from four major factors. First, AI applications will be extended from the cloud to the end expansions, which will further boost the demand for high-end PCB products. Secondly, the EV penetration rate is likely to increase under the promoting policy and the active exploration of overseas markets by car companies in Mainland China. Thirdly, as the inventory pressure in the end market eases, key markets (i.e. mobile phones, computers, and semiconductors) are expected to enter a recovery period. Lastly, the development of other emerging applications (satellite communication, VR/AR/MR, wearable devices). Such factors promote the growth of the PCB industry chain.

3. Competitive niche

(1) Sales strategy and target market segmentation

The Company's main products are multiple types of printed circuit boards in small quantities and small sizes by special processes. Therefore, the sales strategy and target markets are significantly different from those of the domestic TWSE/TPEX listed peer companies, which mainly produce few types of printed circuit boards in large quantities by general processes. The niche market strategy adopted by the Company is not productive and attractive to big PCB companies, and small companies have their own barriers to get into the market, thus avoiding the peer competition.

(2) Long-term cooperation and good relationship with customers

The Company's main sales targets are mostly big well-known companies in Taiwan, and the Company has maintained long-term good cooperative relationships with its customers. With good product quality, fast shipment time and complete after-sales service, the Company has established a good corporate image and reputation among its customers, thereby ensuring a stable source of orders.

(3) Diversification of products and customers

The Company has been producing PCBs by SMD, LED and CMOS packaging, and PCBs for NB Cam modules. In recent years, the Company has added new production capacity for touchscreen carriers, HDI boards

and automotive LED lighting heat dissipating substrates. The subsidiary in Mainland China mainly produces PCBs for networks, DRAM module and batteries. As a result, the Company is able to diversify its product portfolio so that it will not be overly impacted by economic downturns in a certain industry. Moreover, by producing products for different applications, the Company can diversify its customer base and reduce the risk of concentration.

4. Positive and negative factors for future development, and response to such factors

(1) Positive factors

A. The complete industrial structure is favorable to competition in the international market

The PCB industry in Taiwan has a complete system for upstream, midstream and downstream production. In the upstream, the supply of raw materials, such as substrates and chemicals for process is sufficient, and their quality and price are competitive. In the downstream, the booming electronics industry has brought Taiwanese printed circuit board industry to a favorable position in the global market.

B. The downstream electronics industry keeps introducing new products, which increases the demand for printed circuit boards

In recent years, various kinds of electronic products are constantly being introduced, and the trend is toward portability, high speed, and multi-functionality (multimedia). With the booming development of electronic products and the trend of innovation, the demand for printed circuit boards will be even stronger in the future.

C. Complete process capability and pursuit of product quality and stability

Following the trend of industrial development in recent years, the Company keeps purchasing machines and equipment to improve the production technology for its products. Furthermore, through years of experience in production process management, the Company strives to develop new products and maintain quality stability in line with customer needs in order to enhance the added value and competitiveness of its products in the market.

(2) Negative factors and response thereto

A. Increase in labor wages and personnel costs

Due to the complexity of the PCB production process, a large number of production staff is required. Further, the rising cost of wages are increasing the operating costs.

Response:

The Company shall introduce automatic production equipment and improve the staff quality and overall productivity of the production line to reduce production costs.

- B. Raising awareness of environmental protection and increasing costs for environmental protection

Industrial pollutants are likely to be generated during production of printed circuit boards. As the awareness of environmental protection increases globally, the issue of greening and environmental protection is being actively promoted. In order to meet the increasingly stringent standards of environmental protection laws and regulations, it is necessary to pay higher environmental costs.

Response:

The Company shall proactively invest in pollution prevention and control equipment in line with the environmental protection strategy. Besides this, the Company shall also continue to promote waste reduction operation in the manufacturing process in the entire factory and implement recycling so as to reduce the expenditure of environmental pollution.

- C. Due to the rise of Chinese funded companies, Chinese companies may compete for orders by price war

In recent years, Chinese funded PCB companies have risen. Due to their lower labor cost and new automatic production equipment, the competition for orders is fierce.

Response:

The Company shall proactively seek and develop new customers, diversify its order sources, and develop potential niche products.

The Company shall also improve its technology and product quality in order to pursue new product production and sale opportunities. On the other hand, the Company shall strengthen its research on process automation and promptly purchase automated equipment to enhance production efficiency.

- D. Changes in foreign exchange rates may affect the operating conditions and profitability

Due to the high proportion of the Company's foreign sales, any significant changes in exchange rates will affect the Company's operating condition and profitability.

Response:

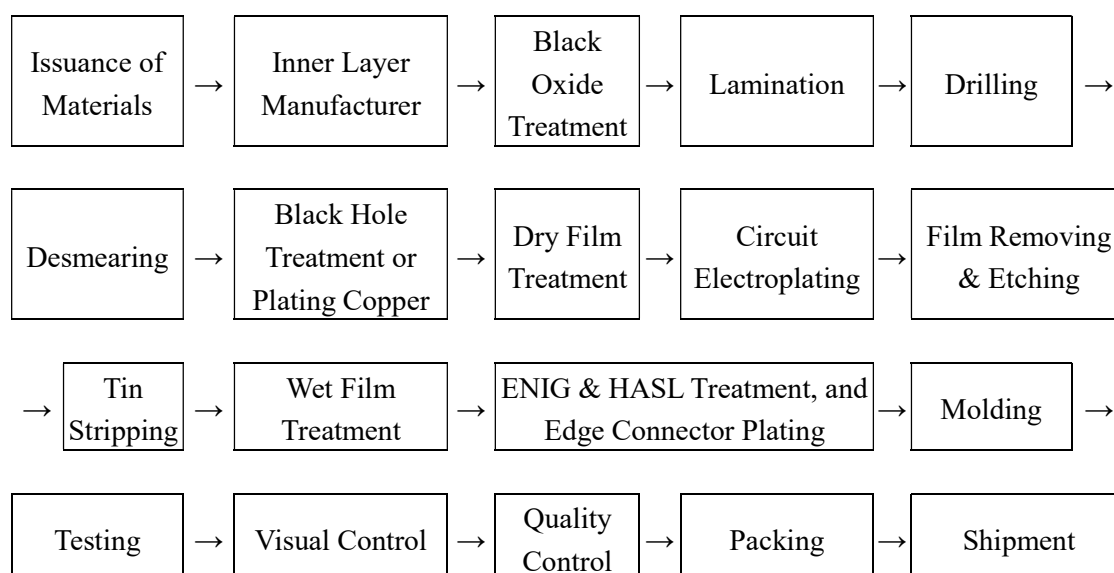
The Company shall require its sales personnel to consider the impact of exchange rate changes during quotation process and promptly adjust selling prices to protect the profitability. In addition, the Company shall flexibly use forward exchange contracts to hedge the risk of adverse exchange rate fluctuations.

(2) Usage and manufacturing processes for the Company's main products

1. Main products' principal uses

Product type	Principal uses
Double-sided printed circuit board	Communication devices, infrared radiation transmission boards, LED packaging, LBM, TFT, mobile phones and computer peripherals, etc.
Multi-layer printed circuit board	Laptop components, mobile phone components, NB CAM, CMOS packaging, TFT, automotive LED headlights, industrial computer power supplies, wireless transmission, etc.

2. Printed circuit board production process



(3) Supply situation for the Company's major raw materials

The Company is a professional printed circuit board company, and its main materials are substrates, copper foil, plastic sheets, dry films and various chemicals for plating. The Company's suppliers are mainly major Taiwanese companies, and they have good and stable long-term supply relationships with the Company. The suppliers of the main materials (substrates), Taiwan Union Technology and Nan Ya Plastics, are reputable Taiwanese companies with whom the Company has established long-term and stable supply relationships, and their prices can also be seen as a reference of the market price of the electronic industry. Consequently, there is no impact on the production as the Company has good access to materials.

(4) Suppliers and clients accounting for 10 percent or more of the Company's total procurement (sales) amount in either of the latest two years, the amounts bought from (sold to) each and an explanation of the reason for increases or decreases in the above figures

1. Information on major suppliers for the latest two years

Unit: NTD thousand

Item	2024				2025				Reason for changes
	Name	Amount	As percentage of net purchase of the year [%]	Relationship with Issuer	Name	Amount	As percentage of net purchase of the year [%]	Relationship with Issuer	
1	Solar	440,832	19.82	None	Solar	1,025,255	42.68	None	To match business needs
2	Nan Ya	436,954	19.64	None	Nan Ya	231,216	9.63	None	To match business needs
	Others	1,346,714	60.54	None	Others	1,145,680	47.69	None	
	Net purchase	2,224,500	100		Net purchase	2,402,151	100		

2. Information on major consumers for the latest two years

Unit: NTD thousand

Item	2024				2025				Reason for changes
	Name	Amount	As percentage of net sales of the year [%]	Relationship with Issuer	Name	Amount	As percentage of net sales of the year [%]	Relationship with Issuer	
1	S31 company	687,839	13.50	None	S31 company	976,454	23.38	None	To match business needs
2	G15 company	414,745	8.14	None	G15 company	555,791	13.31	None	To match business needs
	Others	3,992,841	78.36	None	Others	2,644,076	63.31	None	
	Net sales	5,095,425	100		Net sales	4,176,321	100		

3. Human resources

March 31, 2026

Year		2024	2025	As of March 31, 2026
Number of employees	Direct labor	969	804	799
	Indirect labor	730	810	804
	Total	1,699	1,614	1,603
Average age		35.6	36.4	36.4
Average years of service		5.5	6.1	6.3
Percentage of each education level	Doctor	-	-	-
	Master	0.18%	0.31%	0.31%
	University/college	25.13%	30.30%	30.38%
	High school	44.03%	41.76%	40.86%
	Below high school	30.66%	27.63%	28.45%

4. Environmental protection expenditure

- (1) Losses suffered by the Company in the latest year and up to the annual report publication date due to environmental pollution incidents

Item	Description
Audit organization:	Environmental Protection Department, New Taipei City Government
Date of penalty:	February 27, 2025
Violation of article:	Paragraph 1, Article 36 of the Waste Disposal Act
Content of violation:	Sludge generated from the wastewater treatment process of electroplating operations was not sealed and properly contained in fixed packaging materials or containers.
Penalty:	A fine of NT\$60,000.-

- (2) Estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken

In 2025, the Company incurred approximately NT\$240 thousand in environmental inspection and testing expenses, NT\$5.98 million for the dismantling of wastewater and exhaust gas pipeline facilities, and NT\$10.3 million in waste disposal expenses. As the Taiwan production site has ceased operations, waste disposal expenses for 2026 are estimated to be approximately NT\$500 thousand.

5. Labor relations

- (1) Employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests

1. Employee benefit measures

Employees are valuable resources of the Company; therefore, the Company has always been attaching importance to labor relations. In order to ensure the benefits of employees, in addition to complying with the provisions of applicable labor laws and regulations, the Company also takes various measures to take care of its employees.

- (1) Employee Group Insurance.
- (2) Implementation of employee salary promotion, incentive and bonus system.
- (3) Employee benefits or subsidy for marriage, childbirth, death or disability
- (4) Provision of meals
- (5) Employee health checkup
- (6) In-service and external vocational training for employees.

2. Continuing education and training for employees

The Company believes that the human resources are one of the most important assets of the Company and therefore makes great efforts to develop the capabilities of its employees. Internally, the Company organizes various training courses from time to time such as courses of professional knowledge necessary for the production line, among others. Externally, the Company promotes professional further training and certification and encourages employees to improve themselves in order to enhance the entire corporate quality.

The statistics and expenses of the Company's employees' continuing education and training for 2025 are as follows:

Course classification	Person	Person-times
Integrity and compliance with laws and regulations	31	78
Safety and Health Management	46	169
Finance, Accounting	6	36
Internal control	34	111
Information security	2	5
Total :	119	399

3. Retirement system and implementation thereof

In 2005, the Company conducted a survey to find out whether current employees would prefer the new system or the old system, in light of the enforcement of the Labor Pension Act.

For those who choose the old system, the Company allocates 2% of their salaries as retirement reserve in accordance with the Labor Standards Act every month. The amounts are deposited in the name of the Labor Pension reserve Supervisory Committee of the Company in the Bank of Taiwan, which is responsible for the receipt, custody and application of the reserve. In 2024, the Company completed the consensual settlement with employees who retained seniority under the old pension system regarding their accrued service years under such system. Subsequently, on June 10, 2025, the New Taipei City

Government approved that the Company no longer had any employees covered under the old pension system. Accordingly, the Company's Labor Pension Reserve Supervisory Committee completed the closure and deregistration of the special account with the Bank of Taiwan on November 25, 2025.

For those who choose the new system or join the Company after July 1, 2005, the Company allocates a monthly labor pension of not less than 6% of the employees' monthly salaries in accordance with the Labor Pension Act. The amounts are deposited in the individual labor pension accounts set up by the Bureau of Labor Insurance, and all other related matters are handled in accordance with the provisions of regulations.

4. Labor-management agreements and measures for preserving employees' rights and interests

The Company's labor relation has always been harmonious. Issues between employers and employees are always handled through communication and coordination. Consensus between the management and the employees is required to be reached so that all work can be carried out successfully.

- (1) Meeting of each department: Through this meeting, the management and the employees can communicate adequately, so that the employees can fully understand the production operation, safety and health, and quality control, and promptly express their thoughts, thus reaching consensus.
- (2) Meeting of employee benefit committee: Through this meeting, the management and employees can discuss various benefit measures to strengthen the relationship between them, which can be used as a reference source for administrative management.

5. Employee conduct or code of ethics

- (1) In order to guide directors, supervisors, managers and employees to behave in an ethical manner, the Company has established a "Code of Ethical Conduct," which stipulates the following: prevention of conflict of interest, avoidance of self-interest opportunity, confidentiality responsibility, fair trade, protection and proper use of corporate assets, and disciplinary measures, etc. The Code is posted on the Market Observation Post System\Corporate Governance\Corporate Governance Related Regulations and Rules and the Company's electronic document management system, which are available for all employees at any time for compliance.
- (2) The Company has set up its "work rules," which stipulate the following: working hours, notices of attendance and leave, dress and grooming regulations, remuneration regulations, reward/punishment and promotion system, service discipline, and other management regulations, etc. These rules are published in the Company's electronic document management system and are available for all employees at all times. Besides this, these rules can be used as a behavior guideline for employees to follow in their day-to-day work.

- (3) The Company has established “Sexual Harassment Prevention Measures” for all employees to follow in order to ensure gender equality at work and to provide an environment free from sexual harassment for employees.

6. Protection measures for workplace and employee safety

(1) Occupational health and safety management system

To prevent the occurrence of occupational safety incidents, provide a friendly working environment, and protect the safety of its and contractors’ employees, the Company has introduced an occupational safety and health management system and obtained the ETC ISO 45001:2018 certificate in 2019. The current validity is from July 2, 2022 to July 1, 2025.

(2) Work safety performance

The Company has established an Occupational Safety and Health Office to be responsible for occupational safety audits. It conducts various occupational safety registrations, audits, and improvement recommendations as a reference for all units. In 2025, there were two incidents of employee injuries, resulting in administrative fines totaling NT\$30,000 for non-compliance.

(3) Protective measures

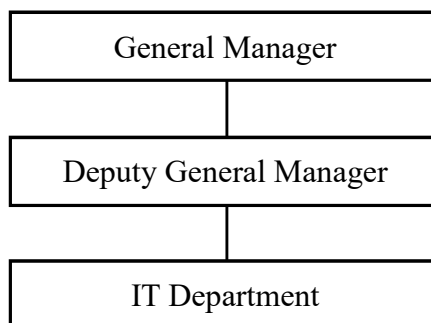
Item	Description
Access control security	1. Security guards are stationed at all times to control the access of people and vehicles. 2. Safety patrols are performed at night to check if there are any abnormalities in the facility.
Occupational disaster prevention measures	1. The Company has established its “labor safety and health work rules” and “procedures to response severe incidents,” which stipulate handling details and procedures. 2. In order to maintain the safety and health of the employees, the Company’s environmental safety office has a class 1 labor safety and health supervisor, who have been registered at the North District Labor Inspection Office. 3. The Company invites the competent fire authorities to conduct fire safety and disaster prevention training every year.
Health care and management	1. Health checkups: General or special health checkups are held for the current employees. 2. Environmental hygiene: The workplace is completely smoke-free pursuant to the regulations. Further, health seminars and 6S activities are held from time to time.

- (2) Losses suffered by the Company in the latest year and up to the annual report publication date due to labor disputes, and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken: none.

6. Cyber security management

- (1) Cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management

1. Cyber security risk management framework



2. Cyber security policy

The Company shall strengthen its employees' awareness of cyber security and establish the concept of "cyber security is everyone's responsibility." Preemptive security shall be established to reduce the risk of unauthorized use or damage to the Company's information. Therefore, when an information security incident occurs, essential response actions can be taken quickly to restore normal operations in the shortest possible time so as to reduce potential damage.

3. Concrete management programs

Key management	Control measures
Identification	Operation environment and critical resources and services, shall be reviewed, e.g. establishing information security regulations and risk management strategies.
Protection	Relevant protection measures shall be established and implemented, and critical resources and services shall be enhanced, including identity and access management, anti-virus software, system repair management
Detection	Real-time detection and warning systems for security incidents shall be established, including email protection system, intrusion detection system.
Recovery	A data backup plan shall be developed so that if a security incident occurs, normal operations can be resumed in the shortest possible time.

4. Investments in resources for cyber security management.

The Company's investment in information security management includes server warranty, LAN storage server warranty, backup software warranty, network firewall, etc. The Company's investment in information security management in 2025 is approximately NT\$2 million.

- (2) Losses suffered by the Company in the latest year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken

There are no major deficiencies in the Company's 2025 information security-related audits, no breaches of information security, and no significant information security incidents such as information leaks and fines.

7. Important contracts

Nature of contract	Status of the Party	Commencement and termination dates of contract	Major content	Restrictive provisions
Lease contract	Lai, Chin-Tsai	January 1, 2026– December 31, 2026	Lease for land of Chun-Ying Factory	None
Lease contract	Wang, I-Hsuan Wang, Li-Ya Wang, Ching-I	August 1, 2023– December 31, 2026	Lease for land of parking lot of Chun-Ying Factory	None

V. Review and analysis of the Company's financial position and financial performance, and risks

1. Financial position

Unit: NTD thousands

Item \ Year	2024	2025	Variance percentage	
			Amount	%
Current assets	5,541,756	5,104,032	(437,724)	(7.90)
Non-current assets	1,679,036	1,441,932	(237,104)	(14.12)
Total assets	7,220,792	6,545,964	(674,828)	(9.35)
Current liabilities	3,004,368	3,068,799	64,431	2.14
Non-current liabilities	492,766	183,473	(309,293)	(62.77)
Total liabilities	3,497,134	3,252,272	(244,862)	(7.00)
Share capital	1,598,993	1,569,943	(29,050)	(1.82)
Capital surplus	418,929	411,318	(7,611)	(1.82)
Retained earnings	1,683,264	1,376,793	(306,471)	(18.21)
Other equity	22,472	(47,559)	(70,031)	(311.64)
Total shareholders' equity	3,723,658	3,293,692	(429,966)	(11.55)

Explanation of significant difference:

- (1) The decrease in non-current liabilities compared with the previous year was mainly attributable to a decrease in deferred tax liabilities.
- (2) The decrease in other equity compared with the previous year was mainly attributable to a decrease in exchange differences arising from the translation of financial statements of foreign operations.

2. Financial performance

Unit: NTD thousands

Item \ Year	2024	2025	Increase (Decrease)	Percentage change %
Net operating revenue	5,095,425	4,176,321	(919,104)	(18.04)
Operating cost	4,925,244	3,995,170	(930,074)	(18.88)
Gross profit	170,181	181,151	10,970	6.45
Operating expenses	649,075	544,163	(104,912)	(16.16)
Operating income	(478,894)	(363,012)	115,882	(24.20)
Non-operating income and expenses	635,831	175,450	(460,381)	(72.41)
Net income before tax	156,937	(187,562)	(344,499)	(219.51)
Less: tax expenses	8,964	(48,802)	(57,766)	(644.42)
Net Income after tax	147,973	(138,760)	(286,733)	(193.77)

(1) Explanation of significant difference

1. Operating net loss: The operating net loss decreased compared with the previous year, mainly due to a decrease in administrative expenses.
2. Non-operating income and expenses: Non-operating income and expenses decreased compared with the previous year, mainly due to the gain on disposal of subsidiaries recognized in 2024.
3. Income tax expense: The expense decreased from the preceding year primarily due to the decreased in deferred tax liability differences.
4. Net profit before tax and after tax: Net profit before tax and after tax decreased compared with the previous year, mainly due to the gain on disposal of subsidiaries recognized in 2024.

(2) The company's expected sales volume, basis thereof, possible impact upon the company's financial and business affairs, and how the company plans to respond

In 2026, the expansion of geopolitical risks and conflicts in the Middle East may reignite inflationary pressures and delay expectations for interest rate cuts, thereby negatively affecting global economic growth and further reducing consumers' purchasing power. In light of these factors, the Company will need to respond prudently to the industry environment this year.

3. Cash flow

(1) Analysis of changes in cash flow for the latest year

Unit: NTD thousands

Cash balance as of the beginning of the period (1)	Net cash flows generated from operating activities for the year (2)	Net cash flows generated from investing activities and financing activities for the year (3)	Cash balance as of the ending of the period (4) = (1)+(2)+(3)	Remedial measures for cash deficit	
				Investing plan	Financing plan
2,684,643	138,666	184,079	3,007,388	—	—

1. Net cash inflows generated from operating activities: The increase was mainly attributable to an increase in accounts receivable.
2. Net cash inflows generated from investing activities: The inflows were mainly attributable to the disposal of financial assets.
3. Net cash outflows used in financing activities: The outflows were mainly attributable to the distribution of cash dividends.

(2) Improvement plan for liquidity shortage: Bank loans are taken to address liquidity shortage.

(3) Cash flow analysis for the coming year

Unit: NTD thousands

Cash balance as of the beginning of the period (1)	Net cash flows generated from operating activities for the year (2)	Net cash flows generated from investing activities and financing activities for the year (3)	Cash balance as of the ending of the period (4) = (1)+(2)+(3)	Remedial measures for cash deficit	
				Investing plan	Financing plan
3,007,388	175,967	(154,494)	3,028,861	—	—

The Group's estimated cash flows for 2026 are mainly operating revenue, regular purchase of materials, payment of various expenses and other operating expenditures, repayment of loans and payment of cash dividends.

4. Effect upon financial operations of any major capital expenditures during the latest year: None.

5. Investment policy for the latest year, the main reasons for the profits/losses generated thereby, the plan for improving investment profitability, and investment plans for the coming year

Unit: NT\$ thousands

Item \ Description	Invested amount	Investment policy	Main reasons for gain or loss	Improve ment Plans	Investment plan for the coming year
APCB International Co., Ltd.	2,039,260	Investment in overseas companies through investee subsidiaries	Profit from investment	None	None
U-PEAK Ltd.	98,093	Trading business through investee subsidiaries	Profit from investment	None	None
RED NOBLE Ltd.	9,390	Trading business through investee subsidiaries	Profit from investment	None	None
APCB Investment Co., Ltd.	87,000	Investment business	Operating expenses	None	None
I TZU Investment Co., Ltd.	87,000	Investment business	Operating expenses	None	None

6. Risk analysis and evaluation

- (1) Impact upon the Company's profit/loss of inflation and changes in interest and exchange rates, and the measures the Company plans to adopt in response during the latest period and up to the publication date of this annual report

1. Interest rate change

Changes in interest rates affect the Group's cost of borrowings and interest expense in the future. A 1% increase in market interest rates, with all other variables held constant, can reduce the Group's net income before income tax by NT\$20,736 thousand.

Response measures:

In addition to negotiating with banks for the optimal borrowing rate, the Group will increase its financing sources in accordance with its operating conditions and capital requirements in order to reduce the cost of capital and the risk of interest rate changes.

Interest income/expenses for the last two years

Unit: NTD thousands

Item \ Year	2024	2025
Net interest income/expenses	18,872	21,853
Net interest income/expense to net revenue ratio	0.37%	0.52%
Net interest income/expense to net income (loss) before tax ratio	12.03%	(11.65%)
Interest rate range of short-term loans	1.98%~3.00%	2.00%~2.60%

2. Exchange rate change

The Group's exchange rate risk is mainly caused by exchange gains or losses arising from the translation of cash and cash equivalents, accounts receivable and other receivables, loans, accounts payable and other payables denominated in foreign currencies. If NTD, CNY and THB to USD appreciate by 1%, with all other factors held constant, the Group's net income before tax will decrease by NTD17,396 thousand.

Response measures:

In order to effectively respond to exchange rate fluctuations, the Group has strengthened its foreign exchange risk hedging measures, controlled exchange rate fluctuations, and kept informed of the timing of exchange rates. In addition to using forward contracts to hedge some of the risk, the Company selects optimal swap points to reduce the risk of exchange rate fluctuations.

Exchange gain/loss for the last two years

Unit: NTD thousands

Item	Year	2024	2025
Net exchange gain/loss		120,929	(16,043)
Net exchange gain/loss to net operating revenue ratio		2.37%	(0.38%)
Net exchange gain/loss to net income (loss) before tax ratio		77.06%	8.55%

3. Inflation

Taking the NT\$2,402,151 thousand of raw materials and commodities purchased by the Group in 2025 as an example, if inflation rate increases by 1%, with all other factors remaining constant, the Group's net income before tax will be reduced by NT\$24,021 thousand.

Response measures:

In addition to maintaining good relationships with suppliers, the Company also stays abreast of market price fluctuations. Through market transfer and process improvement, operating costs are controlled by the Company.

- (2) Transaction policies and main reasons for the profits/losses generated from high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives during the latest period and up to the publication date of this annual report; and response measures to be taken in the future

Item	Transaction policies	Main reasons for the profits/losses	Response measures to be taken in the future	Ending balance, March 2026 (NT thousand)
High-risk investments and highly leveraged investments	The Company does not engage in these types of transactions	—	The Company does not engage in these types of transactions	—
Loans to other parties	The loans are for short-term financing	Interest income	The Company shall control the transactions in accordance with the law.	1,423,458
Endorsements/guarantees	The endorsements/guarantees are for loans	—	The Company shall control the transactions in accordance with the law.	208,305
Derivatives	The derivatives are for exchange rate hedging	Exchange rate trend	The response measures shall depend on the trend of exchange rate and the amount of foreign currency.	0

- (3) Future research and development projects, and expenditures expected in connection therewith during the latest period and up to the publication date of this annual report

Plans in the latest year	Current progress	Estimated expenditure on research and development	Mass production date	Benefits of R&D
Development of board with a cooling lead	Sample introduction	An estimate of NT\$3 million	December 2024	The R&D enables the Company to grasp the design technology and market trend, thus enhancing the process capability.
Power IC copper substrates with a cooling lead	Technical evaluation and planning	An estimate of NT\$5 million	December 2025	The R&D enables the Company to grasp the design technology and market trend, thus enhancing the process capability.
Development of HLC high-layer boards for Server / Switch certified products	Technical evaluation and planning	An estimate of NT\$5 million	December 2026	The R&D enables the Company to grasp the design technology and market trend, thus enhancing the process capability.

- (4) Impact upon the Company's profit/loss of inflation and changes in interest and exchange rates, and the measures the Company plans to adopt in response during the latest period and up to the publication date of this annual report

1. GHG inventory and assurance

According to the regulations of the Financial Supervisory Commission, to strengthen the disclosure of climate information, TWSE/TPEX-listed companies whose paid-in capital is less than NT\$5 billion shall disclose their carbon reduction targets, strategies and concrete action plans starting from 2027.

Response measures:

The Company has been conducting annual GHG inventory since 2016, and passed the TUV ISO 14064-1: 2018 GHG emission verification.

2. Preparation of Sustainability-Related Financial Information

- (1) Sustainability-related financial information shall be prepared in accordance with the IFRS Sustainability Disclosure Standards and filed together with the annual financial statements.
- (2) In order to enhance the comparability of sustainability-related financial information, strengthen investors' confidence, guide sustainable capital investment, and accelerate corporate sustainable transformation and net-zero commitments in Taiwan, the Financial Supervisory Commission (FSC) has announced a three-phase implementation schedule based on the paid-in capital of listed companies, starting from fiscal year 2026. As the Company's paid-in capital is less than NT\$5 billion, the Company shall apply the Sustainability Disclosure Standards in preparing sustainability-related financial information starting from fiscal year 2028, with filing commencing in 2029.

Response measures:

In order to cooperate with the Financial Supervisory Commission to promote corporate governance, the Company has been planning pursuant to requirements of the law.

- (5) Impact on the Company's financial operations of developments in science and technology and industry, and the measures the Company plans to adopt in response during the latest period and up to the publication date of this annual report

The ever-changing nature of technological products shorten the life cycles of products. In addition to invest in the research and development of equipment and technology constantly, the Company will also need to allocate its personnel and resources more efficiently for internal control management and capital deployment so as to follow the market needs and development trend.

- (6) Impact of changes in the Company's image upon its crisis management, and the measures the Company plans to adopt in response during the latest period and up to the publication date of this annual report

Over the years, the Company has been following the laws and regulations and continued to strengthen its internal controls. Moreover, the Company's focus and efforts in business have benefited its operation management, thereby maintaining a good corporate image. To date, no incidents that could affect the corporate image have occurred.

- (7) Expected benefits and potential risks of any merger or acquisition, and measures to be adopted in response during the latest period and up to the publication date of this annual report: None.

- (8) Expected benefits and potential risks of any plant expansion, and measures to be adopted in response during the latest period and up to the publication date of this annual report: None.

- (9) Risks associated with any consolidation of sales or purchasing operations, and measures to be adopted in response during the latest period and up to the publication date of this annual report

The sales of the Group's largest customer accounted for 23.38% of the net sales, and there was no concentration of sales. In addition, the purchase from the largest supplier accounted for 42.68% of the net purchase, and there was no concentration of purchase either.

- (10) Effect upon and risk to the Company if a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a ten percent stake in the Company has been transferred or has otherwise changed hands, and measures to be adopted in response during the latest period and up to the publication date of this annual report: None.

- (11) Effect upon and risk to the Company associated with any change in governance personnel or top management, and measures to be adopted in response during the latest period and up to the publication date of this annual report: None.

- (12) Effect upon and risk to the company associated with any change in governance personnel or top management, and measures to be adopted in response during the latest period and up to the publication date of this annual report: None.

- (13) Other important risks and measures to be adopted in response during the latest period and up to the publication date of this annual report: None.

7. Organizational structure of risk management

(1) Implementation of risk management

Establishing and implementing an internal control system, the Company has strengthened its corporate risk management, including risk detection, assessment, reporting and handling, in a prudent manner pursuant to laws and regulations. Through the organized risk control system, the risk factors are expected to be reduced by the Company's effective management. The Company's risk control can be divided into three levels:

- Level 1: Responsible units or performers shall be accountable for identification, assessment, control, consideration, and design to prevent risks in their operations in the first place.
- Level 2: In addition to feasibility assessment, the meetings led by the general manager also involve risk assessment, countermeasures and coordination for interdepartmental communication.
- Level 3: Regarding the board of directors' resolutions and audits conducted by the audit division, annual internal audit plans are prepared for each operation's existing or potential risks to ensure the effectiveness of risk management.

(2) Risk management framework

Major risk item	Responsible units for risk management (level 1)	Risk review mechanism (level 2)	Decision-making and supervision (level 3)
1. Changes in interest rates and exchange rates, and derivative transactions	Finance Division	Operational Meeting	Board of Directors: The Board of Directors is the highest decision making authority for risk responses and management Audit Division: The Audit Division is responsible for the monitoring and tracking of risk matters.
2. Loans to other parties and endorsements/guarantees	Finance Division	Board of Directors	
3. Financial reports and disclosures	Finance Division	Operational Meeting	
4. Implementation of investment or merger and acquisition	Finance Division	Operational Meeting	
5. Research and development projects	Engineering Department	Project Meeting	
6. Changes in industry	Operating Division	Production and Sales Meeting	
7. Purchase or sales	Operating Division	Production and Sales Meeting	

8. Information Security Management	IT Department	Management Meeting	
9. Litigation or non-litigation cases	Finance Division and Administration Department	Operational Meeting	
10. Behavior and regulatory compliance	Administration Department and all the departments	Award and Punishment Committee	
11. Changes in shareholding of insiders	Finance Division	Board of Directors	
12. Board of Directors meeting management	Finance Division	Board of Directors	

8. Other important matters: none.

VI. Special Disclosure

1. Organization chart of affiliates:

Please refer to the Market Observation Post System (MOPS) website at the following link: <https://mops.twse.com.tw/>

Home > Company > Electronic Document Download > Related Party Transaction Disclosure Forms Section

2. Private placement of securities during the latest year or during the current year up to the date of publication of the annual report: None.

3. Other matters that require additional description: None.

4. Any of the situations listed in subparagraph 2, paragraph 3, Article 36 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, occurred during the latest year or during the current year up to the date of publication of the annual report: None.

APCB INC.

Chairperson: Tsao, Yueh-Hsia