

Stock Code: 4933

# UBRIGHT OPTRONICS CORPORATION

## 2025 ANNUAL REPORT

This translated document is prepared in accordance with the Chinese version and is for reference only.  
In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.

**Website for Inquiry of this Annual Report: <http://mops.twse.com.tw>**  
**This Corporation's Website: <http://www.ubright.com.tw>**

Printed on May 15, 2026

**I.Name, Title, Contact Tel No. and E-mail Address of Spokesperson and Deputy Spokesperson:**

Spokesperson: YANG, YEN-JU/ Financial and Accounting Division Director

Tel: 03-3074830

E-mail: [yyr@ubright.com.tw](mailto:yyr@ubright.com.tw)

Deputy Spokesperson: LEE, YEN-LAN / Financial Section Director

Tel: 03-3074830

E-mail: [ella\\_lee@ubright.com.tw](mailto:ella_lee@ubright.com.tw)

**II. Address and Tel No. of Head Office and Branch Offices:**

Headquarters / Factory Address: No. 80, Xinguang E. Rd., Renshan Vil., Daxi Dist., Taoyuan City, Taiwan (R.O.C.)

Tel: 03-3074830

Branch Address: No. 58, Keyan Road, Zhunan Township, Miaoli County, Taiwan (R.O.C.)

Tel: 037-587555

**III. Name, Address, Website and Tel No. of Stock Transfer Agent:**

Name: Stock Agency Department of Shin Kong International Securities Corp.

Website: <http://www.skis.com.tw>

Address: 11F, No. 66-1, Sec. 1, Chung Ching S. Rd., Taipei City, Taiwan, R.O.C.

Tel: (02) 2311-8787

**IV.Name of the CPA who duly audited the annual financial report for the most recent fiscal year and Name, Address, Website and Tel No. of the Accounting Firm:**

CPA Name: CPA Chen, Wen-Hsiang, CPA Hsu, Wen-Ya

Name of the Accounting Firm: Deloitte & Touche

Address: 20F, No. 100, Songren Rd., Xinyi Dist., Taipei City, Taiwan, R.O.C.

Tel: (02) 2725-998

Website: <http://www.deloitte.com.tw>

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

**VI. Address of the Company's Website: <http://www.ubright.com.tw>**

UBRIGHT OPTRONICS CORPORATION  
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## I. Letter to Shareholders

Dear Shareholders,

Looking back over the past year, in the face of persistent and multiple external pressures and challenges, UBright Optronics continued to deliver impressive results, second only to the previous year's performance. Below is an overview of the company's business operations, strategic milestones, financial results, the risks and challenges encountered, and our outlook for the future.

UBright Optronics has continuously accumulated and optimized its proprietary R&D capabilities, launching a diverse range of optical film materials characterized by their lightness, energy efficiency, high color saturation, and eco-friendliness. By leveraging product differentiation to distinguish itself within the industry, UBright Optronics has not only secured a customer base that includes panel manufacturers and specialty panel companies but has also progressively developed niche film products that meet specific requirements. Beyond simple film processing, the company focuses on enhancing the functional properties of base films.

The company is not only committed to enhancing shareholder value but also emphasizes environmental protection, social responsibility, and corporate governance (ESG) practices, striving to create the most stable and cost-effective materials in the industry. UBright Optronics has taken the lead in the industry by introducing quantum dot products for automotive applications and continues to strategically expand its patent portfolio. For the fiscal year 2025, the company's consolidated annual revenue exceeded NT\$3.007 billion, with a consolidated net income after tax of approximately NT\$473 million. The consolidated basic earnings per share (EPS) reached NT\$5.77. With no bank loans, the debt-to-asset ratio remained as low as 22.76%, reflecting a very robust overall financial position.

Looking ahead to 2026, uncertainties such as the U.S.-China trade war, geopolitical conflicts (including those in Russia-Ukraine, Israel-Palestine, and U.S.-Iran), U.S. tariff threats, inflationary pressures, and significant exchange rate fluctuations are not only persisting but intensifying. This makes future operations increasingly unpredictable. In response to such a volatile environment, UBright Optronics will continue to optimize its business strategies, actively create product value, attract top talent, and rigorously control costs and improve quality to mitigate operational risks.

Progress stems from research and development; therefore, UBright Optronics will remain focused on developing new products, applications, functionalities, and forward-looking optical film materials and formulations. In response to intensifying competition in the display optical materials market, we are also investing in the development of products beyond the display sector.

We sincerely thank all our shareholders for their continued support and trust. The entire UBright Optronics team will maintain a diligent and dedicated attitude to create even greater value for all our shareholders.

Chairman: Wu, Hsin-Chieh

i. Business Results in 2025

(i). Implementation Results of Business Plan in 2025 (Subject to the Consolidated Financial Statements)

Unit: NT\$ Thousands

Item	2024	2025	Increase (Decrease)	Increase (Decrease) %
Operating Revenue	2,936,777	3,007,496	70,719	2.41
Operating Costs	2,037,940	2,047,916	9,976	0.49
Operating Margin	898,837	959,580	60,743	6.76
Operating Expenses	437,327	453,266	15,939	3.64
Operating Profit/Loss	461,510	506,314	44,804	9.71
Pre-tax Profit/Loss	696,804	561,899	(134,905)	(19.36)
Profit/Loss After Tax	575,589	472,832	(102,757)	(17.85)
EBITDA	784,670	643,782	(140,888)	(17.96)

(ii). Budget Implementation Conditions

The Company did not publish the financial forecast in 2025 and we only set up the internal management goal. The overall budget implementation conditions can be said to be consistent with the setup range of the Company's internal goal.

(iii). Analysis of Financial Revenue & Expenditure and Profitability (Subject to the Consolidated Financial Report)

Item		2024	2025	
Financial Structure	Debt to Asset Ratio (%)	22.92	22.76	
	Long-term Capital to Property, Plant and Equipment ratio (%)	1,017.77	929.45	
Solvency	Current Ratio (%)	479.69	446.22	
	Quick Ratio (%)	422.90	384.90	
	Interest Coverage Ratio (%)	21,902.38	18,880.05	
Profitability	Return on Assets (%)	12.61	9.88	
	Return on Equity (%)	16.24	12.74	
	Ratio to Paid-up Capital (%)	Operating Gains	56.38	61.52
		Pre-tax Net Profit	85.13	68.27
	Net Profit Ratio (%)	19.60	15.72	
Earnings per Share	7.07	5.77		

(iv). Research and Development Status

The Company persists in concerning the industry tendency and technical development trends, planning the layout of the next-generation new product technology and actively developing the green-energy environmental protection, the new technology of lightweight, the new product and advanced process technology in order to meet the market demands. In 2025, combined with UBright's UV resin formula development and energy in the multiple coating technology, we successfully developed the optical film products, which met such requirements of "high color saturation" and "highlight and lightweight", etc. as needed by the LCD and OLED display.

The Company invested over NT\$271 million in R&D in 2025 and plans to allocate more than NT\$389 million for 2026. This substantial increase in R&D investment will significantly bolster our core technical capabilities and

overall competitiveness.

#### ii. Business Plan Overview in Current Year

##### (i). The Company's Business Objectives

Looking forward to 2026, the Company, in addition to persisting in research and development and refining the existing core products, continues to actively recruit the professionals, accelerate the development and mass production of niche products, draw up and carry out the business objectives which put concurrent emphasis on efficiency and effect in order to create maximum value for the shareholders.

##### (ii). Expected Sales Volume and its Basis

In 2026, the Company will continue to adjust the product portfolio and the sales strategy. It is estimated that the target sales volume will be about 33.8 million square meters or more, which is based on the estimated demand volume offered by the customers and their new product verification import schedule.

##### (iii). The Company's Important Production and Marketing Policy

(1). Put UBright's advantages into full play, provide the customers with the products of the best cost-performance ratio and consolidate the market position.

(2). Be customer-oriented to satisfy the customers with their required products and incessantly develop new niche product items.

(3). Strengthen the production and marketing planning system, increase the first pass yield of products and enhance the operation efficiency and effect.

#### iii. Future Development Strategy of the Company

Our company leverages our own research and development capabilities and manufacturing processes to meet customer demands. We continuously provide customers with high-performance quality products and services, as well as develop products with market competitiveness. This helps to collectively improve production efficiency and reduce manufacturing costs, while expanding the application of products to effectively seize business opportunities.

#### iv. Affected by the external competitive environment, regulatory environment, and overall business environment.

##### (i). External Competitive Environment

Affected by impact of the sluggish demand for large-size panels and overcapacity, on top of the continued vicious price-cutting competition from mainland Chinese prism manufacturers, the price of large-size panel products has almost no marginal contribution, while the small and medium-sized panels also shrink slightly under the erosion of AMOLED.

We will create niche products such as super-high luminance products, double-stick products, quantum dot films, etc., and do a good job in controlling costs and improving yields in anticipation for improving the Company's profit with technological leadership and product differentiation.

##### (ii). Regulatory Environment

Because the products are restricted by the patent regulations, special attention will be put on the related intellectual property right issues when we develop the products.

##### (iii). Overall Operation Environment

In addition to complying with the statutory regulations, protecting and caring the environment, implementing the corporate governance and doing our best in the social responsibilities, we also emphasize the cultivation and inheritance of talents. Besides we will dedicate ourselves to the technical development on an ongoing basis, have a more complete control of the materials and import the new products speedily so that UBright will have more capability to face the rigid challenges.

II. Corporate Governance Report  
i. Directors and Management Team  
(i). Directors  
(i)-1. Information on Directors (1)

April 6, 2026

Title	Nationality	Name	Gender / Age	Date Elected	Term	Dated First Elected	Shareholding at the election date		Current shareholding		Shares held by spouse and underage children Current shareholding		Shares held by proxy		Experience (Education)	Current Position in the Company and Other Companies	Executives, Directors, or Supervisors who are spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Chairman	R.O.C.	Shinkong Synthetic Fibers Corporation	Male 41-50	June 10, 2025	3 Yrs.	July 31, 2023	40,079,828	48.92	40,079,828	48.52	-	-	-	-	Department of Psychology/ Department of Economics, Columbia University	Vice Chairman of Shinkong Synthetic Fibers Corp., Director of Shinkong Materials Technology Co., Ltd.	Director	Wu Tong-Sheng	Father and Son	
		Representative: Wu, Hsin-Chieh					-	-	689,537	0.83	-	-	-	-						
Director	R.O.C.	Shinkong Synthetic Fibers Corporation	Male 71-80	June 10, 2025	3 Yrs.	Dec. 29, 2003	40,079,828	48.92	40,079,828	48.52	-	-	-	-	PhD in Law, Harvard University	(Note 1)	Chairman	Wu Hsin-Chieh	Father and Son	
		Representative: Wu Tong-Sheng					-	-	4,059	0.00	-	-	895,000	1.09						
Director	R.O.C.	Shinkong Synthetic Fibers Corporation	Male 71-80	June 10, 2025	3 Yrs.	Dec. 29, 2003	40,079,828	48.92	40,079,828	48.52	-	-	-	-	Department of International Trade, Feng Chia University	Chairman of TacBright Optronics Corp. Director of Shinkong Synthetic Fibers Corporation.	-	-	-	
		Representative: Shih, Huo-Tzau					-	-	-	-	-	-	-	-						
Director	R.O.C.	Shinkong Synthetic Fibers Corporation	Male 51-60	June 6, 2022	3 Yrs.	June 12, 2019	40,079,828	48.92	40,079,828	48.52	-	-	-	-	Master of Institute of International Finance, National Taipei University;	(Note 2)	-	-	-	
		Representative: Hsiao, Chih-Lung (note5)					-	-	-	-	-	-	-	-						
Director	R.O.C.	Shinkong Synthetic Fibers Corporation	Male 41-50	June 10, 2025	3 Yrs.	June 10, 2025	40,079,828	48.92	40,079,828	48.52	-	-	-	-	Ph.D. in Media Arts and Sciences, Massachusetts Institute of Technology Director of City Science Asia, City Science Group, MIT Media Lab	None	-	-	-	
		Representative: Lin, Chia-Liang					-	-	-	-	-	-	-	-						
Director	R.O.C.	Lin, Jen-Po	Male 71-80	June 10, 2025	3 Yrs.	June 29, 2020	-	-	-	-	-	-	-	Department of Food and Nutrition, Chinese Culture Institute.	Chairman of Jefswin Co., Ltd.; Chairman of Honotex Co., Ltd.; Director of TaipenStar Bank.	-	-	-		

Title	Nationality	Name	Gender / Age	Date Elected	Term	Dated First Elected	Shareholding at the election date		Current shareholding		Shares held by spouse and underage children Current shareholding		Shares held by proxy		Experience (Education)	Current Position in the Company and Other Companies	Executives, Directors, or Supervisors who are spouses or within two degrees of kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	R.O.C.	Chin, Yu-Ying	Female 51-60	June 10, 2025	3 Yrs.	June 29, 2020	76,000	0.09	76,000	0.09	-	-	-	-	Ph.D. in Law, Chinese Culture University Ph.D. in Business Management, Shanghai University of Finance and Economics	Managing Lawyer of Chien Yeh Law Offices. Executive Director of Chinese Corporate Governance Association.	-	-	-	
Independent Director	R.O.C.	Chi, Kuo-Chung (note5)	Male 71-80	June 6, 2022	3 Yrs.	June 29, 2020	-	-	-	-	-	-	-	-	Ph.D. of Institute of Engineering and Applied Sciences of Yale University	(Note 3)	-	-	-	
Independent Director	Dominican Republic	Lin, Tsung-Sheng	Male 51-60	June 10, 2025	3 Yrs.	June 20, 2016	-	-	-	-	-	-	-	-	Ph.D. King's College, University of London	(Note 4)	-	-	-	
Independent Director	R.O.C.	Lin, Chig-Lung	Male 51-60	June 10, 2025	3 Yrs.	June 12, 2019	-	-	-	-	-	-	-	-	Department of Accounting, Chinese Culture University Director of Crowe Horwath CPA Taipei Office and Certified Public Accountant	Independent Director of TACHAN SECURITIES CO., LTD	-	-	-	
Independent Director	R.O.C.	Tai, Hwan-Ching	Male 41-50	June 10, 2025	3 Yrs.	June 10, 2025	-	-	-	-	-	-	-	-	Ph.D. in Chemistry, California Institute of Technology Professor, School of Public Health, Xiamen University Professor, Macau University of Science and Technology	None	-	-	-	

Note1: Chairman of Shinkong Synthetic Fibers Corp., Director of UBright Optronics Corporation, Director of Shinkong Materials Technology Co., Ltd., Director of TacBright Optronics Corporation, Director of Shinkong Insurance Co., Ltd., Chairman of Shinkong Mitsukoshi Department Store Co., Ltd.

Note2: Representative of Corporate Chairman of Shinkong International Leasing Corp., Representative of Corporate Director of Shinshin Assets Management Corp., Representative of Corporate Director of Shinkong Envirotech Corporation, Representative of Corporate Director of Fartrust Finance Co., Ltd., Representative of Corporate Director of Universal Venture Capital Investment Corporation, Representative of Corporate Director of Wave-In Communication Inc., Representative of Corporate Director of UBright Optronics Corporation, Representative of Corporate Director of IIH Biomedical Venture Fund I Co., Ltd., Representative of Corporate Director of Shinkong Iecofun Corporation, Representative of Corporate Director of Iecofun Fashion Farming Corp., Supervisor of Shinlong Chemical Corp., Representative of Corporate Supervisor of Shinsol Advance Chemical Corporation, Representative of Corporate Chairman of Shinkong Electric Vehicle Corp., Representative of Corporate Chairman of Shinkong Power Technology Corp., Representative of Corporate Chairman of Shin Kong Fintech Corp., Representative of Corporate Chairman of Chin Liang Technology Corp., Chairman of Shinkong Intelligence Corporation, Representative of Corporate Director of Sheng Bao Investment Co., Ltd., Representative of Corporate Director of Bei Yuan Investment Co., Ltd., Person in Charge of Tai Jin Investment Co., Ltd., Representative of Corporate Director of He Chuang Energy Technology Co., Ltd., Representative of Corporate Director of You Ji Technology Co., Ltd., Representative of Corporate Director of Chi Teng Construction Co., Ltd., Supervisor of Research Innovation Capital Corporation

Note 3: Independent Director of Everlight Electronics Co., Ltd., Director of best Epitaxy Manufacturing Co. Ltd., Director of TaiCrystal International Technology Co., Ltd.

Note 4: Chairman of Whitesun Equity Partners Limited., Chairperson of Utopia Entertainment and Culture Co., Ltd., Independent Director of Yageo Corporation, Independent Director of Taiwan Environment Scientific Co. Ltd., Independent Director of Global Mixed-Mode Technology Inc, Director of Xin Hee Co., Ltd.

Note 5: Director re-election and vacation of office on June 10, 2025.

## Major Shareholders of Corporate Shareholders

March 30, 2026

Name of Corporate Shareholders	Major Shareholders of Corporate Shareholders
Shinkong Synthetic Fibers Corporation	Newrise Investment Co., Ltd. (4.99%) Shinkong Co., Ltd. (5.21%) Shin Kong Recreation Co., Ltd. (4.66%) Shinkong Textile Co., Ltd. (3.47%) Shinkong Insurance Co., Ltd. (3.04%) Chi Li En Investment Corp. (2.36%) Toray Industries, Inc. (2.20%) Yuan Pao Co., Ltd. (2.46%) Yi Kuang Enterprise Co., Ltd. (2.09%) Jui Hsin Enterprise Corp. (1.98%)

## Major Shareholders of Major Corporate Shareholders

March 30, 2026

Name of Juristic Person	Major Shareholders of Juristic Person
Newrise Investment Co., Ltd	Chi Li En Investment Corp. (51.78%) Tung Hsien Investment Corp. (28.53%) Jui Hsin Enterprise Corp. (19.69%)
Shin Kong Co., Ltd.	Hsin sheng Co., Ltd. (42.64%) Taiwan Union Corporation (4.75%) Swiss Hotel (4.66%) Lin Teng Shan Social Welfare Foundation (3.94%) Shin Cheng Investment Corp. (3.51%) Chi Chen Corp. (3.39%) Tung Hsing Investment Corp. (3.37%) Hung Family Enterprise Co., Ltd. (3.34%) C International Co. (4.06%) Qijian Industrial Co., Ltd. (1.99%)
Shin Kong Recreation Co., Ltd.	Jui Hsin Enterprise Corp. (28.72%) Yung Kuang Co., Ltd. (25.00%) Tung Hsien Investment Corp. (15.74%) Tung Hsing Investment Corp. (12.70%) Chia Pang Investment Corp. (6.48%) Hongxin Industrial Co., Ltd. (4.29%) SHINKONG TEXTILE CO., LTD (3.32%) Liang Mu Enterprises Co., Ltd. (1.28%) Zhaobang Investment Co., Ltd. (1.02%) Chi Chen Corp. (0.43%)
Shinkong Textile Co., Ltd.	Shinkong Synthetic Fibers Corporation (9.45%) Shin Kong Hospital (6.99%) Chi Chen Corp. (6.54%) Hung Pu Co., Ltd. (4.69%) Lien Chuan Investment Corp. (4.54%)

Name of Juristic Person	Major Shareholders of Juristic Person
	Ho Jui Enterprise Corp. (3.99%) Chien Cheng Yi Corp. (4.29%) Cheng Kuang Enterprise Co., Ltd. (3.74%) Hua Chen Co., Ltd. (3.56%) Mien Hao Enterprise Co., Ltd. (2.70%)
Shinkong Insurance Co., Ltd.	Shinkong Textile Co., Ltd. (16.31%) Shin Kong Life Insurance Co., Ltd. (4.13%) Shinkong Co., Ltd. (5.08%) Hung Pu Co., Ltd. (2.35%) Kong Min Enterprises Co., Ltd. (1.94%) Cosmos Hotels & Resorts (2.04%) Chien Cheng Yi Corp. (1.73%) Hung En Corp. (1.43%) Hotel Pei Tou Co., Ltd. (1.29%) The Bank of Taiwan is entrusted to custody the Yuanta Taiwan High Dividend Low Volatility ETF Securities Investment Trust Fund account. (2.29%)
Chi Li En Investment Co., Ltd.	Jui Shin Enterprise Corp. (23.89%) Shinkong Development Corp. (24.13%) Yu Pang Investment Corp. (16.85%) Liang Yueh Investment Corp. (16.85%) Te Chieh Co., Ltd. (3.76%) Hung Chieh Investment Corp. (3.76%) Teh Shih Enterprise Co., Ltd. (5.38%) Teh Liang Co., Ltd. (5.38%)
Toray Industries, Inc.	Not applicable to overseas.
Yuan Pao Co., Ltd.	Yi Ming Co., Ltd. (100%)
Yi Kuang Enterprise Corp.	Wu, Tong-Sheng (71.94%) Ho, Hsing-Hua (5.74%) Wu, Hsin-Chieh (9.40%) Wu, Hsin-Yueh (9.40%) Wu, Chao-Hung (0.98%) Wu, Chao-Wei (0.78%) Wu, Chao-Chen (1.76%)
Jui Hsin Enterprise Corp	Chin Hsien Investment Corp. (20.83%) Kuei Yuan Investment Corp. (20.83%) Wu, Tong-Chin (16.15%) Chi Chen Corp. (14.06%) Heng Sheng International Enterprise Co., Ltd (6.64%) Kuang Sheng International Enterprise Co., Ltd (6.64%) Chia Hao Co., Ltd. (6.64%) Yi Huan Co., Ltd. (6.64%) Hsu, Hsien-Hsien (1.04%) Peng Lai Co., Ltd. (0.52%)

## (i)-2.Information on Directors (2)

## Disclosure of Information of Professional Qualifications of Directors and Independent Directors

April 6, 2026

Name	Criteria	Professional Qualification and Experience
Representative of Shinkong Synthetic Fibers Corporation: Wu, Hsin-Chieh		Department of Psychology/ Department of Economics, Columbia University; Vice Chairman of Shinkong Synthetic Fibers Corporation. The chairman possesses more than 5 years of working experience in business, and corporate affairs and has not been a person of any conditions defined in the Company Act, Article 30.
Representative of Shinkong Synthetic Fibers Corporation: Wu, Tong-Sheng		PhD in Law, Harvard University, USA; Chairman of Shinkong Synthetic Fibers Corporation. The chairman possesses more than 5 years of working experience in business, legal, and corporate affairs and has not been a person of any conditions defined in the Company Act, Article 30.
Representative of Shinkong Synthetic Fibers Corporation: Shih, Huoo-Tzau		Department of International Trade, Feng Chia University; Chairman of TacBright Optronics Corp. The Director possesses more than 5 years of work experience required for the business of the Company and has not been a person of any conditions defined in the Company Act, Article 30.
Representative of Shinkong Synthetic Fibers Corporation: Hsiao, Chih-Lung (Note 1)		Master of Institute of International Finance, National Taipei University; Chairman of Shinkong International Leasing Corp. The Director possess more than 5 years of working experience in business, finance, and corporate affairs and has not been a person of any conditions defined in the Company Act, Article 30.
Representative of Shinkong Synthetic Fibers Corporation: Lin, Chia-Liang (Note 2)		Ph.D. in Media Arts and Sciences, Massachusetts Institute of Technology; Director of City Science Asia, City Science Group, MIT Media Lab. The Director possess more than 5 years of working experience in business, finance, and corporate affairs and has not been a person of any conditions defined in the Company Act, Article 30.
Lin, Jen-Po		Department of Food and Nutrition, Chinese Culture Institute; Chairman of Jefswin Co., Ltd. The Director possesses more than 5 years of working experience required for the business of the Company and has not been a person of any conditions defined in the Company Act, Article 30.

Name \ Criteria	Professional Qualification and Experience
Chin, Yu-Ying	<p>Ph.D. in Law, Chinese Culture University and Ph.D. in Business Management, Shanghai University of Finance and Economics.            Managing Lawyer of Chien Yeh Law Offices.</p> <p>The Director possess more than 5 years of working experience in business, legal, and corporate affairs and has not been a person of any conditions defined in the Company Act, Article 30.</p> <p>Be a professional and technical personnel who passed the national examination required by the lawyer and obtained the certificate.</p>
Chi, Kuo-Chung (Note 1)	<p>Ph.D. of Institute of Engineering and Applied Sciences of Yale University.            Professor, Department of Photonics, National Chiao Tung University.</p> <p>The Director possesses more than 5 years of working experience required for the business of the Company and has not been a person of any conditions defined in the Company Act, Article 30.</p> <p>Have the professional qualification as a professor of public and private colleges and universities in the related departments, as required in the company business.</p>
Lin, Tsung-Sheng	<p>Ph.D. King's College, University of London.            Chairman of Whitesun Equity Partners Limited.</p> <p>The Director possesses more than 5 years of work experience required for the business of the Company and has not been a person of any conditions defined in the Company Act, Article 30.</p>
Lin, Chig-Lung	<p>Department of Accounting, Chinese Culture University.            CPA of Crowe (TW) CPAs.</p> <p>The Director possess more than 5 years of working experience in business, accounting, and corporate affairs and has not been a person of any conditions defined in the Company Act, Article 30.</p> <p>Be a professional and technical personnel who passed the national examination required by the accountant and obtained the certificate.</p>
Tai, Hwan-Ching (Note 2)	<p>Ph.D. in Chemistry, California Institute of Technology.            Professor, Macau University of Science and Technology.</p> <p>The Director possesses more than 5 years of work experience required for the business of the Company and has not been a person of any conditions defined in the Company Act, Article 30.</p>

Note 1: Retired due to board re-election on June 10, 2025.

Note 2: Appointed due to board re-election on June 10, 2025.

Disclosure of Information of Independence off Directors and Independent Directors

April 6, 2026

Name	Criteria	Independence Statue	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Representative of Shinkong Synthetic Fibers Corporation: Wu, Hsin-Chieh		Non-independence situation	0
Representative of Shinkong Synthetic Fibers Corporation: Wu, Tong-Sheng			0
Representative of Shinkong Synthetic Fibers Corporation: Shih, Huoo-Tzau			0
Representative of Shinkong Synthetic Fibers Corporation: Hsiao, Chih-Lung (Note 1)			0
Representative of Shinkong Synthetic Fibers Corporation: Lin, Chia-Liang (Note 2)			0
Director Lin, Jen-Po			0
Director Chin, Yu-Ying			0
Independent Director Chi, Kuo-Chung (Note 1)	<ul style="list-style-type: none"> <li>• Compliance with independence criteria (note)</li> <li>• The person him/herself or his/her spouse or relatives within the second degree of kinship (or in the name of others) hold 0 shares of the Company with a shareholding percentage of 0%.</li> </ul>	1	
Independent Director Lin, Tsung-Sheng		3	
Independent Director Lin, Chig-Lung		1	
Independent Director Tai, Hwan-Ching (Note 2)		0	

Note: Independent directors meet the following criteria for independence.

- Including but not limited to, the Director or the Director's spouse or relatives within the second degree of kinship have not worked as directors, supervisors or employees of the Company or its affiliated enterprises;
- The Director has not assumed positions as a director, supervisor or employee of company (ies) in specified relationship with the Company (Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, Article 3, Paragraph 1, Sub-paragraphs 5 to 8);
- The Director has not received remuneration by providing business, legal, financial, accounting or other services to the Company or its affiliates in the last 2 years.
- Zero of shares of the Company and shareholding ratio of the person him/herself or his/her spouse or relatives within the second degree of kinship (or in the name of others).

All of the Company's independent directors meet the qualification requirements stipulated by relevant regulations governing independent directors. No more than two directors are related to each other as spouses or within the second degree of kinship, in compliance with Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

The primary responsibility of the Company's Board of Directors is to supervise the Company's compliance with laws and regulations, ensure the timely disclosure of material information, and make objective and independent judgments regarding the Company's financial and business matters.

In conclusion, the Company's Board of Directors possesses independence.

Note 1: Retired due to board re-election on June 10, 2025.

Note 2: Appointed due to board re-election on June 10, 2025.

## Diversification and Independence of the Board of Directors

■ The Company has established the “Corporate Governance Best-Practice Principles”. The diversification policy of the members of the Board of Directors is described as follows:

Diversification should be taken into account for the composition of the Board of Directors and the appropriate diversification policy should be drawn up, based on the its own operation, operation style and development needs. It is advisable to include but be not limited to the following standards of two major levels:

1. Basic criteria and value: gender, age, nationality and culture, etc.
2. Professional knowledge and skill: professional background (e.g., law, accounting, industry, finance, marketing or technology), professional skill and industrial experience, etc.

The members of the Board of Directors should generally possess the knowledge, skill and competence. In order to achieve the ideal objective of corporate governance, the Board of Directors should possess as a whole the ability as follows:

- Operation judgment ability;
- Accounting & financial analysis ability;
- Business management ability;
- Crisis management ability;
- Industry knowledge;
- International market vision;
- Leadership;
- Decision-making ability.

The current board of directors of our company consists of nine members, including six directors and three independent directors (accounting for 33%). In addition to having the necessary knowledge, skills, and qualifications required for their roles based on their educational and professional backgrounds, the board members also exhibit diversity in terms of gender, age, and nationality. To achieve the goal of diversifying the professional fields of the board members and ensuring that the overall expertise of the board includes corporate management, financial accounting, legal matters, and environmental protection, the company has established nine board seats (including three independent directors). Among the board members, there is one female director, representing 11% of the board. The professional backgrounds of the directors encompass diverse aspects (as detailed in the table below), and they possess the necessary knowledge, skills, and qualifications required for their roles. The industry experience and professional capabilities of each director are diverse and complementary.

### ■ Implementation Status of Diversification of Members of the Board of Directors

Item		Director		Independent Director	
		Number of people	%	Number of people	%
Age	41-50 years old	2	33%	1	33%
	51-60 years old	1	17%	2	67%
	61-70 years old	-	-	-	-
	71-80 years old	3	50%	-	-
Country of Citizenship	Republic of China	6	100%	2	67%
	Dominican Republic	-	-	1	33%
Gender	Male	5	83%	3	100%
	Female	1	17%	-	-

Item		Director		Independent Director	
		Number of people	%	Number of people	%
Employee Status	The company	1	17%	0	0%
Term and Years of Service of Independent Directors	Below 3 Years			1	33.3%
	3 – 9 Years			1	33.3%
	More than 9 years			1	33.4%

Name of Directors	Diversification Background and Core Ability of the Board of Directors						
	Operation Management	Leadership in Decision-making	Knowledge of Industry	International market perspective	Finance & Accounting	Law	Environment Protection
Wu, Tong-Sheng	V	V	V	V	V	V	
Wu, Hsin-Chieh	V	V	V	V	V		
Shih, Huoo-Tzau	V	V	V	V			
Hsiao, Chih-Lung (Note1)	V	V	V	V	V		
Lin, Chia-Liang (Note2)	V	V		V			
Lin, Jen-Po	V	V		V			
Chin, Yu-Ying	V	V		V		V	
Lin, Tsung-Sheng	V	V		V			
Chi, Kuo-Chung (Note1)		V	V	V			V
Lin, Chig-Lung	V	V		V	V		
Tai, Hwan-Ching (Note2)	V	V		V			

Note 1: Retired due to board re-election on June 10, 2025.

Note 2: Appointed due to board re-election on June 10, 2025.

■ Measures to Enhance Gender Diversity on the Board of Directors.

According to the company's articles of association, there are nine board seats. In the most recent re-election, only one female director was elected, which does not meet the one-third requirement. This is due to the characteristics of the industry, making it difficult to find talent in a short period. Moving forward, we will actively seek recommendations from various channels, such as the industry and educational institutions, to enhance corporate governance and implement the board diversity policy.

## (ii).Information on General Manager, Assistant General Managers, Deputy Assistant General Managers and Supervisors of All Divisions and Branch Units

April 6, 2026

Title	Nationality	Name	Gender	Date Elected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Main Experience ( Education )	Current Position in Other Companies	Managers who are Spouses or Within Two Degrees of Kinship			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
General Manager	R.O.C.	Hsin, Lung-Pin	Male	Oct. 26, 2023	110,816	0.13%	-	-	-	-	Ph. D. of the Institute of Chemical Engineering, National Tsing Hua University; Engineer of the Industrial Technology Research Institute	None	-	-	-	-
CEO <sup>1</sup>	R.O.C.	Wu, Hsin-Chieh	Male	Feb. 21, 2024	689,537	0.83%	-	-	-	-	Department of Psychology/ Department of Economics, Columbia University General Manager of UBright Optronics Corporation.	Vice Chairman of Shinkong Synthetic Fibers Corporation. Director of Shinkong Materials Technology Co., Ltd.	-	-	-	-
Assistant General Manager <sup>2</sup>	R.O.C.	Chen, Sheng-Ching	Male	March 20, 2013	0	-	-	-	-	-	Director of the Sales Department at UBright Optronics Corporation.	None	-	-	-	-
Assistant General Manager	R.O.C.	Chen, Hung-Chi	Male	May 1, 2024	44,000	0.05%	-	-	-	-	Master's Degree in Applied Chemistry from National Chiao Tung University. Manager of the R&D Department at ShinBright Optronics Corporation.	None	-	-	-	-

(iii).If the chairman and the general manager or person of equivalent position (top manager) are the same person, spouse or first degree relative, the reasons, rationality, necessity and corresponding measures shall be explained.

None.

<sup>1</sup> Dismissed on March 5, 2025.

<sup>2</sup> Retired on February 3, 2025.

ii. Remuneration Paid to Directors, General Manager and Assistant General Managers, etc. for the Most Recent Year

(i). Remuneration the Company Paid to Ordinary Directors and Independent Directors for the Most Recent Year (Disclosure of Aggregate Remuneration Plus Disclosure of Names by Remuneration Range)

Unit: NT\$ Thousands

Title	Name	Remuneration to Directors								Sum of Four Items of A, B, C & D and Ratio to After-tax Net Income		Relevant Remuneration Received by Directors for Concurrent Service as an Employee						Sum of Seven Items of A, B, C, D, E, F & G and Ratio to After-tax Net Income		Remuneration received from investee enterprises other than subsidiaries		
		Base Compensation (A)		Retirement Pay and Pension (B)		Directors Compensation (C)		Business Execution Cost (D)		Salary, Rewards and Special Disbursements (E)		Retirement Pay and Pension (F)		Employee Profit-sharing Compensation (G)								
		The Company	All companies in the consolidated financial report	The Company	All Companies in the consolidated financial report	The Company	All Companies in the consolidated financial report	The Company	All Companies in the consolidated financial report	The Company	All Companies in the consolidated financial report	The Company	All Companies in the consolidated financial report	The Company		All Companies in the consolidated financial statements		The Company	All Companies in the consolidated financial report			
														Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock					
Chairman	Wu, Hsin-Chieh	300	300	0	0	210	210	75	75	585	585	3,545	3,545	0	0	1,607	0	1,607	0	5,737	5,737	None
Director	Wu, Tong-Sheng																					
Director	Shih, Huoo-Tzau																					
Director	Hsiao, Chih-Lung																					
Director	Lin, Chia-Liang																					
Director	Chin, Yu-Ying																					
Director	Lin, Jen-Po																					
Independent Director	Lin, Tsung-Sheng	1,080	1,080	0	0	315	315	65	65	1,460	1,460	0	0	0	0	0	0	0	0	1,460	1,460	None
Independent Director	Chi, Kuo-Chung																					
Independent Director	Lin, Chig-Lung																					
Independent Director	Tai, Hwan-Ching																					

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:  
The Company sets remuneration to our general directors and independent directors based on operating conditions, and we take reference of the peers and the risks of their duties.

2. In addition to the above remuneration, director remuneration shall be disclosed as follows when received from companies included in the consolidated financial statements in the most recent year to compensate directors for their services, such as being independent contractors: None.

Remuneration Range Table

Range of Remuneration Paid to each of the Company's Directors	Name of Directors			
	Total Amount of Preceding Four Items of Remuneration (A+B+C+D)		Total Amount of Preceding Seven Items of Remuneration (A+B+C+D+E+F+G)	
	The Company	All companies in the consolidated financial report (H)	The Company	All companies in the consolidated financial report (I)
Less than NT\$ 1,000,000	Wu, Hsin-Chieh/ Wu, Tong-Sheng/ Shih, Huoo-Tzau/ Hsiao, Chih-Lung/ Lin, Chia-Liang/ Chin, Yu-Ying/ Lin, Jen-Po/ Chi, Kuo-Chung/ Lin, Tsung-Sheng/ Lin, Chig-Lung/ Tai, Hwan-Ching		Wu, Tong-Sheng/ Shih, Huoo-Tzau/ Hsiao, Chih-Lung/ Lin, Chia-Liang/ Chin, Yu-Ying/ Lin, Jen-Po/ Chi, Kuo-Chung/ Lin, Tsung-Sheng/ Lin, Chig-Lung/ Tai, Hwan-Ching	
NT\$1,000,000 (Inclusive) - NT\$2,000,000 (Exclusive)				
NT\$2,000,000 (Inclusive) - NT\$3,500,000 (Exclusive)				
NT\$3,500,000 (Inclusive) - NT\$5,000,000 (Exclusive)				
NT\$5,000,000 (Inclusive) - NT\$10,000,000 (Exclusive)			Wu, Hsin-Chieh	
NT\$10,000,000 (Inclusive) - NT\$15,000,000 (Exclusive)				
NT\$15,000,000 (Inclusive) - NT\$30,000,000 (Exclusive)				
NT\$30,000,000 (Inclusive) - NT\$50,000,000 (Exclusive)				
NT\$50,000,000 (Inclusive) - NT\$100,000,000 (Exclusive)				
Greater than NT\$100,000,000				
Total	11	11	11	11

## (ii).Remuneration the Company Paid to Supervisors for the Most Recent Year

The Company has established the Audit Committee, as approved in the Shareholders' Meeting on June 11, 2013.

(iii). Remuneration the Company Paid to General Manager and Assistant General Managers for the Most Recent Year (Disclosure of Aggregate Remuneration Plus Disclosure of Names by Remuneration Range)

Unit: NT\$ thousands

Title	Name	Base Compensation (A)		Directors Compensation(C)		Rewards and Special Disbursements (D)		Employee Profit-sharing Compensation (G)				Sum of Four Items of A, B, C & D and Ratio to After-tax Net Income (%)		Remuneration received from investee enterprises other than subsidiaries
		The Company	All companies in the consolidated financial report	The Company	All companies in the consolidated financial report	The Company	All companies in the consolidated financial report	The Company		All companies in the consolidated financial report		The Company	All companies in the consolidated financial report	
								Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock			
General Manager	Hsin, Lung-Pin	4,779	4,779	0	0	0	0	3,468	0	3,468	0	8,247	8,247	None
CEO <sup>1</sup>	Wu, Hsin-Chieh													
Assistant General Manager <sup>2</sup>	Chen, Sheng-Ching													
Assistant General Manager	Chen, Hung-Chi													

<sup>1</sup> Dismissal on March 5, 2025.

<sup>2</sup> Retired on February 3, 2025.

Remuneration Range Table

Range of Remuneration Paid to each of the Company's Directors	Name of General Manager and Assistant General Managers	
	The Company	All companies in the consolidated financial report
Less than NT\$ 1,000,000	Chen, Sheng-Ching / Wu, Hsin-Chieh	
NT\$1,000,000 (Inclusive) - NT\$2,000,000 (Exclusive)		
NT\$2,000,000 (Inclusive) - NT\$3,500,000 (Exclusive)	Chen, Hung-Chi	
NT\$3,500,000 (Inclusive) - NT\$5,000,000 (Exclusive)	Hsin, Lung-Pin	
NT\$5,000,000 (Inclusive) - NT\$10,000,000 (Exclusive)		
NT\$10,000,000 (Inclusive) - NT\$15,000,000 (Exclusive)		
NT\$15,000,000 (Inclusive) - NT\$30,000,000 (Exclusive)		
NT\$30,000,000 (Inclusive) - NT\$50,000,000 (Exclusive)		
NT\$50,000,000 (Inclusive) - NT\$100,000,000 (Exclusive)		
Greater than NT\$100,000,000		
Total	4	4

## (iv).Names and Distributions of Employee Profit-Sharing Compensation to Managerial Officers

April 30, 2026 Unit: NT\$ thousands

Title (Note 1)	Name (Note 1)	Amount in Stock	Amount in Cash	Total	Ratio of Total Amount to After-tax Net Income (%)
General Manager	Hsin, Lung-Pin	0	4,446	4,446	0.9402
Assistant General Manager	Chen, Hung-Chi				
Director of Finance and Accounting Department	Yang, Yao-Ju				
Finance Section Chief	Lee, Yen-Lan				
Accounting Section Chief	Lu, I-Ping				

(v). Separately compare and describe the ratio of the total amount of the remuneration, paid by the company and all companies in the consolidated financial report to the directors, supervisors, general manager and vice general managers of the company during the past 2 fiscal years, to the net income after tax, and analyze and describe the remuneration payment policies, standards, package, the procedures for the determination of remuneration, and the correlation between the operation performance and future risk:

Unit: NT\$ thousands

Item \ Year	2024		2025	
	Total	As a percentage of after-tax profit	Total	As a percentage of after-tax profit
Director remuneration	1,150	0.1998%	2,045	0.4325%
Remuneration to the President and vice president	10,646	1.8496%	8,247	1.7441%
After-tax profit	575,589		472,832	

(1) The earnings distribution stipulated in the Articles of Incorporation of the Company shall be applied.

(2) The remuneration payment policies of the Company are based on the rights and responsibilities of the Company's position, as well as the contributions, for which the reasonable remuneration will be given.

(3) In respect of the remuneration of the entire directors (including the independent directors), the Company will authorize the Board of Directors to make the payment, depending on their participation in the operation of the Company and the value of contributions, and refer to the general standards in the same industry. The remuneration of the directors will be subject to the provisions of the Articles of Incorporation and the Board of Directors will pass the resolution, based on the percentage, determined by the profit gaining status of the year of distribution and the Articles of Incorporation and a report will be submitted in the shareholders' meeting.

(4) The remuneration of the Company for the general manager and the assistant general managers is divided into salary, rewards and employee profit-sharing compensation; the salary and rewards will be handled in accordance with the related provisions in the personnel regulations of the Company; the employee profit-sharing compensation will be pursuant to the provisions of the Articles of Incorporation and the Board of Directors will pass the resolution, based on the percentage, determined by the profit gaining status of the year of distribution and the Articles of Incorporation and a report will be submitted in the shareholders' meeting and there is no significant correlation with the future risks.

### iii. Implementation Status of Corporate Governance

#### (i). Implementation Status of the Board of Directors

A total of 4 meetings of the Board of Directors were held in the latest fiscal year (2024). The attendance of the directors is as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Chairman	Representative of Shinkong Synthetic Fibers Corporation: Wu, Hsin-Chieh	5	0	100%	Reelected on June 10, 2025; should be present for five times.
Director	Representative of Shinkong Synthetic Fibers Corporation: Wu, Tong-Sheng	3	2	60%	Reelected on June 10, 2025; should be present for five times.
Director	Representative of Shinkong Synthetic Fibers Corporation: Shih, Huoo-Tzau	5	0	100%	Reelected on June 10, 2025; should be present for five times.
Director	Representative of Shinkong Synthetic Fibers Corporation: Hsiao, Chih-Lung	2	0	100%	Reelected on June 10, 2025; should be present for two times.
Director	Representative of Shinkong Synthetic Fibers Corporation: Lin, Chia-Liang	3	0	100%	Reelected on June 10, 2025; should be present for three times.
Director	Lin, Jen-Po	5	0	100%	Reelected on June 10, 2025; should be present for five times.
Director	Chin, Yu-Ying	4	0	80%	Reelected on June 10, 2025; should be present for five times.
Independent Director	Chi, Kuo-Chung	1	1	50%	Reelected on June 10, 2025; should be present for two times.
Independent Director	Lin, Tsung-Sheng	4	1	80%	Reelected on June 10, 2025; should be present for five times.
Independent Director	Lin, Chig-Lung	5	0	100%	Reelected on June 10, 2025; should be present for five times.
Independent Director	Tai, Hwan-Ching	3	0	100%	Reelected on June 10, 2025; should be present for three times.

#### ■ Other information required to be disclosed :

1. If any of the following circumstances occur during the operation of the Board of Directors, the dates of the meetings of the Board of Directors, sessions, contents of motion, all independent directors' opinions and the company's response thereof should be specified:

(1) Matters referred to in Article 14-3 of the Securities and Exchange Act: The company has established the audit committee, please refer to the chapter of the Audit committee in the annual report.

(2) Other 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:

Meeting Date (Session)	Director Name	Agenda Item	Reasons for avoiding conflicts of interest and the circumstances of participation in voting
March 5, 2025 (9th Term, 11th Meeting)	Wu, Hsin-Chieh	2024 Year-End Performance Bonus and Compensation Distribution for Managers	Chairman Mr. Hsin-Chieh Wu, also serving as an employee of the Company, had a conflict of interest in this matter and therefore recused himself from discussion and voting. Director Mr. Huoo-Tzau Shih acted as the chair to consult the attending directors, and the proposal was approved without objection.
		2025 Salary Adjustment Proposal for Managers	
		Proposal for the Dismissal of the Chief Executive Officer	
		Loan of USD 3.5 million to Hong Kong Subsidiary RISE CONCEPT ENTERPRISES LIMITED for Debt Refinancing.	

3. TWSE/TPEX-listed companies are required to disclose such information as the evaluation cycle and period, scope of evaluation, evaluation method, and evaluation contents: For the implementation status of evaluation of the Board of Directors.

#### Implementation Status of Evaluation of the Board of Directors

Evaluation Cycle	Performed once a year.				
Evaluation Period	The performance of the Board of Directors is evaluated January 1, 2025 to December 31, 2025.				
Evaluation Scope	Evaluation of the performance of the Board of Directors, the individual directors and the functional committees is conducted				
Evaluation Method	Internal Self-evaluation of the Board of Directors, Self-evaluation of Directors and the Evaluation of Peers				
<p>Evaluation Contents Performance evaluation of the Board of Directors in 2025</p> <p>Evaluation Method: Including the self-evaluation questionnaire of the Board of Directors, members of the directors (self or peer) and the functional committees.</p> <p>Evaluator: Members of the Board of Directors of the Company and members of the functional committees.</p> <p>Make a statistic of each item of the questionnaire and the scoring standards are divided into 5 grades: 1. Agree very much: 5 Points; 2. Agree: 4 Points; 3. Mediocre: 3 Points; 4. Do not agree: 2 Points; 5. Do not agree very much: 1 Point</p> <p>Self-evaluation Results:</p>					
	Evaluation Subject	Evaluation Method	Evaluation Contents	Question Number	Average Grade
	Board of Directors	Self-evaluation of the Board of Directors	Participation in the operation of the Company	6	4.68
			Promote the decision-making quality of the Board of Directors	6	4.81
			Composition and structure of the Board of Directors	5	4.91
			Election and continuing education	3	4.85

		Internal control	5	4.86
Board of Directors	Self-evaluation of Members of Directors	Control of the company goals and missions	2	5.00
		Awareness of the director's duties and responsibilities	3	4.88
		Participation in the operation of the company	5	4.84
		Management and communication of internal relationships	4	4.91
		Professionalism and continuing education of directors	3	4.92
		Internal control	3	4.92
Audit Committee	Self-evaluation of the Audit Committees	Participation in the operation of the company	3	4.88
		Awareness of duties and responsibilities of the functional committee	5	5.00
		Promote the decision-making quality of the functional committee	6	5.00
		Composition and election of members of the functional committee	2	5.00
		Internal control	3	5.00
Salary and Remuneration Committee	Self-evaluation of the Salary and Remuneration Committee	Participation in the operation of the company	3	4.88
		Awareness of duties and responsibilities of the functional committee	4	5.00
		Promote the decision-making quality of the functional committee	6	5.00
		Composition and election of members of the functional committee	2	5.00

4. Goals for Strengthening the functions of the Board of Directors in the current year and most recent fiscal year (e.g., establish the audit committee, promote the information transparency, etc.) and evaluation of the implementation status:

■ The operation of the company's board of directors is conducted in accordance with the law, the company's articles of association, and the resolutions of the shareholders' meeting. All directors, in addition to possessing the necessary professional knowledge, skills, and qualifications to perform their duties, act in good faith and with due diligence to create maximum value for all shareholders.

■ The company has established a Remuneration Committee, an Audit Committee and a Sustainability Development Committee to assist the board of directors in executing its duties and overseeing its responsibilities. To enhance supervisory functions and strengthen management mechanisms, the company has also formulated "Rules of Procedure for Board Meetings" and conducts board meetings in accordance with these rules, with satisfactory implementation.

■ According to the company's "Board Performance Evaluation Measures," the effectiveness of the board processes is reviewed annually.

■ The company adheres to the principle of transparency and openness in operational decision-making, and promptly announces important resolutions on the Market Observation Post System after board meetings to protect shareholders' rights.

(ii).Implementation Status of the Audit Committee or Participation of the Supervisors in the Implementation of the Board of Directors.

(ii)-1.Implementation Status of the Audit Committee:

The Audit Committee mainly assists the Board of Directors with performing its duties and responsibilities of supervision and takes charge of the tasks entrusted by the Company Act, the Securities and Exchange Act and other related acts and regulations. The Audit Committee of the Company is composed of the entire independent directors. The committee is operated pursuant to the organizational procedure of the Audit Committee of the Company. According to the regulations, the Audit Committee shall convene four regular meetings at least four times a year. In 2025, a total of four meetings were held; it had good communication and contact channel with the internal auditors of the company, the CPAs and the administration authority concerned.

(ii)-2.The key points of the annual deliberation tasks of the Audit Committee:

- Financial statements of the company
- Internal control system of the company
- Funding lending, endorsement or offer of the guaranteed transaction of the material assets and derivatives
- Audit plan of internal and external audit units and implementation status
- Assignment, dismissal, remuneration and the independence evaluation of the CPAs
- Risk and control procedure of the management level’s compliance with various acts.
- Implementation status of correspondent documents with the competent authority

(ii)-3.A total of four (A) Audit Committee meetings were held in 2024. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【 B/A 】	Remarks
Independent Director (Convener)	Lin, Tsung-Sheng	3	1	75%	Reelected on June 10, 2025; should be present for four times.
Independent Director	Chi, Kuo-Chung	1	0	50%	Reelected on June 10, 2025; should be present for two times.
Independent Director	Lin, Chig-Lung	3	1	75%	Reelected on June 10, 2025; should be present for four times.
Independent Director	Tai, Hwan-Ching	2	0	100%	Reelected on June 10, 2025; should be present for two times.

■Other information required to be disclosed:

1. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the Company based on the opinions of the audit committee:

(1) Any matter under Article 14-5 of the Securities and Exchange Act;

(2) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of

directors:

Relevant Resolutions of the Audit Committee in 2025 Pursuant to Article 14-5 of the Securities and Exchange Act

The following resolutions were deliberated by the Audit Committee in 2025 in accordance with Article 14-5 of the Securities and Exchange Act. The audit committee members engaged in thorough communication with relevant attendees on each agenda item. All resolutions were approved unanimously by the attending committee members without any objections or reservations. Furthermore, there were no instances where a resolution not approved by the Audit Committee was adopted by more than two-thirds of the full board of directors.

Date of Audit Committee Meeting	Contents of Agenda	Objections Reservations or Major Advice	The Company's Response to the Audit Committee 's Opinion
The 11th of the 4th 2025.03.05	<ol style="list-style-type: none"> <li>1. 2024 Business Report and Individual and Consolidated Financial Reports</li> <li>2. 2025 Accountant's Certification Fee and Independence Assessment</li> <li>3. Passing the Internal Control System Declaration</li> <li>4. Proposal to Amend Certain Provisions of the Internal Control System – Customer Complaint Handling Procedures</li> <li>5. Proposal to Amend Certain Provisions of the Internal Control System – Payroll Cycle Procedures</li> <li>6. Loan of USD 3.5 million to Hong Kong Subsidiary RISE CONCEPT ENTERPRISES LIMITED for Debt Refinancing</li> <li>7. Setting the record date for the increase in share capital for the fourth quarter of 2024, in order to process the registration of changes in share capital for the exercise of employee stock warrants</li> </ol>	None	Unanimously approved by all attending committee members.
The 12th of the 4th 2025.04.29	<ol style="list-style-type: none"> <li>1. The Consolidated Financial Statements for the First Quarter of 2025.</li> <li>2. Setting the record date for the increase in share capital for the first quarter of 2025, in order to process the registration of changes in share capital for the exercise of employee stock warrants.</li> </ol>	None	Unanimously approved by all attending committee members.
The 1st of the 5th 2025.07.30	<ol style="list-style-type: none"> <li>1. Report on the Handling of Derivative Financial Instruments</li> <li>2. Proposal for the Consolidated Financial Statements for the First Half of 2025.</li> <li>3. Proposal to Set the Capital Increase Base Date for the Second Quarter of 2025 for the Issuance of New Shares upon Employee Stock Option Exercise, and to Proceed with Registration of Capital Change.</li> </ol>	None	Unanimously approved by all attending committee members.
The 2nd of the 5th 2025.11.04	<ol style="list-style-type: none"> <li>1. Report on the Handling of Derivative Financial Instruments</li> </ol>	None	Unanimously approved by all

Date of Audit Committee Meeting	Contents of Agenda	Objections Reservations or Major Advice	The Company's Response to the Audit Committee 's Opinion
	2. Proposal for the Consolidated Financial Statements for the First Three Quarters of Fiscal Year 2025 3. Proposal for the Evaluation of the Auditor's Independence and Competence for Fiscal Year 2025 4. Proposal to Establish the "Procedures Governing Financial and Business Transactions among Related Parties" 5. Proposal for the Establishment of the 2025 Annual Internal Audit Plan. 6. Proposal to Set the Capital Increase Base Date for the Third Quarter of 2025 for the Issuance of New Shares upon Employee Stock Option Exercise, and to Proceed with Registration of Capital Change.		attending committee members.

2. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted: None.

3. Communication between the independent directors and the chief internal audit officer and the CPAs (including any significant matters communicated about with respect to the state of the company's finances and business and the method(s) and outcomes of the communication.)

(1) The audit supervisor, according to the audit plan, will deliver the audit report and follow-up report to the independent directors for review upon completion of the audit items. Additionally, they will communicate and discuss the status of internal audit execution and internal control operations with the independent directors through email, phone, or meetings (at least once a year). They will also attend regular board meetings to report on the execution of the audits.

Date	Attendants	Communication items	Results
2025/11/4	Independent Director: Lin, Tsung-Sheng Lin, Chig-Lung Tai, Hwan-Ching Audit Supervisor: Chen, Yi-Wen	Provide an explanation of the items in the annual audit plan. Discussion and explanation of the questions raised by the independent directors.	The independent directors expressed their support for the 2026-year audit plan and approved it as presented. Provide a detailed explanation of the frequency of each item in the audit plan to ensure that the independent directors have a clear understanding.

(2) Regarding communication with the accountant:

Independent directors communicate with the accountant through annual regular meetings. During the completion phase of the annual audit or semi-annual review, the accountant summarizes important audit findings, internal control deficiencies, and the status of financial statement audits or reviews, and then communicates these matters separately with the audit committee. The communication details for the most recent year are as follows:

Date	Attendants	Communication items	Results
2025/03/05	Independent Director: Lin, Tsung-Sheng Audit Signing Accountant.	The accountant provided an explanation of the consolidated and individual financial statements for the year 2024, as well as the audit report.  The accountant provided an explanation regarding the pre-approved non-assurance services to be offered by the company's signing accountant, their firm, and related entities to the company and its subsidiaries.	Approved by the audit committee, with no objections from the committee members.
2025/04/29	Independent Director: Chi, Kuo-Chung Lin, Chig-Lung Audit Signing Accountant.	The accountant provided an explanation of the consolidated financial statements for the first quarter of 2025.	Approved by the audit committee, with no objections from the committee members.
2025/07/30	Independent Director: Lin, Tsung-Sheng Lin, Chig-Lung Tai, Hwan-Ching Audit Signing Accountant.	The accountant provided an explanation of the consolidated financial statements for the Second quarter of 2025.	Approved by the audit committee, with no objections from the committee members.
2025/11/04	Independent Director: Lin, Tsung-Sheng Lin, Chig-Lung Tai, Hwan-Ching Audit Signing Accountant.	The accountant provided an explanation of the consolidated financial statements for the Third quarter of 2025.	Approved by the audit committee, with no objections from the committee members.
2025/12/31	Independent Director: Lin, Tsung-Sheng Lin, Chig-Lung Tai, Hwan-Ching Audit Signing Accountant.	To strengthen corporate governance transparency and ensure the fulfillment of independent directors' responsibilities, the accountant proactively provided explanations and engaged in discussions on relevant matters.	The communication was completed smoothly, with no additional comments or opinions raised.

(ii)-4.Participation of the Supervisors in the Implementation of the Board of Directors:

The Company has established the Audit Committee in place of the supervisors on June 11, 2013.

(iii).Composition and Operation of the Salary and Remuneration Committee.

Information of Salary and Remuneration Committee members

April 06, 2025

Status	Qualifications		Professional Qualifications and Experience	Independence Status	Number of other public companies at which the person concurrently serves as remuneration committee member
	Name				
Independent Director (Convener)	Lin, Tsung-Sheng		Please refer to page 9 of this annual report.	All independence criteria are met; for detailed information, please refer to page 10 of this annual report.	3
Independent Director	Chi, Kuo-Chung				1
Independent Director	Lin, Chig-Lung				1
Independent Director	Tai, Hwan-Ching				0

(iii)-1.The annual focus and operation of the Remuneration Committee

The focus of this year’s work includes reviewing the distribution of employees’ remuneration and directors’ remuneration, year-end performance bonus payment, the reasonableness of salary adjustment plans, and the revision of the bonus system. After the proposing unit’s explanation to the Remuneration Committee, all committee members agreed to adopt these proposals after discussion.

(iii)-2.Implementation Status of the Salary and Remuneration Committee

The term of the members: from June 10, 2025 to June 09, 2028. The salary and remuneration committee held two meetings (A) in the most recent year. The qualification of members and the status of attendance are as follows:

Title	Name	Attendance in person (B)	Proxy attendance Count	Attendance in Person (%) (B / A)	Remarks
Convener	Lin, Tsung-Sheng	2	0	100%	Reelected on June 10, 2025; should be present for Two times.
Committee member	Lin, Chig-Lung	1	1	100%	
Committee member	Chi, Kuo-Chung	0	0	0%	Reelected on June 10, 2025; should be present for One time.
Committee member	Tai, Hwan-Ching	1	0	100%	

Other information required to be disclosed:

(1) In the event where the Salary and Remuneration Committee’s proposal is rejected or amended in a Board of Directors’ meeting, please describe the date and session of the meeting, details of the topics discussed, the board’s resolution, and how the company handled the Salary and Remuneration Committee’s proposals (describe the differences and reasons, if any, should the Board of Directors approve a solution that was more favorable than the one proposed by the Salary and Remuneration Committee): None.

(2) Should any member object or express qualified opinions to the resolution made by the Salary and Remuneration Committee, whether on-record or in writing, please describe the date and session of the meeting, details of the topics discussed, the entire members’ opinions, and how their opinions were addressed: None.

(iv).Composition and Operation of the Sustainability Development Committee

(iv)-1. To enhance the overall implementation of corporate sustainable development, the Company established the "Sustainability Development Committee" on July 30, 2025. The Committee is composed of three independent directors and convenes at least once a year, with additional meetings held as necessary. Its operations are conducted in accordance with the "Charter of the Sustainability Development Committee." The Committee's primary responsibilities are to advance corporate sustainability, assist the Board in developing and advising on organizational operations and management, strengthen Board functions, and remain committed to implementing sustainability across environmental, social, and corporate governance (ESG) dimensions.

(iv)-2. Implementation Status of the Sustainability Development Committee

(1)The Company's Sustainability Development Committee consists of 3 members.

(2)Tenure of current members: July 30, 2025, to June 9, 2028. During the most recent year, the Committee held 1 meeting (A). The professional qualifications, experience, attendance, and discussed matters are as follows:

Title	Name	Professional Qualifications & Experience	Attendance in person (B)	Proxy attendance Count	Attendance in Person (%) (B / A)	Remarks
Convener	Lin, Tsung-Sheng	Please refer to page 9 of this annual report.	1	0	100%	Newly appointed on 2025/07/30
Member	Lin, Chig-Lung		1	0	100%	
Member	Tai, Hwan-Ching		1	0	100%	

■ Other items to be recorded:

Meeting dates, sessions, contents of motions, recommendations or objections from members, resolutions of the Sustainability Development Committee, and the Company's handling of such opinions.

Meeting Date (Session)	Content of Motion	Resolutions of the Committee and Company's Handling of Opinions
2025/11/04 (1st Session, 1st Meeting)	1. English version of the 2024 (Year 113) ESG Sustainability Report.	Approved by all attending members without objection.

(v).Information on members and operation of the nomination committee.

None.

(vi).Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
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 establishes the “Corporate Governance Best-Practice Principles” in compliance with the statutory regulations, which is disclosed in the annual report and the company’s website at <a href="http://www.ubright.com.tw">www.ubright.com.tw</a> , according to the regulations.	No significant deviation
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		(1) The Company establishes the “Corporate Governance Best-Practice Principles” and handles shareholders’ suggestions, doubts, disputes and litigation, according to the regulations.	No significant deviation
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(2) The Company has control of the list of its major shareholders as well as the ultimate owners of those shares.	No significant deviation
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	V		(3) The Company stipulates the internal related rules, such as the “Trading Procedure of Related Parties, Specific Companies and Enterprises in the Conglomerate”, the “Operational Procedure for Fund Lending to Others”, the “Procedures for Endorsement and Guarantee”, the “Procedures for Acquisition or Disposal of Assets” and the “Standard Operational Procedures for Disposal of the Directors’ Requests”, etc. and builds up the	No significant deviation

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
(4) Does the company establish internal rules against insiders trading with undisclosed information?	V		proper risk control and firewall mechanism. (4) The Company establishes the "Prevention of Insider Trading Management Procedure" in order to protect the investors and maintain the Company's rights; the information is disclosed in the Company's website at <a href="http://www.ubright.com.tw">www.ubright.com.tw</a> .	No significant deviation
3. Composition and Responsibilities of the Board of Directors				
(1) Does the Board develop and implement a diversified policy for the composition of its members?	V		(1) Currently the Company sets up nine seats of directors, who are respectively the pioneers in industry and the experts in finance, law and technology. With their professional background, they participate in the discussion of the significant resolution particulars of the Board of Directors in the Company. The information of the diversification policy is disclosed in the company's website at <a href="http://www.ubright.com.tw">www.ubright.com.tw</a> .	No significant deviation
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		(2) The Company has established an Audit Committee, a Remuneration Committee, and a Sustainability Development Committee, and will establish other functional committees in the future as needed.	Will be established in the future depending on the situation.
(3) Does the company establish a standard to measure the performance of the Board and implement it	V		(3)-1 The Company revises the "Rules for the Performance Evaluation of the Board of	No significant deviation

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
annually, and are performance evaluation results submitted to the Board of Directors and referenced when determining the remuneration of individual directors and nominations for reelection?			<p>Directors" in accordance with the new version of the corporate governance blueprint, and implements the performance evaluation of the Board of Directors on a regular basis every year. The evaluation is carried out by the general manager's office, which adopts the means of questionnaires. After all the questionnaires are recovered in January each year, the analysis is undertaken according to the "Rules for the Performance Evaluation of the Board of Directors". In January 2026, the Company has completed the results of the performance evaluation, which has been reported to the board of directors on March 9, 2026, and the improvement recommendations have been made for issues that can be strengthened.</p> <p>(3)-2 This year's assessment score is between 96 and 100, which is still good. In the fiscal year 2025, the company provided fixed compensation to independent directors, including their remuneration and attendance fees for meetings, as well as reimbursed expenses for external directors. If there is any change in the remuneration in the future, it will be linked to the</p>	

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
(4) Does the company regularly evaluate the independence of CPAs?	V		<p>performance</p> <p>(4) The Board of Directors evaluates the independence and suitability of the external auditors annually. Before the Board resolves to appoint the auditors, the Audit Committee first deliberates on their independence and requires them to submit a "Statement of Independence." The appointment process proceeds only after the Company confirms that the auditors have no financial interests or business relationships with the Company other than fees for audit and tax-related services, and that their family members do not violate independence requirements (The assessment of auditor independence was approved by the Board on March 9, 2026).</p> <p>Furthermore, the Company refers to the "Audit Quality Indicators (AQIs)" to confirm that the auditors and their firm exceed industry averages in terms of audit experience and training hours. In addition, digital audit tools have been continuously implemented over the past three years to enhance audit quality (The assessment of auditor suitability was approved by the Board on</p>	No significant deviation

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
			November 4, 2025). (For the auditor independence assessment criteria, please refer to Note 1).	
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		<p>(1) The working team of corporate governance of the Company comprises the president's office, the financial &amp; accounting department, the information section, the safety &amp; health section, the production department, the audit office, personnel and general affairs section and the Corporate Governance Officer is the convener, in charge of the related affairs of corporate governance.</p> <p>(2) Explanation of implementation status: Each responsible unit performs corporate governance-related business in accordance with relevant laws and regulations, and its operations are normal in compliance with laws and regulations and the company's provisions. For example:</p> <ul style="list-style-type: none"> <li>■ Financial section: <ul style="list-style-type: none"> <li>i. responsible for declaration operation;</li> <li>ii. convening operation related to the meetings of the Board of Directors/Shareholders' Meeting.</li> </ul> </li> <li>■ Safety &amp; health section/production division:</li> </ul>	No significant deviation

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
			<p>i. responsible for public security and environment management;</p> <p>ii. promote the energy saving and carbon reduction of the Company.</p> <p>■ Audit Office:</p> <p>i. Irregularly Promote ethical corporate management and corporate social responsibility each year;</p> <p>ii. provide the information related to corporate governance in the internal website of the company.</p> <p>■ Personnel and general affairs section:</p> <p>Irregularly arrange the educational training for the employees each year.</p> <p>continue to promote the trash reduction and precise sorting and recycling.</p> <p>(3) In 2025, the business development status was as follows:</p> <p>■ Irregularly convene the communication meetings for the accountants, independent directors and chief audit officer in order to carry out the internal audit and control system. For the details of the meeting records, see the website of the company at <a href="http://www.ubright.com.tw">www.ubright.com.tw</a>.</p>	

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
			<ul style="list-style-type: none"> <li>■ The Board of Directors shall be notified of the agenda seven days in advance; when the meeting is convened, the meeting materials shall be provided. If the recusal is required to avoid the conflict of interest in the agenda, a reminder shall be given in advance, and the minutes of the board of directors shall be completed within 20 days after the meeting.</li> <li>■ In order to implement corporate governance, each director conducts the performance evaluation on the board of directors on a regular basis (in January of each year) in accordance with the "Rules for Performance Evaluation of the Board of Directors", established by the company.</li> <li>■ Handle the pre-registration of the date of the shareholders' meeting in accordance with the law, and prepare the meeting notice, meeting manual, minutes for distribution and display at the designated place within the statutory time limit.</li> </ul>	
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 handle all the issues they care for in terms of corporate	V		The company has set up a special area for stakeholders on the company website to provide a communication channel for stakeholders such as employees, suppliers, customers and investors.	No significant deviation

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
social responsibilities?				
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company authorizes the professional stock agency department of Shin Kong International Securities Corporation to handle the affairs of the shareholders' meeting.	No significant deviation.
7. Information Disclosure				
(1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(1) All the related information of the Company can be checked in the Market Observation Post System and the website of the Company. The company discloses the financial, business and corporate governance information in accordance with the provisions of legally-announced or declared matter.	No significant deviation
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V		(2) The company has appointed a designated person, responsible for the affairs such as the collection and disclosure of the corporate information, and has a spokesperson and an acting spokesperson.	No significant deviation
(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	(3) The company reports financial reports and operating conditions for each month in accordance with the dates stipulated by laws and regulations; it has not yet announced and filed annual financial reports within two months after the end of the fiscal year, and has not announced	Future feasibility will be discussed with the auditing accountant.

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
			its operations in advance before the prescribed deadline.	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	V		<ul style="list-style-type: none"> <li>▪The Company has stipulated such paragraphs to protect the shareholders' rights and respect the stakeholders' rights, etc. in the "Corporate Governance Best-Practice Principles", so that they can be referred to for implementation in the daily operation. We also formulate the personnel rules and regulations and the reward system for valuing the employees' rights.</li> <li>▪The company's procurement, factory affairs, and financial operations have a strict control system, and there are explicit clear regulations for the selection of suppliers, the rotation of related businesses, and the job agency system.</li> <li>▪Conditions of directors' continuing education: The directors of the company all have professional background in the industry and practical experience in operation and management, and they participate in governance-related courses of continuing education every year according to law.</li> <li>▪Implementation status of risk management policies and risk measurement standards: The company has established internal control systems and various</li> </ul>	No significant deviation

Evaluation Items	Implementation Status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Abstract Illustration	
			<p>internal management rules in accordance with the law to control the risks. In order to strengthen the concept of laws and regulations and implement the compliance with the laws and regulations of the industry, so as to reduce the company's operation risks, the "Operational Procedures for Compliance with Laws and Regulations" have been established.</p> <p>▪ In 2024, the Company completed the insurance of the liability insurance for the directors of the company. We submitted a report to the Board of Directors on May 6, 2024 concerning the insured amount, coverage and premium rate of their liability insurance.</p>	
<p>9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. (If the Company was not included among the companies evaluated for the given recent year, this item does not need to be completed.)</p> <p>(1) The Company has progressively expanded the information disclosed on its external website, providing the English version of the annual report, meeting handbooks, investor conference materials, and a dedicated corporate sustainability section. These efforts continuously strengthen sustainability governance performance and further enhance the soundness of the corporate governance framework. In addition, raising risk awareness, improving information security, and reinforcing employees' correct understanding of cybersecurity will remain priority objectives in the coming years.</p> <p>(2) The implementation of corporate social responsibility will continue to be a key area for improvement and enhancement by the Company.</p> <p>(3) The Company will continue to evaluate the feasibility of future improvements with respect to areas where scores have not yet been achieved.</p>				

**Note 1** Evaluation Standards for CPA's Independence

Evaluation Items	Evaluation Result	Compliant with Independence?
1. Does the CPA have a direct or significant indirect financial interest in the company?	No	Yes
2. Whether the accountant involve any acts of financing or guarantee with the Company or its directors?	No	Yes
3. Do the CPA and his/her audit team members currently or in the last two years have held positions of directors or any positions which make significant influence on the audit work in the Company?	No	Yes
4. Does the CPA have the kinship with the Company's directors, managers or persons who have a significant impact on the business of the audit case?	No	Yes
5. Does the CPA accepted gifts or presents of great value from the Company or its directors, managers or major shareholders?	No	Yes

(vii).Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
1.Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		<p>1. In November 2025, the Company established the Sustainability Development Committee, composed of three independent directors, to oversee sustainability initiatives. The Office of the President is responsible for implementing sustainability policies, with relevant departments handling related matters. The Company discloses the operation and execution of sustainability practices on its website.</p> <p>2. Implementation status:</p> <ul style="list-style-type: none"> <li>▪ Promoting unit: Currently, the general manager's office is responsible for the part-time role. In the future, a full-time unit will be set up according to actual needs.</li> <li>▪ The team is currently composed of the Corporate Governance Officer and senior management from various departments. The preparation of the ESG report commenced in 2025, and the filing process was successfully completed on August 29, 2025.</li> <li>▪ An annual report is regularly presented at board meetings. On Nov. 4, 2025, during the board meeting, a report was provided on the progress of the greenhouse gas inventory.</li> </ul> <p>3.The board of directors holds regular annual meetings to receive reports on operations, finance, corporate</p>	No significant deviation

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			governance, sustainability, and other relevant issues. Through the diverse experiences of its members, the board generates broad and professional opinions to assist the company in making appropriate decisions and guiding the company towards a clear strategic direction.	
2.Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		<p>1. In order to implement the risk management mechanism and regularly report its operation to the board of directors every year (the latest board report date is Nov. 4, 2025), the current audit committee (composed of 3 independent directors) continues to supervise the company's promotion and operation of risk management. Ensure the effectiveness of the company's risk control by organizing existing departments or risk responsibility units to conduct risk management based on the operational areas they are responsible for.</p> <p>2. The company has established several operational guidelines, including the Corporate Social Responsibility Code of Practice, Risk Management Operating Guidelines, Insider Trading Prevention Procedures, Integrity Operating Procedures and Behavior Guidelines, and Professional Ethics Regulations. These guidelines will be used to assess risks related to the company's operations in the areas</p>	No significant deviation

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			<p>of environment, society, and corporate governance, and to formulate relevant strategies based on significant principles.</p> <p>3. The risk assessment scope includes the company's operations at the Taoyuan plant, its subsidiary Rise Concept Enterprises in Hong Kong, and its affiliate New UBright Optronics Co., Ltd., Suzhou, which are being planned for integration. The Zhunan branch completed the assessment operations in 2024.</p> <p>4. Please refer to the company website for details on risk management policies and operations. <a href="http://www.ubright.com.tw/board-of-directors-tw/risk/">www.ubright.com.tw/board-of-directors-tw/risk/</a></p>	

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
3. Environmental issues				
(1) Does the company establish proper environmental management systems, based on the characteristics of their industries?	V		(1)-1. The company has established safety, health, and environmental management measures in accordance with environmental regulations set by the Environmental Protection Agency, such as the Air Pollution Control Act, Water Pollution Control Act, and Waste Disposal Act. These measures aim to comply with regulations, conserve energy, reduce waste, and enhance safety and environmental management within the factory premises.  (1)-2. The company has obtained ISO 14001 environmental management system, ISO 45001 occupational health and safety management system and Energy Management System ISO 50001 certifications. In waste recycling, disposal, or utilization, the company adheres to the requirements of the environmental management system and environmental regulations. It continuously evaluates the effectiveness of its implementation and strives for ongoing improvement.	No significant deviation
(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	V		(2) The company produces energy-efficient products and utilizes environmentally friendly raw materials, such as GP materials. It also ensures proper resource recycling and reuse, such as recycling and reusing packaging materials like pallets and paper tubes. To prevent environmental pollution and resource waste	No significant deviation

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(3) Does the company evaluate the potential risks and opportunities in climate change with regard to the present and future of its business, and take appropriate action to counter climate change issues?	V		<p>caused by discarded toner cartridges, used toner cartridges from photocopiers or printers are collected and processed by the original manufacturer for recycling. Additionally, the company adopts eco-friendly toner for printing purposes.</p> <p>(3) The company places significant emphasis on climate change-related issues. In 2024, it implemented the Energy Management System ISO 50001 and actively promoted energy-saving and carbon reduction policies, having implemented various energy-saving measures. For example, improvements in energy efficiency have been made for air compression equipment, air conditioning systems, and on-site processing equipment. In 2025, the company reduced CO<sub>2</sub> emissions by 641,142 kg CO<sub>2</sub>e and saved 542,607 KWh of electricity. The air-conditioning temperature in the office is set within a range of 26°C-28°C. During the lunch break, our colleagues would turn off extra power and lights, and we actively promote measures such as energy-saving lamps, electronic document systems, and paperless operations.</p>	No significant deviation
(4) Does the company make a statistics of the data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		<p>(4)-1 The company evaluates and handles greenhouse gas emission inventory work, and sets reduction targets and strategies to reduce the impact of operations on the environment, improve energy performance, and optimize use efficiency.</p>	No significant deviation

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons																
	Yes	No	Abstract Explanation																	
			<p>(4)-2. For the company's greenhouse gas emissions inventory in the past two years, please refer to the climate-related content of this annual report.</p> <p>(4)-3. Our waste disposal and recycling policies adhere to the regulations announced by the Environmental Protection Administration of the Executive Yuan, contributing to circular economy, renewable energy, and corporate social responsibility. Information on water usage and total waste weight is available.</p> <p>(2025)</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Water Consumption (m<sup>3</sup>)</th> <th>hazardous waste (mt)</th> <th>non-hazardous waste (mt)</th> </tr> </thead> <tbody> <tr> <td>Taoyuan HQ</td> <td>61,230</td> <td>155.08</td> <td>149.1</td> </tr> <tr> <td>Zhunan branch</td> <td>26,456</td> <td>49.808</td> <td>382.38</td> </tr> <tr> <td>Total</td> <td>87,686</td> <td>204.888</td> <td>531.48</td> </tr> </tbody> </table>	Item	Water Consumption (m <sup>3</sup> )	hazardous waste (mt)	non-hazardous waste (mt)	Taoyuan HQ	61,230	155.08	149.1	Zhunan branch	26,456	49.808	382.38	Total	87,686	204.888	531.48	
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Total	87,686	204.888	531.48																	

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
4. Social issues (1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	V		(1)-1. We formulate personnel management regulations in accordance with labor laws and international human rights conventions, respecting individual differences among employees and integrating diverse perspectives. The company has established "Work Rules" and " Illegal Infringement in the Workplace " to ensure that employees are not discriminated against, harassed, or treated unfairly based on race, gender, religious beliefs, age, political orientation, or any other condition protected by applicable laws, and to provide a work and service environment free from sexual harassment.  (1)-2. The Company protects the legitimate interests of the employees in accordance with the labor laws and regulations, and sets aside pensions. The employee welfare committee is established to handle various welfare matters. Regularly hold labor-management meetings and set up the suggestion box to understand the ideas of both parties and achieve via communication a win-win situation for labor and management.	No significant deviation
(2) Does the company have reasonable employee benefit measures (including salaries, leave, and other benefits), and do business performance or results reflect on employee salaries?	V		(2)-1. Our employee compensation policy is determined based on individual abilities, contributions to the company, performance, and consideration of future operational risks. We have established "Work Rules,"	No significant deviation

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract 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		<p>"Employee Rewards and Punishment Measures," and "Employee Annual Performance Evaluation Methods," which integrate employee performance and reward and disciplinary systems, aligning with the important mission of corporate social responsibility and people-oriented sustainable development to enhance the company's future international competitiveness.</p> <p>(2)-2. Labor-management meetings and the Employee Welfare Committee are held regularly to discuss and amend employee benefit measures. According to the Company's Articles of Incorporation, if there is a profit for the year, no less than 1% shall be appropriated as employee compensation. (Of this amount, no less than 30% shall be allocated to junior-level employees). The Board of Directors shall resolve to distribute such compensation in the form of shares or cash. Eligible recipients include employees of controlled subsidiaries who meet specific criteria.</p> <p>(2)-3. For details on employee welfare measures, please refer to the labor-management relations section of the annual report.</p> <p>(3)-1. The company regularly outsources operational environmental monitoring to provide employees with a safe and healthy work environment, and provides regular health checks, occupational safety training, health seminars, and information notices.</p>	No significant deviation

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons												
	Yes	No	Abstract Explanation													
(4) Has the Company established effective career capability development and training programs for employees?	V		<p>(3)-2. The Company conducts safety and health education and training on the day when the newcomers report, and holds the fire safety drills once half a year. The supervisors and the industrial safety units will regularly inspect the working environment. We regularly conduct the employee health checks and regularly implement the health education courses for employees.</p> <p>(3)-3. 2025 References</p> <table border="1"> <thead> <tr> <th>Unit\Item</th> <th>Work-Related Injury</th> <th>% of employees</th> <th>Fire Alarm</th> </tr> </thead> <tbody> <tr> <td>Taoyuan HQ</td> <td>7</td> <td>1.56</td> <td>0</td> </tr> <tr> <td>Zhunan Branch</td> <td>1</td> <td>0.81</td> <td>0</td> </tr> </tbody> </table>	Unit\Item	Work-Related Injury	% of employees	Fire Alarm	Taoyuan HQ	7	1.56	0	Zhunan Branch	1	0.81	0	No significant deviation
		Unit\Item	Work-Related Injury	% of employees	Fire Alarm											
Taoyuan HQ	7	1.56	0													
Zhunan Branch	1	0.81	0													
	<p>(4)-1. The Company regards the employees as the important asset, puts emphasis on the talent cultivation, and arranges the employees to receive on-the-job training courses according to the needs of various functions, such as the first-aid personnel training courses, the forklift driving training courses, the organic solvent operation courses and the stationary (crown) operation training course. Currently, we assess the gaps between units and individuals through competency evaluations and develop training plans targeting the identified discrepancies.</p> <p>(4)-2. In 2025, the total duration of internal training</p>															

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		<p>sessions was 3,374 hours, with 1,593 attendees (person-times). For external training, the total duration was 709 hours, with 141 attendees (person-times). The total expenditure for training programs amounted to NT\$236 thousand.</p> <p>(5) The Company adheres to the responsibility for products. Our research and development, procurement, production, operation and service processes all comply with the relevant regulations of government laws and regulations, and we set up a special area for the stakeholders to provide the good communication channels (the company's consumers/customers can communicate through the contact mailbox), and provide transparent and effective customer complaint handling procedures for products and services. The marketing and labeling of the Company's products and services are handled in accordance with relevant laws and regulations.</p>	No significant deviation
(6) Does the company implement supplier management policies, requiring suppliers to observe relevant regulations on issues such as environmental protection, occupational health and safety, or labor and human rights? If so, describe the results.	V		<p>(6) The Company has established the "Supplier Management Rules", in addition to the regular assessment of suppliers, for jointly striving for promoting the green environmental protection in order to fulfill the social responsibilities. We also request the suppliers to provide a report that has passed the SGS test every year to reduce the impact on the environment. The Company requires suppliers</p>	No significant deviation

Evaluation Item	Implementation Status			Deviations from “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Explanation	
			to provide the raw materials which are guaranteed to be free of harmful substance. If there is a violation of the agreement, it will be terminated in accordance with the contract.	
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?		V	The Company’s "2024 Sustainability Report" has been prepared in accordance with the Global Reporting Initiative (GRI) Universal Standards 2021. However, the report has not been verified or assured by a third-party assurance body.	Relevant matters are currently under planning.
6. If the Company has adopted its own sustainable development best-practice principles based on the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company’s operations: The Company has established the “Corporate Social Responsibility Best-Practice Principles” and no condition of deviation exists in the implementation status.				
7. Other important information to facilitate better understanding of the company’s promotion of sustainable development: (1) The outer road along the factory is rented for the public use. (2) The Company’s actual achievement of the energy-saving target in 2025: 542,607 KWH of electricity is saved per year. (3) The Company implemented the waste sorting and management in 2025 by recycling the resources in the total weight of 12,534 Kg and saving the trash clearance expenses in the amount of NT\$181,743.				

(viii).Climate-related Information

(viii)-1.Execution Status of Climate-related Information

Items	Items Execution Status
1. Description of the supervision and governance of climate-related risks and opportunities by the board of directors and management.	The board of directors, as the highest governing body for sustainability development, regularly reviews climate change-related risks and opportunities. It assigns the corporate governance officer to lead senior management in executing climate risk management operations, enhancing the level of internal risk control. Additionally, it provides regular reports to the board on the outcomes of climate governance efforts.
2. Explain how identified climate risks and opportunities affect the business, strategy, and finances of the enterprise (short-term, medium-term, long-term)	Until the printing date of the annual report, our company has not completed the identification of climate risks and opportunities. The relevant content will be disclosed on our official website once completed.
3. Describe the impact of extreme weather events and transition actions on finances.	Until the printing date of the annual report, the assessment of the impact of extreme weather events and transformational actions on finances has not been completed. The relevant content will be disclosed on our official website once completed.
4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.	Until the printing date of the annual report, the process of identifying, assessing, and managing climate risks has not been completed. The relevant content will be disclosed on our official website once completed.
5. If scenario analysis is used to assess resilience to climate change risks, details should be provided on the scenarios, parameters, assumptions, analysis factors, and key financial impacts.	Until the printing date of the annual report, we have not utilized scenario analysis to assess resilience to climate change risks, therefore it is not applicable.
6. If there is a transformation plan to address and manage climate-related risks, describe the content of the plan, as well as the indicators and objectives used to identify and manage physical risks and transition risks.	Until the printing date of the annual report, the transformation plan to manage climate-related risks has not been completed. The relevant content will be disclosed on our official website once completed.
7. If using internal carbon pricing as a planning tool, details should be provided on the pricing basis.	Until the printing date of the annual report, the Company has not used internal carbon pricing as a planning tool, so it is not applicable.

Items	Items Execution Status
8. If climate-related goals are set, details should be provided on the activities covered, greenhouse gas emission scopes, planning timeframe, progress achieved annually, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, details should be provided on the source and quantity of carbon offsets or the quantity of RECs.	Setting climate-related goals can strategically help companies reduce carbon emissions to adapt to climate change. The headquarters in Taoyuan completed a third-party verification of carbon inventory in the fiscal year 2023, setting the baseline year as 2021. Plans are in place for a voluntary greenhouse gas inventory to be conducted continuously for three years, encompassing activities, emission scopes, and timelines. Detailed risk assessments and strategic planning will be carried out to set climate-related goals accordingly. °
9. Greenhouse gas inventory and confirmation status with reduction targets, strategies, and specific action plans.	The Taoyuan headquarters established the baseline year for inventory in 2021, while the Zhunan branch established it in 2024. Based on carbon emissions data, reduction targets, strategies, and specific action plans have been formulated, as detailed in the following table.

(1) Recent two-year greenhouse gas inventory and confirmation status of the company.

Basic information of the company	According to the sustainable development road map of listed companies, at least it should be disclosed
<input type="checkbox"/> Companies with capital of over NT\$10 billion. <input checked="" type="checkbox"/> Subsidiaries Consolidated in the Financial Statements of Companies with Capital over NT10 Billion Dollars. <input type="checkbox"/> Companies with capital of more than NT\$5 billion but less than NT\$10 billion. <input type="checkbox"/> Companies with capital less than NT\$5 billion	<input checked="" type="checkbox"/> Individual check of parent company <input checked="" type="checkbox"/> Check of subsidiary company of consolidated financial report <input type="checkbox"/> Parent company individual conviction <input type="checkbox"/> Consolidated financial report subsidiary conviction

2024

Category 1	Total Emissions (Mt CO2e)	Density (Mt CO2e/million)	Certification body	Certification situation
Taoyuan HQ	527.06	0.2277	None	
Zhunan branch	692.924	1.0263		

Category 2	Total Emissions (Mt CO2e)	Density (Mt CO2e/million)	Certification body	Certification situation
Taoyuan HQ	9541.303	4.1213	None	
Zhunan branch	3349.0636	4.9606		

2025

Category 1	Total Emissions (Mt CO2e)	Density (Mt CO2e/million)	Certification body	Certification situation
Taoyuan HQ	529.401	0.2359	None	
Zhunan branch	883.0865	1.096		

Category 2	Total Emissions (Mt CO2e)	Density (Mt CO2e/million)	Certification body	Certification situation
Taoyuan HQ	8,897.820	3.9651	None	
Zhunan branch	3,200.1239	3.971		

(2) GHG Reduction Goals, Strategies, and Concrete Action Plans

Outline the baseline year and its data for GHG reduction, reduction goals, strategies, specific action plans, and the progress toward achieving the reduction goals.

GHG reduction baseline year : 2021

Data : 14,854.268 (mt CO2e)

Reduction goals : Since 2023, there has been an annual reduction target of 190(mt CO2e). The goal is to achieve a cumulative reduction of 10% in carbon emissions compared to the baseline year from 2023 to 2030, over a period of 8 years.

Strategies :

1. Complete GHG inventory and establish the baseline year.
2. Replace old and energy-consuming equipment to reduce GHG emissions.
3. Establish an energy management system to manage energy consumption data in real-time.
4. Continuously improve energy consumption hotspots.
5. Introduce recycling processes.
6. Utilize smart meters to assist in process energy conservation.

Specific action plan:

2025 :

■ System Optimization: Smart meters have been implemented across the plant’s UV lamp systems, air compressors, chillers, and energy-intensive processes to enhance the comprehensiveness of our Energy Management System (EMS).

■ Equipment Procurement: For new equipment requiring refrigerants, R600a has been designated as the primary selection criterion.

■ ISO Certification: Following the attainment of ISO 50001 certification in 2024, we remain committed to maintaining this certification in 2025 while further refining our energy-saving policies.

■ Operational Excellence: Through regular maintenance, equipment upgrades, and the installation of intelligent control systems, we have successfully reduced energy consumption and carbon emissions.

2025 Energy-Saving Results by Equipment:

Project	Description	Annual electricity savings (KWH)	Carbon reduction (KG-CO2e)
CC#7 UV Lamps	Coating UV lamp energy-saving improvement	83,345	39,505

Phase I #4 Air Compressor	Equipment upgrade	114,134	54,099
Phase I & III Compressor Rooms	Cooling and ventilation improvements	74,496	35,311
Phase II Cleanroom MAU & Chillers	Frequency reduction (VFD optimization)	218,674	103,651
Subtotal		490,649	232,566

\* Carbon reduction achievement = Annual electricity savings \* Carbon emission factor ; Carbon emission factor is based on Taipower's electricity bill from December 2025. (0.494KgCO2e/KWH)

**Energy Efficiency Analysis:**

In 2025, despite the substantial growth in production capacity driven by business demand, the overall energy intensity showed significant optimization thanks to the rigorous implementation of energy-saving initiatives.

Year	2024	2025
Total Electricity Consumption (kWh)	7,357,985	7,547,462
Total Production Capacity(m <sup>2</sup> )	14,067,091	16,804,692
<b>Electricity Intensity (kWh/m<sup>2</sup>)</b>	0.52	0.45

**Performance Summary:**

In 2025, production capacity surged by 19.5%, while total electricity consumption saw only a marginal increase of 2.6%. Electricity intensity per unit dropped from 0.52 to 0.45, achieving an improvement rate of 13.5%. This data demonstrates that the company has successfully decoupled its energy consumption from production growth, effectively fulfilling our management policy of high efficiency and low emissions.

(ix).Fulfillment Status of Ethical Corporate Management and Deviations from the "Ethical Corporate Management Best-Practice Principles for TWSE/ TPEX Listed Companies" and Reasons

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best- Practice Principles for TWSE/ TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
<p>1.Establishment of ethical corporate management policies and programs</p> <p>(1)Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?</p> <p>(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</p>	V		<p>(1)The Company has established the "Ethical Corporate Management Code" to implement the compliance with the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, the regulations related to the listing on TWSE/TPEX, or other laws and regulations related to business behaviors, as the basis for the implementation of ethical corporate management. In order to strengthen the concept of laws and regulations and implement the compliance with the laws and regulations of the industry, so as to reduce the company's business risks, the Company has established the "Laws and Regulations Compliance Procedures".</p> <p>(2)The Company has established the "Ethical Corporate Principles" and the "Operational Procedure of Corporate Management and Conduct Guidelines", which expressly stipulate that the Company prohibits offering or accepting improper benefits, and in the "Code of Ethics and Conduct for Directors and Managers", it clearly stipulates that the directors, managers and employees shall not disclose material internal information that they</p>	No significant deviation

Evaluation Item	Implementation Status			Deviations from the "Ethical Corporate Management Best- Practice Principles for TWSE/ TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
<p>7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(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?</p>			<p>know to others, and shall not inquire about or collect material undisclosed internal information of the company that is not related to personal duties from persons who know material internal information of the company. Undisclosed internal material information, which they know for reasons other than the business execution, shall not be disclosed to others.</p> <p>(3) In order to implement the ethical corporate management policy and actively prevent dishonest behavior, the Company has formulated the "Ethical Corporate Management Principles" and the "Operational Procedure of Ethical Corporate Management and Conduct Guidelines", which specifically regulates the operating procedures, behavior guidelines, punishment and complaint systems for violations, and put them into implementation.</p>	
<p>2. Ethical Management Practice</p> <p>(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts, signed by them?</p>	V		<p>(1) The company has established the "Operational Procedure of Ethical Corporate Management and Conduct Guidelines", which expressly stipulates that before establishing a business relationship, the legality, the ethical corporate management of the counterparty the integrity management policy, and whether there has been a record of dishonest behavior should be assessed to ensure that its business operation is fair,</p>	No significant deviation

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best- Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>(2) Does the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?</p> <p>(3) Does the company establish policies to prevent conflict of interests, provide appropriate communication and complaint channels, and properly implement such policies?</p> <p>(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit</p>			<p>transparent and no claim, offering or acceptance of bribes are made.</p> <p>(2) The Company has established the “Operational Procedure of Ethical Corporate Management and Conduct Guidelines” and appointed the General Manager’s Office as the dedicated unit to take charge of promoting the concept of ethical corporate management and regularly report its implementation status to the Board of Directors once a year. A report thereof had been made to the Board of Directors on Nov. 4, 2025.</p> <p>(3) The Company has established the "Ethical Corporate Principles", the "Code of Ethics and Conduct for Directors and Managers" and the "Laws and Regulations Compliance Procedures" to expressly stipulate the related provisions of prevention of conflict of interest, provide such complaint channels as the independent director box, the chairman box and the suggestions box, and put them into implementation.</p> <p>(4) In order to ensure the implementation of ethical corporate management, the Company has established an effective accounting system and internal control system, and internal auditors will check the compliance of the preceding system according to the annual audit</p>	

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best- Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>compliance with the programs to prevent unethical conduct or hire outside accountants to perform the audits?</p> <p>(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?</p>			<p>plan. We entrust an accounting firm to conduct audits of internal control and information operations every year.</p> <p>(5) The Company has established the “Ethical Corporate Management Principles”, which specifically regulate the noticeable matters when the Company’s personnel carry out the business. The norms of these principles are promoted through the educational training or meetings on an irregular basis.</p>	
<p>3. Implementation of Complaint Procedures</p> <p>(1) Does the company establish specific whistle-blowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appoint appropriate personnel specifically responsible for handling complaints received from whistleblowers?</p> <p>(2) Does the company establish standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?</p>	V		<p>(1) The Company has established the “Operational Procedure of Ethical Corporate Management and Conduct Guidelines”, which expressly stipulates the whistle-blowing and reward system and the employees can file a whistle-blowing via the independent director box, the chairman box and the suggestions box; there is the dedicated unit to handle the related affairs in a confidential manner.</p> <p>(2) The Company has established the “Operational Procedure of Ethical Corporate Management and Conduct Guidelines”, which expressly stipulates the investigation standard operating procedures and related confidentiality mechanisms for accepting the whistleblowing matters; the processing process and the information of the parties concerned are kept</p>	No significant deviation

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best- Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company adopt proper measures to protect whistleblowers from retaliation for filing complaints?			<p>confidential.</p> <p>(3) The Company has established the “Operational Procedure of Ethical Corporate Management and Conduct Guidelines”, by which we keep confidential the status of the whistleblower and the whistleblowing contents when the related personnel handle the whistleblowing matters in the written statement. The Company is committed to protecting the whistleblowers from retaliation for filing complaints.</p>	
<p>4. Strengthening information disclosure</p> <p>Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?</p>	V		<p>The Company sets up its own website and discloses the information related to ethical corporate management in the special area of corporate governance, including the “Ethical Corporate Management Principles”, the “Operational Procedure of Ethical Corporate Management and Conduct Guidelines” and the “Code of Ethics and Conduct for Directors and Managers”. The information on the implementation status of ethical corporate management is disclosed in the special area of ethical corporate management of the company’s website.</p>	No significant deviation
<p>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 deviation between the policies and their implementation.</p> <p>The Company has established the “Ethical Corporate Management Principles” and the “Operational Procedure of Ethical Corporate Management and Conduct Guidelines” and no condition of deviation exists in the implementation status.</p>				

Evaluation Item	Implementation Status			Deviations from the “Ethical Corporate Management Best- Practice Principles for TWSE/ TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>6. Other important information to facilitate better understanding of the company’s implementation status of ethical corporate management: (e.g., review and revise the established principles of ethical corporate management, etc.)</p> <p>(1) The Company has established the “Ethical Corporate Management Principles” as the basis of the implementation of ethical corporate management.</p> <p>(2) The Company has established the “Operational Procedure of Ethical Corporate Management and Conduct Guidelines”, which specifically regulate the noticeable matters when the Company’s personnel carry out the business.</p> <p>(3) To implement the principles of ethical corporate management, including labor safety, industrial safety, and information security, the Company held relevant training courses in 2025. The execution results for each plant are as follows:  Taoyuan Plant: Internal training totaled 3,374 hours with 1,593 attendances (person-times); external training totaled 709 hours with 141 attendances.  Zhunan Plant: Internal training totaled 1,759 hours with 409 attendances (person-times); external training totaled 152.5 hours with 16 attendances.</p>				

(x). Other important information which can facilitate better understanding of the company’s implementation status of corporate shall be disclosed as well.

(x)-1. Operational Procedure of the Company’s Internal Material Information Management:

In order to establish the company's public information and material information mechanism, stipulated by laws and regulations, the relevant procedures are set forth for the public information (material information) declaration and management, which are handled by the designated person and controlled by the spokesperson mechanism to ensure the rationality, timeliness and integrity of the information presentation.

(x)-2. Establish the Company's insider trading prevention and management mechanism:

In order to avoid improper divulgence of information, and ensure the consistency and correctness of the information, externally published by the Company, the Company refers to the "Operational Procedures for Handling Material Inside Information of Corporation" to establish the "Management Procedure for Preventing Insider Trading" in the internal control system, which has been discussed and approved by the Board of Directors, and announced on the internal website so that the managers and employees can actually abide by it. In addition, the Company will re-forward the propaganda information, published by the competent authorities to the directors and managers, and encourage them to participate in relevant courses, organized by the competent authorities.

(x)-3. Liability insurance purchased for directors and supervisors of the Company

Since June 15, 2020, the company has been providing all directors and supervisors with liability insurance. The summary of the liability insurance policies

purchased in 2025 listed below:

Insured individuals	Insurance Company	Insured amount	Insured Period
Directors	Shinkong Insurance Co., Ltd.	US\$1,000,000	From Jun. 15, 2025 to Jun. 15, 2026

(x)-4.Continuing education for directors and managers

All directors and managers possess relevant professional knowledge and skills. In addition to offering relevant information both on a regular and intermittent basis to Directors and managers, the Company would also organize seminars and workshops when deemed necessary. Training completed by Directors and managers in 2025 include:

■Continuing education for directors:

Title	Name	Date of training	Name of training session	Hours of training
Chairman	Wu, Hsin-Chieh	2025/9/23	150+ Years of Wisdom from a Global Food Leader: Nestlé’s Creating Shared Value (CSV)	3
		2025/10/02	Cybersecurity Governance: Key Standards, Regulations, and Compliance	3
Director	Wu, Tong-Sheng	2025/01/20	Impact of IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
		2025/08/04	Impact of Climate and Environmental Risks on Management: Sustainability Strategies and the AI Race	3
Director	Shih, Huoo-Tzau	2025/01/20	Impact of IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
		2025/08/04	Impact of Climate and Environmental Risks on Management: Sustainability Strategies and the AI Race	3
Director	Lin, Chia-Liang	2025/12/30	From Carbon Management to Social Value Creation: Corporate SROI Strategy and Impact Assessment	3
		2026/01/12	2026 Outlook: Key Indicators and Trends in Global Politics and Economics	3
		2026/01/13	Applying Sustainability Information to Assess and Enhance Corporate Health	3

Title	Name	Date of training	Name of training session	Hours of training
		2026/01/23	2026 ESG Governance Evaluation: Practical Procedures and Best Strategies	3
Director	Lin, Jen-Po	2025/08/01	Updates on Domestic ESG Regulations and Potential Risks to Corporate Operations	3
		2025/12/19	New Challenges in Fintech: Cybersecurity Governance, AML, and Counter-Terrorist Financing (CFT)	3
Director	Chin, Yu-Ying	2025/05/09	Winning in Capital Markets: Investor Relations as a Secret Weapon for Value Creation	3
		2025/08/04	Impact of Climate and Environmental Risks on Management: Sustainability Strategies and the AI Race	3
Independent Director	Lin, Tsung-Sheng	2025/10/31	Corporate Climate Governance and TCFD Disclosure Practices	3
		2025/10/31	Ethical Management and Forensic Accounting (Including Insider Trading Prevention)	3
Independent Director	Lin, Chig-Lung	2025/01/20	Impact of IFRS Sustainability Disclosure Standards and Corporate Response Strategies	3
		2025/06/11	ESG: Principles of Fair Treatment of Customers and Corporate Integrity	3
		2025/07/09	Aligning with IFRS Sustainability Standards and Internal Control for Sustainability Data	3
Independent Director	Tai, Hwan-Ching	2025/08/04	Impact of Climate and Environmental Risks on Management: Sustainability Strategies and the AI Race	3
		2025/12/11	Operational Perspective: Analysis of Investment and R&D Cycles	6
		2025/12/22	Understanding the EU AI Act and Corporate Response Strategies	3

■ Continuing education for managers:

Title	Name	Date of training	Name of training session	Hours of training
Accounting Supervisor	Lu, Yi-Ping	2025/09/25~2025/09/26	Corporate Legal Liability Seminar: The Impact of Economic Sanctions and Case Studies under the US-China Trade War	3
			Analysis of Legal Liabilities and Case Studies Regarding Corporate	3

Title	Name	Date of training	Name of training session	Hours of training
			Involvement in "Profiteering"	
			Corporate Financial and Tax Governance under Supply Chain Restructuring and Global Tax Reform	3
			Major Changes in IFRS Financial Performance Presentation and Response Strategies	3
Corporate Governance Officer	Yang, Yao-Ju	2025/06/30	Investor Relations (IR) Management Sharing Session	3
		2025/08/04	Impact of Climate and Environmental Risks on Management: Sustainability Strategies and the AI Race	3
		2025/10/15	New Trends in IR & Engagement: ESG and Sustainable Investment Forum	3
		2025/10/16	The 15th Taipei Corporate Governance Forum	3

(xi).Matters to be Disclosed in the Implementation Status of the Internal Control System

(xi)-1.Internal Control Declaration

Please refer to the Market Observation Post System (MOPS) for more information.

Index path: MOPS > Listed Companies > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcement.

URL : <https://mops.twse.com.tw/mops/#/web/t06sg20>

(xi)-2.For those companies which consign the CPAs to conduct the internal control system on a project review basis, the CPAs' review report shall be disclosed:

None.

(xii).Important resolutions of the shareholders' meeting and board of directors for the most recent fiscal year up to the printing date of the annual report.

(xii)-1.Contents and implementation of important resolutions of shareholders' meetings

Time: 10: 00 am, June 10, 2025

Place: 1F., No. 80, Xinguang E. Rd., Daxi Dist., Taoyuan City, Taiwan

Major Resolutions:

(1) Ratified the Business Report and Financial Statements for 2024.

(2) Ratified the Distribution of Earnings for 2024.

Post-meeting Execution:

(1) The company's 2024 annual financial statement has been approved by the shareholders' meeting and is disclosed on the Public Information Observation Station for public reference.

(2) Cash dividend baseline date was July 28, 2025 and the payment date was August 22, 2025 (Cash dividend was NT\$ 5.9899014 per share).

(xii)-2.Major Resolutions of Board Meetings

Meeting Session	Contents of Resolution Matters
The 9 <sup>th</sup> Session The 11 <sup>th</sup> Meeting March 5, 2025	<ul style="list-style-type: none"><li>● 2024 employee compensation distribution.</li><li>● 2024 director remuneration distribution.</li><li>● 2024 manager compensation distribution.</li></ul> <p>Proceedings: Chairman Wu, Hsin-Chieh recused himself due to conflict of interest and appointed Director Shih, Huoo-Tzau as Acting Chairman. President Hsin, Lung-Pin and Finance Director Yang, Yao-Ju also recused themselves.</p> <p>Result: Approved unanimously by the remaining directors.</p> <ul style="list-style-type: none"><li>● 2024 Business Report and Financial Statements (Parent &amp; Consolidated).</li><li>● 2024 surplus distribution (dividend policy).</li><li>● 2025 CPA audit fees and independence assessment.</li><li>● 2025 annual budget.</li><li>● Amendments to the Articles of Incorporation.</li><li>● Approval of the Statement on Internal Control System.</li><li>● Amendments to Internal Control System (Customer Complaint Handling).</li><li>● Amendments to Internal Control System (Payroll Cycle).</li><li>● 2025 employee (including managers) compensation planning.</li><li>● 2025 manager salary adjustment.</li></ul> <p>Proceedings: Chairman Wu, Hsin-Chieh recused himself due to conflict of interest and appointed Director Shih, Huoo-Tzau as Acting Chairman. President Hsin, Lung-Pin and Finance Director Yang, Yao-Ju also recused themselves.</p>

Meeting Session	Contents of Resolution Matters
	<p>Result: Approved unanimously by the remaining directors.</p> <ul style="list-style-type: none"> <li>● Dismissal of the Chief Executive Officer (CEO).</li> </ul> <p>Proceedings: Chairman Wu, Hsin-Chieh recused himself due to conflict of interest and appointed Director Shih, Huoo-Tzau as Acting Chairman. President Hsin, Lung-Pin and Finance Director Yang, Yao-Ju also recused themselves.</p> <p>Result: Approved unanimously by the remaining directors.</p> <ul style="list-style-type: none"> <li>● Loan renewal of USD 3.5 million to Hong Kong subsidiary, RISE CONCEPT ENTERPRISES LIMITED.</li> </ul> <p>Proceedings: Chairman Wu, Hsin-Chieh recused himself due to conflict of interest and appointed Director Shih, Huoo-Tzau as Acting Chairman. President Hsin, Lung-Pin and Finance Director Yang, Yao-Ju also recused themselves.</p> <ul style="list-style-type: none"> <li>● Establishment of a 100% owned Taiwan subsidiary (Investment Holding).</li> <li>● Re-election of Directors.</li> <li>● Convening of the 2025 Annual General Meeting.</li> <li>● Handling of proposals from shareholders holding 1% or more of shares.</li> <li>● Handling of director (including independent director) candidate nominations.</li> <li>● Nomination of candidates for the 2025 director election.</li> <li>● Lifting of non-compete restrictions for new directors.</li> <li>● Setting the capital increase base date for Employee Stock Options (Q4 2024).</li> </ul>
<p>The 9<sup>th</sup> Session The 12<sup>th</sup> Meeting April 29, 2025</p>	<ul style="list-style-type: none"> <li>● 2025 Q1 Consolidated Financial Statements.</li> <li>● Setting the capital increase base date for Employee Stock Options (Q1 2025).</li> <li>● Bank credit facility agreements.</li> </ul>
<p>Interim Meeting June 10, 2025</p>	<ul style="list-style-type: none"> <li>● Election of the 10th Term Chairman.</li> <li>● Appointment of the 6th Term Remuneration Committee members.</li> </ul>
<p>The 10<sup>th</sup> Session The 1<sup>st</sup> Meeting July 30, 2025</p>	<ul style="list-style-type: none"> <li>● 2025 H1 Consolidated Financial Statements.</li> <li>● 2024 ESG Sustainability Report.</li> <li>● Charter for the "Sustainability Development Committee."</li> <li>● Distribution of director remuneration, compensation, and attendance fees.</li> <li>● 2025 manager salary adjustments.</li> <li>● Setting the capital increase base date for Employee Stock Options (Q2 2025).</li> <li>● Bank credit facility proposals.</li> </ul>
<p>The 10<sup>th</sup> Session The 2<sup>nd</sup> Meeting November 4, 2025</p>	<ul style="list-style-type: none"> <li>● 2025 Q1-Q3 Consolidated Financial Statements.</li> <li>● 2025 CPA suitability assessment.</li> <li>● English version of the 2024 ESG Sustainability Report.</li> <li>● Enactment of the "Procedures for Financial and Business Transactions Between Related Parties."</li> <li>● Enactment of the 2026 Annual Internal Audit Plan.</li> <li>● Setting the capital increase base date for Employee Stock Options (Q3 2025).</li> </ul>

(xiii). For the recent year as of the publication date of the annual report, the director or supervisor has different opinions on the important resolutions passed by the board of directors and has a record or written statement, its main content:  
None.

iv. Information on Professional Fees of Attesting CPAs

(i). The amount of the audit fees and the non-audit fees paid to the attesting CPAs and their firms and affiliated companies shall be disclosed:

Monetary Unit: NT\$ Thousands

CPA Firm	Names of CPAs	Audit Period	Audit Fees	Non-Audit Fees	Total	Remarks
Deloitte & Touche	Chen, Wen-Hsiang	2025/01/01~ 2025/12/31	2,680	270	2,950	The non-audit fees refer to the professional fees of transfer pricing, tax certification and Business Registration Fees.
	Hsu, Wen-Ya					

(ii). If the CPAs firm is replaced and the paid audit fees in the year of replacement are less than that in the previous year, the amount of the audit fees before and after replacement, and the reason shall be disclosed:

None.

(iii). If the audit fees are less than that in the previous years by over 10%, the decreased amount of the audit fees, its percentage and the reason shall be disclosed:

None.

v. Information on Replacement of CPAs:

As resolved by the Board of Directors of the Company on March 9, 2026, in alignment with the internal operational adjustments of Deloitte & Touche, the independent auditors of the Company will be changed starting from the first quarter of fiscal year 2026. The engagement will be transitioned from the original auditors, Chen, Wen-Hsiang and Hsu, Wen-Ya, to Hung, Kuo-Tien and Shih, Chin-Chuan.

(i). Information on Replacement of CPAs

(i)-1. Information regarding the former CPAs

Date of replacement	March 9, 2026		
Reason for replacement and explanation	Due to internal reorganization within the CPA firm		
Describe whether the Company terminated or the CPAs terminated or did not accept the engagement	Parties	CPAs	The Company
	Circumstances		
	Terminated the engagement	N/A	N/A
	No longer accepted (discontinued) the engagement	N/A	N/A

If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons	N/A		
Disagreement with the Company?	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or steps
			Other
	No	V	
Specify details: N/A			
Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)	N/A		

(i)-2.Information Regarding the Successor CPAs

Name of accounting firm	Deloitte & Touche
Names of CPAs	Hung, Kuo-Tien
Date of engagement	March 9, 2026
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	N/A
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	N/A

(i)-3.The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations.

N/A

(ii).Information on Replacement of CPAs

(ii)-1.Information regarding the former CPAs

Date of replacement	March 9, 2026		
Reason for replacement and explanation	Due to internal reorganization within the CPA firm		
Describe whether the Company terminated or the CPAs terminated or did not accept the engagement	Parties	CPAs	The Company
	Circumstances		

	Terminated the engagement	N/A	N/A
	No longer accepted (discontinued) the engagement	N/A	N/A
If the CPAs issued an audit report expressing any opinion other than an unqualified opinion during the 2 most recent years, specify the opinion and the reasons	N/A		
Disagreement with the Company?	Yes		Accounting principles or practices
			Disclosure of financial reports
			Audit scope or steps
			Other
	No	V	
	Specify details: N/A		
Other disclosures (Any matters required to be disclosed under sub-items d to g of Article 10.6.A)	N/A		

(ii)-2. Information Regarding the Successor CPAs

Name of accounting firm	Deloitte & Touche
Names of CPAs	Shih, Chin-Chuan
Date of engagement	March 9, 2026
Subjects discussed and results of any consultation with the CPAs prior to the engagement, regarding the accounting treatment of or application of accounting principles to any specified transaction, or the type of audit opinion that might be issued on the company's financial report	N/A
Successor CPAs' written opinion regarding the matters of disagreement between the Company and the former CPAs	N/A

(ii)-3. The reply letter from the former CPA regarding the Company's disclosures regarding the matters under Article 10.6.A and 10.6.B(c) of the Regulations.

N/A

vi. If the Chairman president, and financial or accounting manager of the Company had worked for the accounting firm or related parties thereof in the most recent year, the name, title, and the term of service with the accounting firm or the related party must be disclosed

None.

vii. Details of shares transferred or pledged by directors, managers, or shareholders with more than 10% ownership interest in the last year up until the publication date of this annual report.

(i). Change in Equity Interests of Directors, Supervisors, Managerial Officers and Major Shareholders

Please refer to the Market Observation Post System (MOPS) for more information.

Index path: Market Observation Post System (MOPS) > Single Company > Shareholding Changes / Securities Issuance > Share Transfer Data Inquiry > Insider Shareholding Change Post-Reporting Form

URL : [https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1)

(ii). Information on Transfer of Equity Interests

None.

(iii). Information on Pledge of Equity Interests

Please refer to the Market Observation Post System (MOPS) for more information.

Index path: Market Observation Post System (MOPS) > Single Company > Shareholding Changes / Securities Issuance > Insider Pledge and Release > Insider Pledge and Release Announcements

URL : [https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

viii. Information on Top Ten Shareholders and Relationship among them

April 09, 2026

Name	Shareholding of the Principal		Shareholding of Spouse and Minor Children		Total Shareholding by Nominee Arrangement		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree		Remarks
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	No. of Shares	Shareholding %	Name	Relationship	
Shinkong Synthetic Fibers Corporation Representative: Wu, Tong-Sheng	40,079,828	48.52%	-	-	-	-	Yu Pang Investment Corp.	The chairman is the same person.	
							ChyiChan Co., Ltd.		
							Liang Yueh Investment Corp.		
	4,059	0.00%	-	-	895,000	1.08%	Wu, Hsin-Chieh	Father and Son	
TAY JAY ENTERPRISE CO., LTD. Representative: Wu, Min-Wei	3,874,000	4.69%	-	-	-	-	-	-	
	-	-							
Yu Pang Investment Corp. Representative: Wu, Tong-Sheng	2,800,000	3.39%	-	-	-	-	Shinkong Synthetic Fibers Corporation.	The chairman is the same person.	
							ChyiChan Co., Ltd.		
							Liang Yueh Investment Corp.		
	4,059	0.00%	-	-	895,000	1.08%	Wu, Hsin-Chieh	Father and Son	

Name	Shareholding of the Principal		Shareholding of Spouse and Minor Children		Total Shareholding by Nominee Arrangement		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree		Remarks
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	No. of Shares	Shareholding %	Name	Relationship	
Rui Qi Investment Co., Ltd. Representative: Wu, Hui-Wen	1,170,000	1.42%	-	-	-	-	-	-	
	-	-							
Liang Yueh Investment Corp. Representative: Wu, Tong-Sheng	1,098,000	1.33%	-	-	-	-	Shinkong Synthetic Fibers Corporation.	The chairman is the same person.	
							ChyiChan Co., Ltd.		
	Yu Pang Investment Corp.								
	4,059	0.00%	-	-	895,000	1.08%	Wu, Hsin-Chieh	Father and Son	
ChyiChan Co., Ltd. Representative: Wu, Tong-Sheng	895,000	1.08%	-	-	-	-	Shinkong Synthetic Fibers Corporation.	The chairman is the same person.	
							Liang Yueh Investment Corp.		
	Yu Pang Investment Corp.								
	4,059	0.00%	-	-	895,000	1.08%	Wu, Hsin-Chieh	Father and Son	
Wu, Hsin-Chieh	689,537	0.83%	-	-	-	-	Shinkong Synthetic Fibers Corporation.	vice Chairman	
Po Jui Corporation Representative: Huang, Chun-Hao	536,367	0.65%	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	
Chang, Wen-Ching	500,000	0.61%	-	-	-	-	-	-	
Chiang, Kuo-Wei	410,000	0.50%	-	-	-	-	-	-	

## ix. Comprehensive Shareholding Rate

Unit: % December 31, 2025

Investee Enterprise (Note <sup>1</sup> )	Investment by the Company		Investment by the Directors, Supervisors, Managerial Officers and Directly or Indirectly Controlled Entities of the Company		Comprehensive Investment	
	No. of Shares	Shareholding %	No. of Shares	Shareholding %	No. of Shares	Shareholding %
RISE CONCEPT ENTERPRISES LIMITED, Hong Kong	Note <sup>2</sup>	100%	-	-	Note <sup>2</sup>	100%
New UBright Optronics Co., Ltd., Suzhou	Note <sup>2</sup>	100%	-	-	Note <sup>2</sup>	100%
Arbor Capital	36,000,000	100%	-	-	36,000,000	100%

Note <sup>1</sup>: This refers to the equity method, adopted by the company.

Note <sup>2</sup>: This refers to the organization of company limited, the shareholding ratio of which is calculated based on the financial amount.

### III. Fund Raising Status

#### i. Capital and Shares

(i). Sources of Capital: Specify the type of issued shares during the most recent year up to the publication date of the annual report. If the issuance of the securities is approved by the shelf registration system, the related information on the amount approved, the scheduled issuance and the securities already issued shall be additionally disclosed.

##### (i)-1. Formation of share capital in the last 5 years

Unit: NT\$ Thousands/Thousand Shares

Year/ Month	Issued Price (NT\$)	Authorized Capita		Paid-in Capital		Remarks		
		No. of Shares	Amount	No. of Shares	Amount	Sources of Capital	Capital Paid in by Assets other than Cash	Others
June 2025	10	150,000	1,500,000	81,931	819,307	Exercise of employee stock option 77,000 shares.	-	Note 1
Aug. 2025	10	150,000	1,500,000	81,931	819,307	Re-election of directors; amendment to Articles	-	Note 2
Oct. 2025	10	150,000	1,500,000	81,990	819,897	Exercise of employee stock option 59,000 shares.	-	Note 3
Dec. 2025	10	150,000	1,500,000	82,091	820,907	Exercise of employee stock option 101,000 shares.	-	Note 4
Apr. 2026	10	150,000	1,500,000	82,305	823,047	Exercise of employee stock option 214,000 shares.	-	Note 5

Note 1: Approved by the letter with reference to File of Ching-shou-shang-tzu No. 11430072510 on June 2, 2025.

Note 2: Approved by the letter with reference to File of Ching-shou-shang-tzu No. 11430097260 on Aug. 8, 2025.

Note 3: Approved by the letter with reference to File of Ching-shou-shang-tzu No. 11430141100 on Oct. 2, 2025.

Note 4: Approved by the letter with reference to File of Ching-shou-shang-tzu No. 11430188610 on Dec. 3, 2025.

Note 5: Approved by the letter with reference to File of Ching-shou-shang-tzu No. 11530045890 on Apr. 2, 2026.

##### (i)-2. Type of Stock

April 8, 2026

Type of Stock	Approved Capital					Remarks
	Outstanding Shares			Unissued Shares	Total	
	Listed	Unlisted	Total			
Common Stock	82,304,675	307,000 <sup>1</sup>	82,611,675	67,388,325	150,000,000	List Stock with the TPEX

##### (i)-3. Information Relating to the Shelf Registration System

None.

<sup>1</sup> There are still 307,000 shares undergoing registration for change.

(ii). List of Major Shareholders:

If there are less than ten shareholders whose shareholding ratio is more than 5%, the name, amount and proportion of the shareholders whose shareholding ratio accounts for the top ten shall be disclosed.

April 8, 2026

Shares	No. of Shares Held	Shareholding Ratio
List of Major Shareholders		
Shinkong Synthetic Fibers Corporation	40,079,828	48.52%
TAY JAY ENTERPRISE CO., LTD.	3,874,000	4.69%
Yu Pang Investment Corp.	2,800,000	3.39%
Rui Qi Investment Co., Ltd.	1,170,000	1.42%
Liang Yueh Investment Corp.	1,098,000	1.33%
ChyiChan Co., Ltd.	895,000	1.08%
Wu, Hsin-Chieh	689,537	0.83%
Po Jui Corporation	536,367	0.65%
Chang, Wen-Ching	500,000	0.61%
Chiang, Kuo-Wei	410,000	0.50%

(iii). Dividend Policy of the Company and Implementation Status

(iii)-1. Dividend Policy Stipulated in the Company's Articles of Incorporation:

If there is a surplus in the annual final accounts of the Company, it shall be used to pay taxes according to law, and after making up the accumulated losses, 10% shall be added to the statutory surplus reserve. However, if the legal reserve has reached the paid-in capital of the Company, the surplus shall not be set aside and the others shall be set aside or reversed as the special surplus reserve according to laws and regulations; if there is any balance, along with the accumulated undistributed surplus, the Board of Directors shall formulate a surplus distribution proposal and submit a resolution to the shareholders' meeting to distribute the dividends to shareholders.

If the surplus, statutory surplus reserve and capital reserve mentioned in the preceding paragraph are distributed in cash, the distribution shall be made by authorizing the Board of Directors to pass a resolution by a majority of the directors present among more than two-thirds of the directors present with a report to the shareholders' meeting.

The company's dividend policy is in keeping with the company's current and future capital budget and development plan, considering the investment environment, capital needs, financial structure, earnings and domestic and foreign competition conditions, and also taking into account the factors of the interests of shareholders, and so on. The surplus available for allocation per year is no less than 10% of dividends to shareholders; when distributing dividends to shareholders, it can be done in cash or shares, of which cash dividends shall not be less than 10% of the total dividends.

(iii)-2. Proposed Distribution of Dividend in this Shareholders' Meeting:

On March 9, 2026, the company passed a resolution via the meeting of the Board of Directors to allocate cash dividends NT\$2.90 per ordinary share and stock dividend NT\$0. After this case is reported at the regular shareholders' meeting, the chairperson is authorized to set another dividend base date.

(iv). Impact of stock grants proposed at this shareholders' meeting on the company's operating performance and the earnings per share.

None.

(v). Compensation of employees, directors and supervisors

(v)-1. The percentage or scope of remuneration for employees, directors and supervisors as stated in the company's articles of incorporation:

If the Company has a profit for the fiscal year, a minimum of 1% of such profit shall be distributed as employee compensation. Out of this amount, no less than 30% shall be allocated to entry-level employees. Such employee compensation may be distributed in stock or cash by a resolution of the Board of Directors, and the recipients may include employees of subordinate companies who meet certain conditions. By a resolution of the Board of Directors, the Company may also distribute no more than 5% of the aforementioned profit as directors' remuneration. The distribution plans for employee compensation and directors' remuneration shall be reported to the shareholders' meeting.

However, if the Company still has accumulated losses, an amount shall be reserved in advance to cover the losses before allocating employee compensation and directors' remuneration in accordance with the proportions specified in the preceding paragraph.

(v)-2. The basis for estimating the amount of compensation for the employees, directors, and supervisors, for calculating the number of shares to be distributed as employee compensation and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.

The employee compensation and directors' remuneration for the current period are calculated at 1% of the net income before tax. If there are still variations in the amounts after the date the annual financial report is authorized for issue, such variations will be treated as changes in accounting estimates and adjusted in the following fiscal year.

(v)-3. Distribution of Remuneration Approved by the Board of Directors:

(1) Amount of compensation for employees and remuneration for directors and supervisors, distributed in cash or stock. If there is a discrepancy with the estimated amount in the year of recognition of expenses, the amount of discrepancy, reason and disposal conditions shall be disclosed.

On March 9, 2026, the Company had approved, in the resolution of the Board of Directors, the distribution of 2025 cash compensation for the employees in the amount of NT\$ 5,675,721 and the cash remuneration for the directors in the amount of NT\$ 360,000, which will be reported at the 2026 regular general shareholders' meeting.

(2) Amount of the employees' compensation, distributed in stock and its ratio to the after-tax net profit and the total amount of the employees' compensation as stated in the parent company only or individual financial statements for the current period.

None.

(v)-4. Actual distribution of the remuneration of employees, directors and supervisors in the previous year (including the number of shares distributed, amount and stock price); if there is a discrepancy from the recognized remuneration of employees, directors and supervisors, the amount of discrepancy, reason and disposal conditions shall be disclosed.

In 2025, the Company distributed the 2024 cash compensation for the employees in the amount of NT\$ 7,038,038 and the remuneration for the directors in the amount of NT\$ 525,000. There was no discrepancy between the actual distributed amount and the recognized amount.

(vi).Conditions of the Company's Repurchase of its Own Shares

None.

ii.Corporate Bond Processing Status

None.

iii.Proceeding of Preferred Shares

None.

iv.Proceeding of Global Depository Receipt

None.

v.Employee Share Subscription Warrants Processing Status

(i).The processing status and the impact on the shareholders' equity interests of the non-expired employee share subscription warrants shall be disclosed as of the publication date of the annual report.

As of April 6, 2026

Type of Employee Share Subscription Warrants	The 4 <sup>th</sup> (Issue) Employee Share Subscription Warrants
Effective date of declaration and total units.	October 8, 2021 5,000 units
Issue (Handling) Date	October 19, 2021
Total units issued	2,050 Units
Remaining units available for issuance	0 ( Note )
Ratio of Number of Issued Subscribe Shares to the Total Number of Issued Shares	2.52%
Existing Duration of Subscription	5 Years
Exercise Method (Note 3)	Issue new shares
Period of Restricting Subscription and Ratio (%)	Exercisable share subscription ratio during the grant duration of share subscription warrant (accumulated) 50% at the expiration of 2 years 75% at the expiration of 3 years 100% at the expiration of 4 years
Number of Shares Subscribed through Exercise of the Warrants	1,847,000
Amount of the Shares Subscribed through Exercise of the Warrants (NT\$)	45,597,800
Number of Unexercised Share	88,000
Subscription Price per Share of the Unexercised Shares	22.9
Ratio of the Number of Unexercised Shares to the Total Number of Issued Shares (%)	0.11%

Type of Employee Share Subscription Warrants	The 4 <sup>th</sup> (Issue) Employee Share Subscription Warrants
(Note)	
Effect on Shareholders' Equity	The existing duration for this employee share subscription warrant is 5 years. After the expiry of 2 years from the date of issuance, the share subscription will be implemented by the share subscriber in 3 years, and the original shareholders' equity will be diluted year by year, so its effect on the equity dilution is still limited.

*Note : This is calculated based on 82,611,675 shares of the total number of the issued shares as of April 6, 2026.*

*The remaining unissued units of 2,950,000 shares will not be issued, because the duration of issuance has expired (October 7, 2022). A total of 115,000 shares were cancelled on June 25, 2025.*

(ii). Names and Acquisition and Subscription Status of Managerial Officers Who Have Acquired Employee Share Subscription Warrants and the Top Ten Employees (Ranked by the Number of Subscribed Shares) Who Have Acquired Share Subscription Warrants, Accumulated as of the Publication Date of the Annual Report

(ii)-1. The 1st-stage Issuance of the 4th (Issue) Share Subscription Warrants

As of March 30, 2026 (Unit: Thousand Shares; NT\$ Thousands)

	Job Title	Name	No. of Acquired Share Subscription	Ratio of the Number of Acquired Share Subscription to the Total Number of Issued Shares	Exercised				Unexercised			
					Number of Subscribed Shares	Price of Subscribed Shares	Number of Subscribed Shares	Ratio of the Subscribed Shares to the Total Issued Shares	Number of Subscribed Shares	Price of Subscribed Shares	Number of Subscribed Shares	Ratio of the Subscribed Shares to the Total Issued Shares
Managerial Offices	Chairman	Wu, Hsin-Chieh	550	0.67%	0	28.20	0	0	24	22.9	5,496	0.029%
	General Manager	Hsin, Lung-Pin			262	25.90	6,786	0.32%				
	Assistant General Manager	Chen, Hung-Chi			29	24.80	719.2	0.035%				
	Chief Accounting Officer	Yang, Yao-Ju			235	22.9	5381.5	0.28%				
Employees	Manager	Miu, Chia-Yeh	870	1.053%	0	28.20	0	0	51	22.9	1,168	0.062%
	Deputy Manager	Lai, Chieh-Chih			380	25.90	9842	0.46%				
	1 <sup>st</sup> -Grade Engineer	Chiang, Chia-Jung										
	Section Chief	Liu, Wan-Chi			182	24.80	4,514	0.22%				
	Senior Project Manager	Juan, Yu-Mei										
	Senior Project Manager	Yang, Ching-An										
	Senior Project Manager	Tien, Yi-Lung			257	22.90	5885	0.31%				
	Assistant Business Manager	Tseng, Chun-Wei										
	Assistant Business Manager	Wang, Neng-Hsi										
	Grade 1 Engineer	Ying-Yi Lu										

Note 1: The total number of issued shares is calculated based on 82,611,675 issued shares as of the book closure date.

vi. New Restricted Employee Shares Processing Status

None.

vii. Processing Status of Merger or Transfer of Shares of Other Companies to Issue New Shares

None.

viii. Execution Status of Capital Utilization Plan

None.

## IV. Operational Highlights

### i. Business Activities

#### (i). Business Scope

##### (i)-1.1. The Company's Main Area of Current Business Operations

- C801030 Precision Chemical Materials Manufacturing.
- CA04010 Surface Treatment Industry.
- CC01080 Electronic Component Manufacturing.
- CQ01010 Mold Manufacturing.
- F106030 Mold Wholesale.
- F107120 Precision Chemical Materials Wholesale.
- F113030 Precision Instrument Wholesale.
- F113070 Telecommunication Facilities Wholesale.
- F119010 Electronic Materials Wholesale.
- F206030 Mold Retail.
- F207120 Precision Chemical Materials Retail.
- F213040 Precision Instrument Retail.
- F213060 Telecommunication Facilities Retail.
- F219010 Electronic Materials Retail.
- F401010 International Trade.
- Except the licensed business, it is allowed to operate those businesses which are not prohibited or restricted by law.
- I103060 Management Consultation.
- I199990 Other Consulting Services.
- J202010 Industry Innovation and Incubation Services.

##### (i)-2. Operating Proportion of the Company's Current Main Business

Unit: NT\$ thousands

Type of Product		2024		2025	
		Amount	%	Amount	%
Brightness	Domestic Sales	1,709,641	58.21	1,825,951	60.71
Enhancement Film	Exportation	1,227,136	41.79	1,181,545	39.29
Total		2,936,777	100.00	3,007,496	100.00

##### (i)-3. The Company's Current Items of Commodity

The main products which the Company currently produces are the brightness enhancement film and the protective film. The brightness enhancement film is mainly applied in the backlight module of the LCD; it can converge the light scattered by the light source to the front for the purpose of improving the brightness of the front, and recycle the unused light outside the viewing angle by the reflection of the light to reduce the loss of light. Since each liquid crystal display needs one or two pieces of the enhancement film, i.e., prism, the enhancement film is a very important key material in the backlight module. The protective film is attached to the surface of the carrier material to avoid unexpected abrasions or scratches during the production or shipping process.

Over the past few years, accompanied with the requirements for high-definition and thinner displays, ultra-high-brightness & high-performance composite materials and high-performance prism lamination

products are the most important products in the market at present, and these are all the Company's layout focus in this field, in which we keep developing new prism materials to continuously meet the needs of the market and customers.

(i)-4. New Commodity Planned to be Developed

- The Small size up-BEF product with ball-drop resistance and ultra-high brightness
- The improvement of the brightness (>5%) in the ultra-bright double-stack brightness enhancement film for NB/tablet products
- The composite optical film which consists of the brightness enhancement film and the Anti-condense film.
- The composite optical film which consists of the Double-laminated Brightness Enhancement film (P.O.P.) and the Anti-condense film.
- The Quantum Dot (QD) film for automobile
- The Quantum Dot (QD) film in the Wide Color Gamut
- The Double-laminated Film which consists of the Brightness Enhancement Film and the DBEF.
- Diffusion film without volatile organic compounds.
- The brightness-enhancement film made from recycled PET
- High-functional Protective Film
- Anti-glare Protective Film for Manufacturing Process
- High-Dyne Double-sided Hard-coated Film
- Green Building Grade Thermal Insulation Film
- Airborne Anti-glare and Anti-shatter Film
- OLED Process Protective Film
- Hydrophilic Film

(ii). Industry Overview

(ii)-1. Current State and Development of the Industry

The Company's main business item is the production of brightness enhancement films for backlight modules in TFT-LCD. Since TFT-LCD is a non-self-luminous display, it needs a backlight module to generate a light source display screen, so the backlight module is an indispensable component in TFT-LCD. The main function of the brightness enhancement film is to converge the scattered light to the front to achieve the purpose of improving the brightness of the front, and to recycle the unused light outside the viewing angle by the reflection of the light in order to reduce the loss of light, further achieve energy-saving, carbon reduction, green energy and environmental protection effect.

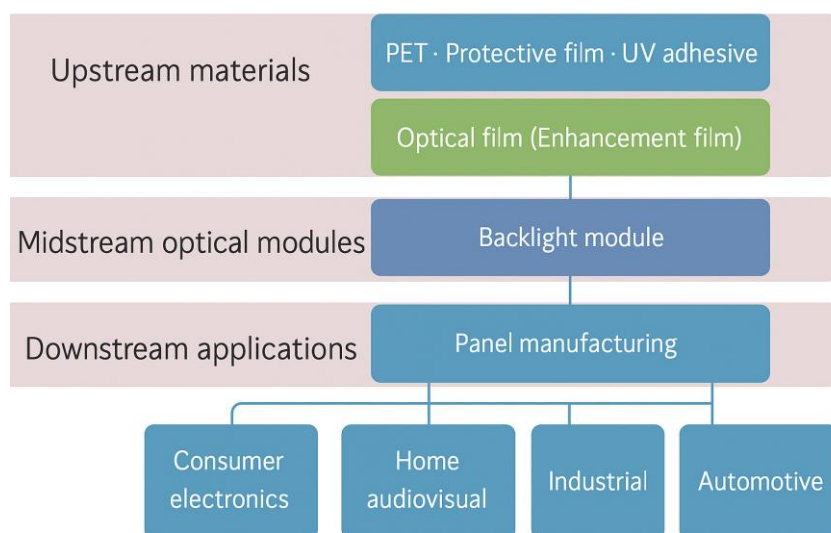
In 2026, the global display industry is undergoing a critical period of "structural transformation." Following two years of inventory adjustments and market cyclical lows, 2026 is widely regarded as a year of recovery. However, the competitive landscape has shifted from a pure "capacity race" to a "competition for technology and application value."

The demand for the display market in 2026 is expected to rebound compared to 2025, primarily driven by two short-term catalysts:

- Sports Event Dividend: The Milan Winter Olympics in early 2026 and the FIFA World Cup in North America mid-year are expected to drive replacement demand for large-sized TVs.
- IT Replacement Cycle: The corporate replacement effect following the end of support for Microsoft Windows 10 (October 2025) continues to gain momentum. Additionally, the demand for high-specification screens (power-saving, high refresh rates) driven by "AI PCs" has stimulated shipments of laptop and monitor panels.

### (ii)-2. Correlation of Upstream, Midstream and Downstream in the Industry

The brightness enhancement film produced by the Company is the critical component of the backlight module of the LCD, in which the correlation chart of upstream, midstream and downstream industry structure is shown in the following diagram. In the upstream, there are the suppliers of such materials as optical PET, UV glue and protective film, etc. and the downstream includes the backlight module manufacturers, the TFT-LCD panel manufacturing assembler as well as the application of terminal electronic products.



### (ii)-3. Various Development Trends of Products

The strategic focus for 2026 can be encapsulated in three keywords: "Composite," "Miniaturization," and "Functional Customization."

The optical film industry is undergoing a "Subtraction Revolution," aiming to make screens thinner while simultaneously enhancing brightness and color performance. The following are the key development trends for optical films in 2026:

- **Mainstream Trend: Shifting from "Stacking" to "Composite Films"**  
Traditional backlight modules require a stack of three sheets: "Diffuser + Lower Prism + Upper Prism." To achieve thinness and cost reduction, the trend is to integrate them into a single solution. Composite products such as POP (Prism on Prism) and DOP (Diffuser on Prism) are no longer considered low-end. High-end composite films (e.g., MOP - Multifunctional Optical Film) can now integrate the brightness enhancement effects of two prism films into a single film using precision coating technology. This reduces thickness by 30-40% and helps module assembly plants streamline processes, lowering yield risks from foreign particles—a critical factor for ultra-thin laptops.
- **Evolution for Mini LED: Light Shaping**  
With the widespread adoption of Mini LED in Apple products and gaming monitors, the role of brightness enhancement films has shifted from simple "light concentration" to "light shaping." Due to the granular nature of Mini LED, hotspots are easily generated. Consequently, brightness enhancement films featuring Microlens Array (MLA) structures have been developed. This structure does not just focus light to the front; it also appropriately "softens" the light to eliminate LED hotspots, replacing traditional thick diffuser plates and enabling extreme thinness for Mini LED laptops.
- **Automotive Market Trends: Privacy and Viewing Angle Control**

With the rise of co-passenger displays, new types of brightness enhancement films utilize Reverse Prism designs to restrict viewing angles (Privacy Mode). This prevents the driver from seeing the content on the passenger screen, thereby ensuring driving safety.

(ii)-4.Product Competition Conditions

As the main basic patents related to the brightness enhancement film have expired, consequently Taiwan, Korean and China manufacturers have put into production in large quantities, so the overall prism market is oversupplied, and they are all in the undercutting competition. Especially in recent years, with the rise of panel factories in China, the number of prism manufacturers of China system is increasing day by day. Relying on their local and resource advantages, they use low-price competition to gain the market, leading to vicious competition. In recent years, most Taiwanese and Korean suppliers have been in a weak competitive position and lost a lot of market share. This situation is expected to continue. In response to this bad market situation, the Company mainly relies on research and development and new products to differentiate itself from its competitors, and carries out differentiation based on technology. With strong research and development energy, the Company has accumulated many years of knowledge and technology, and has a team with superb production process experience, combined with a sales team with rich industry sales experience and flexible use of strategic partners, and with the support of a strong group, it has continuously successfully developed new products. So, we are one of the few domestic manufacturers with the competitiveness of this product. The company will continue to resort to the technology development to increase additional functions of products, consider the vertical integration of production raw materials as the goal, supply the products with high cost-performance to the market, and ensure the Company's competitive advantage.

(iii).Technology, Research and Development Overview

(iii)-1.Input Research and Development Expenditure for the Most Recent Year up to the Publication Date of the Annual Report.

Unit: NT\$ thousands

Item/Year	2025	Q1 of 2026
Research and Development Expenditure	271,287	26,153
Net Operating Income	3,007,496	735,194
Ratio (%)	9.02	3.56

(iii)-2.Successfully-developed Technology or Products in the Most Recent Fiscal Year up to the Publication Date of the Annual Report

Taoyuan Factory

The Company goes on with the in-depth cultivation and inputs the research and development energy and capital in the prismatic optical films and related industries. In addition to meeting the market demand and leading the development trend of the industry, the Company actively develops, lays out and invests in the development and mass production technology of prism-related new products. The major projects completed in the most recent year are as follows:

- The Traditional Brightness Enhancement Film in ultra-high luminance for NB/Tablet Products and automobile

- The Double-laminated Brightness Enhancement Film (POP) in ultra-high luminance for NB/Tablet Products
- The Low-cadmium Quantum Dot Film in any size of automotive LCD
- The Cadmium-free Quantum Dot Film for NB/Tablet Products and automobile
- The Anti-condense Film for any size of Mini-LED
- The ultra-high-brightness-enhancement double-laminated composite optical film which consists of the brightness enhancement film and the Anti-condense film for NB/Tablet Products.
- The wide-viewing-angle Film in any size of automotive LCD

#### □ Zhunan Plant

The Zhunan Plant has continued to focus on surface coating and optical pressure-sensitive adhesive technologies, dedicating significant R&D resources and funding to these areas. Beyond meeting market demands, the plant aims to become a leader in the coating industry. As such, it actively develops new coating-related products and applications. Key milestones completed in the most recent fiscal year include the following:

- Surface treatment anti-glare film for polarizer
- Anti-chip protective film for manufacturing processes
- Surface treatment explosion-proof film for vehicles
- Insulation paper for vehicles or building construction
- Double-layer stearic film for sputtering of ITO
- OCA for electronic paper
- UV-CUT OCA for use in blocking ultraviolet rays

#### (iv). Long-term and Short-term Business Development Plans

##### (iv)-1. Short-term Development Plan

Mainly meet the needs of the market, develop the products most urgently needed by the customers, and meanwhile focus on cost control, reduce the total cost of products in order to enhance competitiveness. The development of new products focuses on high-end and special-purpose products; continue to develop ultra-high brightness, scratch-resistant, anti-dropping, anti-interference, high-stability composite materials and double-laminated or multi-laminated products used in ultra-thin power-saving products. In terms of large size, we will selectively accept orders after considering variable cost and utilization. In terms of precision coating applications, the production will aim to create the maximum synergy in the Group in keeping with the needs of the Group. In addition to the brightness enhancement film, it is planned to provide the customers with the quantum dot film applied in the Mini LED panel in line with the developed down expansion for mobile phones in anticipation of improving its own competitiveness with the combination of optical films with excellent cost-performance.

##### (iv)-2. Mid-term and Long-term Development Plans

The fields involved in the mid-term and long-term development plans of the Company include: development of new-type products related to the brightness enhancement products, including use of new materials and development of new production and process technology, development of nano new-type materials and development of a diversified special chemical products, etc.

## ii. Market, Production and Marketing Overview

### (i). Market Analysis

#### (i)-1. Sales Region of the Company's Main Commodity

Unit: NT\$ thousands

Type of Product		2024		2025	
		Amount	%	Amount	%
Brightness Enhancement Film	Domestic Sales	1,709,641	58.21	1,825,951	60.71
	Exportation	1,227,136	41.79	1,181,545	39.29
Total		2,936,777	100.00	3,007,496	100.00

#### (i)-2. Market Share

The enhancement film is a key component of the backlight module of the liquid crystal display. Although the Company entered the market relatively late, with strong R&D energy, sales team and strategic partners with industry sales experience, on top of the strong support from the Group, currently the company has successfully developed a number of new products, and the products have been accepted and widely used by the backlight module factories. Some technologies and products are unique in Taiwan. The Company will continue to develop and promote the high-performance and cost-performance products and increase the Company's market share.

#### (i)-3. Future Supply and Demand Status and Growth in the Market

From the perspective of the smartphone panel market, LCD market share will continue to shift to OLED, resulting in continued decline in demand. Accompanied with the increasing application of Mini LED technology, the future of Mini LED is bright. In terms of small and medium-sized panels, considering the explosive growth of the electric vehicle industry and the emergence of automotive intelligence and autonomous driving trends, the demand for the automotive industry is expected to remain strong. At the same time, with the development of VR, AR, and Metaverse technologies, and the maturity of 5G networks, the applications in these fields will drive the growth of the display market in the long term.

#### (i)-4. Competitive advantage

##### Excellent R&D Capability and Strong Professional Management Team

The Company's management team has many years of experience in microstructure design, precision coating production and marketing, and we are currently one of the few professional manufacturers of competitive gloss enhancement films in Taiwan. In addition, the customer service and R&D members in the R&D team are also experienced in related field of TFT-LCD for many years. Therefore, we have more competitive advantages in product quality and customer service integration, and take the lead the industry.

##### Self-owned Patent, Unique Manufacturing Technology and Diversified Products

In order to improve manufacturing efficiency and enhance product quality, the Company has developed a unique manufacturing technology, which will increase the entry barriers for potential competitors. The Company's R&D team has an understanding of the TFT-LCD industry and the enhancement film technology. Well aware of the development trend of the prism sheet in the market and the needs of customers, it has developed a variety of enhancement film products to provide customers with more diversified choices, and applied for a number of related patents.

##### Self-manufacture and Localization of Process Equipment

The Company's process equipment is all designed by the R&D team itself, so we have 100% self-reliance, which is helpful to the promotion of production stability and the improvement of yield for the Company's products. Consequently, in respect of price, we have more competition advantages than the companies in the same industry. Besides we can develop the customized products subject to the customers' needs, so we can more meet the demands of the customers and the market than other competitors.

Pass the Certification by the Terminal Customers and Have High Market Share

We are the major supplier of the prism products in the main panel and system factories.

Stable Quality, Prompt Service and High-competitive Price

Although the Company is superior to the domestic competitors in terms of cost competitiveness, we have always adhered to a stable and high level of quality. Therefore, we have successively won the recognition of the downstream manufacturers, and our market share has grown steadily.

The Company upholds the spirit of the service industry and professional manufacturing experience. In addition to requiring customer service personnel to arrive at the client's place within 24 hours after the customer responds to the problem, assisting in determining the problem and proposing solutions, we also actively participate in the cooperation with the customers in the design and development of new models and help them solve the relevant technical problems of the client in the first time in order to win larger orders and achieve a win-win situation with the customers.

Take Root in Taiwan and Integrate Two Sides of the Taiwan Strait

At present, the Company's operation mode is to produce optical film coils in Taiwan, and assign the professional cutting factories on both sides of the strait to perform cutting. The Company uses the OEM control mechanism and the resource integration system to grasp the current product production and inventory status in real time, and make the most suitable delivery arrangements to meet customer needs.

#### (i)-5. Advantage and Disadvantageous Factors of Development Prospect and Response Measures

##### Advantageous Factors

**A.** The global TFT-LCD industry has grown year by year and the active participation and promotion of the governments on both sides of the Taiwan Strait has led to the vigorous development of TFT-LCD related components.

The TFT-LCD industry is a strategic industry shared by the governments of both sides of the Taiwan Strait. Accompanied with the double-speed increase in the demand for LCD-TV in the China's domestic market, the TFT-LCD industry has rapidly and significantly expanded its production capacity. Because each TFT-LCD panel must be equipped with a set of backlight modules, the shipments of backlight modules will go up as the shipments of LCD panels increase. With the fierce competition of backlight module manufacturers, they continue to pursue cost advantages. In particular, the cost of brightness enhancement film is relatively high in the backlight module materials, which will help the growth of upstream manufacturers' revenue. Therefore, the Company will grasp this growth opportunity and grasp the market in real time.

##### **B.** Self-manufacture of Process Equipment and Improvement of Yield

The Company's manufacturing equipment is all designed and developed by the R&D team. It has 100% self-reliance ability in equipment technology. In addition, the Company has the ability to self-manufacture molds. In addition to having a competitive advantage in cost, it can greatly shorten the production line layout, effectively shorten the mass production process time and improve its economic scale. The company's self-developed equipment will effectively speed up product development and

shorten the time for mass production of new products. It can also produce in real time according to different orders. Compared with competitors, the efficiency of the Company in winning customer orders is better than that of competitors.

#### C. Energy Conservation and Environmental Protection

ESG has become a critical focus for businesses worldwide. In response to the growing global demand for environmental protection and energy efficiency, our company's heat insulation film products can block up to 99% of infrared radiation. This significantly reduces the heat transmitted through sunlight into vehicle cabins and building interiors, thereby lowering the energy consumption of air conditioning systems and achieving energy-saving and carbon-reduction benefits. Additionally, with a 99.9% ultraviolet (UV) blocking rate, these products help mitigate the harmful effects of UV exposure on human skin and eyes.

#### Disadvantageous Factors and Response Measures

The LCD market has become saturated and its growth has slowed down. At the same time, most prism manufacturers have become more and more difficult in operation. The oversupply of the prism products will not change in the short term. In addition, due to the cost control pressure of panel manufacturers and the aggravation of vicious competition in the market, the price of the brightness enhancement film will continue to drop.

The Company's Response Measures to the Aforesaid Disadvantageous Factors:

A. The Company actively introduces and develops the self-made optical-grade PET films in collaboration with the strategic partners in order to reduce material costs. At the same time, we further upgrade the production technology and continuously improve yield and efficiency, so as to further widen the gap with other competitors in the industry in terms of cost.

B. The Company incessantly develops new products to lead the market trend and uses the high-performance and high cost-performance products to keep enlarging the market share.

C. The Company develops new products and adds the added-value to the products for the purpose of improving the application value of products.

### (ii). Important Use and Production Process of Main Products

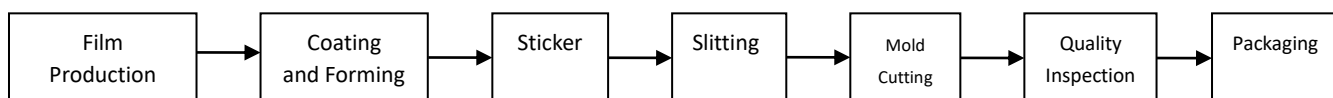
#### (ii)-1. Use of Main Products

**Brightness Enhancement Film:** Mainly applied in the backlight module of liquid crystal display; it can converge the light scattered by the light source to the front to achieve the purpose of improving the brightness of the front, and recycle the unused light outside the viewing angle by the reflection of light to reduce the loss. Large size is used in LCD TVs, NBs, monitors, while small size is used in mobile phones, digital cameras, video cameras, PDAs, tablets, communications and consumer electronics.

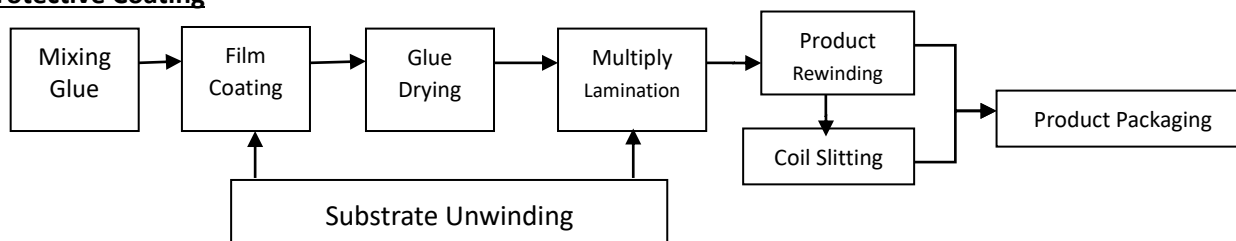
**Protective Film:** Used in displays and touch modules, our products effectively reduce defects such as foreign particles, scratches, or contamination caused by environmental or equipment factors during the production process. This significantly improves overall yield rates.

(ii)-2. Production Process of Main Products

**Brightness Enhancement Film**



**Protective Coating**



(iii). Supply and Demand Status of Main Materials

In recent years, the domestic and foreign production capacity of optical grade PET was about 250,000 to 350,000 tons/year. Among the main domestic and foreign suppliers, T company had a production capacity of 4,000 tons/year; S company had a production capacity of 30,000 tons/year; M company had a production capacity of 45,000 tons/year. Due to the unsatisfactory price of optical grade PET, Japanese and Korean PET factories gradually adjusted the production line configuration in 2017 to reduce the production capacity of optical grade PET so that the supply and demand status in the market tended to be in balance and the price of the optical grade PET did not decline any more, but rose from the lowest point. The price rose slightly in 2021 due to the oil prices and shipping. The Company is also actively developing suitable sources of raw materials from other origins to diversify risks and maintain the stability of raw material purchase prices and improve product competitiveness.

(iv). Information on Major Suppliers/ Customers for the Most Recent Two Fiscal Years

**Information on Major Suppliers for the Most Recent Two Fiscal Years**

Unit: NT\$ thousands

	2024				2025				2026 First Quarter (Note)			
Item	Name	Amount	Percentage to Annual Net Purchases (%)	Relationship to the Issuer	Name	Value	Percentage to Annual Net Purchases (%)	Relationship with to Issuer	Name	Amount	Percentage (%) to Net Purchases up to the Preceding Quarter of the Current Year	Relationship to the Issuer
1	W	327,945	21.05	None	W	267,513	16.16	None	W	52,700	15.87	None
2	Z	206,973	13.29	None	Z	143,360	8.66	None	AB	35,108	10.58	None
3	AB	91,374	5.87	None	AB	117,494	7.1	None	Z	29,951	9.02	None
	Others	931,522	59.79		Others	1,127,347	68.08		Others	214,231	64.53	
	Net Purchases	1,557,814	100.00		Net Purchases	1,655,714	100.00		Net Purchases	331,990	100.00	

Note: The financial statements for Q1 of 2026 have been reviewed by the CPAs.

**Explanation of changes (increase or decrease): Adjustments to purchase volumes in response to product model requirements.**

**Information on Major Customers for the Most Recent Two Fiscal Years**

Unit: NT\$ thousands

Item	2024				2025				2026 First Quarter (Note)			
	Name	Amount	Percentage to Annual Net Sales (%)	Relationship to the Issuer	Name	Amount	Percentage to Annual Net Sales (%)	Relationship to the Issuer	Name	Amount	Percentage (%) to Net Sales of Net Sales up to the Preceding Q1 of the Current Year	Relationship to the Issuer
1	B	722,184	24.58	None	B	695,194	23.10	None	B	166,524	22.65	None
2	T	263,604	8.98	None	T	381,343	12.68	None	T	91,095	12.39	None
3	Y	218,758	7.45	None	Y	325,363	10.82	None	Y	88,639	12.06	None
	Others	1,732,231	58.99		Others	1,605,596	53.40		Others	388,936	52.90	
	Net Sales	2,936,777	100.00		Net Sales	3,007,496	100.00		Net Sales	735,194	100.00	

Note: The financial statements for Q1 of 2026 have been reviewed by the CPAs.

**Explanation of changes (increase or decrease):**

**(1) No significant change.**

iii. Employee No., Average Years of Service, Average Age and Education Distribution Percentage of Percentage of Employees for the Most Recent Two Years up to the Publication Date of the Annual Report

Year		2024	2025	As of March 31, 2026, the Current Year
Employee No.	Staff	225	248	248
	Technician	183	176	176
	Foreign Employee	132	143	143
	Total	540	567	567
Average Age		40.19	39.82	40.33
Average Years of Service		9.64	9.47	9.63
Education Distribution Percentage	Ph.D.	1.30%	1.18%	1.18%
	Master	5.74%	6.25%	6.25%
	College and University	57.96%	56.59%	56.59%
	Senior High School	32.41%	32.09%	32.09%
	Below Senior High School	2.59%	3.89%	3.89%

Note: Fill in the information of the current year as of the publication date of the annual report.

iv. Environmental Protection Expenditure

(i). Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions):

None.

v. Labor Relations

(i). Availability and execution of employee welfare, education, training and retirement policies: elaborate on the agreement between the employer and employees, and protection of employees' rights.

(i)-1. Employee Welfare Measures

According to the relevant welfare statutory regulations of the government, the Company formed an Employee Welfare Committee to plan and handle the welfare hereof.

The main welfare items are as follows:

■ Three festivals of money or gifts: Chinese New Year Festival, Dragon Boat Festival, Mid-Autumn Festival.

■ The birthday gift money on birth month.

■ Arrangement of leisure activities: irregular staff barbecue gathering activities, staff travel, and other activities.

■ Club activities: there are slow softball club, mountaineering club, bowling ball club, etc.

Other welfare items of the Company

- Labor insurance, national health insurance, regular health examination, etc.
- Travel Safety Insurance: Colleagues who travel abroad on business are entitled to accident insurance and accident medical insurance.
- Employee wedding and funeral allowances.
- In order to improve employee health consultation and services, the Company regularly arranges the in-factory doctor to render the medical services in the factory.
- Regularly hold employee health promotion activities to encourage employees to maintain good weight management.
- Summer and winter staff uniforms are provided.
- Set up a leisure activity center for employees, providing shooting machines, billiards, and fitness equipment for the employees to strengthen their bodies after work.
- In order to create a friendly workplace environment, set up a breastfeeding room for employees to provide a place for employees to collect breast milk.
- There is also a well-designed promotion system and a year-end performance reward system to give employees a stage to play to their fullest.

(i)-2. Employee Education and Training

In accordance with the education and training management regulations, established by the Company, the Company conducts the pre-employment workshops for newcomers, and arranges various internal and external education and training courses to provide the on-the-job personnel to participate in training, improve their personal professional functions, and enhance their vision; for those courses which need to be attended for the company's assignment or for personal work requirements, the expenses of those who have been approved can be borne by the company. The Company held a total of 192 internal and external training courses in 2025, with a total training hour of 4,083 and a training course fee of NT\$236,000.

(i)-3. Retirement System and Implementation Status

The retirement application and payment standards are handled in accordance with the "Labor Standards Act" and the "Labor Pension Regulations"; the new pension system became effective as of July 1, 2005. and the company appropriates 6% monthly to employees' individual labor pension account according to regulations. If the employees are willing, they can apply for self-appropriation.

(i)-4. Employee Working Environment and Protection Measures for Personal Safety

On the premise of caring about the health of employees, maintaining the operating environment and emphasizing importance of environmental protection, the Company, based on the concept of meeting the customer's needs and implementing the green policy, continues to promote the ISO14001 environmental management system and the ISO45001 occupational safety and health management system in the factory, and in accordance with the "Labor Health Protection Rules" provides the on-site services of medical staff, which not only prevents the occurrence of the occupational diseases, but also enhances employees' awareness of safety and hygiene, creates a safe working environment, and aims to build up a "Green enterprise".

- (ii). In the most recent fiscal year up to the publication date of the annual report, any losses suffered by the company due to the labor disputes (including labor inspection

results found in violation of the Labor Standards Act, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the contents of the dispositions); the estimated amount which might occur at present and in the future, as well as the response measures shall be disclosed; if the estimation cannot be reasonably made, the explanation on the fact of failure in the reasonable estimation shall be made:

(ii)-1. In the most recent year up to the publication date of the annual report, the losses suffered by the company due to the labor disputes

None.

(ii)-2. Estimated number of losses suffered from the labor disputes which might occur in the future, as well as the response measures

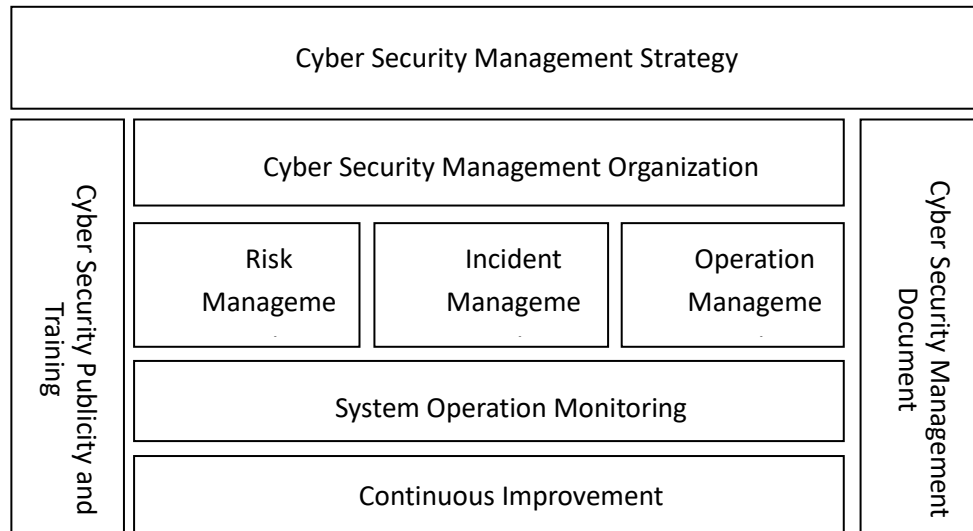
None.

vi. Cyber Security Management:

(i). Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management, etc.

(i)-1. Cyber Security Risk Management Framework:

In order to improve the management of information security of the Company, the general manager serves as the convener to appoint the chief information officer in charge of the company's information security governance policy, supervision of the information security management operation, regular review of the information security development plan, assessment of information security risks and making a report hereof to the Board of Directors.



(i)-2. Cyber Security Management Policy:

1. In order to strengthen information security management, establish a safe and reliable operating environment, ensure data, system, equipment and network security, and protect the rights and interests of customers, this policy is especially formulated as the basis for implementing various information security measures.

2. This policy applies to the company's regular employees, contracted employees, temporary employees, and personnel from the manufacturers who use the company's

information resources or outsourced information services.

3.The term of “information security”, as mentioned in this policy, refers to ensuring the correctness of the company’s information processing, the reliability of the computer software, hardware, peripheral and network systems used by operators, and ensuring that the above resources are free from interference, damage, act or attempt of intrusion.

4.This policy is prepared in accordance with the “Regulations Governing Establishment of Internal Control Systems by Public Companies”.

5.The Company will strive for the safety of various operations in accordance with the following principles, in order to reduce the impact of information security risks on the Company's operations, avoid the damage of the company's reputation and image due to the internal negligence; we will adhere to the goals of meeting the high-quality information security protection requirements, maintaining the customers’ reliance and protecting the customers’ rights:

- i. When various operations are carried out, all laws and regulations promulgated by the competent authority and the relevant regulations of the Company shall be followed.
- ii. The assignment of work should take into consideration the division of functions, and the scope of duties should be differentiated to avoid information or services being modification or misuse without authorization.
- iii. The subcontractors, the outsourced manufacturers and consultants shall be requested by the Company to sign a confidentiality agreement, if necessary due to the business nature.
- iv. All employees are obliged to protect the Company's confidential and sensitive information and such acts are prohibited as the unauthorized access, use or disclose or informing of the said information to the colleagues, manufacturers and other customers irrelevant to the business.
- v. All employees should remain vigilant at all times for violations of cyber security policies and procedures, and follow the procedure for reporting.
- vi. The Company should establish a business ongoing operation plan, based on business needs, and conduct the regular tests and drills in order to maintain its applicability.
- vii. Changes in major information equipment (including software and hardware) of each unit of the company should be assisted by the information unit in the evaluation of technology and specifications.

6.The promulgation of this policy expressly declares the importance of maintaining information security. In compliance with the requirements of this policy, the Company has also formulated the relevant information security operation regulations for each unit to follow. Each unit adheres to the information security compliance for maintaining the company's operating environment, so as to continuously improve the confidentiality, integrity and availability of various operating services.

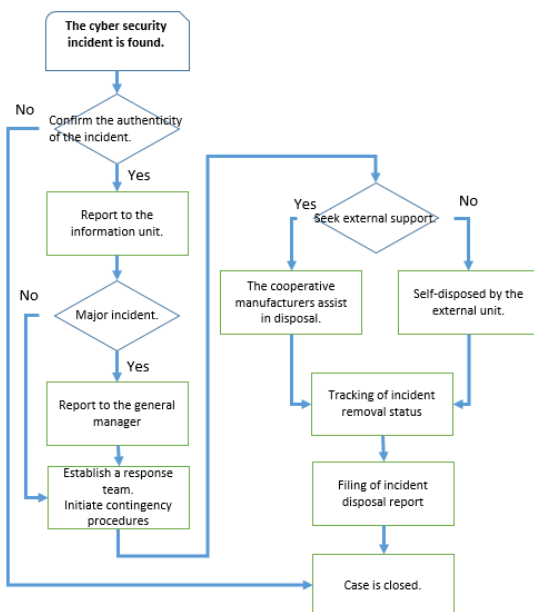
7.Matters unmentioned in this policy shall be handled in accordance with the laws and regulations of the competent authority and other relevant regulations of the company.

(i)-3.Concrete Management Programs:

Information Security Management Measures

Type	Description	Related Operations
Access Right Management	Management measures of personnel account, access right management and system operation behavior	<ul style="list-style-type: none"> <li>■ Management and assessment of personnel account access right.</li> <li>■ Periodical check of personnel account access right.</li> </ul>
Access Control	Control measures of personnel access of internal and external system and information transmission channels	<ul style="list-style-type: none"> <li>■ Internal and external access control measures.</li> <li>■ Control measures of information divulgation channels.</li> <li>■ Analysis of operation behavior track Records.</li> </ul>
External Threat	Management and protection measures of potential vulnerability in the internal systems	<ul style="list-style-type: none"> <li>■ Vulnerability detection of host computer and replacement measures.</li> <li>■ Virus protection and malicious program detection.</li> </ul>
System Availability	Disposal measures of the state of system availability and service interruption	<ul style="list-style-type: none"> <li>■ Monitoring and reporting mechanism of system and internet.</li> <li>■ Response measures of service interruption.</li> <li>■ Backup measures of data backup and local off-site backup mechanism.</li> <li>■ Periodical disaster restoration drill.</li> </ul>

### Cyber Security Reporting Procedure



(i)-4.Resources Input in the Cyber Security Management:

1. Netcom equipment: Firewall, mail anti-virus, spam filtering, internet behavior analysis, network management type set line, etc.
2. Software system: Endpoint protection system, backup management software, VPN authentication and encryption software, etc.
3. Telecommunication Service: Multi-line backup, cloud backup service, intrusion protection service, etc.
4. Input manpower: Daily system status inspection, implementation of regular backup and remote storage of backup media, information security publicity and education courses, annual system disaster recovery execution drill and annual internal audit of information cycle, CPA audit, etc.
5. Information security manpower: The chief information security officer and the information security personnel are responsible for the design of information security framework, maintenance, operation and monitoring of information security, response and survey of the information security incidents, review and revision of the information security policies and evaluation of information security risks.

- (ii). List any losses suffered by the company in the most recent fiscal 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. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

On February 27, 2025, the Company was targeted by a ransomware cyberattack. The information security team promptly activated relevant defense mechanisms, engaging external cybersecurity experts to assist in handling the incident. A rapid assessment and recovery of the affected systems were conducted, and a thorough investigation confirmed that no personal data or internal documents were leaked. After evaluation, it was determined that the incident had no material impact or loss to the Company's operations.

In response, the Company implemented the following measures to enhance cybersecurity protection:

1. Strengthened password policies and improved privileged account management.
2. Integrated endpoint devices with MDR (Managed Detection and Response) for real-time threat detection and automatic blocking of anomalies.
3. Implemented two-factor authentication (2FA) for VPN access to enhance account protection.
4. Tightened internet access controls and continuously raised employee awareness of online risks.
5. Deployed internal firewalls with segmentation based on importance and system characteristics, restricting mutual access rights.
6. Established an offline backup mechanism to enable faster system recovery and ensure business continuity.

vii. Important Contracts

As of the publication date of the annual report, the parties concerned, main contents, restrictive clauses and contract start and end dates of the supply and marketing contracts, technical cooperation contracts, engineering contracts, long-term loan contracts and other important contracts that are still valid and expire in the most recent year.

Agreement	Counterparty	Period	Major Contents	Restrictive Clauses
Lease Contract	Shinkong Textile Co., Ltd.	2022.1.1 ~ 2026.12.31	Land Lease	None
Lease Contract	Shinkong Textile Co., Ltd.	2022.10.15 ~ 2027.10.14	Land Lease	None
Lease Contract	Shinkong Textile Co., Ltd.	2023.9.1 ~ 2028.8.31	Land Lease	None
Lease Contract	Shinkong Textile Co., Ltd.	2025.5.1 ~ 2030.4.30	Land Lease	None
Lease Contract	Shinkong Textile Co., Ltd.	2023.3.1 ~ 2028.2.28	Land Lease	None

## V. Review and Analysis of Financial Position, Financial Performance, and Risk Management

### i. Financial Position

#### (i). Comparison and Analysis of Consolidated Financial Position

Unit: NT\$ thousands

Item \ Year	2024	2025	Difference	
			Amount	%
Current Assets	3,920,778	3,705,645	(215,133)	(5.49)
Non-current financial assets at fair value through profit or loss	0	61,070	61,070	-
Financial assets at fair value through other comprehensive income - non-current	132,403	264,150	131,747	99.50
Property, plant and equipment	393,398	426,952	33,554	8.53
Right-of-use Asset	276,856	257,661	(19,195)	(6.93)
Intangible Assets	2,526	2,516	(10)	(0.40)
Other Assets	95,268	80,775	(14,493)	(15.21)
Total Assets	4,821,229	4,798,769	(22,460)	(0.47)
Current Liabilities	817,357	830,452	13,095	1.60
Other Liabilities	287,524	261,762	(25,762)	(8.96)
Total Liabilities	1,104,881	1,092,214	(12,667)	(1.15)
Shares	818,537	823,047	4,510	0.55
Capital Surplus	1,035,858	1,042,460	6,602	0.64
Retained Earnings	1,947,424	1,870,335	(77,089)	(3.96)
Other Equities	(85,471)	(29,287)	56,184	(65.73)
Treasury stock	-	-	-	-
Non-controlling interest	-	-	-	-
Total Equities	3,716,348	3,706,555	(9,793)	(0.26)

#### Analysis and Explanation on Significant Changes:

- Non-current financial assets at fair value through profit or loss:  
Arbor Capital (a UBright subsidiary) invested NT\$61 million in GreenLiv I PE fund in 2025.
- Financial assets at fair value through other comprehensive income - non-current:  
Arbor Capital (a UBright subsidiary) invested NT\$131 million in the listed company Shinkong Synthetic Fibers in 2025.
- Other Equities:  
Unrealized valuation losses on financial assets at FVTOCI, amounting to NT\$36 million, were transferred to retained earnings in fiscal year 2025 due to the disposal of two investment entities through merger and conversion.

## (ii). Comparison and Analysis of Parent Company Only Financial Position

Unit: NT\$ thousands

Item \ Year	2024	2025	Difference	
			Amount	%
Current Assets	4,015,471	3,638,085	(377,386)	(9.40)
Financial assets at fair value through other comprehensive income - non-current	70,700	78,600	7,900	11.17
Property, plant and equipment	0	356,304	356,304	-
Right-of-use Asset	393,398	426,952	33,554	8.53
Intangible Assets	276,592	257,062	(19,530)	(7.06)
Other Assets	2,526	2,516	(10)	(0.40)
Total Assets	95,268	80,775	(14,493)	(15.21)
Current Liabilities	4,853,955	4,840,294	(13,661)	(0.28)
Other Liabilities	813,700	827,884	14,184	1.74
Total Liabilities	323,907	305,855	(18,052)	(5.57)
Shares	1,137,607	1,133,739	(3,868)	(0.34)
Capital Surplus	818,537	823,047	4,510	0.55
Retained Earnings	1,035,858	1,042,460	6,602	0.64
Other Equities	1,947,424	1,870,335	(77,089)	(3.96)
Treasury Stock	(85,471)	(29,287)	56,184	(65.73)
Non-controlling interest	-	-	-	-
Total Equities	3,716,348	3,706,555	(9,793)	(0.26)

## Analysis and Explanation on Significant Changes:

- Property, plant and equipment:

In FY2025, U-Bright invested NT\$360 million to incorporate a new subsidiary, Arbor Capital.

- Other Equities:

Unrealized valuation losses on financial assets at FVTOCI, amounting to NT\$36 million, were transferred to retained earnings in fiscal year 2025 due to the disposal of two investment entities through merger and conversion.

ii. Analysis of Financial Performance

(i). Main reasons for the major changes in operating income, net operating profit and net profit before tax in the last two years - Consolidated

Unit: NT\$ thousands

Item	2024	2025	Difference	
			Amount	%
Operating revenue	2,936,777	3,007,496	70,719	2.41
Gross profit	898,837	959,580	60,743	6.76
Net operating income	461,510	506,314	44,804	9.71
Non-operating income and expense	235,294	55,585	(179,709)	(76.38)
Pre-tax profit	696,804	561,899	(134,905)	(19.36)
Income Tax Benefit (Expense)	(121,215)	(89,067)	32,148	(26.52)
Profit (Loss) after Tax	575,589	472,832	(102,757)	(17.85)
Other comprehensive income	(12,599)	(2,615)	9,984	(79.24)
Total comprehensive income	562,990	470,217	(92,773)	(16.48)

Analysis and Explanation on Significant Changes:

▪ Non-operating income and expense:

The decrease was mainly driven by the reduction in foreign exchange gains, which fell from NT\$97 million in 2024 to NT\$6 million in 2025.

▪ Income Tax Benefit (Expense):

2025 earnings decreased compared to 2024, mainly driven by non-operating expenses and losses.

▪ Other comprehensive income:

This was due to the narrowing of unrealized valuation losses on investments in equity instruments at fair value through other comprehensive income (FVTOCI).

(ii).Main reasons for the major changes in operating income, net operating profit and net profit before tax in the last two years – Parent Company Only

Unit: NT\$ thousands

Item	2024	2025	Difference	
			Amount	%
Operating revenue	2,936,777	3,007,496	70,719	2.41
Gross profit	909,280	969,659	60,379	6.64
Net operating income	464,214	509,224	45,010	9.70
Non-operating income and expense	232,552	52,673	(179,879)	(77.35)
Pre-tax profit	696,766	561,897	(134,869)	(19.36)
Income Tax Benefit (Expense)	(121,177)	(89,065)	32,112	(26.50)
Profit (Loss) after Tax	575,589	472,832	(102,757)	(17.85)
Other comprehensive income	(12,599)	(2,615)	9,984	(79.24)
Total comprehensive income	562,990	470,217	(92,773)	(16.48)

Analysis and Explanation on Significant Changes:

▪ Non-operating income and expense:

The decrease was mainly driven by the reduction in foreign exchange gains, which fell from NT\$97 million in 2024 to NT\$6 million in 2025.

▪ Income Tax Benefit (Expense):

2025 earnings decreased compared to 2024, mainly driven by non-operating expenses and losses.

▪ Other comprehensive income:

This was due to the narrowing of unrealized valuation losses on investments in equity instruments at fair value through other comprehensive income (FVTOCI).

(iii).Expected sales volume and its basis, the possible impact on the company's future finance and sales and the response plan

■Automotive Products :

The estimated shipment volume for automotive panels in 2025 is approximately 240 million units, with the market expected to remain steady in 2026. Display sizes and technologies in low-to-mid-range vehicles are also poised for upgrades, with large-format displays serving as the primary growth driver. The Compound Annual Growth Rate (CAGR) for center consoles and instrument cluster panels remains strong, and it is projected that panels 9 inches and larger will account for more than half of the market by 2029.

■Notebook Computers:

Forecasts for 2026 laptop panel demand reveal mixed market sentiments. However, the prevailing trend suggests that overall shipments will either slightly decline or remain flat. Demand for LCD panels is under pressure, with a projected year-on-year (YoY) decrease of approximately 7.9%. Conversely, OLED panels are poised for significant growth, driven by key

players like Apple, and are expected to surge by 30% YoY, accelerating the market transition. Nevertheless, high costs could decelerate this growth momentum. Brands remain conservative primarily due to rising memory prices and macroeconomic headwinds, though AI PCs and corporate refresh cycles continue to provide baseline support.

In terms of shipment volume, a partial reduction is expected due to uncertain macroeconomic demand. To navigate these external environmental and market fluctuations, UBright is not only controlling costs but also adjusting its product mix and sales strategies. The Company focuses on catering to the demands of high-end smartphones, automotive applications, and other premium products. Consequently, prism sheets featuring ultra-high brightness, anti-moiré (anti-optical interference) properties, ball-drop resistance, and high stability have become the core focus of UBright's sales and development. All employees remain dedicated to enhancing UBright's competitiveness and maximizing value for our shareholders.

### iii. Cash Flow

Analysis and explanation of changes in cash flow in the most recent year, improvement plan for insufficient liquidity and analysis of cash flow in the coming year

Unit: NT\$ thousands

Cash and Cash Equivalents, Beginning of Year	Net Cash Flow from Operating Activities	Other Cash Inflow (Outflow)	Adjusted Amount by Accumulation and Conversion	Estimated cash (deficit) balance	Remedies for cash deficits	
					Investment Plan	Financing Plan
1,776,107	572,899	(272,494)	-	1,503,613	-	-
<p>1. Operating Activities: A stable net cash inflow was maintained throughout fiscal year 2025.</p> <p>2. Investment Activities: The cash outflows for fiscal year 2025 were primarily driven by the following two factors:</p> <p>(a) Purchase and maintenance of property, plant, and equipment (PP&amp;E)</p> <p>(b) Acquisition of financial assets at fair value through profit or loss (FVTPL)</p> <p>3. Fund-raising Activities: The primary cause of cash outflow in fiscal year 2025 was the distribution of cash dividends.</p>						

(1) Changes in Cash Flow in the Current Year: Normal

(2) Remedial Measures for Cash Shortfalls and Analysis on Liquidity: Not Applicable

(3) Analysis of Cash Flow in the Coming Year: The cash flow from the operating activities, the investment activities and the fund-raising activities is normal and sufficient to meet the company's normal operation.

Unit: NT\$ thousands

Cash and Cash Equivalents, Beginning of Year	Net Cash Flow from Operating Activities	Other Cash Inflow (Outflow)	Adjusted Amount by Accumulation and Conversion	Estimated cash (deficit) balance	Remedies for cash deficits	
					Investment Plan	Financing Plan
1,503,613	645,184	177,698	-	1,681,311	-	-
<p>1. Analysis of cash flow movements in the following year</p> <p>(1) Operating Activities: A stable net cash inflow is expected to be maintained in fiscal year 2026.</p> <p>(2) Investment Activities: A cash outflow of NT\$200 million is projected for the purchase and maintenance of property, plant, and equipment in fiscal year 2026.</p> <p>(3) Fund-raising Activities: The primary cash outflow for fiscal year 2026 will be the distribution of cash dividends, amounting to NT\$240 million.</p> <p>2. Remedial Measures for Expected Cash Shortfalls and Analysis on Liquidity: Not Applicable.</p>						

iv. Effect upon Finance and Sales of Any Major Capital Expenditures During the Most Recent Fiscal Year

(i). Utilization Conditions of Significant Capital Expenditure and Capital Source:

None.

(ii). Expected Possible Benefits Created:

None.

v. Reinvestment Policy for the Most Recent Fiscal Year, the Main Reasons for the Profits/Losses Generated thereby, the Plan for Improving Re-investment Profitability, and Investment Plans for the Coming Year

(i). Main Reasons for the Profits/Losses from the Reinvestment for the Most Recent Year and Improvement Plan:

The goals of the Company's investment policy are to focus on diversified management, expand business exposure, and reduce risks. The investments objects may exhibit fluctuations in profitability due to changes in the industrial cycle, but the Company considers investment risks to be manageable given the amount committed. For the Company's 2025 results of operations in investments, please refer to Page106.

(ii). Investment Plan in the Coming Year:

None.

vi. Assessment of Risk Matters

Analyze and assess the following matters during the most recent year up to the publication date of the annual report:

(i). Effects of Changes in Interest Rates, Foreign Exchange Rates, and Inflation on Corporate Finance, and Future Response Measures

Unit: TWD Thousands

Items	2025
Net interest revenue and expense	78,399
Net gain on foreign currency exchange transaction (Including valuation of financial instruments)	(37,027)

Interest Rate Impact: Since the Company currently has no long-term or short-term borrowings, interest rate fluctuations only affect interest income from demand and time deposits, and such income accounts for a minimal proportion of total revenue. Nevertheless, the Company remains attentive to interest rate trends and will take necessary measures to minimize the impact of interest rate changes on profit and loss.

Exchange Rate Impact: Most of the Company's main operating income comes from export revenue denominated in US dollars, and some raw materials in manufacturing costs are also denominated in foreign currencies. Therefore, changes in foreign currency exchange rates are significantly correlated with the Company's foreign exchange gains and losses. In response to the impact of exchange rate fluctuations, aside from natural hedging positions, the finance department monitors daily exchange rate trends and holds Euro positions to balance the risks of US dollar positions, thereby reducing the impact of exchange rate fluctuations on the Company's profit and loss.

Inflation impact : The Company will reduce costs through market transfer, process improvement and cost control capabilities, and pay attention to changes in raw material price fluctuations at any time. Besides we will maintain a good relationship with each supplier in order to reduce cost. At present, there is no situation in which the inflation affects the profit or loss. However, the Company will still pay close attention to whether there is inflation in order to facilitate immediate response and avoid any impact on the Company.

(ii).Policies, Main Causes for Profit or Loss and Future Response Measures with Respect to Engagement in High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

In 2025 and up to the publication date of this annual report, the Company did not engage in high-risk or highly leveraged financial investments. The derivative financial instrument transactions entered into by the Company were strictly for hedging purposes rather than trading or speculative operations. The Company has not provided any endorsements or guarantees, and its loans of funds were extended solely to its wholly-owned subsidiaries, all of which complied with relevant laws and regulations and were processed in accordance with applicable rules.

To manage and control financial transaction risks, the Company has established relevant internal management policies and operational procedures in accordance with the laws and regulations of the Financial Supervisory Commission (FSC). These management policies include the "Procedures for Acquisition or Disposal of Assets," the "Procedures

for Loaning of Funds to Others," and the "Procedures for Endorsements and Guarantees."

(iii).Future Research and Development Projects and the Estimated Input Expenditures of Research and Development

The Company continues to pay attention to the industry trends and technological development trends in order to plan the layout of new product technologies for the next generation, and goes on with actively developing new technologies, new products and advanced process technologies to meet market demands.

(iii)-1.Future Research and Development Projects:

Our company continues to pay attention to industry trends and technological developments to plan the layout for next-generation new product technologies. We actively develop new technologies, new products, and advanced manufacturing processes to meet market demands.

- The ultra-high-luminance Brightness Enhancement Film
- The composite optical film which consists of the Quantum Dot (QD) film and the Anti-condense film
- The high-performance Quantum Dot (QD) film
- The Quantum Dot (QD) film in the Wide Color Gamut
- The multi-functional composite laminated film (The Double-laminated Brightness Enhancement Film, the diffuser laminated with prism film and the diffuser laminated with The Double-laminated Brightness Enhancement Film)
- The Double-laminated Film which consists of the Brightness Enhancement Film and the DBEF.
- Diffusion film without volatile organic compounds.
- The high-angle and wide-viewing-angle Film in any size of automotive LCD
- The Brightness Enhancement Film made from ESG certified recycled PET
- The development of electrical protection components (Voltage Dependent Resistor or Thermistor)
- The development of non-solvent coating process
- Development of novel anti-dandruff protective films for new manufacturing processes
- UV Curable Release Tape
- Hydrophobic Coating Development

(iii)-2.Estimated Input Expenditures of Research and Development

In 2025, the Company invested NT\$ two hundred and seventy-one million to develop new products and new technologies. It is estimated that in 2026, NT\$ three hundred and eighty-nine million will be further investing in research and development to enhance the company's R&D core technology energy and the international competitiveness of products.

(iv).Impact of Important Domestic and Foreign Policies and Legal Changes on the Company's Finance and Sales, and the Response Measures

The management team of the Company pays attention at any time to the relevant policies and laws, which might affect the Company's sales and operation. In 2025, the

Company made all the necessary responses to significant changes in international and domestic policies and regulations, without a significant impact on Company operation.

(v).Impact of Technological Changes (Including Cyber Security Risks) and Industrial Changes on the Company's Finance and Sales, and the Response Measures

The company's R&D team has professional talents in material science, process technology and optical design in keeping with the Company's production and manufacturing process to improve the product yield, in addition to reducing production costs, so that the Company's products are highly competitive and the Company's sales and finance can stably develop. The company's product development is based on the customers' needs for LCD panel and backlight module. We continuously conduct the new material development, process improvement and optical design, and continue to launch products that meet the needs of customers and market in order to enhance our market competitiveness. Therefore, the planning of the Company's technology research and development can respond to the impact of technological changes and industrial changes on the Company's finance and sales. Up to now, the technological changes and industrial changes have not made any significant impact on the Group's finance and sales.

In order to promote the cyber security related policies, implement the cyber security incident reporting and related contingency handling, the Company has recently analyzed the cyber security threats, and the analysis results show that the threats mainly come from malicious attacks by external hackers and computer viruses. The reason for such cyber security incidents is that the system loopholes may be caused by users executing the unknown malicious programs. Therefore, we will strengthen publicity on employees to strictly prohibit the use of unknown computer programs, strengthen cyber security reporting, and strictly implement cyber security risk management.

(vi).Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures

None.

(vii).Expected Benefits, Possible Risks and the Response Measures Relating to Merger and Acquisition

None.

(viii).Expected Benefits, Possible Risks and the Response Measures Relating to Factory Expansion

None.

(ix).Risks and the Response Measures Relating to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

None.

(x).Effects of, Risks Relating to and Response Measures to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholder with Shareholdings of over 10%

None.

(xi).Effects of, Risks Relating to and Response to the Changes in Management Rights

None.

(xii). Litigation or Non-litigation Matters

None.

(xiii).Other Important Risks and the Response Measures

None.

vii.Other Material Issues

None.

**VI.Special Specified Items**

i.Information Related to Affiliates

Please refer to the Market Observation Post System (MOPS) for more information.

Index path: Market Observation Post System (MOPS) > Individual Company > Electronic Document Download > Related Party Transaction Disclosures (Three Forms Section)

URL : [https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

ii.For the recent year as of the publication date of the annual report, the handling process of privately placed securities

None.

iii.Other matters required for supplementary explanation

None.

**VII.Matters listed in Subparagraph 2, Paragraph 3 of Article 36 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report**

None.

UBright Optronics Corp.

Chairperson: WU, HSIN-CHIEH