



Stock Code: 6462

Egis Technology Inc.

2025 Annual Report

Prepared by Egis Technology Inc.

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(Website for viewing this annual report: <http://mops.twse.com.tw>)

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II. Acting Spokesperson

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Addresses and Contact Numbers of Factories: Nil

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

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V. CPAs of the latest annual financial report

Name of Certified Public Accountant: Accountants Hsin-Min Hsu, and Chih-Chung Chen.

Name of Accounting Firm: Ernst & Young Taiwan

Address: 9F, No. 333, Section 1, Keelung Road, Xinyi District, Taipei

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VI. Name of the trading venue for the listing and trading of overseas securities and method for inquiring information about such securities: None

VII. Website of the Company: <http://www.egistec.com>

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One. Letter to Shareholders

Dear shareholders,

We are pleased to present an overview of Egis Technology's business performance for 2025 and our strategic outlook for 2026.

I. Business results for the year 2025

In 2025, the global semiconductor industry continued to recover, driven by rapid growth in demand for Artificial Intelligence (AI), High-Performance Computing (HPC), and data centers. Under the strategy of promoting technology upgrades, group integration, and new business deployment, the Egis Group continued to expand its operating scale.

The Company's consolidated operating revenue for 2025 amounted to NT\$5,327,499 thousand, representing an increase of approximately 11% from NT\$4,795,000 thousand in 2024. Loss before income tax was NT\$2,112,307 thousand, net loss after tax was NT\$2,258,583 thousand, and total comprehensive loss for the period was NT\$2,657,027 thousand. Overall operations remained in the stage of strategic transformation and technology investment. The Company continued to invest in AI chips, IP design services, image sensing, and high-speed interface technologies, resulting in a relatively high level of R&D and strategic investment expenditures.

Amid a rapidly changing industry environment, the Egis Group continued its transformation from a single IC design company into a semiconductor technology platform integrating IP, ASIC design services, AI sensing, and system-on-chip solutions, while gradually establishing a diversified product portfolio and long-term growth momentum.

Unit: NTD Thousand

Item	2024	2025
Operating revenue	4,795,000	5,327,499
Gross profit from operations	1,888,771	1,837,685
Operating net profit (loss)	(1,204,049)	(1,703,596)
Non-operating income and expenses	(241,102)	(408,711)
Pre-tax net profit (loss)	(1,445,151)	(2,112,307)
After-tax net profit (loss)	(1,383,307)	(2,258,583)
Total comprehensive income for the period	(1,567,115)	(2,657,027)
Basic earnings per share (NTD)	(12.71)	(17.51)

II. Review of the 2025 business plan

The year 2025 was an important year for the Egis Group in deepening technology integration and industry deployment. Over the past several years, through investments, mergers and acquisitions, and strategic cooperation, the Company has gradually established a complete technology landscape covering IP, ASIC design, image sensing, and AI chips. The major strategic achievements for the year are as follows:

1. Optimizing Capital Structure and Incubating Future Growth Businesses

In 2024, the Company acquired 100% of its subsidiary InPsytech, Inc. through NT\$2.6 billion in cash plus share exchange consideration. After joining the Group, InPsytech delivered outstanding annual operating performance. Continuing the Egis Group's 2024 operating objectives of asset revitalization and high-growth business incubation, and to strengthen financial health and enhance the Group's long-term development flexibility, the Company raised funds in 2025 by disposing of a portion of its equity interest in InPsytech. The proceeds were used to fully repay bank borrowings related to prior acquisitions. This effectively improved the Company's financial structure and leverage level, while enabling InPsytech to continue expanding its technical capabilities in advanced process IP and ASIC design, and further creating opportunities for a future listing on the capital market.

2. Transformation into an AI ASIC Design Service Platform: Initial Operating Results Have Gradually Emerged

Since subsidiary Alcor Micro Corp. completed a simplified merger with StarRiver in 2024, the resulting synergies have driven significant progress in Alcor Micro's ASIC design service business. Alcor Micro has actively transformed into an ASIC design service and AI chip platform, and has gradually demonstrated results. In November 2025, Alcor Micro's monthly revenue reached NT\$390 million, representing a month-on-month increase of 88.61% and year-on-year growth of 37.32%, reaching a record high. This was primarily attributable to continued development of advanced process projects, with a focus on high-speed computing applications such as CPU, AI, and cryptocurrency mining chips, including representative 3nm, 4nm, and 7nm projects. As project progress continues to contribute revenue, these projects are expected to bring significant growth momentum to operating performance.

At the same time, Alcor Micro is also collaborating with InPsytech to develop an advanced process AI/HPC Chiplet platform and has deployed 3nm AI ASIC projects. As demand from AI data centers and High-Performance Computing (HPC) continues to expand, customized ASIC chips are expected to become an important technology trend.

Alcor Micro's deployment in AI ASIC design services is expected to become an important future growth engine for the Egis Group.

3. Building the “AI Vision” Strategic Alliance

In 2025, subsidiary AlgolTek, Inc. participated in the private placement capital increase of APPRO PHOTOELECTRON INC. and established a strategic partnership to promote the AI Vision industry deployment, integrating the Egis Group's core technologies in image sensing, AI computing, and high-speed transmission. This strategic alliance combines AI image-processing chips from iCatch Technology, Inc., high-speed low-latency communication technologies from Syncomm Technology Corp., high-speed image interfaces and AI algorithms from AlgolTek, Inc., and camera module design and system integration capabilities from APPRO PHOTOELECTRON INC. Together, these capabilities form a complete intelligent vision solution covering image capture, data transmission, and AI computing analysis. Through this collaboration, the Egis Group can further expand its AI vision application landscape, target rapidly growing markets such as smart manufacturing, robotics, automated logistics, and smart surveillance, and strengthen the Group's overall competitiveness in AI imaging and edge computing.

4. Expansion into the UAV Industry: Establishing a Non-China Supply Chain Gateway for UAVs

In 2025, subsidiary ENE Technology Inc. initiated its transformation deployment by investing in UAV-related companies, Hsuan Yuan Technology Co., Ltd. and Aeroprobing Inc., formally entering the rapidly growing unmanned aerial vehicle (UAV) industry. ENE is establishing core capabilities in UAV platform design, flight control systems, and AI image recognition, while gradually integrating the Egis Group's existing chip design, image processing, and communication technologies. The UAV industry combines a number of key semiconductor technologies, including AI vision, sensing, and high-speed communications, and is expected to have strong growth potential in areas such as intelligent inspection, smart agriculture, defense applications, and smart cities. Through this deployment, ENE is expected to develop into an important integration platform for the Egis Group in intelligent machinery and aerial platforms.

The Company's operating revenue for 2025 increased compared with 2024, mainly benefiting from the transformation of subsidiary Alcor Micro into an ASIC (Application-Specific Integrated Circuit) design service platform and its entry into mass production, which significantly boosted revenue. However, as the business structure shifted from pure design services toward mass production, changes in product mix diluted the overall gross margin. In addition, as the Group continued to expand its semiconductor value chain

deployment, the inclusion of InPsytech in the consolidated financial statements expanded the operating scale and increased related administrative expenses, amortization of intangible assets, and share-based payment expenses for retaining core technical talent. Meanwhile, Group companies including Alcor Micro, Kiwi Technology Inc., and Egis Vision continued to invest in forward-looking R&D for AI chips and image sensing technologies, increasing overall operating costs. As the benefits of various acquisition integrations and technology deployments are still gradually emerging, operating loss and net loss after tax increased compared with the previous year.

III. Business policy and plans for the company in the year 2026

Looking ahead to 2026, with the continued development of Artificial Intelligence (AI), High-Performance Computing (HPC), 5G communications, and smart device applications, global semiconductor industry demand for customized chips, Semiconductor Intellectual Property (IP), and high-performance sensing technologies is expected to continue increasing. The Egis Group will continue to deepen its semiconductor value chain deployment, integrate Group resources, and advance its transformation from an IC design company into an integrated semiconductor technology platform covering Semiconductor Intellectual Property (IP), ASIC design services, and intelligent sensing technologies, as its primary business strategy.

According to global semiconductor market forecasts published by International Data Corporation (IDC), driven by continued investment in AI infrastructure and specification upgrades for edge computing devices, the global semiconductor market is expected to grow by 11% year-over-year in 2026, maintaining double-digit growth momentum. Based on the above market outlook, in addition to continuing to expand applications for its biometric identification technology products, in terms of ASIC and advanced process platforms, subsidiary Alcor Micro has gradually established ASIC design service capabilities related to AI and High-Performance Computing (HPC), and has accumulated mass production experience through advanced process projects. In the future, it will continue to deepen AI ASIC and customized chip design services, expanding into data centers, High-Performance Computing, and next-generation AI application markets.

In terms of Semiconductor Intellectual Property (IP) and high-speed interface technologies, InPsytech will continue to strengthen its R&D capabilities in high-speed interface and advanced process-related IP, providing diversified IP solutions including high-speed transmission, foundation IP, and system integration to support the design requirements of AI and HPC chips, while gradually establishing a complete IP licensing and design service platform.

In the fields of AI imaging and intelligent sensing, the Group will continue to promote its AI Vision strategic deployment. Through AlgolTek, Inc. and relevant partners, it will integrate image sensing, AI image processing, and high-speed transmission technologies to develop intelligent vision solutions for emerging markets such as smart manufacturing, robotics, automated logistics, and smart surveillance. At the same time, the Group will continue to invest in next-generation image sensor technology R&D, promoting advanced CMOS image sensing technologies that integrate Dynamic Vision Sensing (DVS), RGB imaging, and depth sensing (Time-of-Flight, ToF), to meet the application needs of AI vision and smart devices.

ENE Technology Inc. will actively expand into smart device-related applications. Through investments in UAV-related technologies and industry collaboration, it will enter the intelligent machinery and aerial platform markets, integrating AI imaging, communications, and sensing technologies to explore emerging opportunities in smart inspection, agricultural technology, and smart city applications.

In addition to continuously optimizing their existing products, the Group's subsidiaries will actively expand into new businesses and product areas, which are expected to generate new growth momentum and contribute to revenue growth in 2026. Based on the foregoing, the Company and its subsidiaries expect sales in 2026 to increase compared with 2025.

In terms of production and sales strategies, the Company will continue to integrate the resources of its affiliated companies and work closely with upstream and downstream suppliers to maximize cost efficiency and operational effectiveness. In line with its strategic deployment, the Company's principal business activities will focus on highly competitive products and services, with the objectives of expanding revenue, improving gross margin, and strengthening its core competitiveness. By leveraging the Group's R&D and technological capabilities and effectively utilizing market channels, the Company seeks to maximize synergies and capture growth opportunities.

In the future, the Egis Group will continue to leverage its core technologies as the foundation, deepen its product deployment in IP, ASIC design services, AI chips, and intelligent sensing, and through resource integration and technological synergy across the Group, gradually establish a complete semiconductor technology platform. The Group will continue to enhance its global market competitiveness and create long-term corporate value for shareholders.

Lastly, we would like to express our sincere gratitude to our shareholders for their ongoing support and dedication.

Chairman and General Manager: LO, SEN CHOU



Two. Corporate Governance Report

I. Information on directors, supervisors, general manager, deputy general managers, assistant general managers, department heads, and branch office managers.

(I) Information about Directors

1. Name, Work (Educational) Experience, Shareholding and Nature of Director

March 31, 2026; Unit: Shares; %

Position	Name	Gender/ Age	Nationality or Place of Registration	Initial Date of Appointment	Date of Appointment	Term of Office	Shareholding upon Appointment Shares Held		Number of Shares Currently Held		Number of Shares Currently Held by Spouse and Underage Children		Shares Held in Others' Names		Main Work (Educational) Experience	Concurrent Positions Currently Assumed in the Company and Other Companies	Other Managers, Directors or Supervisors with Whom a Spousal Relationship or Relationship within the Second Degree of Kinship Exists			Remarks
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Position	Name	Relationship	
Chairman and General Manager	LO, SEN CHOU	Male 60~69 years old	Republic of China	2008/08/05	2003/06/21	3	9,006,262	9.87	9,006,262	9.87	0	0.00	426	0.00	California State University Chico MSCS, USA Founder & Chairman of Egis Technology Inc. ("Egis")	Chairman of HEADWAY CAPITAL LIMITED Director of Ivy Asset Management Consulting Co., Ltd. Director of ORIENTAL GOLD HOLDINGS LIMITED Chairman, iCatch Technology Corporation (Representative of Egis) Chairman, Alcor Micro Corporation ("Alcor Micro", Representative of Egis) Chairman, AlgoTek Inc (Representative of Alcor Micro) Director, Syncomm LTD (Representative of Alcor Micro) Director of Silicon Optronics Inc. Director of GALLOPWAVE Inc. Chairman of Gear Radio	Director	RO, SHI H- HAO	Father and Son	Refer- ence to Note 1

Position	Name	Gender/ Age	Nationality or Place of Registration	Initial Date of Appointment	Date of Appointment	Term of Office	Shareholding upon Appointment Shares Held		Number of Shares Currently Held		Number of Shares Currently Held by Spouse and Underage Children		Shares Held in Others' Names		Main Work (Educational) Experience	Concurrent Positions Currently Assumed in the Company and Other Companies	Other Managers, Directors or Supervisors with Whom a Spousal Relationship or Relationship within the Second Degree of Kinship Exists			Remarks
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Position	Name	Relationship	
																Electronic Co. (Representative of Gear Radio Limited) Chairman of Gear Radio Limited (Representative of UMC) Chairman of InPsytech, Inc. (Representative of Egis)				
Director	SHIH, CHENJUN G	Male 70~79 years old	Republic of China	2014/10/17	2023/06/21	3	0	0.00	0	0.00	10,000	0.01	0	0.00	Honorary Doctor of International Law, Thunderbird International Management Institute Honorary Fellowship of the University of Wales Honorary Doctor of Science and Technology, Hong Kong Polytechnic University Honorary Doctor of Engineering, National Chiao Tung University Master of Electronic Engineering, National Chiao Tung University Founder and Honorary Chairman of Acer Group	Director of Acer Inc., Director of Nan Shan Life Insurance Co., Ltd. Director of Hung Jung Investment Co., Ltd. Director of Egis Technology Inc. Director of Taiwan Public Television Service Foundation Director of Chinese Television System Corporation President of Cloud Gate Culture and Arts Foundation Chairman of Stans Foundation Chairman of CT Ambi Inc. Director of AiSails Power Inc. Director of One Song Inc. Chairman of Porrima Inc. Director of RePV Tech, Inc. Chairman of Himalaya Venture Capital Inc. Director of Himalaya Venture Capital Management Consulting Inc. Chairman of Taiwan Innovation Centre Aging Inc. Corporate Director of Ambi Venture Management Co. Chairman of Chew's	Nil	Nil	Nil	

Position	Name	Gender/ Age	Nationality or Place of Registration	Initial Date of Appointment	Date of Appointment	Term of Office	Shareholding upon Appointment Shares Held		Number of Shares Currently Held		Number of Shares Currently Held by Spouse and Underage Children		Shares Held in Others' Names		Main Work (Educational) Experience	Concurrent Positions Currently Assumed in the Company and Other Companies	Other Managers, Directors or Supervisors with Whom a Spousal Relationship or Relationship within the Second Degree of Kinship Exists			Remarks
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Position	Name	Relationship	
																Culture Foundation Director of SanCode Foundation Chairman of Tainan High Achievers Foundation Director of Acer Foundation Director of NCTU Spring Foundation Director of C.F. Koo Foundation Director of Chiang Ching-kuo Foundation for International Scholarly Exchange Director of Yu Chi-Chung Cultural & Education Foundation Director of Center for Asia-Pacific Resilience and Innovation Chairman of the Alliance Cultural Foundation				
Director	RO, SHIH- HAO	Male 40~49 years old	United States	2017/06/22	2023/06/21	3	132,000	0.14	132,000	0.14	0	0.00	0	0.00	University of California, Riverside Business Manager and General Manager of Egis. SBI & Capital 22 Mizuho Securities Asia Ltd	Director of Precise Biometrics AB Chairman of ENE Technology Inc. (Representative of Alcor Micro) Director of Kiwi Technology Inc. (Representative of Egis) General Manager of InPsytech, Inc. Director of InPsytech, Inc. (Representative of Egis) Director of Alcor Micro Corp. (Representative of Egis)	Chairman and General Manager	LO, SEN CHOU	Father and Son	Refer- ence to Note 1
Director	TSAL, CHIH- CHUN	Male 70~79 years old	Republic of China	2023/06/21	2023/06/21	3	0	0.00	0	0.00	1,000	0.00	0	0.00	Utah State University, Master of Computer Science National Chiao Tung University, Bachelor of Computer Science Senior Director of Taiwan	Chairman of Hua-Jie (Taiwan) Corp. Director of Coretech Optical Co., Ltd. Independent Director of Leadtrend Technology Corp.	Nil	Nil	Nil	

Position	Name	Gender/ Age	Nationality or Place of Registration	Initial Date of Appointment	Date of Appointment	Term of Office	Shareholding upon Appointment Shares Held		Number of Shares Currently Held		Number of Shares Currently Held by Spouse and Underage Children		Shares Held in Others' Names		Main Work (Educational) Experience	Concurrent Positions Currently Assumed in the Company and Other Companies	Other Managers, Directors or Supervisors with Whom a Spousal Relationship or Relationship within the Second Degree of Kinship Exists			Remarks
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Position	Name	Relationship	
															Semiconductor Manufacturing Co., Ltd. (TSMC) Asia-Pacific Business	Independent Director of Daxin Materials Corp. Director of NetForce OELabs Inc.				
Director	Chen, Chien-W ei	Male 60~69 years old	Republic of China	2025/06/25	2025/06/25	1	0	0.00	0	0.00	0	0.00	0	0.00	EMBA, National Taiwan University/Fudan University EMBA, Graduate School of Management, National Taiwan University of Science and Technology Department of Industrial Management, Institute of Industrial Technology Supervisor, E-Elements Technology, Co. Ltd. Director, Curation Mobility Corporation Independent Director, ENNOCONN CORPORATION Independent Director, CHAINTECH TECHNOLOGY CORPORATION	General Manager of the Group, Tul Corporation Chairman, Technology Created Medicine Corporation Chairman, Hanyu Technology Co.,Ltd. Chairman, IoT Unlimited Corporation Independent Director, AEWIN Technologies Co., Ltd. Independent Director, Advanced Power Electronics Co., Ltd. UWin Resource Regeneration Inc. Director Chairman and Representative of Rigo Global Co., Ltd. Director of Alcor Micro Corp. (Representative of Egis.) Representative Director of Taiwan Tech Star Venture Capital Co., Ltd. Independent Director of Chuen Jih Holdings Limited	Nil	Nil	Nil	
Independent Director	STARK LIANG	Male 60~69 years old	Republic of China	2023/06/21	2023/06/21	3	18,000	0.02	0	0.00	0	0.00	0	0.00	Master's Degree, Department of Information, Chung Yuan Christian University Manager of Acer Technology Electronics Institute, Industrial Technology Research Institute	Chairman and CEO of Stark Technology, Inc. Person in Charge of Stark Technology Inc.(U.S.A) Person in Charge of S-Rain Investment Ltd. Director of National Information Infrastructure Enterprise Promotion Association	Nil	Nil	Nil	
Independent Director	TSENG, YU-I	Male 60~69 years old	Republic of China	2023/06/21	2023/06/21	3	0	0.00	0	0.00	0	0.00	0	0.00	Department of Industrial Engineering, Chung Yuan Christian University Marketing Assistant Vice	Chairman of EDOM Technology Co., Ltd. Director of Largan Health Technology	Nil	Nil	Nil	

Position	Name	Gender/ Age	Nationality or Place of Registration	Initial Date of Appointment	Date of Appointment	Term of Office	Shareholding upon Appointment Shares Held		Number of Shares Currently Held		Number of Shares Currently Held by Spouse and Underage Children		Shares Held in Others' Names		Main Work (Educational) Experience	Concurrent Positions Currently Assumed in the Company and Other Companies	Other Managers, Directors or Supervisors with Whom a Spousal Relationship or Relationship within the Second Degree of Kinship Exists			Remarks
							Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Position	Name	Relationship	
															President of Taiwan Branch of Cirrus Logic of America	Director of AcSiP Technology Corp. Independent Director of TAI-SAW tech Co.,Ltd.				
Independent Director	Chen, Szu-Ho	Female 40~49 years old	Republic of China	2025/06/25	2025/06/25	1	0	0.00	0	0.00	0	0.00	0	0.00	Passed the Legal Professional Qualification Examination of R.O.C Master of Civil and Commercial Law, Fu Jen Catholic University Passed the special examination of the Ministry of Justice Investigation Bureau Patent Attorney in the R.O.C Consultant, Family Trust Planning Arbitrator, Chinese Arbitration Association Civil Mediation Committee Member, Taiwan High Court Civil Mediation Committee Member, Taipei District Court	Chief Attorney, HE SHINE Attorneys-At-Law Independent Director of APPRO PHOTOELECTRON INC.	Nil	Nil	Nil	
Independent Director	SHIAU, WEN-SH ONE (Referenc e to Note 2)	Male 70~79 years old	Republic of China	2025/06/25	2025/06/25	1	0	0.00	0	0.00	0	0.00	0	0.00	Bachelor of Electronic Engineering, National Chiao Tung University Master of Control Engineering, National Chiao Tung University Vice President of Taiwan Region, Synaptics Taiwan General Manager, National Semiconductor Taiwan General Manager, AMD Taiwan	Chairman and Legal Representative, BE Epitaxy Semiconductor Technology Co., Ltd. Director, Biostar Microtech International Corp. Chairman, Xinli Investment Co., Ltd. Independent Director of Alcor Micro	Nil	Nil	Nil	

Note1: Since the chairman also serves as the general manager, for corporate governance purposes, the company appointed one additional independent director on June 21, 2023, and more than half of the directors do not hold positions as employees or managers.

Note2: Relieved of duties on January 2, 2026.

2. Major Shareholders of Institutional Shareholders: Nil.
3. If the major shareholder of an institutional shareholder is a legal entity, its major shareholders: Nil.
4. Disclosure of professional qualifications of directors and independence information of independent directors

Name	Criteria	Professional Qualifications and Experience	Compliance with Independence	Number of Other Public Companies in which He/She is Concurrently an Independent Director
LO, SEN CHOU		Mr. Lo holds a Master’s degree in Computer Science from California State University, USA. He serves as the Chairman and Chief Executive Officer of the Company, as well as the representative director (chairman) of the Group’s affiliated companies. With extensive experience in industry operations and management, along with strong leadership capabilities, he is responsible for the Group’s strategic planning, organizational development, execution of key initiatives, and long-term business development.	(1) Not in violation of any of the matters listed in Article 30 of the Company Act. (2) Has not been elected in the capacity of the government, juristic person or its representative in accordance with Article 27 of the Company Act.	0

SHIH, CHEN-JUNG	Mr. Stan Shih is the founder of the Acer Group. He was recognized as one of the “Top 25 Managers in the World” by BusinessWeek in 1996 and was named one of TIME magazine’s “Asian Heroes” in 2006. With decades of experience in the information technology and finance industries, he possesses extensive expertise in business management, leadership, strategic decision-making, and risk management.	(1) Not a spouse or relative within the second degree of kinship of other directors (2) Not in violation of any of the matters listed in Article 30 of the Company Act. (3) Has not been elected in the capacity of the government, juristic person or its representative in accordance with Article 27 of the Company Act.	0
RO, SHIH-HAO	Mr. Shih-Hao Ro previously served as Senior Vice President of Egis Technology Inc., overseeing business development and marketing functions. He currently serves as General Manager of InPsytech, Inc. and has extensive knowledge of industry trends and the technology supply chain, supported by substantial experience in business operations and management.	(1) Not in violation of any of the matters listed in Article 30 of the Company Act. (2) Has not been elected in the capacity of the government, juristic person or its representative in accordance with Article 27 of the Company Act.	0
TSAI, CHIH-CHUN	Mr. Chih-Chun Tsai holds a Master’s degree in Computer Science from Utah State University. He served at Taiwan Semiconductor Manufacturing Company (TSMC) from 1987 to 2022 and was responsible for Asia-Pacific business operations in semiconductor markets, including Taiwan and China. He has extensive experience and outstanding achievements in the semiconductor industry, with substantial expertise in business development and industry management.	(1) Not a spouse or relative within the second degree of kinship of other directors (2) Not in violation of any of the matters listed in Article 30 of the Company Act. (3) Has not been elected in the capacity of the government, juristic person or its representative in accordance with Article 27 of the Company Act.	2

CHEN, CHIEN-WEI	Mr. Chien-Wei Chen holds a Master's degree in Management from National Taiwan University of Science and Technology. He currently serves as General Manager of TUL Corporation and possesses extensive experience and expertise in business management, leadership, strategic decision-making, industry knowledge, finance and accounting, operational judgment, crisis management, and international market development.	(1) Not a spouse or relative within the second degree of kinship of other directors (2) Not in violation of any of the matters listed in Article 30 of the Company Act. (3) Has not been elected in the capacity of the government, juristic person or its representative in accordance with Article 27 of the Company Act.	3
STARK LIANG	Independent Director, Mr. STARK LIANG holds a Master's degree in Information Management from Chung Yuan Christian University. He currently serves as Chairman and Chief Executive Officer of Sturdy Corporation and possesses extensive expertise in business administration, legal affairs, finance, accounting, and corporate operations. He also has outstanding management capabilities and extensive knowledge of development trends and market conditions in the electronics industry.	The independent directors of the Company have met the following independence criteria for the two years preceding their appointment and during their term of office: (1) Not an employee of the Company or its affiliated enterprise. (2) Not a director, supervisor (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent company, its subsidiary or a subsidiary of the same parent). (3) Individuals who, other than themselves, their spouses, and their minor children, or under someone else's name, hold more than 1% of the company's issued shares or are among the top ten natural person shareholders. (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of any of the managers listed in (1) or the personnel listed in (2) and (3). (5) Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total issued shares of the Company, is within the top five	0

TSENG, YU-I	Independent Director, Mr. TSENG, YU-I, graduated from the Department of Industrial Engineering at Chung Yuan Christian University. He currently serves as Chairman of EDOM Technology Co., Ltd. and possesses extensive expertise in business administration, finance, the semiconductor industry, and channel management. He has extensive knowledge of development trends throughout the technology supply chain, supported by substantial experience in leadership and strategic decision-making.	shareholders, or appointed a representative to be a director or supervisor of the Company in accordance with Article 27, Paragraph 1 or 2 of the Company Act (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent company, its subsidiary or a subsidiary of the same parent company). (6) Not a director, supervisor, or employee of another company controlled by the same person who holds more than half of the Company's director seats or voting shares (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent company, its subsidiary or a subsidiary of the same parent company). (7) Not a director, supervisor, or employee of another company or institution with the same person or spouse as the Chairman, General Manager or equivalent of the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent company, its subsidiary or a subsidiary of the same parent company).	1
CHEN, SZU-HO	Independent Director, Ms. Szu-Ho Chen, holds a Master's degree in Civil and Commercial Law from Fu Jen Catholic University and passed the Republic of China Bar Examination. She has served as the Managing Partner of Hoyo International Law Office since November 2016 and has more than 20 years of legal practice experience. She has also served as an arbitrator of the Chinese Arbitration Association, a civil mediation committee member of the Taiwan High Court, and a civil mediation committee member of the Taiwan Taipei District Court. Her extensive legal expertise contributes significantly to the Company's corporate governance, compliance, and operational oversight.	(8) Not a director, supervisor, manager, or shareholder holding five percent or more of the shares of a specific company or institution with financial or business dealings with the Company (except for independent directors appointed in accordance with the Act or the laws and regulations of the local country by, and concurrently serving as such at, the Company and its parent company, its subsidiary or a subsidiary of the same parent company and, if the specific company or institution holds more than 20% of the total issued shares of the Company, the threshold amount is raised to 50%). (9) Excluded are professionals, sole proprietors, partners, company or institution owners, directors (trustees), supervisors (auditors), managers, and their spouses who have provided the company or its related enterprises with business, legal, financial, accounting, or other related services, and whose cumulative remuneration over the past two years did not exceed NTD 500,000. However, this exclusion does not apply to members of the Remuneration Committee, the Public Takeover Review Committee, or the Mergers and Acquisitions Special Committee who perform their duties under the Securities Transaction Act or the Business Mergers and Acquisitions Act. (10) Not a spouse or relative within the second degree of kinship of other directors. (11) Not in violation of any of the matters listed in Article 30 of the Company Act. (12) Has not been elected in the capacity of the government, juristic person or its representative in accordance with Article 27 of the Company Act.	1

(II) Diversity and Independence of the Board of Directors:

The Board of Directors' diversity policy, objectives and achievement:

(1) Diversity policy:

The Company's Board diversity policy is set out in Article 20 of the "Corporate Governance Best Practice Principles". The policy content is as follows: The composition of the Board of Directors shall be determined by taking diversity into consideration, and an appropriate diversity policy shall be formulated based on the operations, business type and development needs of the Company. The members of the Board should generally possess the knowledge, skills and qualities necessary to carry out their duties. To achieve the desired objectives of corporate governance, the Board as a whole should have the following competencies:

- i. Operational judgment capability.
- ii. Accounting and financial analysis capability.
- iii. Business management capability.
- iv. Crisis management capability.
- v. Industry knowledge.
- vi. International market perspective.
- vii. Leadership ability.
- viii. Decision-making ability.

(2) The specific management objectives and achievements of the diversity policy are as follows:

As of the publication date of this Annual Report, the Company's Board of Directors consists of eight directors, of whom one director is an employee representative, representing 12.5% of the Board membership. Independent directors account for 37.5% of the Board, and all three independent directors have served for less than three years. The Board includes one female director, representing 12.5% of the total Board membership.

To further enhance gender diversity on the Board, the Company has adopted measures to identify and recruit qualified candidates and will take such considerations into account in future director elections upon the expiration of directors' terms of office. Increasing female representation on the Board remains a key objective, and the Company will prioritize achieving a Board composition in which directors of either gender comprise at least one-third of the total Board seats.

All directors of the Company possess extensive knowledge of the technology industry, including developments across the upstream and downstream segments of the supply chain, as well as substantial experience in business management, leadership, and strategic decision-making. In particular, Mr. Hsiu-Tsung Liang and Mr. Yu-Yi Tseng possess professional expertise in accounting, financial analysis, and investment management by virtue of their educational and professional backgrounds in finance, banking, and business administration. Ms. Szu-Ho Chen possesses extensive

legal expertise. Each director contributes professional insights and recommendations from diverse perspectives, thereby enhancing the effectiveness of the Board's decision-making and corporate governance functions.

The implementation status of the Board Diversity Policy is set forth below:

Core Items of Diversity Item Name of Director	Nationality	Gender	Also An Employee of The Company	Age			Independent director Years of Service		Ability To Make Operational Judgments	Ability To Perform Accounting and Financial Analysis	Ability To Execute Business Management	Ability To Execute Crisis Management	Industry Knowledge	An International Market Perspective	Leadership Capability	Decision-making Capability
				Below 60	61~70	Over 71	3 Years Below	3~9 Years								
LO, SEN CHOU	Republic of China	Male	V		V				V		V	V	V	V	V	V
SHIH, CHEN-JUNG	Republic of China	Male				V			V		V	V	V	V	V	V
TSAI, CHIH-CHUN	Republic of China	Male				V			V		V	V	V	V	V	V
RO, SHIH-HAO	United States	Male		V					V		V	V	V	V	V	V
CHEN, CHIEN-WEI	Republic of China	Male			V				V		V	V	V	V	V	V
STARK LIANG	Republic of China	Male			V		V		V	V	V	V	V	V	V	V
TSENG, YU-I	Republic of China	Male			V		V		V	V	V	V	V	V	V	V
CHEN, SZU-HO	Republic of China	Female		V			V		V		V	V	V	V	V	V

(3) Independence of Board of Directors:

With respect to Board independence, the Company's Board of Directors currently consists of eight directors, including three independent directors. None of the directors has any of the circumstances specified in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act with respect to one another. Accordingly, the Board maintains an appropriate degree of independence, enabling it to effectively perform its supervisory and governance functions.

(III) Information on the General Manager, Deputy General Managers, Assistant Managers, heads of various departments, and branch offices

March 31, 2026; Unit: Shares; %

Position	Nationality	Name	Gender	Date of Appointment	Shares Held		Shareholding of Spouse and Minor Children		Shares Held in Others' Names		Main Work (Educational) Experience	Concurrent Positions Currently Held in Other Companies	Manager with Whom a Spousal Relationship or Relationship within the Second Degree of Kinship Exists			Remarks
					Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Position	Name	Relationship	
Chairman and General Manager	Republic of China	LO, SEN CHOU	Male	2023/06/21	9,006,262	9.87	0	0.00	426	0.00	California State University Chico MSCS, USA Founder & Chairman of Egis Technology Inc.("Egis")	Chairman of HEADWAY CAPITAL LIMITED Director of Ivy Asset Management Consulting Co., Ltd. Director of ORIENTAL GOLD HOLDINGS LIMITED Chairman, iCatch Technology Corporation (Representative of Egis) Chairman, Alcor Micro Corporation ("Alcor Micro", Representative of Egis) Chairman, AlgoTek Inc (Representative of Alcor Micro) Director, Syncomm LTD (Representative of Alcor Micro) Director of Silicon Optronics Inc. Director of GALLOPWAVE Inc. Chairman of Gear Radio Electronic Co. (Representative of Gear Radio Limited) Chairman of Gear Radio Limited (Representative of UMC) Chairman of InPsytech, Inc. (Representative of Egis)	Nil	Nil	Nil	

Position	Nationality	Name	Gender	Date of Appointment	Shares Held		Shareholding of Spouse and Minor Children		Shares Held in Others' Names		Main Work (Educational) Experience	Concurrent Positions Currently Held in Other Companies	Manager with Whom a Spousal Relationship or Relationship within the Second Degree of Kinship Exists			Remarks
					Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Position	Name	Relationship	
Chief Financial Officer	Republic of China	LEE, YI-PIN	Male	2016/09/01	46,000	0.05	0	0.00	0	0.00	Central Missouri State University MBA Department of Economics, Chung Hsing University Chief Financial Officer of Primax Electronics Ltd. Chief Financial Officer of DaStrong Corporation Chief Financial Officer of Central Corporation Chief Financial Officer of TSTC Manager of Acer Inc.	Chairman of Luxsentek Microelectronics Corp. Chairman of VASUBI Technology Inc. Chairman of NUI Technology Inc. Chairman of Taurus Wireless Inc. Chairman of Transducer Star Technology Inc. Director of Egis (Hong Kong) Limited Chairman of OceanX Inc. Chairman of Egisee Inc. Director of InPsytech, Inc. (Representative of Egis) Director of InPsytech, Inc. (Representative of Egis)	Nil	Nil	Nil	
Deputy General Manager	Republic of China	KAREN CHAN G	Female	2017/11/13	0	0.00	0	0.00	0	0.00	Deputy Director, Technology Foresight Section, Science and Technology Report Office, Executive Yuan, National Taiwan University of Science and Technology Group Leader of Cybersecurity Technology Institute, Institute for Information Industry Office Director of Transnational Information Plan, Ministry of Science and Technology (iCAST)	Nil	Nil	Nil	Nil	

Position	Nationality	Name	Gender	Date of Appointment	Shares Held		Shareholding of Spouse and Minor Children		Shares Held in Others' Names		Main Work (Educational) Experience	Concurrent Positions Currently Held in Other Companies	Manager with Whom a Spousal Relationship or Relationship within the Second Degree of Kinship Exists			Remarks
					Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio	Number of shares	Shareholding Ratio			Position	Name	Relationship	
Accountant Associate and Corporate Governance Director	Republic of China	KATHY HUAN G	Female	2013/11/14	5,000	0.01	0	0.00	0	0.00	Department of Public Finance, National Chung Hsing University Manager of Accounting Department of Biodenta Corporation	Supervisor of Egis Technology(Japan) Inc. Supervisor of OceanX Inc. Supervisor of Luxsentek Microelectronics Corp. Supervisor of VASUBI Technology Inc. Supervisor of NUI Technology Inc. Supervisor of Taurus Wireless Inc. Supervisor of Transducer Star Technology Inc. Supervisor of Egisee Inc.	Nil	Nil	Nil	

II. Remunerations Paid to Directors, Supervisors, General Managers and Deputy General Managers for the Last Fiscal Year (2025)

(I) Directors' (Including Independent Directors) Remunerations

Unit: NTD Thousands; %

Position	Name	Directors' Remunerations								Percentage of Aggregate of Four Items A, B, C and D in Net Profit After Tax		Relevant Remunerations Received by Directors who are also Employees								Percentage of Aggregate of Seven Items A, B, C, D, E, F and G in Net Profit After Tax		Remunerations Received from Invested Businesses other than Subsidiaries of the Company or the Parent Company
		Remunerations (A)		Severance and Pension (B)		Directors' Remuneration (C)		Business Execution Fee (D)				Salaries, Bonuses and Special Disbursements (E)		Retirement Pension (F)		Employee Remunerations (G)						
		The Company	All (Note1)	The Company	All (Note1)	The Company	All (Note1)	The Company	All (Note1)	The Company	All (Note1)	The Company	All (Note1)	The Company	All (Note1)	The Company		All (Note1)		The Company	All (Note1)	
																Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock			
Chairman	LO, SEN CHOU	—	3,423	—	—	—	572	80	350	Note 3	Note 3	15,173	15,173	—	—	—	—	—	—	Note 3	Note 3	Nil
Director	RO, SHIH-HAO	—	1,280	—	—	—	—	60	260	Note 3	Note 3	5,743	8,803	36	36	—	—	—	—	Note 3	Note 3	Nil
Director	SHIH, CHEN-JUNG	—	—	—	—	—	—	70	70	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
Director	TSAI, CHIH-CHUN	—	—	—	—	—	—	80	80	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
Director	CHEN, CHIEN-WEI (Note 2)	—	—	—	—	—	—	30	130	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil

Independent Director	CHEN, LAI-JUH	480	480	—	—	—	—	30	30	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
Independent Director	STARK LIANG (Note 2)	480	480	—	—	—	—	80	80	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
Independent Director	TSENG, YU-YI	480	480	—	—	—	—	50	50	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
Independent Director	CHEN, SZU-HO (Note 2)	248	248	—	—	—	—	20	20	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
Independent Director	SHIAU, WEN-SHONE (Note 2)	248	561	—	—	—	660	30	170	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
Independent Director	LIAO, CHUN-JIE (Note 1)	232	532	—	—	—	—	50	88	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
Independent Director	CHEN, CHAO-QIAN (Note 1)	232	232	—	—	—	—	40	40	Note 3	Note 3	—	—	—	—	—	—	—	—	Note 3	Note 3	Nil
1. Please state the policy, system, standard, and structure of independent directors' bonus payment and the relationship between the bonus amount and factors such as responsibilities, risks and contributed time: The remuneration of the independent directors of the Company shall be handled in accordance with the Articles of Association. The Remuneration Committee will deliberate on the extent of their participation in the Company's operation and the value of their contributions. The reasonable and fairness of the performance risk shall correspond with the remuneration received. After considering the Company's operating performance and the usual level of payment of the same industry, the Remuneration Committee shall make suggestions and submit them to the Board of Directors for resolution. 2. In addition to the remuneration disclosed in the above table, remunerations received by directors for providing services to all companies included in the financial statements in the most recent year (such as serving as a consultant to the parent company/all companies included in the financial statements/reinvested enterprises who are not employees): None.																						

Note 1: Director resigned on June 24, 2025.

Note 2: Director elected on June 25, 2025.

Note 3: Not applicable because the Company reported a net loss of NT\$1,597,932 thousand and a consolidated net loss of NT\$2,258,583 thousand for 2025, and the relevant amounts were immaterial.

Classification of Remunerations

Range of remunerations paid to the Company's directors	Name of Directors			
	Sum of the first 4 items (A+B+C+D)		Sum of the first 7 items (A+B+C+D+E+F+G)	
	The Company	All the companies in the Financial Report	The Company	All the companies in the Financial Report
Less than NTD 1,000,000	LO, SEN CHOU; RO, SHIH-HAO; SHIH, CHEN-JUNG; TSAI, CHIH-CHUN; CHEN, CHIEN-WEI; CHEN, LAI-JUH; STARK LIANG ; TSENG, YU-YI; CHEN, SZU-HO; SHIAU WEN-SHONE; LIAO, CHUN-JIE;	SHIH, CHEN-JUNG; TSAI, CHIH-CHUN; CHEN, CHIEN-WEI; CHEN, LAI-JUH; STARK LIANG ; TSENG, YU-YI; CHEN, SZU-HO; LIAO, CHUN-JIE; CHEN	SHIH, CHEN-JUNG; TSAI, CHIH-CHUN; CHEN, CHIEN-WEI; CHEN, LAI-JUH; STARK LIANG ; TSENG, YU-YI; CHEN, SZU-HO; SHIAU, WEN-SHONE; LIAO, CHUN-JIE	SHIH, CHEN-JUNG; TSAI, CHIH-CHUN; CHEN, CHIEN-WEI; CHEN, LAI-JUH; STARK LIANG ; TSENG, YU-YI; CHEN, SZU-HO; LIAO, CHUN-JIE
NTD 1,000,000 (Inclusive) – NTD 2,000,000 (Exclusive)	—	RO, SHIH-HAO; SHIAU, WEN-SHONE	—	SHIAU, WEN-SHONE
NTD 2,000,000 (Inclusive) – NTD 3,500,000 (Exclusive)	—	—	—	—
NTD 3,500,000 (Inclusive) – NTD 5,000,000 (Exclusive)	—	LO, SEN CHOU	—	—
NTD 5,000,000 (Inclusive) – NTD 10,000,000 (Exclusive)	—	—	RO, SHIH-HAO	—
NTD 10,000,000 (Inclusive) – NTD 15,000,000 (Exclusive)	—	—	—	RO, SHIH-HAO
NTD 15,000,000 (Inclusive) – NTD 30,000,000 (Exclusive)	—	—	LO, SEN CHOU	LO, SEN CHOU
NTD 30,000,000 (Inclusive) – NTD 50,000,000 (Exclusive)	—	—	—	—
NTD 50,000,000 (Inclusive) – NTD 100,000,000 (Exclusive)	—	—	—	—
More than NTD 100,000,000	—	—	—	—
Total	11	11	11	11

(II) Supervisor's Remunerations

Since the establishment of the Audit Committee, the Company has replaced the function of Supervisors with the Audit Committee; therefore, the relevant requirements are not applicable.

(III) Remuneration to the General Manager(“GM”), Senior Deputy GM, and the top 5 executives with the highest remuneration

Unit: NTD Thousands; %

Position	Name	Salaries (A)		Severance and Pension (B)		Bonuses and Special Disbursements, etc. (C)		Amount of Employee Remunerations (D)				Percentage of Aggregate of Four Items A, B, C and D in Net Profit After Tax (%)		Remuneration s Received from Invested Businesses other than Subsidiaries of the Company or the Parent Company
		The Company	All (Note1)	The Company	All (Note1)	The Company	All (Note1)	The Company		All (Note1)		The Company	All (Note1)	
								Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock			
Chairman and GM	LO, SEN CHOU	12,000	12,000			3,173	3,173	—	—	—	—	(0.67)	(0.67)	Nil
Chief Financial Officer	LEE, YI-PIN	3,600	3,600	108	108	1,389	1,389	—	—	—	—	(0.23)	(0.23)	Nil
Deputy GM (Executive Assistant)	RO, SHIH-HAO	1,820	4,880	36	36	3,923	3,923	—	—	—	—	(0.26)	(0.39)	Nil
Deputy GM	KAREN CHANG	1,800	1,800	108	108	756	756	—	—	—	—	(0.12)	(0.12)	Nil
Deputy GM	JIMMY HSU (Note 2)	2,200	2,200	1,266	1,266	411	411	—	—	—	—	(0.17)	(0.17)	Nil
Chief Technology Officer	LIN, HENG-ZHI (Note 1)	600	600	18	18	—	—	—	—	—	—	(0.03)	(0.03)	Nil

Note 1: Resigned on February 28, 2025.

Note 2: Resigned on November 30, 2025.

Classification of Remunerations

Classification of Remunerations Paid to Various General Managers and Deputy General Managers in the Company	Name of General Manager and Deputy General Manager	
	The Company	All Companies in the Financial Report
Less than NTD 1,000,000	LIN, HENG-ZHI	LIN, HENG-ZHI
NTD 1,000,000 (Inclusive) – NTD 2,000,000 (Exclusive)		
NTD 2,000,000 (Inclusive) – NTD 3,500,000 (Exclusive)	KAREN CHANG	KAREN CHAN
NTD 3,500,000 (Inclusive) – NTD 5,000,000 (Exclusive)	JIMMY HSU	JIMMY HSU
NTD 5,000,000 (Inclusive) – NTD 10,000,000 (Exclusive)	LEE, YI-PIN; RO, SHIH-HAO	LEE, YI-PIN; RO, SHIH-HAO
NTD 10,000,000 (Inclusive) – NTD 15,000,000 (Exclusive)	—	—
NTD 15,000,000 (Inclusive) – NTD 30,000,000 (Exclusive)	LO, SEN CHOU	LO, SEN CHOU
NTD 30,000,000 (Inclusive) – NTD 50,000,000 (Exclusive)	—	—
NTD 50,000,000 (Inclusive) – NTD 100,000,000 (Exclusive)	—	—
More than NTD 100,000,000	—	—
Total	Total of 6 people	Total of 6 people

(IV) Remuneration Paid to the Top Five Highest-Paid Managerial Officers

Unit: NTD Thousands; %

Position	Name	Salaries (A)		Severance and Pension (B)		Bonuses and Special Disbursements, etc. (C)		Amount of Employee Remunerations (D)				Percentage of Aggregate of Four Items A, B, C and D in Net Profit After Tax (%)		Remuneration s Received from Invested Businesses other than Subsidiaries of the Company or the Parent Company
		All (Note1)	The Company	All (Note1)	All (Note1)	The Company	All (Note1)	The Company		All (Note1)		The Company	All (Note1)	
								Amount in Cash	Amount in Stock	Amount in Cash	Amount in Stock			
Chairman and GM	LO, SEN CHOU	12,000	12,000	—	—	3,173	3,173	—	—	—	—	(0.67)	(0.67)	Nil
Chief Financial Officer	RO, SHIH-HAO	3,600	3,600	108	108	1,389	1,389	—	—	—	—	(0.23)	(0.23)	Nil
Deputy GM (Executive Assistant)	LEE, YI-PIN	1,820	4,880	36	36	3,923	3,923	—	—	—	—	(0.26)	(0.39)	Nil
Deputy GM	LIN, HENG-ZHI	1,800	1,800	108	108	756	756	—	—	—	—	(0.12)	(0.12)	Nil
Deputy GM	JIMMY HSU	2,200	2,200	1,266	1,266	411	411	—	—	—	—	(0.17)	(0.17)	Nil

(V) Names of managers assigned with employee remuneration and distribution

Unit: NTD Thousands; %

	Position	Name	Amount in Shares	Amount in Cash	Total	Total Remuneration to the Net Profit After Tax Ratio (%)
Managers	Chairman and GM	LO, SEN CHOU	0	0	0	0
	Chief Financial Officer	LEE, YI-PIN				
	Deputy GM (Executive Assistant)	RO, SHIH-HAO				
	Deputy GM	KAREN CHANG				
	Deputy GM	JIMMY HSU				
	Chief Technology Officer	LIN, HENG-ZHI				
	Chief Accountant	KATHY HUANG				
	Deputy Audit Manager	RICK CHANG				

(VI) Provide a comparative analysis of the total compensation paid by the company and all entities included in the consolidated financial statements to the company's directors, supervisors, general manager, and deputy general managers over the past two years, as a proportion of the individual or separate financial report's after-tax net profit. Additionally, explain the policies, standards, and composition of the compensation, the procedures for determining compensation, and the relationship between compensation, business performance, and future risks.

1. Analysis of the proportion of after-tax net profit used for compensation paid to the company's directors, supervisors, general manager, and deputy general managers over the past two years

Unit: %

Position	2024 Total Remunerations as a Percentage of Net Profit After Tax (%)		2025 Total Remunerations as a Percentage of Net Profit After Tax (%)	
	The Company	All the companies in the Financial Report	The Company	All the companies in the Financial Report
Directors	(0.22)	(0.35)	(0.16)	(0.61)
GM and Deputy GMs	(4.15)	(4.16)	(2.08)	(2.27)

2. Policies, Standards, and Composition of Compensation, Procedures for Determining Compensation, and Its Relationship with Business Performance and Future Risks

The total amount of remunerations paid by the Company to the Directors, General Managers, and Deputy General Managers is mainly determined based on their degree of participation and value of contributions to the operations of the Company, and with reference to the industry standards at home and abroad.

The remunerations of the General Managers and Deputy General Managers of the Company include their salaries, bonuses, employee remunerations, employee stock warrants and new restricted employee shares. The salary standard is determined based on their positions in the Company, their responsibilities, and their contributions to the Company, and with reference to the standards in the same industry. The employee remuneration distribution standards are in compliance with the Articles of Association of the Company and the relevant resolution is passed by the Board of Directors and reported at the shareholders meeting.

III. Corporate Governance Operations

(I) Practices of the Board of Directors

In 2025 (9 meetings) and 2026 (2 meetings) up to the date of this annual report's printing, the Board of Directors has held a total of 11 meetings (A). The attendance of the directors is as follows:

Position	Name	Attendance in Person (B)	Attendance by Proxy	Rate of Attendance in Person (%) (B/A)	Remarks
Chairman	LO, SEN CHOU	11	0	100.00%	
Director	SHIH, CHEN-JUNG	10	1	90.91%	
Director	RO, SHIH-HAO	9	2	81.82%	
Director	TSAI, CHIH-CHUN	11	0	100.00%	
Director	CHEN, CHIEN-WEI	6	0	100.00%	Appointed as a Director on June 25, 2025. Six Board meetings were held during the reporting period following the appointment.
Independent Director	STARK LIANG	11	0	100.00%	
Independent Director	TSENG, YU-I	6	5	54.55%	
Independent Director	CHEN, SZU-HO	5	1	83.33%	Appointed as a Director on June 25, 2025. Six Board meetings were held during the reporting period following the appointment.
Independent Director	SHIAU, WEN-SHONE	4	0	100.00%	Appointed as an Independent Director on June 25, 2025 and ceased to serve on January 2, 2026. Four Board meetings were held during the
Independent Director	LIAO, CHUN-CHIE	5	0	100.00%	Relieved of duties on June 24, 2025. Five Board meetings were held during the term of office in 2025.
Independent Director	CHEN, LAI-JUH	4	1	80.00%	Relieved of duties on June 24, 2025. Five Board meetings were held during the term of office in 2025.

Other Matters to be Recorded:

- I. If any of the following situations occur during the operation of the Board of Directors, the date of the board meeting, session number, content of the proposal, opinions of all independent directors, and the company's response to the independent directors' opinions should be stated:
 - (I) Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee; therefore, the provisions of Article 14-3 of the Securities and Exchange Act are not applicable. For related information, please refer to the section entitled "Practices of the Audit Committee" in this Annual Report.
 - (II) Any other resolution of the Board meeting to which an independent director has a dissenting or qualified opinion that is on record or stated in a written statement: Nil.
- II. The implementation of directors recusing themselves from conflict-of-interest proposals should be described, including the director's name, the content of the proposal, the reasons for recusal due to conflicting interests, and the participation in the voting process:

Meeting	Cause(s)	Name of Director	Reason(s) for Recusal	Result of Voting
The 8th term 12th Meeting 2025/03/12	The Company's performance bonus distribution plan for 2024.	RO, SHIH-HAO	Director RO, SHIH-HAO is the beneficiary of this case	Director RO, SHIH-HAO of the company is a beneficiary of this case and has a conflict of interest. He excused himself from the room and abstained from voting. After consultation by the chairman with all attending directors, the case was unanimously approved as per the agenda.
The 8th term 19th Meeting 2025/08/13	The Company's acquisition of semiconductor IP.	TSENG, YU-I	This proposal involved products or business activities related to a company with which the director is affiliated.	As this proposal involved products or business activities related to an affiliated company, Independent Director Mr. TSENG, YU-I abstained from voting in accordance with the conflict-of-interest avoidance principle to ensure the fairness and impartiality of the Board's decision-making process. Other than the aforementioned abstention, upon inquiry by the Chairperson, all attending directors expressed no objection, and the proposal was approved as proposed.

III. The company should disclose information about the evaluation cycle, period, scope, methods, and contents of the board of directors' self-assessment (or peer evaluation) as detailed in the table below:

Evaluation of Implementation by the Board of Directors

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation contents
Carry out once a year	From January 1 to December 31, 2025	Board of Directors	Self-appraisal by Board of Directors	1. Participation in the Company's Operations 2. Understanding of the Board's Duties and Responsibilities 3. Enhancement of the Quality of Board Decision-Making 4. Board Composition and Structure

				5. Director Nomination, Election and Continuing Education 6. Internal Control
Carry out once a year	From January 1 to December 31, 2025	Individual director members	Self-appraisal by directors	1. Alignment of the Company's goals and missions. 2. Awareness of director responsibilities. 3. Level of involvement in company operations. 4. Management of internal relationships and communication. 5. Directors' expertise and continuous education. 6. Internal control.
Carry out once a year	From January 1 to December 31, 2025	All functional committees	Self-appraisal by directors	1. Level of involvement in company operations. 2. Awareness of the duties of the functional committee. 3. Improve the quality of decision-making by functional committees. 4. Composition and election of functional committee members. 5. Internal control.

IV. Goals for enhancing board functions in the current and recent years (such as establishing an Audit Committee, and improving information transparency) and evaluation of implementation:

(I) Goals for Enhancing Board Functions

1. The company has established the "Board Meeting Rules" as per the "Public Company Board of Directors Meeting Procedures," approved by the board of directors, and operates according to these rules.
2. The company has established independent directors, an Audit Committee, and a Remuneration Committee to strengthen the governance functions of the board.
3. The company regularly arranges professional development courses for directors to maintain their core values, professional advantages, and capabilities.

(II) Evaluation of Implementation

1. The company established the Remuneration Committee and the Audit Committee on June 12, 2014, and October 17, 2014, respectively, to assist the board in fulfilling its duties.
2. After board meetings, our company promptly posts significant resolutions on the Market Observation Post System to protect shareholder rights. A designated person is responsible for the collection and disclosure of company information, and a spokesperson system has been established to ensure timely and appropriate disclosure of significant information, providing shareholders and stakeholders with access to relevant financial and business information about the company.

(II) Practices of the Audit Committee

For the years 2025 (9 times) and 2026 (2 times) up to the date of printing of the annual report, the Audit Committee convened a total of 11 times (A), with the attendance of independent directors as follows:

Position	Name	Attendance in Person(B)	Attendance by Proxy	Rate of Attendance in Person(%) (B/A)	Remarks
Independent Director (Chairman)	STARK LIANG	11	0	100.00%	
Independent Director	TSENG, YU-I	6	5	54.55%	
Independent Director	CHEN, SZU-HO	5	1	83.33%	Appointed as an Independent Director on June 25, 2025. A total of six Audit Committee meetings have been held since the appointment.
Independent Director	SHIAU, WEN-SHON E	4	0	100.00%	Appointed as an Independent Director on June 25, 2025. A total of four Audit Committee meetings have been held since the appointment.
Independent Director	CHEN, LAI-JUH	4	1	80.00%	Relieved of duties on June 24, 2025. Five Audit Committee meetings were held during the tenure in 2025.
Independent Director	LIAO, CHUN-CHI	5	0	100.00%	Relieved of duties on June 24, 2025. Five Audit Committee meetings were held during the tenure in 2025.

Other Matters to be Recorded:

- I. Matters listed under Article 14-5 of the Securities and Exchange Act, as well as other resolutions not approved by the Audit Committee but agreed upon by more than two-thirds of all directors, should include the following details: the date and session number of the Audit Committee meeting, the content of the proposals, any opposing opinions, reserved opinions, or major suggestions from the independent directors, the results of the Audit Committee's resolutions, and the company's response to the Audit Committee's opinions.
- (I) Matters listed under Article 14-5 of the Securities and Exchange Act
- (II) Apart from the aforementioned matters, other resolutions not approved by the Audit Committee but agreed upon by more than two-thirds of all directors include

Meeting	Contents of the Proposals and Subsequent Handling	Matters listed in Securities and Exchange Act 14-5	Resolutions passed by two-thirds or more of all directors but not approved by the Audit Committee
The 4th term 12th Meeting	1. Proposal for the Determination of the Issue Price of New Shares under the 2024 Cash Capital Increase Plan.	V	No such situation.

2025/03/12	2. Proposal for the Company to Divest Shares in Inpsy Inc. and Waive Participation in the Cash Capital Increase of Inpsy Inc., in Support of Inpsy Inc.'s Planned IPO Application.	V	No such situation.
	3. The Company's 2024 business report and financial statements.	V	No such situation.
	4. The Company's 2024 Self-Compiled Financial Information and Business Report.	V	No such situation.
	5. Proposal for the Company's 2024 deficit. appropriation.	V	No such situation.
	6. Proposal for the Private Placement of Common Shares	V	No such situation.
	7. Proposal to Issue the Company's "2024 Declaration on Internal Control System".	V	No such situation.
	8. Proposal to Amend Certain Provisions of the Company's "Procedures for Endorsements and Guarantees".	V	No such situation.
	Audit Committee resolution result (March 12,2025) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 13th Meeting 2025/03/20	The Company's 2024 financial statements.	V	No such situation.
	Audit Committee resolution result (March 20,2025) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 14th Meeting 2025/04/10	1. Proposal for the withdrawal of the Company's 2024 cash capital increase and issuance of new shares.	V	No such situation.
	2. Proposal to change the Company's accounting firm and certifying independent auditors.	V	No such situation.
	Audit Committee resolution result (April 10,2025) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 15th Meeting 2025/04/28	1. Proposal to apply for short-term credit facilities and borrowings from designated parties for 2025.	V	No such situation.
	2. With respect to the proposed issuance of new shares by a closely held company over which the Company has control, the Company proposes to waive its preemptive subscription rights, provided that the total amount of capital raised does not exceed NT\$100 million	V	No such situation.
	Audit Committee resolution result (April 28,2025) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 16th Meeting 2025/05/12	1. Proposal for the Company's consolidated financial statements for the first quarter of 2025.	V	No such situation.
	2. Report on the implementation status of the Company's operational improvement plan.	V	No such situation.

	3. Proposal to discontinue the private placement of common shares approved at the Company's 2024 Annual General Meeting of Shareholders.	V	No such situation.
	4. Proposal to adopt the Regulations Governing the Definition of Entry-Level Employees.	V	No such situation.
	5. Proposal to amend the Company's internal control system – Payroll Cycle.	V	No such situation.
	6. Proposal for the Company's participation in the cash capital increase of its subsidiary, Egisee, through subscription of newly issued shares.	V	No such situation.
	Audit Committee resolution result (May 12,2025) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 17th Meeting 2025/07/04	1. Proposal to dispose of the Company's shareholding in InPsytech, Inc. in connection with its proposed listing application.	V	No such situation.
	2. Proposal to reduce the Company's ownership interest in InPsytech, Inc., a significant subsidiary of the	V	No such situation.
	3. Proposal regarding the share disposal price and subscription record date of InPsytech, Inc.	V	No such situation.
	Audit Committee resolution result (July 4,2025) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 18th Meeting 2025/08/13	1. Proposal for the Company's consolidated financial statements for the second quarter of 2025.	V	No such situation.
	2. Report on the implementation status of the Company's operational improvement plan.	V	No such situation.
	3. Proposal to review and approve the list of non-assurance services to be provided by Ernst & Young Taiwan and its affiliated entities in 2025.	V	No such situation.
	4. Proposal for the disposal of the Company's shareholding in Augentix Inc..	V	No such situation.
	Audit Committee resolution result (August 13,2025) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 19th Meeting 2025/08/13	1. Proposal to dispose of the Company's shareholding in InPsytech, Inc. in connection with its proposed listing application.	V	No such situation.
	2. Proposal to reduce the Company's ownership interest in InPsytech, Inc., a significant subsidiary of the	V	No such situation.
	3. Proposal regarding the share disposal price and subscription record date of InPsytech, Inc.	V	No such situation.
	4. Proposal regarding the Company's acquisition of semiconductor IP.	The Company's	The Company's acquisition of
	Audit Committee resolution result (August 13,2025) : All members of the Audit Committee agreed and approved.		

	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 20th Meeting 2025/11/13	1. Proposal for the Company's consolidated financial statements for the third quarter of 2025.	V	No such situation.
	2. Report on the implementation status of the Company's operational improvement plan.	V	No such situation.
	3. Proposal to allocate shares of InPsytech, Inc. to the recommending securities underwriter for subscription in connection with InPsytech's proposed Emerging Stock Market listing application.	V	No such situation.
	4. Proposal for the Company's 2026 Internal Audit Plan.	V	No such situation.
	5. Proposal to amend certain provisions of the Company's Sustainable Development Best Practice Principles.	V	No such situation.
	6. Proposal for the acquisition of semiconductor intellectual property (IP) by the Company.	V	No such situation.
	Audit Committee resolution result (November 13,2025) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 21th Meeting 2026/01/13	1. Proposal for the acquisition of Electronic Design Automation (EDA) tools by the Company.	V	No such situation.
	Audit Committee resolution result (January 13,2026) : All members of the Audit Committee agreed and approved.		
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.		
The 4th term 22th Meeting 2026/03/16	1. Proposal for the Company's consolidated financial statements for the second and third quarters of 2025	V	No such situation.
	2. Proposal for the Company's 2025 Business Report and financial statements.	V	No such situation.
	3. Report on the implementation status of the Company's operational improvement plan.	V	No such situation.
	4. Proposal to amend the Company's operational improvement plan.	V	No such situation.
	5. Proposal for the appropriation of losses for 2025.	V	No such situation.
	6. Proposal to adjust the share offering price for shares of InPsytech, Inc. allocated to the recommending securities underwriters and the Securities and Futures Investors Protection Center in connection with InPsytech's proposed Emerging Stock Market listing application.	V	No such situation.
	7. Evaluation of the independence and qualifications of the Company's independent auditors and proposal for the remuneration of the independent auditors for 2026.	V	No such situation.
	8. Proposal for a private placement of common shares through a cash capital increase.	V	No such situation.
	9. Proposal to issue the Company's 2025 Internal Control System Statement.	V	No such situation.
	10. Proposal to amend the Company's internal control system – Payroll Cycle.	V	No such situation.

	Audit Committee resolution result (March 16,2026) : All members of the Audit Committee agreed and approved.
	The Company's handling of the opinions of the Audit Committee: All directors in attendance passed the resolutions.

II. In the event that any independent director has to abstain from voting on any proposal due to a conflict of interest, the name of the independent director, the content of the proposal, reason(s) for recusal, and the result of the voting should be specified:

Meeting	Cause(s)	Name of Director	Reason(s) for Recusal	Result of Voting
The 4th term 19th Meeting 2025/08/13	The Company's acquisition of semiconductor IP.	TSENG, YU-I	This proposal involved products or business activities related to a company with which the director is affiliated.	As this proposal involved products or business activities related to an affiliated company, Independent Director Mr. TSENG, YU-I abstained from voting in accordance with the conflict-of-interest avoidance principle to ensure the fairness and impartiality of the Board's decision-making process. Other than the aforementioned abstention, upon inquiry by the Chairperson, all attending directors expressed no objection, and the proposal was approved as proposed.

III. Communications between the independent directors and internal audit supervisors, as well as accountants (such as matters related to the financial or business situation of the Company that were communicated, the mode and outcome of such communications, etc.):

1. Communication between Independent Directors, the Internal Audit Officer, and Independent Auditors

- (1) The Company has established an Audit Committee comprising all independent directors. At least once each year, the independent auditors are invited to attend Audit Committee meetings to communicate and discuss matters relating to the audit of the Company's financial statements and other relevant issues with the independent directors.
- (2) The Chief Internal Auditor regularly provides internal audit reports to the independent directors for review and attends every Audit Committee meeting. The Chief Internal Auditor periodically reports to the independent directors on the implementation and results of the Company's internal audit activities.

2. Summary of Communications between Independent Directors and Independent Auditors in 2025

Meeting	Communication Matters	Communication Outcome
2025/03/12 Audit Committee	Communication with the Governance Unit upon Completion of the Audit of the 2024 Financial Statements	The Committee concurred with the results presented and had no additional comments or recommendations.
2025/08/13 Audit Committee	Communication with the Governance Unit upon Completion of the Review of the Second-Quarter 2025 Financial Statements and Discussion of the 2025 Annual Audit Plan	

3. Summary of Communications between Independent Directors and Internal Audit Officer in 2025

Meeting	Communication Matters	Communication Outcome
2025/03/12 Audit Committee	Review and discussion of the internal audit execution report for the fourth quarter of 2024.	The Committee concurred with the results presented and had no additional comments or recommendations.
2025/05/12 Audit Committee	Review and discussion of the internal audit execution report for the first quarter of 2025.	
2025/08/13 Audit Committee	Review and discussion of the internal audit execution report for the second quarter of 2025.	
2025/11/13 Audit Committee	Review and discussion of the internal audit execution report for the third quarter of 2025. Proposal for the Company's 2026 Internal Audit Plan.	

(III) The Company's Corporate Governance Practices, and Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, as well as Reasons for the Discrepancies

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
I. Has the company established and disclosed corporate governance practices in accordance with the "Corporate Governance Best-Practice Principles for Listed and OTC Companies"?	✓		The Company has formulated "Code of Corporate Governance Practices of Egis Technology Inc." which is available on the Company's website for stakeholders to download.	No major discrepancy
II. Company's ownership structure and shareholder rights				No major discrepancy
(I) Has the company established internal procedures to handle shareholder suggestions, doubts, disputes, and litigation, and implemented them according to procedure?	✓		(I) The Company has a spokesperson. The spokesperson, acting spokesperson, shareholder services unit, investor relations unit, as well as the relevant departments of the legal unit serve as channels for proposals and communication with shareholders to ensure that these matters can be properly handled.	
(II) Does the company have a list of the major shareholders who actually control the company and the ultimate controllers of these major shareholders?	✓		(II) The shareholder services unit is responsible for controlling information related to the Company and maintaining close contact with the principal shareholders.	
(III) Has the company established and implemented risk management and firewall mechanisms between related enterprises?	✓		(III) The Company has established relevant controls in the Company's internal control system and "Regulations for Financial- and Business-Related Operations with Related Enterprises" according to the law.	
(IV) Has the company established internal regulations			(IV) The company has established the "Internal Significant Information Handling	

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
prohibiting insiders from trading securities based on non-public market information?	✓		Procedures,” Article 6, which specifies that directors, supervisors, managers, and employees who are aware of internal significant information shall not disclose such information to others. In addition, the “Management Procedures for the Prevention of Insider Trading” prohibit the disclosure of any information to the public or the adoption of any prohibited actions before the release of significant information as to ensure the correctness and popularity of the information.	
III. Composition and Responsibilities of the Board of Directors				No major discrepancy
(I) Did the Board of Directors formulate a diversity policy, specific management objectives and implement them with regard to its membership composition?	✓		(I) The company has defined a diversity policy for board members in the “Corporate Governance Best Practices,” and details about the specific management objectives and implementation can be found in the section on “Board Diversity and Independence.”	
(II) Apart from establishing the Remuneration Committee and Audit Committee in accordance with the law, did the Company establish other functional committees at its own will?	✓		(II) Currently, aside from the Remuneration Committee and the Audit Committee, the company has not established any other functional committees.	
(III) Has the company established a method for evaluating board performance and its assessment methods, conducting performance evaluations annually and regularly, reporting the results to the board, and using	✓		(III) The company has established the “Board Performance Evaluation Procedure,” which mandates at least an annual performance evaluation of the board, individual directors, and functional committees. The secretariat conducts	

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
them for individual director compensation and nomination for reappointment? (IV) Does the company regularly assess the independence of its certifying accountants?	✓		self-evaluations for directors according to the procedure, and at the beginning of each year, the board records and evaluates the previous year's performance indicators. The results are reported to the board and used as references for individual director compensation and nominations for reappointment. (IV) The Finance Department of the company independently assesses the independence of the certifying accountants annually and reports the results to the Audit Committee and the Board for review and approval. Upon approval, if all are in line with the Company's independence standards, then they are able to serve as the Company's certified public accountants. The evaluation criteria for certified public accountant's independence are detailed in Note1. Annual appraisal of the certified public accountants and assessment of their independence and eligibility by the Audit Committee of the Company. In addition to requiring certified public accountants to provide the "Detached Declaration of Independence" and "Audit Quality Indicators (AQIs)", assessment is performed according to the standards in Note 1 and the 13 AQIs. Certified public accountants are confirmed to not have other financial interests and business relations with the Company other than for fees for certification, financial and tax cases, their family members are confirmed to not violate the independence requirements, and the certified public accountants and firms are	

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
			confirmed to have higher than industry average standard in terms of audit experience and training hours with reference to AQI information. Digital audit tools will also continue to be introduced in the next 3 years to improve audit quality. The results of the most recent annual evaluation were expected to be discussed and approved by the Audit Committee on March 16, 2026, and subsequently approved by the Board on March 16, 2026, in their assessment of the accountant's independence and suitability.	
IV. Do listed companies employ an appropriate number and qualification of corporate governance personnel, and do they appoint a director of corporate governance responsible for related tasks (including but not limited to providing directors and supervisors with necessary data for their duties, assisting directors and supervisors in complying with laws, organizing board and shareholder meetings in accordance with the law, and preparing minutes of board and shareholder meetings)?	✓		The Company's Corporate Governance Unit is the Finance Department responsible for corporate governance related matters and Chief Accountant KATHY HUANG was appointed as the Corporate Governance Director by the Board of Directors on August 10, 2022. The foregoing corporate governance related matters shall at least include the following: (I) Organize board and shareholder meetings in accordance with the law. (II) Prepare minutes for board and shareholder meetings. (III) Assist directors with induction and continuous education (IV) Provide the information required by the directors to carry out their duties. (V) Assist directors in complying with laws and regulations. (VI) Other matters stipulated in the Company's Articles of Incorporation or contracts.	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
			The status of operations performed by the corporate governance unit of the Company in 2025 is as follows: 1. Draft agendas for the Board of Directors, Audit Committee, and Remuneration Committee meetings, and prepare the related materials for discussion. If agenda items are related to stakeholders, provide reminders for conflict-of-interest recusal in advance. In 2025, nine Board of Directors meetings, nine Audit Committee meetings, and two Remuneration Committee meetings were held. 2. Register the date of the shareholders' meeting within the legal deadline and assist with the convening of the shareholders' meeting. 3. Timely disclosure of material information regarding significant resolutions adopted by the Board of Directors and the Shareholders' Meeting in accordance with applicable laws and regulations 4. Arranged six hours of continuing education courses for all directors, the Chief Executive Officer, Chief Financial Officer, and Corporate Governance Officer. The course topics included "Board Oversight of Post-Merger Integration and the Establishment of Management Mechanisms" and "Human Resource Strategies in Mergers and Acquisitions from the Perspective of Directors and Supervisors." 5. Arranged communications among the independent directors, the Chief Internal Auditor, and the independent auditors during Audit Committee meetings. A	

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
			summary of such communications is available on the Company's website. 6. Conducted the 2025 Board Performance Evaluation and reported the evaluation results to the Board of Directors on March 16, 2026. 7. In 2025, the company's Director of Corporate Governance participated in further education as noted in note 3.	
V. Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a dedicated stakeholder section on the company website, and appropriately responded to stakeholders' concerns about important corporate social responsibility issues?	✓		To maintain open and effective communication channels with the Company's employees, customers, suppliers, investors, and other stakeholders, and to respect and protect their legitimate rights and interests, the Company reported its communications with stakeholders to the Board of Directors on November 13, 2025. The Company has established a dedicated Stakeholder Section on its website (https://www.egistec.com). Stakeholders may use this channel to contact the Company if they believe their rights or interests have been infringed upon, become aware of any unlawful conduct or violations of corporate governance principles by the Company's employees, or have any questions, suggestions, or concerns regarding the Company. Dedicated personnel are responsible for responding to and addressing such matters in a timely manner.	No major discrepancy
VI. Has the company appointed a professional shareholder services agency to handle shareholders' meeting affairs?	✓		The Company has appointed the Stock Service Department of Yuanta Securities Co., Ltd. as the shareholder services agency of the Company and it shall handle affairs related to the Board of Shareholders.	No major discrepancy
VII. Information Disclosure (I) Has the company established a website to disclose	✓		(I) The company has disclosed related business, financial, and corporate	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
financial business and corporate governance information?			governance information on its website. (http://www.egistec.com)	
(II) Does the company adopt other methods of information disclosure (such as setting up an English website, designating a person responsible for the collection and disclosure of company information, implementing a spokesperson system, and posting corporate briefings on the company website)?	✓		(II) The company has appointed a spokesperson and a deputy spokesperson, and has designated a person responsible for the public disclosure of information (including the English website and corporate briefings) to provide the spokesperson, deputy spokesperson, and relevant business departments with the ability to answer inquiries from stakeholders and regulatory authorities.	
(III) Does the company announce and file the annual financial report within two months after the end of the fiscal year and announce and file the first, second, and third quarterly financial reports and monthly operating results ahead of schedule within the prescribed deadline?		✓	(III) The company announced and filed the financial report for the year 2025 in March 2026, as well as the financial reports for the first, second, and third quarters of 2025 and the monthly operating results, all of which were announced and filed ahead of the prescribed deadline.	
VIII. Does the company have any other important information that would be helpful in understanding the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, ongoing education of directors and supervisors, implementation of risk management policies and risk measurement standards,	✓		(I) Employee Rights and Care Execution: The company maintains open communication channels, ensuring that employees' expectations, suggestions, doubts, and grievances are reasonably and appropriately addressed, reflecting the company's commitment to employee rights and care. It has established sexual harassment prevention policies and created a gender-equal work environment. The Employee Welfare Committee organizes various employee travel activities annually, and the company recognizes outstanding employees	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
implementation of customer policies, and the purchase of liability insurance for directors and supervisors)?			at the end of each year. (II) Investor Relations: The company adheres to principles of fairness and transparency in treating all shareholders, convenes shareholder meetings annually as per the Company Law and relevant regulations, notifies all shareholders to attend, encourages active participation in shareholder meetings such as board and supervisor elections or amendments to the corporate charter, and reports significant financial business actions such as asset disposals and endorsements to the shareholder meetings. The company also provides shareholders ample opportunities to ask questions or propose items, ensuring checks and balances and setting shareholders' meeting rules according to law, properly preserving meeting minutes and fully disclosing related information on the Market Observation Post System. In addition, in order to ensure that the shareholders are fully aware of the major issues of the Company, enjoy full participation and decision-making rights, the Company has established the positions of spokesperson and acting spokesperson, as well as designated personnel to handle the suggestions, doubts and disputes of shareholders. Since the Company's public offering, it has designated personnel to be responsible for the collection and disclosure of information related to the Company, handling of the announcements and declarations of the relevant information, as well as timely provision of information that may affect the decision-making of investors according to the principles of information disclosure. (III) Supplier Relations: Based on integrity, the company audits and manages suppliers, ensuring they meet environmental and social responsibility	

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
			standards and continue to provide products that meet the company's standards and are competitively priced. The company maintains a spirit of mutual trust and benefit with suppliers, aiming for mutual growth and a win-win situation. (IV) Rights of stakeholders: Depending on the circumstances, the Company may instruct the investor relations, shareholder services, and legal affairs departments, etc. to communicate with stakeholders, and it has listed the contact information of the spokesperson as well as the various relevant business departments on the Company's website. The company has established a dedicated stakeholder section on its website (http://www.egistec.com), where stakeholders can communicate with the company and make suggestions at any time to protect their rightful interests. (V) Implementation of Risk Management Policy and Risk Measurement Standards: The company's risk management and measurement standards are collectively managed by the General Manager's Office, Business Department, Finance Department, and other units responsible for risk management policies and implementation. Please refer to Section VII, (6) Explanation on Risk Management Assessment of the current year's annual report for details. (VI) Implementation of Customer Policy: The company strictly maintains customer confidentiality. For customers who are in competitive relationships, separate teams are established internally to serve them, and customer information is protected with firewalls. To protect its customers, discussions on the secrets of customers are generally prohibited in the Company as well as in public places. At the same time, a customer complaint handling mechanism has been established for the appropriate identification of problems in customer	

Assessment Item	Implementation Status			Discrepancy with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
			complaints and for the attribution of responsibility to protect the rights and interests of customers. In addition, customer satisfaction surveys are carried out to ensure that customers are most satisfied with the services provided. (VII)Purchase of Liability Insurance for Directors and Supervisors: The company has purchased directors' and officers' liability insurance from Fubon Property Insurance, as noted in note 2. (VIII)Ongoing Education for Directors and Managers in 2025 as noted in note 3.	
IX. Please describe the improvements based on the corporate governance evaluation results published by the Taiwan Stock Exchange Corporation's Corporate Governance Center for the most recent year, and propose priority enhancement items and measures for aspects that have not yet improved. 1. Improvements Implemented in Response to the Corporate Governance Evaluation Results: (1) The Company elected one female independent director at its 2025 Annual General Meeting of Shareholders (Indicator 2.6). (2) The Company's Sustainability Report was submitted to and approved by the Board of Directors and has been disclosed on the Company's website and in this Annual Report (Indicator 4.24). (3) The Company has disclosed its annual greenhouse gas emissions for Scope 1 and Scope 2 and has included such information in this Annual Report and the Sustainability Report (Indicator 4.25). 2. Priority Areas for Future Enhancement: The Company will disclose links to the complete video recordings of at least two investor conferences held by the Company (Indicator 3.20).				

Note 1: Assessment Criteria for Independence of Accountant

Assessment Item	Assessment Results	Independent or Not
1. The accountant is employed by the company for regular work, receives a fixed salary, or serves as a director or	No	Yes
2. The accountant has served as a director, supervisor, manager of the company, or has had a significant influence on the	No	Yes
3. The accounting firm and the company are related parties	No	Yes
4. The accountant has a spouse or a relative within the second degree of kinship who is a responsible person or manager	No	Yes
5. The accountant or their spouse or minor children have investment or shared interest relationships with the company	No	Yes
6. The accountant or their spouse or minor children have financial lending relationships with the company	No	Yes
7. The accounting firm has been continuously appointed for certification services for seven years	No	Yes
8. The company has not obtained an independent statement issued by the accountant annually	No	Yes
9. In the evaluated year, the company faced litigation or was corrected by regulatory authorities due to its financial	No	Yes
10. The quality and timeliness of audit and tax services did not meet the needs	No	Yes
11. In the evaluated year, the scale and reputation of the accounting firm suffered significant damage	No	Yes
12. The interaction between the accountant and the company's management and internal audit supervisor was poor	No	Yes

Note 2: Purchase of Liability Insurance for Directors and Managers

Insured	Insurer	Insurance Premiums (USD)	Duration of Insurance
Directors and managers	Fubon Insurance Co., Ltd.	24,000	From October 1, 2025, to October 1, 2026
	Cathay Century Insurance Co., Ltd.	10,010	
	Hotai Insurance Co., Ltd.	3,850	
	Chung Kuo Insurance Co., Ltd.	3,850	
Total		39,400	

Note 3: Ongoing Education for Directors and Managers in 2025

2025 Directors Training: :

Position	Name	Training Date	Topics	Unit	Number of Training Hours	Continuing education hours in 2025
Chairman	LO, SEN CHOU	2025/08/13	Human Resource Strategies in Mergers and Acquisitions from the Perspective of Directors and Supervisors	Taiwan Corporate Governance Association (“TCGA”)	3	6
		2025/11/13	Board Oversight of Post-Merger Integration and the Establishment of Management Mechanisms	TCGA	3	
Director	SHIH, CHENJUNG	2025/05/08	Implementing Human Rights Practices, Preventing Greenwashing, and Achieving Genuine Sustainability	TCGA	1	16.5
		2025/08/14	Analysis of the Global Economic Outlook Following President Trump's Election	TCGA	3	
		2025/08/15	Global Sustainability Regulatory Trends and Climate-Related Disclosures	TCGA	3	
		2025/08/28	Corporate Anti-Fraud Case Studies and Awareness Training	TCGA	1	
		2025/09/25	Anti-Money Laundering, Counter-Terrorism Financing Measures, and Ethical Business Practices in the Insurance Industry	Taiwan Insurance Institute	1.5	
		2025/10/08	Amendments to the Gender Equality in Employment Act and the Sexual Harassment Prevention Act: Analysis and Response Strategies	Department of Labor, Taipei City Government	3	
		2025/11/06	Cybersecurity Management Risks and Trends in Cloud Services	Deloitte & Touche	1	
		2025/12/11	How to Read the Insurance Industry's First IFRS 17 Financial Statements	Securities and Futures Institute	3	
Director	RO, SHIH-HAO	2025/08/13	Human Resource Strategies in Mergers and Acquisitions from the Perspective of Directors and Supervisors	TCGA	3	6
		2025/11/13	Board Oversight of Post-Merger Integration and the Establishment of Management Mechanisms	TCGA	3	
Director	TSAI, CHIH-CHUN	2025/08/13	Human Resource Strategies in Mergers and Acquisitions from the Perspective of Directors and Supervisors	TCGA	3	6
		2025/11/13	Board Oversight of Post-Merger Integration and the Establishment of Management Mechanisms	TCGA	3	
Director	CHEN, CHIEN-WEI	2025/07/09	2025 Cathay Sustainable Finance and Climate Change Summit Forum	Taiwan Stock Exchange Corporation	6	6
Independent	STARK	2025/08/13	Human Resource Strategies in Mergers and Acquisitions from the	TCGA	3	6

Director	LIANG		Perspective of Directors and Supervisors			
		2025/11/13	Board Oversight of Post-Merger Integration and the Establishment of Management Mechanisms	TCGA	3	
Independent Director	TSENG, YU-I	2025/08/13	Regulations, Restrictions, and Risk Analysis of Insider Equity Transactions	TCGA	3	6
		2025/11/12	The Digital Finance Revolution: Stablecoins and Development Trends of Blockchain-Based Virtual Assets	TCGA	3	
Independent Director	CHEN, SZU-HO	2025/07/29-30	Practical Training Program for Directors, Supervisors (Including Independent Directors), and Corporate Governance Officers – Taipei Session	Securities and Futures Institute	12	12
Independent Director	SHIAU, WEN-SHON E (Note: A)	2025/08/13	Human Resource Strategies in Mergers and Acquisitions from the Perspective of Directors and Supervisors	TCGA	3	6
		2025/09/03	NVIDIA's Trillion-Dollar Miracle: New Perspectives on the Semiconductor Industry Behind Artificial Intelligence	Corporate Governance Association of the Republic of China	3	

Note A: Relieved of duties on January 2, 2026.

2025 Managers Training: :

Position	Name	Training Date	Name of Course	Organizing Unit	Number of Training Hours	Continuing education hours in 2025
Chief Financial Officer	LEE, YI-PIN	2025/08/13	Human Resource Strategies in Mergers and Acquisitions from the Perspective of Directors and Supervisors	TCGA	3	6
		2025/11/13	Board Oversight of Post-Merger Integration and the Establishment of Management Mechanisms	TCGA	3	
Accountant officer	KATHY HUANG	2025/09/25-26	Continuing Education Program for Chief Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	Accounting Research and Development Foundation, R.O.C	12	12
Corporate Governance Director	KATHY HUANG	2025/08/13	Human Resource Strategies in Mergers and Acquisitions from the Perspective of Directors and Supervisors	TCGA	3	12
		2025/10/16	The 15th Taipei Corporate Governance Forum	Financial Supervisory Commission	6	
		2025/11/13	Board Oversight of Post-Merger Integration and the Establishment of Management Mechanisms	TCGA	3	
Audit Supervisor	RICK CHANG	2025/09/11	Key Elements and Audit Focus Areas for Establishing Internal Control Systems over Sustainability Information Management	The Institute of Internal Auditors Taiwan ("IIA Taiwan")	6	12
		2025/10/23	Analysis of Legal Liabilities Associated with Greenwashing and Misleading Sustainability Reports	IIA Taiwan	6	

(IV) If the Company has set up a Remuneration Committee, the composition and duties, as well as the operational situation of the committee should be disclosed 1. Particulars of the Members of the Remuneration Committee

1. Particulars of the Members of the Remuneration Committee

March 31, 2026

Title Name	Criteria		Professional Qualifications and Experience	Independence Status	Number of Other Public Companies in Which He/She Is Concurrently a Member of the Remuneration Committee
Independent Director(Chairman)	TSENG, YU-I	See Pages 13 and 14 for information about the directors.	See Pages 13 and 14 for information about the directors.		1
Independent Director	STARK LIANG				0
Independent Director	CHEN, SZU-HO				0

2. Responsibilities of the Remuneration Committee

The Remuneration Committee shall exercise the due care of a good administrator in faithfully performing the official duties and powers listed below and shall submit its recommendations for deliberation by the Board of Directors:

- (1) Regularly review and suggest amendments to these procedures.
- (2) Establish and regularly review the company's annual and long-term performance targets and policies, systems, standards, and structures for the compensation of directors and managers.
- (3) Regularly assess the achievement of performance targets by the company's directors and managers and establish the content and amounts of their individual compensation.

3. Operation of the Remuneration Committee

- (1) The Remuneration Committee of the company comprises three members.
- (2) In 2025 (2 times) and 2026 (1 time), the Remuneration Committee met a total of 3 times (A), with member attendance as follows:

Position	Name	Attendance in Person(B)	Attendance by Proxy	Rate of Attendance in Person (%) (B/A)	Remarks
Independent Director (Chairman)	TSENG, YU-I	2	1	66.67%	Committee Convener and Chairperson
Independent Director	STARK LIANG	3	0	100.00%	
Independent Director	CHEN, SZU-HO	1	1	50.00%	Reference to Note 1
Independent Director	LIAO, CHUNCHIEH	1	0	100%	Reference to Note 2

Note1: Appointed as an Independent Director on June 25, 2025. A total of two Remuneration Committee meetings have been held since the appointment.

Note2: Relieved of duties on June 24, 2025. A total of one Remuneration Committee meetings was held during the tenure in 2025.

Other Matters to be Recorded:

1. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, the following details should be stated: the date of the Board meeting, session, content of the proposal, results of the Board's decision, and how the company handled the Remuneration Committee's opinions (e.g. if the Board's approved compensation is superior to the recommendation of the Remuneration Committee, the differences and reasons should be explained): There is no such situation.
2. Decisions of the Remuneration Committee, if any member opposes or reserves an opinion with records or written statements, should detail the date of the Remuneration Committee, session, content of the proposal, opinions of all members, and how their opinions were handled: There is no such situation.
3. Discussion subjects and decision outcomes of the Remuneration Committee:

Date and Session Number	Content of Proposal	Outcome of the Resolution
The 5th term 4th Meeting 2025/03/12	1. The company's annual year-end and performance bonus distribution plan for managers in 2024.	Remuneration Committee: Relevant proposals have been unanimously approved by members present and submitted to the Board of Directors of the Company for resolution. Board of Directors: Approved by all attending directors.
	2. The company's performance bonus distribution plan for 2024.	
The 5th term 5th Meeting 2025/11/13	1. Proposal to amend certain provisions of the Company's Organizational Rules of the Remuneration Committee.	
The 5th term 6th Meeting 2026/03/12	1. The company's annual year-end and performance bonus distribution plan for managers in 2025.	

(V) The Implementation Status of Promoting the Sustainable Development and Discrepancies with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancies

Assessment Item	Implementation Status			Discrepancy with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
I. Has the Company established a governance structure to promote sustainable development and set up a dedicated (or ad-hoc) unit for the promotion of sustainable development that is managed by senior management as authorized by the Board of Directors and supervised by the Board of Directors?	✓		The Company has established a Sustainability Development Task Force under the authorization of the Board of Directors, with the Chief Financial Officer serving as the convener. The Task Force consists of three functional teams responsible for Corporate Governance, Environmental Sustainability, and Social Engagement. The Task Force regularly identifies and collects issues of concern to stakeholders and formulates the Company's sustainability strategies and policies. It reports to the Board of Directors at least once annually on ESG planning, implementation progress, and the effectiveness of managing material sustainability topics, thereby ensuring that sustainability considerations are integrated into the Company's business strategy and decision-making process.	No major discrepancy
II. Does the Company conduct risk assessment on environmental, social, and corporate governance topics related to the Company's operation in accordance with the principle of materiality, and formulate relevant risk management policies or strategies?	✓		In accordance with the principle of materiality, the Company, through its Sustainability Development Task Force, oversees the identification and management of environmental, social, and governance (ESG) issues. Taking into consideration stakeholder concerns, sustainability disclosure practices adopted by industry peers, and the Company's operational characteristics, the Company identified and consolidated 19 sustainability-related topics. Through stakeholder surveys and impact assessments conducted by internal management, each topic was evaluated under the principle of double materiality, considering both its significance to stakeholders and its substantive impact on the Company's operations. As a result, eight material topics were identified, namely Operational Performance, Innovation and R&D, Information Security Protection, Talent Development, Labor-Management Relations, Compensation and Benefits, Sustainable Supply Chain Management, and Green Products. The Company has established a risk management framework centered on the responsible departments for each material topic and has formulated corresponding management policies and response strategies. These include initiatives relating to green product design, energy conservation and carbon reduction, greenhouse gas inventory management, sustainable supply chain management, talent development, labor-management communication,	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
			compensation and benefits, information security management, regulatory compliance, and business ethics and integrity, with the objective of mitigating ESG-related risks. If any sustainability issue or stakeholder concern is identified as having the potential to cause a significant adverse impact on the Company, the responsible department will conduct due diligence and evaluate the matter. Depending on the level of materiality, the issue will be submitted to the Board of Directors for review and appropriate response measures will be implemented accordingly. For further information regarding the Company's sustainability-related risk assessment, please refer to the Risk Assessment Table for Sustainable Development presented below.	
III. Environmental Issues (I) Has the company established appropriate environmental management systems according to its industry characteristics?	✓		(I) Yes. As an IC design company, the Company's primary operations consist of office administration, research and development activities, and outsourced manufacturing management. The Company does not operate any manufacturing facilities of its own. Accordingly, in consideration of its business characteristics, the Company's environmental management efforts focus on energy and water resource management at office locations, greenhouse gas inventory management, lawful disposal of R&D-related waste, green product design, and environmental management throughout the supply chain. All waste generated from the Company's operations is handled by qualified and licensed waste collection and treatment service providers in accordance with applicable laws and regulations, ensuring compliance with environmental protection requirements. The Company continues to monitor developments in green technologies and, through innovation in research and development as well as collaboration with supply chain partners, continuously improves the energy efficiency of its semiconductor products to enhance product competitiveness and environmental sustainability, thereby fulfilling its commitment to sustainable development. With respect to supply chain management, the Company requires its key	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
(II) Is the company committed to improving the efficiency of various energy uses and employing renewable materials that have a lower environmental impact?	✓		suppliers to maintain the effective operation of their ISO 14001 Environmental Management Systems and to ensure compliance with international environmental and hazardous substance regulations, including RoHS, REACH, and conflict mineral-free requirements. In 2025, the Company completed sustainability assessments of 12 key suppliers with annual procurement amounts exceeding NT\$20 million. The assessment achieved a 100% response rate, and all evaluated suppliers were found to be in compliance with applicable local environmental and occupational safety regulations, with no material violations or adverse records identified. (II) Yes. The specific measures implemented by the Company are as follows: 1. Energy Management and Carbon Reduction Initiatives The Company places great importance on energy efficiency. Its primary energy consumption arises from office operations and research and development activities. To improve energy efficiency, the Company continues to implement measures such as electricity consumption management, equipment management, office temperature control, and employee energy-saving awareness programs. In 2025, the Company completed the replacement of its entire fleet of company vehicles with electric vehicles (EVs), thereby reducing transportation-related carbon emissions and further advancing its low-carbon operational objectives. 2. Green Product Design and Low-Power Technology Development From a product development perspective, the Company incorporates low-power consumption and green design concepts into its R&D strategy and continues to develop high-performance, low-power optical under-display fingerprint sensing solutions. In 2025, the power consumption of the Company's optical fingerprint products was reduced from 22 mA to 10 mA, representing a 54.5% reduction, which helps extend the battery life of end-user devices. In addition, through IC die size optimization, the Company has improved wafer output efficiency, thereby reducing the energy, water, and material resources required per unit of product manufactured.	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
(III) Has the company assessed the potential risks and opportunities of climate change for the business now and in the future, and taken measures to address climate-related issues?	✓		As the Company operates in the IC design industry and does not maintain its own manufacturing facilities, the use of raw materials and recycled materials in production processes is not a primary aspect of the Company's direct operational management. Nevertheless, the Company continues to reduce the environmental impact of its products throughout their life cycle through green product design, hazardous substance management, green procurement, and supplier environmental management practices. (III) The Company conducts climate-related risk identification with reference to the Task Force on Climate-related Financial Disclosures (TCFD) framework. In 2025, the Company initiated a greenhouse gas inventory in accordance with ISO 14064-1 and disclosed its total Scope 1 and Scope 2 greenhouse gas emissions, which amounted to 369.04 metric tons of CO₂e. To address physical climate risks, the Company has established business continuity measures, including off-site backup systems and remote collaboration mechanisms. In addition, the Company aligns its supply chain and service deployment with the manufacturing locations of major customers to enhance supply chain resilience and reduce carbon emissions associated with cross-regional transportation. To capture climate-related transition opportunities, the Company focuses its green R&D efforts on the development of semiconductor solutions featuring low power consumption, high performance, and efficient resource utilization. Through reducing product energy consumption, optimizing chip size, and improving manufacturing resource efficiency, the Company helps downstream customers reduce energy usage and carbon emissions while enhancing overall system-level energy efficiency. The Company's environmental performance in 2025 is summarized as follows: 1. Greenhouse Gas Emissions Scope 2 greenhouse gas emissions from purchased electricity decreased by approximately 2.58 metric tons of CO₂e compared with the previous year. 2. Water Resource Management Total water withdrawal amounted to 3.10 million liters, all of which was sourced from freshwater supplies. Wastewater was properly discharged into	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
(IV) Has the company tracked greenhouse gas emissions, water usage, and total waste weight over the past two years and developed policies for energy-saving, carbon reduction, reducing water use, or other waste management policies?	✓		the municipal sewer system in accordance with applicable regulations. 3. Waste Management Discarded materials and obsolete products were collected and recycled by qualified service providers. Total industrial waste generated in 2025 amounted to 0.6759 metric tons. (IV) The Company has continuously prepared and published a Sustainability Report since 2024. Beginning in 2025, the Company voluntarily implemented a greenhouse gas inventory in accordance with ISO 14064-1 and continues to monitor and manage its Scope 1 and Scope 2 greenhouse gas emissions. With respect to water resource management, the Company's water consumption is primarily associated with office operations and domestic use, as the Company does not operate manufacturing facilities or consume process water. The Company seeks to reduce water waste through equipment maintenance, drinking water facility management, and water conservation awareness initiatives. Regarding waste management, general domestic waste is sorted and handled in accordance with the waste management procedures of the office building. R&D-related industrial waste is classified, stored, and disposed of in compliance with applicable regulations and entrusted to qualified waste collection and treatment service providers for proper handling and disposal.	No major discrepancy
IV. Social Topics (I) Has the company established management policies and procedures in accordance with relevant regulations and international human rights conventions?	✓		(I) The company complies with the Labor Standards Act, the Act of Gender Equality in Employment, and other relevant regulations, respects internationally recognized basic labor rights principles, and has established the "Personnel Rules and Work Management Regulations," which clearly defines employment and disciplinary policies to protect the lawful rights of employees.	No major discrepancy
(II) Has the company established and implemented reasonable employee benefits measures (including salary, leave, and other benefits), and appropriately reflected the operational performance or results in employee compensation?	✓		(II) The Board of Directors has established a Remuneration Committee, responsible for setting compensation policies, systems, standards, and structures. The Company integrates business performance, annual net profit, and employee evaluations to determine employee bonuses and conduct periodic salary adjustments.	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
(III) Does the company provide a safe and healthy work environment for its employees, and regularly conduct safety and health education for them?	✓		1. In 2025, the Company amended its Articles of Incorporation to stipulate that no less than 5% of annual profits shall be allocated as employee compensation. 2. The Company provides employee benefits exceeding statutory requirements, including group insurance coverage, holiday bonuses for the three major traditional festivals, parental leave without pay arrangements, and flexible working hours. The Company also ensures that the standard salaries of entry-level employees exceed the statutory minimum wage. (III) The Company has appointed dedicated personnel for occupational safety and health management. Regular training programs and safety inspections, including fire safety equipment checks, are conducted to ensure a safe and healthy working environment. There were no occupational injuries or fire incidents reported in 2024. In 2025, the Company achieved its goal of zero occupational injuries and was awarded the “Qualified Workplace Health Promotion Program” certification by the Health Promotion Administration, Ministry of Health and Welfare. The Company regularly conducts employee health examinations, achieving a participation rate of 88%, and carries out emergency response drills every six months to enhance employees' health awareness and emergency response capabilities.	No major discrepancy
(IV) Has the company established an effective career skill development training program for its employees?	✓		(IV) The Company encourages employees across departments to pursue external training courses aligned with their job functions, with the goal of enhancing their professional competencies. In 2025, the average training hours per employee increased by 1.2 hours compared with the previous year. To support the Company's sustainability transformation efforts, ESG-related professional training and coaching programs were introduced, with a total of 318.5 training hours delivered, helping employees enhance their professional capabilities and develop skills required for future business development.	No major discrepancy
(V) Regarding customer health and safety, customer privacy, marketing, and labeling of products and services, does the	✓		(V) The Company values customer feedback and has designated units to handle customer inquiries and service procedures. This ensures the delivery	No major discrepancy

Assessment Item	Implementation Status			Discrepancy with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
company follow relevant regulations and international standards, and establish policies and complaint procedures to protect consumer or customer rights? (VI) Has the company established a supplier management policy that requires suppliers to comply with norms related to environmental protection, occupational safety and health, or labor rights, and their implementation?	✓		of high-quality services while safeguarding customer rights and interests. 1. All mobile device products achieved a 100% certification rate for domestic and international security and payment standards, including certifications such as TTA and FIME. 2. The Company strictly implemented information security controls and conducted three social engineering simulation exercises in 2025, resulting in an employee compromise rate of only 0.4%. No complaints regarding customer privacy infringements were received during the year. (VI) The Company conducts regular evaluations and assessments of its suppliers. In the future, corporate social responsibility (CSR) and relevant contract termination clauses will be explicitly included in contractual agreements with suppliers. In 2025, the Company conducted annual sustainability assessments of suppliers with annual procurement amounts exceeding NT\$20 million. All 12 key suppliers completed the assessment, achieving both a 100% response rate and a 100% qualification rate, thereby strengthening supply chain resilience and sustainable supply chain management.	No major discrepancy
V. Does the Company follow internationally recognized reporting standards or guidelines (such as for the preparation of sustainability reports) to disclose non-financial information? Has the aforementioned report been assured or verified by an independent third-party assurance provider?	✓		The Company has prepared its Sustainability Report for two consecutive years with reference to the GRI Standards 2021, SASB Standards, and the TCFD framework. The 2025 Sustainability Report is scheduled to be published in August 2026. Although the Sustainability Report has not yet obtained external assurance, the relevant sustainability information disclosure processes have been incorporated into the Company's internal control review procedures. The Company also plans to gradually introduce independent third-party assurance in the future to enhance the credibility and transparency of sustainability disclosures.	The Company is committed to promoting sustainable development and has initiated planning for the preparation of a Sustainability Report.
VI. If the company has its own sustainability practices code based on the “Corporate Governance Best-Practice Principles for Listed and OTC Companies,” please explain the differences between its operations and the established code: The Company has formulated the “Sustainable Development Best Practice Principles” and has actively implemented its obligations in the spirit of the “Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”.				

Assessment Item	Implementation Status			Discrepancy with the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons for the Discrepancy
	Yes	No	Summary Description	
VII. Other important information helpful in understanding the implementation of sustainable development: The Company is a software and hardware design company that does not have factory-manufactured products. In order to respond to environmental protection and energy conservation, employees are required to start from everyday life and the office environment. (I) The company manages employees according to the Labor Standards Act and other related regulations, with dedicated personnel handling various employee welfare matters to protect employee rights. (II) The nature of the Company's business does not give rise to significant environmental pollution concerns. To promote environmental protection and energy conservation, the Company has implemented various environmental management measures, including the installation of energy-saving devices in its offices, scheduled shutdown controls for air-conditioning systems, the promotion of electronic documentation and workflows, waste reduction and recycling programs, and greenhouse gas inventory planning and management initiatives. Through these efforts, the Company seeks to enhance resource efficiency, reduce environmental impacts, and support its long-term sustainability objectives.				

Risk Assessment of the Company's Sustainable Development Initiatives:

Material Topic / Risk Item	Risk Description and Potential Impact	Risk Management Strategies and Actions
Climate Change and Decarbonization Risk	As global carbon pricing mechanisms (e.g., carbon fees and carbon border adjustment measures) continue to evolve, future energy costs and supply chain carbon management requirements are expected to increase significantly. Failure to respond proactively may expose the Company to regulatory and transition risks.	1. Organizational Decarbonization: Initiated greenhouse gas inventory management in accordance with ISO 14064-1 in 2025 and strengthened energy management practices. 2. Actions Taken: Completed the replacement of all company vehicles with electric vehicles, upgraded office lighting systems to LED energy-efficient lighting, and optimized hot and cold aisle management in the IT server room. Scope 2 emissions from purchased electricity in 2025 decreased by approximately 2.58 metric tons of CO ₂ e compared with the previous year.
Green Product Development Risk	Customer demand for energy-efficient and low-carbon electronic products continues to increase. Products with excessive power consumption may fail to meet market expectations and lose competitiveness.	1. Low-Power Design: Incorporated low-power design as a core product development objective. 2. Actions Taken: Successfully reduced the power consumption of optical fingerprint products by 54.5% in 2025 (from 22 mA to 10 mA), significantly improving battery life of end-user devices by more than 1.5 times.
Resource and Waste Management	Water consumption and waste generated from office operations and R&D activities may create environmental impacts if not properly managed.	1. Water Resources: Total water withdrawal in 2025 amounted to 3.10 million liters, all sourced from freshwater and properly discharged into the municipal wastewater system. 2. Waste Management: R&D-related waste was collected and treated by government-approved qualified service providers. Total hazardous industrial waste generated in 2025 amounted to 0.6747 metric tons.
Talent Development and Retention Risk	The IC design industry is highly competitive. The loss of key technical talent could adversely affect the Company's innovation capabilities and long-term growth.	1. Professional Training: ESG professional training and coaching programs totaling 318.5 hours were conducted in 2025. Average training hours per employee increased by 1.2 hours compared with the previous year. 2. Labor-Management Communication: Established a dedicated HR mailbox and conducted regular labor-management meetings. Team-building activities and employee gathering subsidies were also provided to strengthen employee engagement. No labor disputes occurred in 2025.
Human Rights and Occupational Health Risk	Inadequate employee health protection measures or violations of human rights standards could adversely affect employee well-being and corporate reputation.	1. Human Rights Protection: Implemented the Company's Human Rights Policy, and 100% of newly hired employees completed human rights and integrity training in 2025. 2. Workplace Health: Received the Qualified Workplace Health Promotion Program certification from the Health Promotion Administration, Ministry of Health and Welfare, and achieved the goal of zero occupational injuries in 2025.
Innovation, R&D, and Market	Rapid technological changes in the high-tech industry may adversely affect revenue growth and market share if	1. R&D Investment: Continued investment in R&D, totaling approximately NT\$12.251 billion in 2025, representing 42.3% of revenue.

Competition	the Company's R&D capabilities fall behind competitors.	2. Technology Development: Expanded R&D efforts in ultrasonic fingerprint sensing, Time-of-Flight (ToF) technologies, and AI computing technologies to strengthen technological barriers to entry.
Information Security Risk	Cyberattacks or data breaches involving proprietary R&D information or customer data could result in significant financial losses and reputational damage	1. Cybersecurity Protection: Established an integrated cybersecurity defense framework incorporating EDR and SOC mechanisms and conducted regular off-site backup and recovery exercises. 2. Awareness Training: Conducted three social engineering simulation exercises in 2025, with an employee phishing susceptibility rate of only 0.40%. No material cybersecurity incidents occurred during the year.
Business Integrity and Compliance Risk	Violations of business ethics, corruption, or unfair competition practices may result in legal liabilities and loss of stakeholder trust	1. Governance Framework: Established the Code of Ethical Conduct and a diversified whistleblowing mechanism. 2. Actions Taken: Incorporated integrity and ethical conduct principles into new employee orientation programs and conducted rigorous supplier compliance reviews. No complaints or reports concerning unethical conduct were received in 2025.

Climate-related information for TWSE/TPEX-listed companies

The Risks and Opportunities Posed by Climate Change to the Company, and the Corresponding Mitigation Measures Taken

Item	Implementation Status
1. Describe the Board's and Management's Oversight and Governance of Climate-related Risks and Opportunities	The Company incorporates climate-related issues into its corporate governance and risk management framework. The Sustainability Development Task Force is responsible for identifying, assessing, monitoring, and responding to climate-related risks and opportunities and works closely with administrative, information management, supply chain, and other relevant departments to ensure that climate-related considerations are appropriately integrated into business decision-making and risk management processes. The Board of Directors serves as the highest oversight body for climate-related and sustainability-related risks and is responsible for overseeing the Company's overall business strategy, risk management, internal control systems, and sustainability initiatives. At the management level, the Chief Financial Officer serves as the convener of the Sustainability Development Task Force, while department heads identify, assess, and manage climate-related risks and opportunities within their respective areas of responsibility. Routine matters are managed by the responsible departments, while matters requiring cross-functional coordination or having a potentially material impact on operations are escalated to management and, when appropriate, submitted to the Board of Directors for review.
2. Describe How the Identified Climate-related Risks and Opportunities Impact the Company's Business, Strategy, and Financial Planning Over the Short, Medium, and Long Term	For climate-related risk and opportunity management and disclosure purposes, the Company defines the short term as within one year, the medium term as two to three years, and the long term as more than four years, based on its business planning and product development cycle. Short Term (Within One Year): Key impacts include energy costs associated with office operations, R&D activities, and IT equipment, as well as increasing customer expectations regarding greenhouse gas emissions, energy consumption, and sustainability disclosures. The Company will continue greenhouse gas inventory management, energy monitoring, and office and IT facility optimization to mitigate the impact of energy cost fluctuations. Medium Term (2–3 Years): Key impacts include sustainable supply chain management requirements, customers' low-carbon supply chain expectations, energy efficiency requirements for IT infrastructure, and cost pass-through effects arising from decarbonization efforts by foundries, packaging and testing providers, and key suppliers. These factors may affect procurement costs, delivery schedules, and customer relationships. The Company manages these risks through supplier classification, annual assessments, and sustainability evaluations. Long Term (More Than 4 Years): Key considerations include climate regulations, supply chain resilience, and low-power product strategies. Growing customer demand for energy-efficient and long-battery-life products presents opportunities for product differentiation and market expansion. The Company will continue to promote low-power product design, chip miniaturization, and energy efficiency improvements while incorporating supply chain resilience into its long-term technology roadmap and net-zero transition strategy.
3. Describe the Financial Impacts of Extreme Weather Events and Transition-related Actions	Extreme climate events such as typhoons, heavy rainfall, extreme temperatures, and power instability may affect employee commuting, office operations, R&D activities, IT systems, data backup capabilities, and supplier delivery performance. These disruptions may result in operational interruptions, delays in product development or delivery schedules, increased disaster recovery costs, and potential impacts on revenue recognition and operating expenses.

	The Company has established digital operations and remote working capabilities, including laptop deployment, electronic approval systems, secure VPN access, and data backup mechanisms to maintain business continuity when necessary. Climate transition actions, including evolving climate policies, energy transition initiatives, customer carbon disclosure requirements, and supplier decarbonization costs, may increase operating and procurement costs. The Company continues to implement greenhouse gas inventory management, energy management programs, office energy-saving initiatives, vehicle electrification, IT server room optimization, green product design, and supplier environmental compliance management. While these measures may result in short-term implementation costs, they are expected to reduce long-term operating risks, enhance supply chain resilience, and strengthen product competitiveness through low-power product strategies.
4. Describe How the Processes for Identifying, Assessing, and Managing Climate-related Risks Are Integrated into the Organization's Overall Risk Management Framework	The Company progressively incorporates climate-related risks into its overall enterprise risk management framework. Climate-related risks are assessed alongside operational, supply chain, regulatory compliance, information security, and financial risks. (1) Risk and Opportunity Identification: Responsible departments identify climate-related risks and opportunities based on operational activities, energy consumption, greenhouse gas inventories, customer requirements, supplier communications, regulatory developments, industry trends, and extreme weather events. (2) Risk Classification: Climate-related issues are categorized as transition risks, physical risks, or climate-related opportunities. (3) Impact Assessment: Risks are evaluated based on likelihood, severity, duration, controllability, and impact on business continuity. (4) Response Measures: Appropriate mitigation actions are developed, including energy management, greenhouse gas inventory management, supplier sustainability assessments, remote working arrangements, data backup systems, low-power product design, and responses to customer low-carbon requirements. (5) Monitoring and Reporting: Responsible departments continuously monitor climate-related risks, while material matters are escalated to management and, where appropriate, to the Board of Directors.
5. If Scenario Analysis Is Used to Assess Climate Resilience, Describe the Scenarios, Parameters, Assumptions, Analytical Factors, and Key Financial Impacts	The Company performs qualitative scenario analysis based on different climate pathways. ■ Low-Carbon Transition Scenario: Assumes increasing decarbonization policies, energy transition requirements, and customer carbon management expectations. Key factors include energy consumption, greenhouse gas emissions, energy efficiency, supplier environmental management, customer carbon disclosure requirements, and demand for low-power products. Potential impacts include higher operating and procurement costs, which may be mitigated through energy management, greenhouse gas inventories, supplier sustainability engagement, and low-power product development. ■ High-Emission / Extreme Climate Scenario: Assumes increased frequency and severity of extreme weather events. Potential impacts include operational disruptions, delivery delays, higher disaster recovery costs, and increased supply chain coordination costs. The Company mitigates these risks through remote working capabilities, secure VPN access, data backup systems, UPS facilities, and off-site backup arrangements.
6. If There Are Transition Plans to Manage Climate-related Risks, Describe the Plan's Content as Well as the Metrics and Targets Used to Identify and Manage Physical and Transition Risks	The Company's climate transition and risk management plan focuses on GHG inventory and disclosure, energy management, operational resilience, supply chain management, and green products. Major initiatives include annual ISO 14064-1 greenhouse gas inventories, energy management programs, business continuity measures, supplier sustainability assessments, and low-power product development. Key metrics include Scope 1 and Scope 2 emissions, total emissions, emissions intensity, electricity consumption, IT equipment energy efficiency, supplier sustainability assessment completion rates, major supply chain disruption incidents, business continuity capabilities, reductions in product power consumption, and chip miniaturization achievements.

7. If Internal Carbon Pricing Is Used as a Strategic Planning Tool, Describe the Basis for Determining the Price	The Company does not currently utilize internal carbon pricing as a planning tool. It will continue monitoring developments in carbon pricing, carbon fees, carbon border adjustment mechanisms, and customer requirements, and will evaluate the feasibility of introducing internal carbon pricing in the future.
8. If Climate-related Targets Have Been Set, Disclose the Covered Activities, GHG Emission Scopes, Target Timeframes, and Annual Progress. If Carbon Offsets or Renewable Energy Certificates (RECs) Are Used to Meet the Targets, Specify the Source and Amount of the Offsets or the Number of RECs Purchased.	The Company's current climate-related objectives focus on completing annual greenhouse gas inventories, improving energy efficiency, and establishing a foundation for carbon reduction management. No externally assured medium- or long-term quantitative reduction targets have been established. ■ Covered Activities: Office operations, R&D activities, IT equipment, and company vehicle emissions of the parent company. ■ Covered Emissions: Scope 1 and Scope 2 emissions. ■ Progress: In 2025, the Company completed its greenhouse gas inventory. Scope 1 emissions were 7.0343 metric tons CO₂e, Scope 2 emissions were 362.0088 metric tons CO₂e, and total emissions were 369.0431 metric tons CO₂e. The Company also completed the replacement of all company vehicles with electric vehicles and achieved a reduction of approximately 2.58 metric tons CO₂e in Scope 2 emissions compared with 2024. ■ Carbon Offsets and RECs: The Company has not utilized carbon offsets or Renewable Energy Certificates (RECs) to achieve climate-related objectives.
9. Greenhouse Gas Inventory and Assurance Status, Along with Emission Reduction Targets, Strategies, and Specific Action Plans (Details to be provided in Table 9-1 and 9-2)	Please refer to Table 9-1 and 9-2.

Table 9-1 Greenhouse Gas (GHG) Inventory Information

Disclose the GHG Emissions (in metric tons CO₂e) and Emission Intensity (in metric tons CO₂e per NT\$ million) for the Most Recent Three Years, Along with Data Coverage and Assurance Status

In alignment with the competent authority's Sustainable Development Roadmap and to enhance the transparency of environmental information disclosure, the Company continues to implement greenhouse gas inventory management. In 2025, the Company conducted its greenhouse gas inventory in accordance with the requirements of ISO 14064-1. The inventory period covered January 1, 2025 through December 31, 2025, and the data boundary encompassed the Company's Taiwan operating sites under Egis Technology Inc. (parent company only). Based on boundary identification and materiality assessment, the Company's greenhouse gas emissions were primarily attributable to Scope 2 indirect emissions from purchased electricity, which represented the major source of emissions. The greenhouse gas emissions data for the period from 2023 through 2025 were internally compiled and calculated by the Company and have not yet been assured by an independent third-party verification body. The Company expects to complete external assurance of the greenhouse gas inventory data by July 2028.

	Items	2023		2024		2025	
Scope 1 Emissions: Company-Owned Vehicles – Gasoline	Fuel Consumption (Company Vehicles – Gasoline Vehicles) / Refrigerants	Liters	Metric Tons CO ₂ e	Liters	Metric Tons CO ₂ e	Liters	Metric Tons CO ₂ e
		417.14	0.956	0	0	0	7.0343
Scope 2 Emissions: Purchased Electricity (Including Electric Company Vehicles)	Purchased Electricity (Including Electric Company Vehicles)	kWh	Metric Tons CO ₂ e	kWh	Metric Tons CO ₂ e	kWh	Metric Tons CO ₂ e
		862,951.7242	426.2982	769,165.5825	364.5845	752,444.21	362.0088
Total Scope 1 and Scope 2 Emissions		Metric Tons CO ₂ e		Metric Tons CO ₂ e		Metric Tons CO ₂ e	
		427.25		364.58		369.0431	
Emissions Intensity		0.2278		0.1630		0.1855	

Notes:

1. The greenhouse gas emissions data for 2023 through 2025 were internally compiled by the Company and have not yet been assured by an independent third-party verification body. External assurance is expected to be completed by July 2028.
2. The greenhouse gases included in the inventory comprise carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).
3. Greenhouse gas emissions were calculated using the Emission Factor Method. The emission factors for purchased electricity were based on the electricity emission factors announced by the Bureau of Energy, Ministry of Economic Affairs, which were 0.494 kg CO₂e/kWh for 2023 and 0.474 kg CO₂e/kWh for both 2024 and 2025. Greenhouse gas emissions expressed as carbon dioxide equivalents (CO₂e) were calculated using the Global Warming Potentials (GWPs) published in the IPCC Sixth Assessment Report (AR6, 2021).
4. Emissions intensity is measured based on the Company's annual total sales revenue (NT\$ million).
5. For additional information regarding organizational boundaries, emission sources, calculation methodologies, emission factors, energy management measures, and climate-related risk and opportunity management, please refer to Section 4.3 "Energy Conservation and Carbon Reduction," Section 4.3.2 "Greenhouse Gas Emissions," and the Appendix "Climate-Related Financial Disclosures" of the Company's 2025 Sustainability Report.

Table 9-2 GHG Emission Reduction Targets, Strategies, and Specific Action Plans

Disclose the GHG Emissions Baseline Year and Its Data, Reduction Targets, Strategies and Specific Action Plans, as well as Progress Toward Achieving the Reduction Targets.

The Company initiated its ISO 14064-1 greenhouse gas inventory program in 2025 and uses the 2025 inventory results as the baseline for future greenhouse gas management and reduction planning.

The Company has not yet established externally assured medium- or long-term quantitative emission reduction targets. At this stage, the focus is on conducting annual greenhouse gas inventories, identifying major emission sources, improving data quality, and enhancing energy efficiency.

In 2025, the Company completed its greenhouse gas inventory, with Scope 1 emissions of 7.0343 metric tons CO₂e, Scope 2 emissions of 362.0088 metric tons CO₂e, and total emissions of 369.0431 metric tons CO₂e. Scope 2 emissions decreased by approximately 2.58 metric tons CO₂e compared with 2024.

The Company continues to implement energy-saving measures, including the replacement of all company vehicles with electric vehicles, monitoring office and IT equipment electricity consumption, and improving cooling efficiency in IT server rooms. In addition, low-power product design, chip miniaturization, and energy efficiency enhancement remain key R&D priorities to help customers reduce energy consumption during product use.

As 2025 represents the baseline year for the Company's greenhouse gas management program, no quantitative reduction achievements are currently available. The Company will continue to monitor annual emissions, energy consumption, and emissions intensity and evaluate future reduction targets based on inventory results and regulatory requirements.

The Company did not utilize carbon offsets or Renewable Energy Certificates (RECs) during the reporting year. For further information, please refer to the relevant sections of the Company's 2025 Sustainability Report.

Explanation
In accordance with the implementation timeline set forth in the competent authority's Sustainable Development Roadmap, the Company has undertaken the necessary policies and action plans. The Company commenced its greenhouse gas inventory in 2025, disclosed the relevant data in the 2026 Annual Report, and established a roadmap for future carbon reduction targets.

(VI) Company's Implementation of Integrity Management and Adopted Measures

Status of ethical management and discrepancy with Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons for such discrepancy

Assessment Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancies
	Yes	No	Summary Description	
I. Establishment of Integrity Management Policy and Plan				
(I) Has the company formulated an integrity management policy approved by the Board of Directors, and explicitly stated the policy and practices of integrity management in the regulations and external documents, as well as the commitment of the Board and senior management to actively implement the management policy?	✓		(I) The company has established the "Integrity Management Code," "Code of Ethical Conduct," "Integrity Management Operating Procedures and Guidelines," and "Corporate Governance Practices," all of which are disclosed on the company's website. Integrity is a core value of our Company and it is also fundamental to enterprise management. These principles apply to the directors, managers, employees, and related personnel of the Company.	No major discrepancy
(II) Has the company established a mechanism for assessing the risk of dishonest behaviors, regularly analyzing and evaluating business activities within its operational scope that are at higher risk of dishonest behaviors, and accordingly developed a plan to prevent dishonest behaviors, covering at least the measures for preventing behaviors specified in Article 7, Section 2 of the "Corporate Governance Principles for Listed and OTC Companies"?	✓		(II) The company has established the "Integrity Management Code," "Code of Ethical Conduct," and "Integrity Management Operating Procedures and Guidelines," strictly requiring that all decisions and actions of the company adhere to legal compliance as a fundamental principle, and reinforcing the concept of integrity management through education and advocacy.	No major discrepancy
(III) Does the company have clearly defined operational procedures, guidelines, penalties for violations, and a complaint system within its integrity management plan, and does it implement and regularly review and amend the aforementioned plan?	✓		(III) For units/personnel at higher potential risk (such as procurement, finance), besides conducting educational training and compiling relevant execution manuals for advocacy/regulation, risks are mitigated through internal audits or regular job rotations.	No major discrepancy

Assessment Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons for the Discrepancies
	Yes	No	Summary Description	
II. Implementing Integrity Management				
(I) Does the company assess the integrity record of its business partners and include integrity behavior clauses in contracts signed with them?	✓		(I) The Company has formulated the “Ethical Corporate Management Best Practice Principles”, and the “Operating Procedures and Behavioral Guidelines for Ethical Management”. The Company takes into consideration the legitimacy of its trading partners, as well as whether they have any record of unethical conduct in its various business dealings to ensure that all business activities are in compliance with the “Principle of Ethical Conduct”. It has also specified in its contracts with trading partners that the contracts may be unconditionally terminated or rescinded at any time in the event of any involvement of unethical conduct by the trading partners which damages the interests of the Company.	No major discrepancy
(II) Has the company established a dedicated unit under the Board of Directors to promote corporate integrity management, and does it report at least annually to the Board on the implementation of its integrity management policy and anti-dishonesty measures, as well as the supervision of their enforcement?	✓		(II) The company has established an “Integrity Management Code,” with the Human Resources Department acting as the dedicated unit to assist the Board and management in checking and assessing whether the established preventive measures for integrity management are effectively operating, and it regularly reports to the Board. This dedicated unit reported its activities to the Board on November 13, 2025, and its operations have no significant differences from the Corporate Integrity Management Code for listed companies.	No major discrepancy

Assessment Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons for the Discrepancies
	Yes	No	Summary Description	
(III) Has the company established a conflict-of-interest policy, provided appropriate reporting channels, and implemented them effectively?	✓		(III) The “Integrity Management Policy” and “Code of Ethical Conduct” clearly define the conflict of interest policy and the situations/standards of conflict, requiring related personnel to recuse themselves and to proactively and fully report to their direct supervisors, the head of the Human Resources unit, or the Board when aware of or facing similar situations.	No major discrepancy
(IV) Has the company established effective accounting systems and internal controls to implement integrity management, and has the internal audit unit, based on the assessment results of dishonest behavior risks, prepared related audit plans and checked the compliance of anti-dishonesty measures, or commissioned an accountant to conduct the audit?	✓		(IV) In line with the principles of integrity management, the company annually evaluates and self-inspects the effectiveness of its internal control systems, including the accounting system, making necessary amendments. Internal auditors regularly check their compliance, and an accountant is also commissioned to audit the internal controls.	No major discrepancy
(V) Does the company regularly conduct internal and external educational training on integrity management?	✓		(V) Currently, the company does not regularly conduct internal and external educational training on integrity management, but it promotes this during the training of new employees.	No major discrepancy
III. Operation of the Company’s Whistleblower System				
(I) Has the company established a concrete whistleblower and reward system, and created convenient channels for whistleblowing, as well as appointing appropriate personnel to handle reported cases?	✓		(I) The Company has formulated the “Ethical Corporate Management Best Practice Principles” and the “Operating Procedures and Behavioral Guidelines for Ethical Management”. It encourages internal employees and external persons to report unethical or improper behavior, and offers a discretionary bonus according to the severity of the reported matter. Disciplinary action	No major discrepancy

Assessment Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons for the Discrepancies
	Yes	No	Summary Description	
(II) Has the company established standard operating procedures for investigating reported matters, subsequent measures to be taken after the investigation, and related confidentiality mechanisms?	✓		will be taken against any personnel who makes false or malicious allegations, and the personnel will be dismissed in serious cases. The Human Resources Division is the dedicated unit responsible for the planning and reviewing of the whistleblowing system to ensure the effectiveness of its implementation.	No major discrepancy
	✓		(II) The Company has established a specific whistleblowing system and it has set out clear operating procedures for the raising of grievances, the investigation, and the handling measures after the end of investigation. The identities of whistleblowers and content of the offenses are treated by the Company as confidential. (III) The Company should provide protection to the relevant personnel who reported the offense or of whom the offense is reported against, in the course of their participation in the investigation process to ensure that they are not subject to unfair reprisals or treatment. In Section 23 of the “Ethical Corporate Management Best Practice Principles”, the Company prescribes measures to protect the confidentiality of the identity of the informant and the content of the whistleblowing and to protect the informant from being improperly treated due to the whistleblowing.	No major discrepancy
IV. Enhancing Information Disclosure Did the Company disclose its Ethical Corporate Management Best Practice Principles and effectiveness of its implementation on the Company’s website and the Market Observation Post System?	☐		The company’s governance section on its website (http://www.egistec.com) has disclosed the content of the Integrity Management Code, but the effectiveness of its promotion will be disclosed on the website or in the annual report.	No major discrepancy
V. If the company has established its own Integrity Management Code based on the “Corporate Integrity Management Code for Listed and OTC Companies,” please describe				

Assessment Item	Implementation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancies
	Yes	No	Summary Description	
the differences between its operations and the established code: The company has established an “Integrity Management Code” and “Integrity Management Operating Procedures and Guidelines.” The Human Resources Department is the dedicated unit responsible for revising, implementing, interpreting, consulting, registering, and archiving related operations and supervising the implementation to ensure the realization of the Integrity Management Code, and it regularly reports to the Board. This dedicated unit reported its status to the Board on November 13, 2024, and its operations have no significant differences from the listed companies’ Assessment Item Implementation Status Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons for the Discrepancies Integrity Management Code.				
VI. Other information helpful in understanding the company’s integrity management operations: (I) The company adheres to the Company Law, Securities and Exchange Act, Business Accounting Act, regulations related to listed and OTC companies, and other commercial conduct laws as a basis for implementing integrity management. (II) The company’s “Board Meeting Rules” includes a system for directors to recuse themselves from conflicts of interest. Directors who have a personal or representational conflict of interest that may harm the company’s interests can state their opinions and respond to inquiries but must not participate in the discussion or voting, and must recuse themselves during the discussion and voting. They also may not represent other directors in exercising voting rights. (III) The company has established “Insider Trading Prevention Management” and “Internal Significant Information Handling Procedures,” which specify that directors, managers, and employees must not disclose known internal significant information to others, must not inquire about or collect undisclosed internal information irrelevant to their duties, and must not disclose any non-public significant information learned outside of their business duties. (IV) The company has always operated on principles of integrity, follows relevant regulations and internal controls for good governance, strictly prohibits dishonest or illegal behaviors, and has a legal department for necessary consultations and approvals. (V) The company has insured directors, managers, and key employees with Directors and Officers (D&O) Liability Insurance, effectively reducing the risk associated with their duties and protecting investor rights.				

Fulfillment of Ethical Management and Adopting of Measures

1. The Company follows the Company Act, the Securities and Exchange Act, the International Accounting Standards, and other related regulations of listed counters as the basis for implementing the ethical management.
2. The Rules of Procedures for Board of Directors has set out a system of recusal for directors in case of conflict of interest. For events of the board meeting that have interests with itself or the legal person representing it, directors shall not participate in the discussions and voting, and they may not act on behalf of other directors in the exercise of their voting rights.
3. The Company’s internal control system clearly specifies that the person who has knowledge of the information should not announce any information to the public before releasing the material information to ensure the correctness and popularity of the information. The contents of the material information should detail the authenticity of the matter and whether or not it has any effect on the Company’s financial affairs.
4. The Company clearly stipulates the ethical code of conduct, requiring each and every employee of the Company and its subsidiaries to be responsible for complying with the code of conduct and safeguarding the Company’s cultural core values and reputation.

(VII) Other Material Information That May Enhance Understanding of the Company's Corporate Governance Practices: Nil.

(VIII) Required Disclosures Regarding the Implementation Status of the Internal Control System

1. Internal Control Statement: For relevant information, please visit the Market Observation Post System (MOPS) > Single Company > Corporate Governance > Company Regulations / Internal Control > Internal Control Statement Announcement. Website: <https://mops.twse.com.tw/mops/#/web/t06sg20>。
 2. If a Certified Public Accountant (CPA) Was Engaged to Conduct a Special Review of the Internal Control System, the CPA's Review Report Should Be Disclosed: Nil.
1. Important resolutions of the Shareholders' meeting and the Board up to the date of printing of the annual report
Important Resolutions of the 2025 Annual Shareholders' meeting

Important Resolutions of the Shareholders’ Meeting																	
Date of Shareholders’ meeting	Cause(s)	Outcome of the Resolution															
June 25, 2025 Shareholders’ meeting	Approval of the 2024 Financial Statements.	Approved by voting as proposed by the Board of Directors. Implementation Status: Material information was disclosed on June 25, 2025.															
	Approval for the Company’s 2024 deficit appropriation.	Approved by voting as proposed by the Board of Directors. Implementation Status: Material information was disclosed on June 25, 2025.															
	The Company proposed to issue common shares by private placement for cash capital injection.	Approved by voting as proposed by the Board of Directors. Implementation Status: Material information was disclosed on June 25, 2025.															
	Amendments to Certain Provisions of the Company's Procedures for Endorsements and Guarantees.	Approved by voting as proposed by the Board of Directors. Implementation Status: Material information was disclosed on June 25, 2025 and the amended Procedures for Endorsements and Guarantees were published on the Company's website. The Company has implemented the revised procedures accordingly.															
	Amendment of Certain Provisions of the Company's Articles of Incorporation.	Approved by voting as proposed by the Board of Directors. Implementation Status: On June 25, 2024, significant news was released and disclosed on the company website, the company proceeded according to the revised “the Company's Articles of Incorporation.”															
	Proposal to discuss the share disposal plan of InPsytech, Inc.	Approved by voting as proposed by the Board of Directors. Implementation Status: Material information was disclosed on June 25, 2025.															
	Proposal for the By-Election of Directors.	<table><tr><th colspan="3">List of Directors Elected at the 2025 Annual General Shareholders' Meeting of Egis</th></tr><tr><th>Position</th><th>Name</th><th>Number of Votes Received</th></tr><tr><td>Director</td><td>CHEN, CHIEN-WEI</td><td>51,977,307</td></tr><tr><td>Independent Director</td><td>CHEN, SZU-HO</td><td>51,966,465</td></tr><tr><td>Independent Director</td><td>SHIAU, WEN-SHONE</td><td>51,895,105</td></tr></table>		List of Directors Elected at the 2025 Annual General Shareholders' Meeting of Egis			Position	Name	Number of Votes Received	Director	CHEN, CHIEN-WEI	51,977,307	Independent Director	CHEN, SZU-HO	51,966,465	Independent Director	SHIAU, WEN-SHONE
List of Directors Elected at the 2025 Annual General Shareholders' Meeting of Egis																	
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Independent Director	SHIAU, WEN-SHONE	51,895,105															

Important Resolutions of the Shareholders' Meeting		
Date of Shareholders' meeting	Cause(s)	Outcome of the Resolution
	Proposal to Lift the Non-Competition Restrictions on Directors of the Company.	Approved by voting as proposed by the Board of Directors. Implementation Status: Material information was disclosed on June 25, 2025, and the relevant information was published on the Company's website.

2. Important Resolutions of the Board of Directors

Important Resolutions of the Board of Directors		
Meetings	Contents of the Proposals and Subsequent Handling	Outcome of the Resolution
The 8th term 12th Meeting 2025/03/12	1. Proposal for the Determination of the Issue Price of New Shares under the 2024 Cash Capital Increase Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. Proposal for the Company to Divest Shares in Inpsy Inc. and Waive Participation in the Cash Capital Increase of Inpsy Inc., in Support of Inpsy Inc.'s Planned IPO Application.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	3. The Company's 2025 Annual Business Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	4. The Company's 2024 Self-Compiled Financial Information and Business Report.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	5. Implementation Status of the Company's Sound Business Plan,	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	6. Proposal for the Company's 2024 deficit appropriation.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	7. Proposal for the Private Placement of Common Shares through Cash Capital Increase.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	8. Proposal to Issue the Company's "2024 Declaration on Internal Control System".	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	9. Proposal to Amend Certain Provisions of the Company's "Procedures for Endorsements and Guarantees".	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	10. Amendment to Certain Provisions of the Company's "Articles of Incorporation".	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	11. Date, Venue, Agenda, and Period and Location for Accepting Shareholder Proposals for the Company's 2025 Annual General Shareholders' Meeting.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	12. Proposal for the Distribution of Year-End and Performance Bonuses to Managerial Officers for FY2024.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	13. Proposal for the Distribution of Performance Bonuses for FY2024.	Director RO, SHIH-HAO, as the allottee under this proposal, had a conflict of interest and therefore recused himself from the discussion and voting. The proposal was approved as submitted with no objection from the remaining directors present.

Important Resolutions of the Board of Directors		
Meetings	Contents of the Proposals and Subsequent Handling	Outcome of the Resolution
The 8th term 13th Meeting 2025/03/20	1. The Company's 2024 business report and financial statements.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
The 8th term 14th Meeting 2025/04/10	1. Proposal to apply for the withdrawal of the Company's 2024 cash capital increase plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. Proposal to change the Company's accounting firm and certifying CPAs.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	3. Proposal for the by-election of directors.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	4. Proposal to add agenda items to the 2025 Annual General Shareholders' Meeting and to determine the nomination period and place for accepting nominations.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
The 8th term 15th Meeting 2025/04/28	1. Proposal to apply for short-term credit facilities and borrow funds from a related party in 2025.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. Proposal to waive subscription rights for new shares issued by a controlled close company in which the Company has control, provided that the fundraising amount does not exceed NT\$100 million.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
The 8th term 16th Meeting 2025/05/12	1. The Company's Q1 2025 consolidated financial statements.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. Status of implementation of the Company's Operational Improvement Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	3. Proposal to discontinue the private placement of common shares approved by the 2024 Annual General Shareholders' Meeting.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	4. Amendments to certain provisions of the Company's Articles of Incorporation.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	5. Proposal to adopt the Regulations Governing the Definition of Entry-Level Employees.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	6. Amendments to the "Payroll Cycle" of the Company's internal control system.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	7. Nomination and review of director (including independent director) candidates.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	8. Proposal to lift the non-competition restrictions on directors.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	9. Proposal to extend existing credit facilities with partner banks.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	10. Proposal for the Company's participation in the cash capital increase of its subsidiary Egisee.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.

Important Resolutions of the Board of Directors		
Meetings	Contents of the Proposals and Subsequent Handling	Outcome of the Resolution
The 8th term 17th Meeting 2025/07/04	1. Proposal to dispose of the Company's shareholdings in InPsytech, Inc. in connection with its planned IPO/TPEX listing.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. Proposal to reduce the Company's shareholding ratio in major subsidiary InPsytech, Inc..	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	3. Matters relating to the share offering price and subscription record date of InPsytech, Inc..	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	4. Appointment of members of the Remuneration Committee.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	5. Proposal to apply for credit facilities from Cathay United Bank Co., Ltd.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
The 8th term 18th Meeting 2025/08/13	1. The Company's Q2 2025 consolidated financial statements.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. Status of implementation of the Company's Operational Improvement Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	3. Proposal to dispose of the Company's equity interest in Augentix Inc.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	4. The Company's 2024 Sustainability Report.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	5. Proposal to extend existing credit facilities with partner banks.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
The 8th term 19th Meeting 2025/08/13 (Special Meeting)	1. Proposal to dispose of the Company's shareholdings in InPsytech, Inc. in connection with its planned IPO/TPEX listing.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. Proposal to reduce the Company's shareholding ratio in major subsidiary InPsytech, Inc..	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	3. Matters relating to the share offering price and subscription record date of InPsytech, Inc..	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	4. Proposal for the purchase of IP.	Independent Director TSENG, YU-I abstained from voting on this proposal due to a potential conflict of interest arising from products or business activities related to a company with which he is affiliated. With the exception of Independent Director TSENG, YU-I's abstention, the proposal was approved as submitted with no objection from the directors present.
The 8th term 20th Meeting 2025/11/13	1. The Company's Q3 2025 consolidated financial statements.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. Status of implementation of the Company's Operational Improvement Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.

Important Resolutions of the Board of Directors		
Meetings	Contents of the Proposals and Subsequent Handling	Outcome of the Resolution
	3. Proposal to allocate shares of InPsytech, Inc. to recommending securities firms in connection with its application for Emerging Stock Market registration.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	4. The Company's 2026 Audit Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	5. Amendments to certain provisions of the Company's Sustainable Development Best Practice Principles.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	6. Amendments to certain provisions of the Company's Organizational Rules of the Remuneration Committee.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	7. Proposal for the purchase of IP.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
The 8th term 21st Meeting 2026/01/13	1. Proposal for the purchase of EDA software/tools.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
The 8th term 22nd Meeting 2026/03/16	1. The Company's 2026 Business Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	2. The Company's Q2 and Q3 2025 (restated) consolidated financial statements.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	3. The Company's 2025 Business Report and financial statements.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	4. Status of implementation of the Company's Operational Improvement Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	5. Amendments to the Company's Operational Improvement Plan.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	6. The Company's 2025 deficit compensation proposal.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	7. Proposal to adjust the share offering price of InPsytech, Inc. allocated to recommending securities firms and the Securities and Futures Investors Protection Center in connection with its Emerging Stock Market registration.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	8. Evaluation of the independence and competence of CPAs and approval of CPA remuneration for 2026.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	9. Proposal for a private placement of common shares through cash capital increase.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	10. Issuance of the Company's 2025 Internal Control System Statement.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	11. Amendments to the "Payroll Cycle" of the Company's internal control system.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.

Important Resolutions of the Board of Directors		
Meetings	Contents of the Proposals and Subsequent Handling	Outcome of the Resolution
	12. Amendments to certain provisions of the Company's Articles of Incorporation.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	13. Election of directors and related matters concerning the nomination period and place for accepting nominations.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	14. Proposal regarding the date, venue, agenda items, and shareholder proposal acceptance period and place for the 2026 Annual General Shareholders' Meeting.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	15. Proposal to extend existing credit facilities with partner banks.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.
	16. Proposal for the distribution of year-end and performance bonuses to managers for 2025.	The proposal was unanimously approved as per the agenda after consultation by the chairman with all attending directors.

(IX) Main content of any important board resolution passed during the last fiscal year and the current fiscal year up to the date of publication of the annual report that is on record or stated in a written statement for which any director or supervisor has a dissenting opinion: No such situation.

IV. Public Fees of CPAs

- (I) The amount of audit fees and non-audit fees paid to the certified public accountants, the accounting firm of the certified public accountants and its affiliated enterprises, and the content of non-audit services

Unit: NTD '000

Name of Accounting Firm	Name of Certified Public Accountant	Certified Public Accountant Intermediate Checks	Audit Fees	Non-Audit Fees	Total	Remarks
Ernst & Young (Taiwan)	Hsin-Min Hsu	January 1 to December 31, 2025	3,400	710	4,110	The non-audited service fees were incurred for tax services.
	Chih-Chung Chen.					

Note 1: For internal management purposes, all audit and attestation engagements have been delegated to Ernst & Young Taiwan beginning in the first quarter of 2025.

- (II) If the accounting firm was changed and if the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the reduction in the amount of audit fees, the percentage of reduction, and the reasons for reduction should be disclosed: No such situation.
- (III) If the audit fees paid are lower than those for the previous year by 15% or more, the reduction in the amount of audit fees, the percentage of reduction, and the reasons for reduction should be disclosed: No such situation.

V. Replacement of CPA

(I) Information on the Former Independent Auditors

Date of Change	April 10, 2025		
Reason for Change	Internal management requirements		
Whether the Engagement Was Terminated by the Company or the Auditors	Parties Situation	Auditor	the Company
	Voluntary termination of engagement		V
	Refusal to accept (or continue) the engagement		
Type of audit opinions issued during the most recent two years other than an unqualified opinion and the reasons therefor	Not applicable		
Whether there were any disagreements with the Company	Yes	-	Accounting principles or practices
		-	Financial statement disclosures
		-	Audit scope or procedures
		-	Other matters
	No	V	
	Explanation: None		
Other Disclosure Items (Required under Article 10, Paragraph 5, Subparagraph 1(4) of the Regulations)	None		

(II) Information on the Successor Independent Auditors

Name of Accounting Firm	Ernst & Young Taiwan
Names of CPAs	Hsin-Min Hsu, CPA and Chih-Chung Chen, CPA
Date of Appointment	April 10, 2025
Consultation Prior to Appointment Regarding Specific Accounting Treatments, Accounting Principles, or Potential Audit Opinions and the Results Thereof	No disagreement
Written Opinions of the Successor Auditors Regarding Matters on Which the Former Auditors Had Disagreements	None

VI. For the company's Chairman, General Manager, and managers responsible for financial or accounting tasks who have worked in the past year at the accounting firm or its affiliated enterprises, the names, job titles, and periods of employment at the accounting firm or its affiliated enterprises should be disclosed.

No such situation exists.

VII. Recent year and up to the date of the annual report printing, changes in share transfers and pledges of equity for directors, supervisors, managers, and shareholders holding more than 10% of the shares.

(I) Changes in Equity Interests Owned by Directors, Supervisors, Managers, and Major Shareholders:

Position	Name	2025		As of March 31, 2026	
		Number of shares held Increase (Decrease)	Pledged Shares Increase (Decrease)	Number of shares held Increase (Decrease)	Pledged Shares Increase (Decrease)
Chairman and General Manager	LO, SEN CHOU	0	0	0	0
Director	SHIH, CHENJUNG	0	0	0	0
Director	RO, SHIH-HAO	153,000	0	(153,000)	0
Director	TSAI, CHIH-CHUN	0	0	0	0
Independent Director	CHEN, SZU-HO (Note 1)	0	0	0	0
Independent Director	SHIAU, WEN-SHONE (Note 2)	0	0	-	-
Independent Director	CHEN, LAI-JUH (Note 3)	0	0	-	-
Independent Director	STARK LIANG	0	0	0	0
Independent Director	LIAO, CHUN-JIE (Note)	0	0	-	-
Independent Director	TSENG, YU-YI	0	0	0	0
Chief Financial Officer	LEE, YI-PIN	(58,000)	0	0	0
Deputy GM	KAREN CHANG	0	0	0	0
Deputy GM	JIMMY HSU (Note 4)	0	0	-	-
Accountant and Associate Corporate Governance Director	KATHY HUANG	0	0	0	0

Note 1: Appointed on June 25, 2025.; resigned on July 3, 2024. Only changes prior to the resignation date are disclosed.

Note 2: Appointed on June 25, 2025 and resigned on January 2, 2026. Only changes occurring prior to the resignation date are disclosed.

Note 3: Appointed on June 21, 2023 and resigned on June 2, 2025. Only changes occurring prior to the resignation date are disclosed.

Note 4: Resigned on November 30, 2025. Only changes occurring prior to the resignation date are disclosed.

(II) Transfer or pledge of directors, supervisors, managers, and major shareholders with related parties: None.

VIII.Relationship information, if among the top ten shareholders any one is a related party or a relative within the second degree of kinship of another

April 27, 2025; Unit: Shares; %

Name	Shareholding Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Title, Name and Relationship of Any Related Party Among the Top 10 Shareholders, or the Spouse and Relatives Within the Second Degree of Kinship of Another		Remarks
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Title (or Name)	Relationship	
LO, SEN CHOU	9,006,262	9.87	0	0.00	426	0.00	Nil	Nil	
HSIEH, CHING-CHIANG	3,500,000	3.84	0	0.00	0	0.00	Nil	Nil	
JOHNSON CHANG	3,231,000	3.54	0	0.00	0	0.00	Nil	Nil	
HSBC Bank (Taiwan) Limited acting as custodian for the special investment account of POINT72, L.P.	1,743,000	1.91	0	0.00	0	0.00			
HSBC Bank (Taiwan) Limited as Custodian for Goldman Sachs International Investment Account	1,479,889	1.62	0	0.00	0	0.00	Nil	Nil	
HO, YEN-FU	1,326,348	1.45	0	0.00	0	0.00	Nil	Nil	
Standard Chartered Bank (Commercial Banking Division), Custodian of the Investment Account of J.P. Morgan Securities Ltd.	1,124,251	1.23	0	0.00	0	0.00	Nil	Nil	
Standard Chartered Bank (Commercial Banking Division), Custodian of the Investment Account of Allianz Global Investors – Allianz Total International Equity Index Fund Series	1,100,582	1.21	0	0.00	0	0.00	Nil	Nil	
UNPLUS TECHNOLOGY CO., LTD.	1,000,000	1.10	0	0.00	0	0.00	Nil	Nil	
Standard Chartered Bank (Commercial Banking Division), Custodian of the Investment Account of Vanguard Group – Vanguard Emerging Markets Stock Index Fund	925,100	1.01	0	0.00	0	0.00	Nil	Nil	

IX. The company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the company's shareholdings in the same invested enterprise, and the calculation of the combined total shareholding percentage.

December 31, 2025; Unit: thousand shares; %

Name of Invested Enterprise	Investment by The Company		Investment by Directors, Supervisors, Managers, or Directly and Indirectly Controlled Companies		Total Investment	
	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %	Number of Shares	Shareholding Ratio %
Egis Technology (Japan) Inc.	7,680,000	100.00	0	0.00	7,680,000	100.00
Egis Technology (Korea) Inc.	4,750	100.00	0	0.00	4,750	100.00
OceanX Inc.	167,000	100.00	0	0.00	167,000	100.00
Luxsentek Microelectronics Corp.	14,000,000	86.93	0	0.00	14,000,000	86.93
Shentao Intelligent Technology (Shanghai) Co., Ltd.	-	100.00	-	0.00	-	100.00
Egis (Hong Kong) Limited	(Note1)	(Note1)	0	0.00	(Note1)	(Note1)
VASUBI Technology Inc.	4,000,000	100.00	0	0.00	4,000,000	100.00
NUI Technology Inc.	9,000,000	100.00	0	0.00	9,000,000	100.00
Taurus Wireless Inc.	7,600,000	84.76	1,367,000	15.24	8,967,000	100.00
Transducer Star Technology INC.	4,480,000	74.01	1,000,000	16.52	5,480,000	90.53
Egisee Inc.	2,500,000	33.33	0	0.00	2,500,000	33.33
Alcor Micro Corporation	21,310,310	20.16	100,000	0.09	21,410,310	20.25
Inpsytech Inc.	18,854,977	62.77	0	0.00	18,854,977	62.77
iCatch Technology, Inc.	18,000,000	18.66	0	0.00	18,000,000	18.66
SCT Holdings Ltd.	8,546,402	24.45	0	0.00	8,546,402	24.45
Kiwi Technology Inc.	5,997,217	12.28	5,710,854	11.70	11,708,071	23.98

Note 1 : Egis (Hong Kong) Limited completed its company registration on August 17, 2015. However, the capital injection from the company has not yet been completed. °

Three. Fundraising Situation

I. Capital and Shares.

(I) Source of Share Capital

1. Source of Share Capital

March 31, 2026; Unit: New Taiwan Dollars; Shares

Month Year	Issue Price (NTD)	Authorized Share Capital		Paid-in Share Capital		Remarks		
		Number of Shares (Shares)	Amount (NTD)	Number of Shares (Shares)	Amount (NTD)	Source of Share Capital	Those who Use Non-Cash Property to Offset Share Payment	Others
12/2007	10	100,000	1,000,000	100,000	1,000,000	Share capital acquired from founding assembly 1,000,000	-	Note 1
01/2008	10	12,900,000	129,000,000	12,900,000	129,000,000	Capital injection in cash 128,000,000	-	Note 2
04/2008	10	18,000,000	180,000,000	18,000,000	180,000,000	Capital injection through consolidation 51,000,000	-	Note 3
05/2008	43.27	60,000,000	600,000,000	36,050,000	360,500,000	Capital injection in cash 180,500,000	-	Note 4
05/2008	10	60,000,000	600,000,000	19,650,000	196,500,000	Capital reduction in cash 164,000,000	-	Note 5
05/2008	10	60,000,000	600,000,000	36,050,000	360,500,000	Capital injection by transfer of capital reserves 164,000,000	-	Note 6
07/2008	75.98	60,000,000	600,000,000	37,250,000	372,500,000	Capital injection in cash 12,000,000	-	Note 7
07/2008	23.46	60,000,000	600,000,000	49,629,856	496,298,560	Capital injection through consolidation 123,798,560	-	Note 8
07/2010	-	60,000,000	600,000,000	49,668,254	496,682,540	Employee stock warrants 383,980	-	Note 9
12/2013	-	60,000,000	600,000,000	52,249,254	522,492,540	Employee stock warrants 25,810,000	-	Note 10
02/2014	75	100,000,000	100,000,000	61,049,254	610,492,540	Capital injection in cash 88,000,000	-	Note 11
04/2014	-	100,000,000	100,000,000	62,044,254	620,442,540	Employee stock warrants 9,950,000	-	Note 12
08/2014	-	100,000,000	100,000,000	62,064,254	620,642,540	Employee stock warrants 200,000	-	Note 13
12/2014	-	100,000,000	100,000,000	62,149,254	621,492,540	Employee stock warrants 850,000	-	Note 14
02/2015	-	100,000,000	100,000,000	62,154,254	621,542,540	Employee stock warrants 50,000	-	Note 15
08/2015	-	100,000,000	100,000,000	62,178,254	621,782,540	Employee stock warrants 240,000	-	Note 16
12/2015	-	100,000,000	100,000,000	68,469,254	684,692,540	Capital injection in cash 62,910,000	-	Note 17
03/2016	-	100,000,000	100,000,000	68,764,254	687,642,540	Employee stock warrants 2,950,000	-	Note 18

04/2016	-	100,000,000	100,000,000	68,839,254	688,392,540	Employee stock warrants 750,000	-	Note 19
03/2017	-	100,000,000	100,000,000	69,677,754	696,777,540	Employee stock warrants 8,385,000	-	Note 20
08/2017	-	100,000,000	100,000,000	69,847,754	698,477,540	Employee stock warrants 1,700,000	-	Note 21
12/2017	-	100,000,000	100,000,000	70,490,540	704,907,540	Employee stock warrants 710,000 New restricted employee shares 5,720,000	-	Note 22
03/2018	-	100,000,000	100,000,000	70,980,254	709,802,540	Employee stock warrants 4,895,000	-	Note 23
09/2018	-	100,000,000	100,000,000	70,974,254	709,742,540	Cancellation of 60,000 new restricted employee shares	-	Note 24
03/2019	-	100,000,000	100,000,000	71,064,254	710,642,540	Employee stock warrants 930,000 Cancellation of 30,000 new restricted employee shares	-	Note 25
05/2019	-	100,000,000	100,000,000	71,160,754	711,607,540	Employee stock warrants 965,000	-	Note 26
12/2019	-	100,000,000	100,000,000	71,265,254	712,652,540	Employee stock warrants 1,045,000	-	Note 27
03/2020	-	100,000,000	100,000,000	71,381,754	713,817,540	Employee stock warrants 1,225,000 Cancellation of 60,000 new restricted employee shares	-	Note 28
06/2020	-	100,000,000	100,000,000	71,378,754	713,787,540	Cancellation of 30,000 new restricted employee shares	-	Note 29
12/2020	-	100,000,000	100,000,000	71,375,754	713,757,540	Cancellation of 30,000 new restricted employee shares	-	Note 30
06/2021	-	100,000,000	100,000,000	70,775,754	707,757,540	Cancellation of NTD 6,000,000 of treasury stock	-	Note 31
11/2021	-	100,000,000	100,000,000	70,771,754	707,717,540	The Company collected new restricted employee shares of NTD 40,000	-	Note 32
12/2021	-	100,000,000	100,000,000	69,271,754	692,717,540	Cancellation of NTD 15,000,000 of treasury stock	-	Note 33
05/2023		100,000,000	100,000,000	74,271,754	742,717,540	Capital increase by private placement of common shares 5,000,000 shares		Note 34
08/2024	10	200,000,000	200,000,000	88,382,754	883,827,540	Capital increase by share swap with InPsytech Inc. of common shares 14,111,000 shares	-	Note 35
12/2024	10	200,000,000	200,000,000	91,250,754	912,507,540	Capital increase by private placement of common shares 2,868,000 shares	-	Note 36

- Note 1: Taipei City Government 12/26/2007 Fu Chan Yeh Shang Tzu No. 09693753210.
- Note 2: Taipei City Government 02/21/2008 Fu Chan Yeh Shang Tzu No. 09781401110.
- Note 3: Taipei City Government 04/29/2008 Fu Chan Yeh Shang Tzu No. 09783518310.
- Note 4: Taipei City Government 06/03/2008 Fu Chan Yeh Shang Tzu No. 09784640010.
- Note 5: Taipei City Government 06/18/2008 Fu Chan Yeh Shang Tzu No. 09785509410.
- Note 6: Taipei City Government 06/27/2008 Fu Chan Yeh Shang Tzu No. 09786113210.
- Note 7: Taipei City Government 07/22/2008 Fu Chan Yeh Shang Tzu No. 09787050510.
- Note 8: Taipei City Government 08/26/2008 Fu Chan Yeh Shang Tzu No. 09787564510.
- Note 9: Taipei City Government 10/29/2010 Fu Chan Yeh Shang Tzu No. 09986101620.
- Note 10: Ministry of Economic Affairs 01/02/2014 Ching Shou Shang Tzu No. 10201267500.
- Note 11: Ministry of Economic Affairs 03/10/2014 Ching Shou Shang Tzu No. 10301036470.
- Note 12: Ministry of Economic Affairs 04/10/2014 Ching Shou Shang Tzu No. 10301060840.
- Note 13: Ministry of Economic Affairs 09/03/2014 Ching Shou Shang Tzu No. 10301182950.
- Note 14: Ministry of Economic Affairs 12/30/2014 Ching Shou Shang Tzu No. 10301270280.
- Note 15: Ministry of Economic Affairs 03/20/2015 Ching Shou Shang Tzu No. 10401042210.
- Note 16: Ministry of Economic Affairs 09/18/2015 Ching Shou Shang Tzu No. 10401180090.
- Note 17: Ministry of Economic Affairs 01/11/2016 Ching Shou Shang Tzu No. 10401280730.
- Note 18: Ministry of Economic Affairs 04/01/2016 Ching Shou Shang Tzu No. 10501065020.
- Note 19: Ministry of Economic Affairs 08/24/2016 Ching Shou Shang Tzu No. 10501209650.
- Note 20: Ministry of Economic Affairs 04/06/2017 Ching Shou Shang Tzu No. 10601043350.
- Note 21: Ministry of Economic Affairs 09/01/2017 Ching Shou Shang Tzu No. 10601125800.
- Note 22: Ministry of Economic Affairs 12/14/2017 Ching Shou Shang Tzu No. 10601169060.
- Note 23: Ministry of Economic Affairs 03/28/2018 Ching Shou Shang Tzu No. 10701030910.
- Note 24: Ministry of Economic Affairs 09/19/2018 Ching Shou Shang Tzu No. 10701116310.
- Note 25: Ministry of Economic Affairs 03/07/2019 Ching Shou Shang Tzu No. 10801017040.
- Note 26: Ministry of Economic Affairs 05/29/2019 Ching Shou Shang Tzu No. 10801061630.
- Note 27: Ministry of Economic Affairs 12/06/2019 Ching Shou Shang Tzu No. 10801181030.
- Note 28: Ministry of Economic Affairs 03/06/2020 Ching Shou Shang Tzu No. 10901026000.
- Note 29: Ministry of Economic Affairs 06/09/2020 Ching Shou Shang Tzu No. 10901089260.
- Note 30: Ministry of Economic Affairs 12/09/2020 Ching Shou Shang Tzu No. 10901232690.
- Note 31: Ministry of Economic Affairs 06/09/2021 Ching Shou Shang Tzu No. 11001099810.
- Note 32: Ministry of Economic Affairs 11/02/2021 Ching Shou Shang Tzu No. 11001198540.
- Note 33: Ministry of Economic Affairs 12/10/2021 Ching Shou Shang Tzu No. 11001217680.
- Note 34: Ministry of Economic Affairs 05/31/2023 Ching Shou Shang Tzu No. 11230093130.
- Note 35: Ministry of Economic Affairs 08/15/2024 Ching Shou Shang Tzu No. 11330141650.
- Note 36: Ministry of Economic Affairs 12/09/2024 Ching Shou Shang Tzu No. 11330206790.

2. Type of Shares

March 31, 2026; Unit: Shares

Type of Shares	Authorized Share Capital			Remarks
	Outstanding Shares	Unissued Shares	Total	
Common stock	91,250,754 (Inclusive private placement 7,868,000 shares)	108,749,246	200,000,000	TPEX Stock

3. Summary of information related to the declaration system: Not applicable.

(II) List of Principal Shareholders

Name, Number of Shares Held and Shareholding Ratio of Shareholders with Equity Stake of Five Percent (5%) or More or Top Ten Shareholders in Terms of Equity Stake

April 26, 2026; Unit: Shares; %

Principal Shareholders Names	Shareholding Shares Held	Shareholding Ratio
LO, SEN CHOU	9,006,262	9.87
HSIEH, CHING-CHIANG	3,500,000	3.84
Hsu, Ya-Chun	1,411,000	1.55
Cathay United Bank Co., Ltd. as Custodian for CAI Asia Limited	1,200,000	1.32
Sunplus Technology Co., Ltd.	1,000,000	1.32
Shen, Wei	840,497	1.45
Hsieh, Ting-Yun	750,000	1.23
Hsieh, Hao-Yun	750,000	1.21
Taipei Fubon Commercial Bank Co., Ltd. as Trustee for the Trust Property Account of InPsytech, Inc.	734,855	0.81
Wu, I-Kuei	709,505	0.78

(III) Dividend Policy of the Company and Implementation Status

1. The dividend policy of the Company is as follows

After the closing of accounts for the year, if there is earnings, the Company shall first pay the taxes, make up for accumulated losses, and then set aside 10% of the said profits as legal reserve; where such legal reserve amounts to the total paid-in capital of the Company, this provision shall not apply. The company shall

also set aside or reverse another sum as special reserve in accordance with the law or regulations of competent authorities. The Board of Directors shall draft an earnings distribution proposal for the remaining earnings amount, as well as the undistributed earnings at the beginning of the period. If the distribution proposal will be issuing new shares, the distribution shall be made after a resolution of a shareholders meeting. If the distribution proposal will be issuing cash, in accordance with item 5 of Article 240 of the Company Law, the Board of Directors shall be authorized to issue the cash upon the resolution of a meeting with a quorum of two-thirds of all directors and a simple majority vote of attending directors as well as a report to the shareholders meeting.

The Company's dividends policy is in line with the current and future development plans, with the investment environment, capital requirements and domestic and international competition, as well as the interests of shareholders and other such factors taken into account; and with reference to the general standard of dividends issuance in the same industry and capital market as the basis for dividends issuance. Dividends and bonuses may be distributed in the form of cash or shares, of which cash dividends shall be no less than 20% of the total shares.

2. Situation of proposed shareholder dividend distribution for this fiscal year: The company incurred losses in 2025 and proposes not to distribute dividends to shareholders.
3. Explanations shall be provided where major changes are expected in the dividend policy: No such situation.

(IV) The impact of the proposed bonus issue of shares on the company's business performance and earnings per share for this shareholders' meeting: The company incurred losses in 2025 and proposes not to distribute dividends to shareholders, therefore it is not applicable.

(V) Employee and Directors' Remunerations

1. The percentages and ranges of employee, directors' and supervisors' remunerations stated in the Articles of Association of the Company:

If the Company makes a profit in the year (the so-called profit refer to the pretax profit before the deduction of remunerations payable to the employees and directors), it shall set aside no less than 5% of the profits for employee remunerations and no more than 1% for director remunerations. However, if the Company has accumulated losses (including the adjustment of undistributed

earnings amount), the amount for offsetting should first be retained.

The employee remunerations stated above may be paid in the form of shares or cash, and the object of payment shall include the employees of subsidiaries who meet the conditions set by the Board of Directors. The director remunerations stated above may only be paid in the form of cash.

The two items above shall be handled according to the resolutions of the Board of Directors and reported at the shareholders meeting.

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

If there are any changes to the amount of employee and director remunerations in the earnings distribution plan approved in the shareholders' meeting, the difference in amount shall be accounted for as a change in accounting estimate and listed as profit and loss in the fiscal year that the resolution was passed in the shareholders' meeting. It shall not affect the financial reports that have been recognized.

3. Remuneration distribution approved by the Board of Directors:

- (1) The amount of any employee remunerations distributed in cash or stocks and remunerations for directors and supervisors. If there is any discrepancy between that amount and the estimated figure for the fiscal year in which these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed: Due to losses in 2025, the company will not distribute employee compensation or director remuneration as stipulated in the articles of association.

- (2) The amount of employee remunerations distributed in stocks, and the percentage of the amount of the net profit after tax stated in the parent company only financial reports or individual financial reports for the current period and total employee remunerations: Not applicable.

4. The actual distribution of employee and director remunerations for the previous fiscal year (including number of shares, monetary amount, and stock price), and if there is a difference between these and those recognized employee and director remuneration, the difference, reason and handling situation should be stated clearly:

The Company made a loss in 2024. Hence, it will not distribute employee remunerations and director remunerations in accordance with the Articles of Association.

(VI) The situation of the company repurchasing its own shares

Item	Number of Times	First Time Second Time	First Time Second Time
Date of Board Resolution		2018/03/05	2018/09/18
Purpose of Repurchase Transfer of shares to employees Transfer of shares to employee		Transfer of shares to employees	Transfer of shares to employees
Period of Repurchase		From April 12 to May 4, 2018	From September 20 to November 18, 2018
Average Repurchase Price Per Share		NTD 131.46	NTD 99.93
Quantity and Categories of Repurchased Shares		600,000 common shares	2,000,000 common shares
Total Amount of Repurchased Shares		NTD 78,875,372	NTD 199,864,513
Ratio (%) of the number of repurchased shares to the number of shares reserved for repurchase		42.55%	100%
Quantity of Shares Canceled and Transferred		Cancelled 600,000 shares	Cancelled 1,500,000 shares Transferred 500,000 shares
Cumulative Shares of the Company Held		-	-
Proportion of Cumulative Shares of the Company Held to Total Quantity of Shares Issued		-	-

II. Handling of Corporate Bonds: No such situation.

III. Handling of Preferred Stocks: No such situation.

IV. Handling of Overseas Depositary Receipts: No such situation.

V. Handling of Employee Stock Options: No such situation.

VI. Handling of Restricted Employee Stock: No such situation.

VII. Handling of Mergers and Acquisitions (including mergers, acquisitions, and splits): No such situation.

VIII.Implementation of Capital Utilization Plan

(I) 2022 Private Placement Plan

1. Contents of the plan

Item	2022 first private placement Date of issuance: May 15, 2023
Date and Content of Shareholders' meeting Approval	(I) On June 22, 2022, at the annual shareholders' meeting, our company received approval to authorize the board of directors to conduct a private placement of common stock, not exceeding 10,000,000 shares, depending on market conditions and the company's needs, within one year from the date of resolution, to be executed in two separate occasions. (II) On May 10, 2023, the board of directors convened and executed the first private placement of 5,000,000 common shares. The funds were fully paid by May 16, 2023, with the private placement price set at NTD 70 per share, totaling NTD 350,000,000, aimed at enhancing operational capital. (III) According to Article 43-6 of the Securities and Exchange Act, private placements must be executed before the one-year deadline from the date of the shareholders' meeting resolution. As the deadline approached, the board approved the cessation of the remaining 5,000,000 shares of the private placement before the expiration.
Total Amount of Funds Required	NTD 350,000,000
Source of Funds	Private placement of 5,000,000 common shares, with a par value of NTD 10 per share and a private placement price of NTD 70 per share, totaling NTD 350,000,000.
Purpose of Private Placement Funds	To enhance operational capital, strengthen the financial structure, or meet other future developmental financial needs.
Projected Benefits	Strengthen the company's financial structure, enhance operational efficiency, and improve overall competitiveness, which positively benefits shareholder equity.

2. Implementation Status

(1) The usage of private placement funds and progress of the plan implementation

Unit: New Taiwan Thousand Dollars unless otherwise specified

Planned items	Implementation progress			Reasons for leading or lagging behind and improvement Plan
Enrich working capital	Amount used	Scheduled	350,000	The funds were used up in 2023 Q3
		Actual	350,000	
	Implementation progress (%)	Scheduled	100%	
		Actual	100%	

(2) Evaluation of implementation effectiveness

The primary purpose of the Company's private placement is to strengthen working capital, increase the level of available funds, and enhance financial flexibility. In addition, the capital raised contributes to improving the financial structure. From a financial perspective, the debt ratio decreased from 36.54% at the end of 2022 to 34.79% at the end of 2023, indicating that the capital raising has had a tangible positive effect.

Furthermore, the participation of strategic subscribers is expected to accelerate opportunities in product development and market expansion. Through various forms of industry integration and joint research and development, the Company aims to enhance operational efficiency and overall competitiveness. The projected benefits are expected to align closely with actual outcomes, with no material deviations anticipated.

Unit: New Taiwan Thousand Dollars; %

Financials \ Year	2022 (Pre-Financing)	2023 (Post-Financing)
Current Assets	2,092,028	1,228,304
Current Liabilities	2,206,308	2,441,219
Total Liabilities	3,560,854	3,294,764
Interest payment to Banks	29,583	50,692
Revenues	2,506,569	1,875,644
EPS (NT\$)	(12.31)	(9.97)

Unit: %

Financials \ Year	2022 (Pre-Financing)	2023 (Post-Financing)
Finacial Structure \ Debt Ratio	47.10	45.34
Long-term capital to property, plant and equipment ratio	8,021.54	10,165.76
Solvency \ Current ratio	94.82	50.32
Quick ratio	47.65	30.45

(II) 2024 Private Placement Plan

1. Contents of the plan

Item	First private placement in 2024 Date of issuance: November 8, 2024
Date and Content of Shareholders' meeting Approval	(I) On June 25, 2024, the Company's annual general shareholders' meeting approved a resolution authorizing the Board of Directors to conduct, within one year from the date of the resolution, up to four rounds of private placement of common shares, with a maximum issuance cap of 10,000,000 shares, depending on market conditions and the Company's funding needs. (II) On October 25, 2024, the Board of Directors resolved to execute the first round of the private placement, issuing 2,500,000 common shares. The subscription was completed on November 5, 2024, at a price of NT\$168 per share, raising a total of NT\$420,000,000. The proceeds are intended to strengthen the Company's working capital.
Total Amount of Funds Required	NTD 420,000,000
Source of Funds	Private placement of 2,500,000 common shares, with a par value of NTD 10 per share and a private placement price of NTD 168 per share, totaling NTD 420,000,000.
Purpose of Private Placement Funds	To enhance operational capital, strengthen the financial structure, or meet other future developmental financial needs.
Projected Benefits	Strengthen the company's financial structure, enhance operational efficiency, and improve overall competitiveness, which positively benefits shareholder equity.

Item	Second private placement in 2024 Date of issuance: November 8, 2024	
Date and Content of Shareholders' meeting Approval	(I)	On June 25, 2024, the Company's annual general shareholders' meeting approved a resolution authorizing the Board of Directors to conduct, within one year from the date of the resolution, up to four rounds of private placement of common shares, with a maximum issuance cap of 10,000,000 shares, depending on market conditions and the Company's funding needs.
	(II)	On October 25, 2024, the Board of Directors resolved to execute the second round of the private placement, issuing 368,000 common shares. The subscription was completed on November 5, 2024, at a price of NT\$168 per share, raising a total of NT\$61,824,000. The proceeds are intended to strengthen the Company's working capital.
Total Amount of Funds Required	NTD 61,824,000	
Source of Funds	Private placement of 368,000 common shares, with a par value of NTD 10 per share and a private placement price of NTD 168 per share, totaling NTD 61,824,000.	
Purpose of Private Placement Funds	To enhance operational capital, strengthen the financial structure, or meet other future developmental financial needs.	
Projected Benefits	Strengthen the company's financial structure, enhance operational efficiency, and improve overall competitiveness, which positively benefits shareholder equity.	

2. Implementation Status

(1) The usage of private placement funds and progress of the plan implementation

Unit: New Taiwan Thousand Dollars unless otherwise specified

Round	Planned items	Implementation progress			Balance and purpose of undrawn capital	Reasons for leading or lagging behind and improvement Plan
First	Enrich working capital	Amount used	Scheduled	420,000	The funds were used up in 2024 Q4	Nil
			Actual	420,000		
		Implementation progress (%)	Scheduled	100.00%		
			Actual	100.00%		
Second	Enrich working capital	Amount used	Scheduled	61,824	The funds were used up in 2025 Q1	Nil
			Actual	61,824		
		Implementation progress (%)	Scheduled	100.00%		
			Actual	100.00%		

(2) Evaluation of implementation effectiveness

The primary purpose of the Company's private placement is to strengthen working capital, raise the level of available liquidity, and enhance financial flexibility. In addition, the proceeds were used to improve the Company's capital structure. As shown in the table below, following the completion of the fundraising, the Company repaid part of its long-term loans, resulting in a decrease in both the long-term capital to fixed assets ratio and the debt ratio compared to pre-fundraising

levels. However, both the current ratio and quick ratio declined significantly after the fundraising. This was mainly due to the reclassification of syndicated loans from long-term to short-term borrowings at quarter-end, based on the requirements of the syndicated loan agreement, as reviewed by the auditor. In recent years, the Company has faced operating losses due to price competition from PRC-based IC design companies. To appropriately reflect asset quality as of the end of December (post-fundraising), the Company recognized a one-time impairment loss of approximately NT\$330 million, increasing the loss per share to NT\$6.24.

Nonetheless, following the capital raise, the Company's monthly interest expenses have gradually decreased, and EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) — excluding the impact of the one-time impairment — has improved compared to the same period last year. This indicates that the benefits of the fundraising have begun to materialize.

Unit: New Taiwan Thousand Dollars unless otherwise specified

Financials \ Period	10/2024 (Pre-Financing)	12/2024 (Post-Financing)
Current Assets	986,718	1,004,625
Current Liabilities	2,075,662	4,868,255
Total Liabilities	5,710,331	5,130,325
Interest payment to Banks (Single Month)	10,019	9,509
Revenues (Single Month)	210,553	212,055
EPS (NT\$)	(0.35)	(6.24)

Unit: %

Financials \ Period	10/2024 (Pre-Financing)	12/2024 (Post-Financing)
Debt Ratio	46.30	43.94
Finacial Structure Long-term capital to property, plant and equipment ratio	31,176.54	15,668.42
Solvency Current ratio	63.84	21.44
Quick ratio	35.52	15.82

Four. Operational Overview

I. Business Content

(I) Scope of Business

1. Principal Business Activities

- (1) I301010 Information Software Service Industry
- (2) I301020 Document Processing Service Industry
- (3) I301030 Electronic Information Supply Service Industry
- (4) I501010 Product Design Industry
- (5) F401010 International Trade Industry
- (6) ZZ99999 Besides those that are subject to approval, all businesses that are not prohibited or restricted by business law shall be operated

2. The Proportion of Primary Business Products (Services)

(1) Biometric Sensor ICs

Provides customers with a variety of ICs and modules featuring compact design and reduced component count. These products are primarily used in notebook computers, smartphones, and tablet devices. The Company also offers fingerprint recognition application software to complement hardware solutions.

(2) Peripherals and Control ICs for Information and Consumer Electronics

Designed to meet the needs of USB interface devices and related control ICs for digital data exchange and transmission. Product offerings include: Storage device control ICs, Memory card reader control ICs, Smart card reader control ICs, Hub control ICs, I/O device control ICs, Image processing control ICs.

(3) Wireless Audio Control ICs

Includes wireless audio control ICs and modules, smart remote controls, and control signal transmission chips and modules. Applications span across: Wireless digital home theater systems, Wireless TV audio systems, Wireless headphones and microphones, Portable audio devices.

(4) NRE Design Services, ASICs, and Wafer Products

Offers comprehensive turnkey services including Netlist-in, GDS-in, and hybrid

Netlist/GDS-in models. Additional services include: IP (Intellectual Property) design, modification, and porting and ASIC and wafer product sales

Unit: NTD ‘000

Year	2024		2025	
	Net Operating Revenue	%	Net Operating Revenue	%
Product Item				
Biometric Sensor ICs	2,078,598	43.35	1,931,730	36.25
Peripherals and Control ICs for Information and Consumer Electronics	1,130,889	23.58	1,011,642	18.99
Wireless Audio Control ICs	345,263	7.20	301,815	5.67
NRE Design Services, ASICs, and Wafer Products	722,488	15.07	1,535,828	28.83
IP Licensing	400,304	8.35	502,954	9.44
Technical Services	56,464	1.18	21,597	0.41
Others	60,994	1.27	21,933	0.41
Totals	4,795,000	100.00	5,327,499	100.00

3. Current Products (Services)

The Company is dedicated to the design, development, and sales of biometric identification sensor chips. In addition to its well-established expertise in passive capacitive fingerprint sensors and optical fingerprint recognition chips, the Company is actively expanding its product lineup this year to include: Standalone fingerprint processing chips, Time of Flight (ToF) sensors, Automotive-grade fingerprint sensors, Ambient light and proximity sensors. At present, the Company’s main product offerings include:

(1) Passive Capacitive Fingerprint Sensor Solutions

The Company offers a variety of chip and module specifications tailored to meet diverse customer requirements. These fingerprint sensor products are designed to significantly reduce the number of components and feature compact form factors, making them ideal for integration into slim and lightweight mobile devices. In addition to hardware, the Company also provides a comprehensive range of integrated fingerprint recognition software and hardware solutions.

The new generation of capacitive fingerprint sensors offers higher resolution and improved sensitivity, enabling clearer fingerprint capture within smaller sensing areas. This enhances recognition accuracy and supports 2.5D anti-spoofing capabilities, and can be embedded beneath physical phone buttons.

(2) Fingerprint-on-Display (FoD) Solutions

FoD technology helps maximize smartphone screen-to-body ratios. The Company's optical fingerprint sensing solutions offer an optimal balance between performance and cost.

Over recent years, the Company has launched a series of optical fingerprint recognition chips that support sensing beneath both flexible and rigid OLED (Organic Light Emitting Diode) displays. This eliminates the need for a physical fingerprint button, increases screen usability, and enhances user experience.

(3) Standalone Fingerprint Processing Chips

These chips are designed to work with the Company's compact fingerprint sensors and provide independent and secure fingerprint authentication without relying on a host device.

(4) Time-of-Flight (ToF) Sensing Chips

ToF chips generate 3D depth maps of object surfaces and are ideal for fast focusing in multi-camera smartphones. They also support human presence detection in notebooks, enabling privacy protection and energy-saving features.

(5) Ambient Light and Proximity Sensors

These sensors are used in smartphones, TVs, notebooks, and monitors to automatically adjust screen brightness based on environmental lighting and to detect proximity, improving power efficiency and user comfort.

4. New Products (and Services) Under Development

During the year, the Company made progress in the development of several new products, including the development of a beamforming ultrasonic fingerprint module, completion of the ALS product platform, optimization of FPS chip power consumption, design and development of FPC solutions supporting glass cover lenses, successful porting of FPS solutions to the Chrome OS Aluminums platform with customer validation underway, advancement of the second-generation 8×8 Time-of-Flight (ToF) sensing chip and module into the validation stage, and commencement of mass production for a capacitive touch slider application. The Company remains committed to the continuous development of innovative products and services.

Beyond its core business, the Company is also investing in the field of intellectual property (IP), focusing on the development of next-generation high-speed interface transmission standards. The R&D roadmap emphasizes advanced semiconductor process nodes below 7nm, with progress targeting future migration toward 3nm and even 2nm technologies. In Foundation IP, the Company is developing ONFI I/O interfaces

compatible with sub-7nm technologies and is building a comprehensive solution that integrates both I/O and PHY design components

(II) Industry Highlights

1. Current State of the Industry and Future Developments

The invention of the integrated circuit (IC) has been a key driver of global technological advancement. Today, semiconductor chips serve as the foundation of virtually all modern electronic devices and are widely used in smartphones, automobiles, networking equipment, cloud computing and data centers, industrial automation systems, smart home applications, and various consumer electronics products.

In recent years, rapid growth in applications such as artificial intelligence (AI), high-performance computing (HPC), electric vehicles (EVs), and the Internet of Things (IoT) has significantly increased demand for semiconductors and continued to drive industry expansion.

The semiconductor industry value chain consists of IC design companies and silicon wafer manufacturers upstream, foundries in the midstream, and packaging and testing service providers downstream. IC design companies develop integrated circuit architectures based on market and customer requirements, while silicon wafer manufacturers produce wafers from polysilicon materials. Foundries then fabricate IC designs onto wafers using advanced process technologies, and completed wafers are subsequently packaged and tested before being delivered to end customers. Taiwan possesses a highly integrated semiconductor ecosystem covering the entire value chain, which has enabled the country to maintain a leading position in the global semiconductor industry.

As semiconductor technologies continue to advance, applications for smart devices and IoT solutions are becoming increasingly widespread, supporting positive long-term industry prospects. Continuous innovations in IC design and advanced semiconductor process technologies have enabled higher transistor density, lower power consumption, improved performance, and reduced manufacturing costs. In addition, advanced packaging technologies such as chiplet architectures, 2.5D packaging, and 3D packaging have rapidly evolved in recent years, significantly enhancing chip integration capabilities and computing performance. These technologies have become critical enablers for high-performance computing and AI-related semiconductor applications.

According to SEMI, semiconductor manufacturers continue to expand production capacity to meet long-term demand driven by emerging technologies such as artificial intelligence, intelligent machines, and quantum computing. Semiconductor equipment

investments have experienced unprecedented growth in six of the past seven years, reflecting strong industry demand. Growth in silicon wafer shipments and revenue further demonstrates the increasing dependence of the global economy on semiconductor technologies. As AI data center construction accelerates worldwide, demand for HPC processors, GPUs, and High Bandwidth Memory (HBM) has increased substantially, supporting continued investment in semiconductor equipment and advanced manufacturing technologies.

According to preliminary data released by Gartner in January 2026, the global semiconductor market rebounded significantly beginning in 2024 following inventory corrections and weaker end-market demand in 2023. Growth was primarily driven by rapidly expanding demand for AI, HPC, and data center infrastructure. Gartner estimates that global semiconductor industry revenue reached approximately US\$793 billion in 2025, representing annual growth of approximately 21% and setting a new industry record. Demand for AI accelerators, GPUs, and HBM products continued to increase, with the AI semiconductor market exceeding US\$200 billion and becoming the primary growth driver of the industry.

Nevertheless, rapid expansion of AI data centers has led to increased demand for HBM products as well as certain advanced process and advanced packaging capacities, resulting in temporary supply constraints and pricing volatility in some market segments. These developments illustrate the cyclical nature of the semiconductor industry and its dependence on highly specialized technologies and capital-intensive investments.

Looking ahead, demand for high-performance computing and advanced semiconductor technologies is expected to continue growing, supported by ongoing adoption of artificial intelligence, cloud computing, and intelligent automotive applications. According to forecasts published by the World Semiconductor Trade Statistics (WSTS) organization, the global semiconductor market is expected to approach US\$1 trillion by 2026, highlighting the industry's strong long-term growth potential and positive outlook.

2. Relationship between the Upstream, Midstream, and Downstream Sectors of the Industry

The semiconductor industry value chain can be broadly divided into three segments: upstream, midstream, and downstream.

The upstream segment includes IP design and IC design companies. The midstream consists of IC fabrication, wafer manufacturing, and the production of related process inspection equipment, photomasks, and specialty chemicals. The downstream includes IC packaging and testing, inspection equipment for backend

processes, components such as substrates and lead frames, IC modules, and IC distribution channels.

Taiwan is recognized for having the most comprehensive and integrated semiconductor ecosystem in the world, with highly specialized division of labor. After completing product design, IC design companies outsource wafer fabrication to dedicated foundries or IDMs (Integrated Device Manufacturers), which handle the entire process from IC design, wafer fabrication, packaging, and testing to final product delivery. The fabricated wafers undergo front-end testing before being passed to packaging service providers for die separation and encapsulation. The packaged chips are then sent to professional testing houses for final testing. Finished IC products are distributed to system manufacturers, where they are assembled into end-use systems.

The IC design process originates from IP, which refers to the intellectual property cores used in chip designs. The IP development process includes both IP design and IP verification. Reusing verified IP cores can significantly reduce product development cycles and lower costs. As ICs today are expected to integrate a growing number of functions, leveraging existing, validated IP components has become essential to meet time-to-market demands. However, the diversity of function and process technology requirements has led to the emergence of dedicated IP design houses.

In IC design, engineers use CAD and EDA tools to translate product specifications into circuit-level representations, encompassing the entire design flow from logical design to physical layout on the wafer. Today, the global IC design industry is largely dominated by three regions: the United States, Taiwan, and China, marking a tripartite landscape.

Our company and its subsidiaries operate in the upstream sector of the semiconductor industry, specializing in IP design services and the design, development, and sales of biometric sensing ICs, peripheral and control ICs for information and consumer electronics, and wireless audio control ICs. This strategic positioning enables us to contribute to the core innovation layer of the semiconductor value chain.

3. Various Development Trends of the Product

(1) Biometric Sensor ICs

A. Capacitive Fingerprint Recognition

With the widespread adoption of fingerprint recognition in smartphones, capacitive fingerprint sensors have become the most mature and widely used biometric authentication technology. This type of sensor works by using a dedicated chip to detect changes in capacitance that occur when the ridges and valleys of a

fingerprint come into contact with the sensing surface. Advanced algorithms are then used to extract unique features and accurately identify different users.

Capacitive fingerprint recognition offers several advantages, including compact component size, low power consumption, and reliable performance across a variety of environmental conditions, making it suitable for a broad range of applications. Today, capacitive fingerprint sensors are widely integrated into laptops, smartphones, tablets, and other consumer electronics, and have become a standard feature in modern smartphones.

B. Optical Fingerprint Recognition

Optical fingerprint sensors were developed earlier than capacitive sensors. This technology captures fingerprint images by reflecting light off the fingerprint through an optical lens, which then focuses the light onto a CMOS sensor. The combination of the CMOS image sensor and optical lens records the unique features of the fingerprint. Due to its low cost, technical maturity, and a well-established supply chain, as well as the advantage of being fully managed by the supplier without requiring modular disassembly, optical fingerprint solutions are widely adopted in airport immigration systems, corporate access control, and increasingly, smartphone displays.

The working principle of optical fingerprint recognition is similar to that of a digital camera. The CMOS sensor captures images based on the light reflected from the ridges and valleys of the fingerprint, which vary from person to person, producing distinctive fingerprint patterns. This technology has been widely adopted in under-display fingerprint recognition for premium smartphones from brands such as Samsung, Huawei, Honor, Motorola, OnePlus, OPPO, Realme, Vivo, and Xiaomi (including Redmi).

Many smartphone models today incorporate both fingerprint and facial recognition, with some even reverting back to fingerprint sensors due to user habits and the cost-performance benefits of fingerprint authentication. As a result, fingerprint recognition is expected to remain a standard feature for identity verification in smartphones.

C. Time of Flight 3D Sensing Technology

Time-of-Flight (ToF) is an active three-dimensional (3D) depth-sensing technology that determines the distance to an object by emitting infrared light and measuring the time required for the light to travel to and return from the target. Compared with other 3D sensing technologies, such as structured light, ToF offers advantages including longer sensing range, faster scanning speed, and stronger resistance to ambient light interference. These characteristics make it particularly suitable for medium- to long-range depth-sensing applications.

In recent years, ToF technology has been increasingly adopted in smartphones, AR/VR devices, and various smart devices. Many smartphone brands, including

Samsung, LG, vivo, OPPO, and HONOR, have incorporated ToF technology into their products.

Table 1: Comparison of Optical 3D Sensing Technologies				
3D Sensing Technology	Light Coding	Structured Light	Time of Flight	Stereo Vision
Detection range	20cm–5m	10cm–2m	20cm–5m	1–10m (adjusted according to baseline)
Resolution	High	High	High	Medium
Measurement precision	Medium	Extremely high	High	Moderate-to-low
Algorithm complexity	Low	Medium	Low	High
Real-time	High	Low	High	Medium
Low-light performance	Good	Good	Good	Poor
Outdoor performance	Poor	Poor	Poor – Good	Good
Material cost	Medium	High	Medium	Low

(Information source: EE Times Taiwan, ITRI)

(Information source: EE Times Taiwan, ITRI)

As sensor manufacturing processes and CMOS integration technologies continue to advance, Time-of-Flight (ToF) sensors have achieved significant improvements in resolution, power efficiency, and measurement accuracy, enabling their adoption across a broader range of end devices.

According to a report published by MarketsandMarkets, the global 3D sensing market was valued at approximately US\$6.1 billion in 2024 and is projected to reach approximately US\$12.8 billion by 2029, representing a compound annual growth rate (CAGR) of approximately 16.3%. The forecast highlights the growing demand for depth-sensing technologies across various industries. Among different 3D sensing solutions, ToF sensors continue to expand their market presence due to their advantages in real-time depth measurement and ease of system integration.



(Source: Global Market Insights)

Global Market Insights estimates that the global ToF sensor market reached approximately US\$5.5 billion in 2023 and is expected to achieve a CAGR of more than 15% during the period from 2024 to 2032. Growth is primarily driven by increasing adoption in AR/VR devices, smart devices, robotics, and autonomous driving applications.

Overall, as applications such as AI Vision, Spatial Computing, intelligent robotics, and automotive sensing continue to evolve rapidly, demand for real-time

3D environmental perception is expected to increase. Leveraging its advantages in distance measurement, response speed, and system integration, ToF technology is expected to maintain strong long-term growth potential across the consumer electronics, industrial automation, and smart device markets.

D. AI Chip

Artificial intelligence (AI) chips are primarily designed to enhance on-device computing capabilities and improve real-time decision-making efficiency. Driven by the advancement of Edge AI technologies, analog AI and hybrid AI architectures featuring low power consumption and high computational efficiency are increasingly being adopted in applications such as mobile device recognition systems, driver monitoring systems (DMS), smart security solutions, and Internet of Things (IoT) devices.

In addition, analog AI technologies can be applied to large-area under-display optical fingerprint sensing systems, leveraging real-time image processing and pattern recognition capabilities to improve authentication accuracy and security. Beyond smartphones, such applications are gradually expanding into automotive identity authentication and smart access control systems.

In the field of voice recognition, AI chips support functions such as keyword spotting and voice wake-up, enabling more processing to be performed directly on the device while reducing dependence on cloud computing resources and improving response speed. According to Grand View Research, the global speech and voice recognition market was valued at approximately US\$20.25 billion in 2023 and is projected to reach approximately US\$53.67 billion by 2030, representing a compound annual growth rate (CAGR) of 14.6%.

As the adoption of smart devices and IoT applications continues to expand, demand for low-power Edge AI chips capable of real-time processing is expected to increase steadily.

E. Machine Vision and Image Processing Field

Vision sensing has emerged as a key technology trend across a wide range of applications, including autonomous driving, surveillance systems, AR/VR devices, smart homes, and other Internet of Things (IoT) applications. As intelligent devices increasingly rely on environmental perception and real-time decision-making, vision sensing technologies have become an important focus for next-generation product development. A typical vision sensing solution integrates a CMOS Image Sensor (CIS), Image Signal Processor (ISP), Neural Processing Unit (NPU), and AI algorithms to enable image capture, processing, and intelligent analysis.

According to Grand View Research (2025), the global CMOS image sensor market was valued at approximately US\$30.6 billion in 2024 and is projected to reach approximately US\$49.1 billion by 2030, representing a compound annual growth rate (CAGR) of approximately 7.7%. CMOS image sensors are widely deployed in smartphones, automotive electronics, PCs and notebooks, and security surveillance systems. Demand is expected to remain strong, supported by the continued advancement of autonomous driving, intelligent cockpit monitoring, and smart security applications.

Dynamic Vision Sensors (DVS) are expected to be initially adopted in notebook camera systems to address the power consumption requirements of always-on devices. By detecting and transmitting only changes in visual information, DVS significantly reduces data throughput and enables AI processing to be activated only when relevant events occur, thereby lowering both power consumption and computational workload for AI processors.

The rapid development of Advanced Driver Assistance Systems (ADAS) is also accelerating demand for automotive vision solutions and high-speed in-vehicle data transmission technologies. To enhance vehicle safety and autonomous driving capabilities, automotive manufacturers are increasingly deploying multiple cameras throughout vehicles. Consequently, demand for high-speed data transmission between image sensors and Electronic Control Units (ECUs) continues to grow.

Today, automotive image data is primarily transmitted through high-speed point-to-point interfaces to ensure reliable communication under high-resolution imaging and real-time processing requirements. Industry research indicates that global installations of automotive camera modules exceeded 300 million units in 2024, driven by the growing adoption of ADAS and autonomous driving technologies. As vehicle intelligence continues to advance and safety regulations become more stringent, demand for automotive camera modules is expected to maintain long-term growth momentum.

(2) Peripherals and Control ICs for Information and Consumer Electronics

A. USB Type-C

As demand for thinner devices and greater interface integration continues to increase, USB Type-C has emerged as one of the mainstream connectivity standards for next-generation electronic devices. Featuring a reversible connector design and the ability to support power delivery, data transmission, and video output through a single interface, USB Type-C has been widely adopted across smartphones, tablets, notebooks, and peripheral devices.

The European Union's Common Charger regulation has been applicable to most portable electronic devices since 2024 and is scheduled to extend to notebook computers beginning in 2026. These regulatory requirements are expected to further accelerate the adoption of USB Type-C across a broad range of consumer electronics products.

In addition, the European Union continues to advance Common Charger initiatives beyond 2025, including measures aimed at harmonizing device-side connectors, charging specifications, and fast-charging technologies. Such developments are expected to promote greater standardization across the USB Type-C ecosystem and further strengthen market adoption.

On the application side, growing demand for USB Power Delivery (PD) and multi-protocol support, such as DisplayPort Alt Mode, is driving continued upgrades in related controller ICs, including PD controllers, retimers, and docking station/dongle solutions. As data transmission speeds, power requirements, and device connectivity continue to evolve, the USB Type-C ecosystem is expected to create significant opportunities for next-generation interface and connectivity solutions.

B. Notebook computers

According to industry research, the global notebook computer (NB) market has gradually stabilized following the demand adjustments experienced after the pandemic. IDC estimates that global PC shipments reached approximately 274 million units in 2025, representing year-over-year growth of approximately 4.1%. The recovery reflects improving market conditions following the demand downturn in 2023 and suggests that the industry has returned to a growth trajectory. Key growth drivers include enterprise PC replacement demand, the Windows 11 upgrade cycle, and inventory replenishment activities in certain markets. As enterprise IT refresh cycles and device replacement demand continue to progress, the PC and notebook markets are generally expected to maintain steady growth in the years ahead.

The rapid advancement of artificial intelligence technologies has accelerated the development of new applications and use cases across the computing ecosystem. For end users, however, the value of AI applications increasingly depends on personalized computing experiences and enhanced data privacy. As a result, industry expectations for the development of AI PCs remain high. While the definition and market positioning of AI PCs continue to evolve, notebook computers are widely expected to serve as one of the primary platforms for future AI-enabled computing.

The notebook market currently consists of several major segments, including commercial notebooks, consumer notebooks, education-oriented devices, and gaming notebooks. Although the long-term positioning of AI PCs remains subject to ongoing industry development, increasing investments by leading vendors in AI-related features and capabilities continue to generate strong market interest and growth opportunities. Accordingly, the Company continues to engage with customers in evaluating emerging AI applications and jointly developing related products and functionalities.

Across all notebook categories, data security remains a critical focus of product development. As AI computing capabilities become increasingly integrated into end-user devices, safeguarding personal information, protecting sensitive data, and enabling secure on-device processing will continue to be key considerations for future notebook platforms.

C. Multimedia Imaging Applications

The trend of integrating multimedia audiovisual capabilities is ubiquitous across a wide array of portable consumer electronic products. With the arrival of the digital era, video capture has become a standard feature for communication, seamlessly woven into modern lifestyles such as digital homes and mobile entertainment. Today, the market is rapidly expanding beyond traditional 3C (computer, communication, and consumer electronics) domains to encompass emerging applications in home security, wearable technology, medical imaging, and intelligent automotive surveillance systems.

Looking ahead, image control chips are expected to evolve beyond continuous improvements in image quality. A diverse array of product segmentation will emerge, driven by varying application requirements. Examples include:

- Integrated solutions for active and passive vehicle safety systems, combining front/rear cameras, tire pressure monitoring, and environmental sensing;
- Low-cost disposable imaging devices for medical applications;
- Compact and durable action cameras designed for dynamic, on-the-go usage scenarios.

These applications significantly broaden the commercial potential of imaging solutions and are set to become highly competitive arenas for R&D investment. The growing demand across verticals signals that multimedia imaging technologies will remain a strategic focus for innovation in the years to come.

(3) Wireless Audio Control IC

The continuing trend toward slimmer television designs, narrow bezels, and space-efficient home entertainment systems has often come at the expense of audio performance. At the same time, the widespread adoption of high-definition televisions and set-top boxes has increased consumer expectations for immersive audio experiences that complement advancements in video quality. As a result, soundbars have emerged as a key category within the home entertainment market.

According to Mordor Intelligence (2026), the global soundbar market is expected to grow from approximately US\$10.3 billion in 2026 to US\$15.3 billion by 2031, representing a compound annual growth rate (CAGR) of approximately 8.2%. Growth is supported by increasing adoption of smart TVs, connected home devices, and streaming services, as well as rising consumer demand for enhanced home audio experiences.



Source : Mordor Intelligence, 2026

Advances in wireless audio technologies are further driving market expansion. In addition to the widespread availability of Wi-Fi and high-speed broadband connectivity, Bluetooth audio technology continues to evolve. The introduction of Bluetooth LE Audio, incorporating the LC3 (Low Complexity Communication Codec), enables improved audio quality while reducing power consumption and supporting multi-device audio streaming. Furthermore, Auracast™ broadcast audio technology allows a single audio source to simultaneously broadcast audio to multiple devices, expanding applications across smartphones, wireless earbuds, and smart audio products.

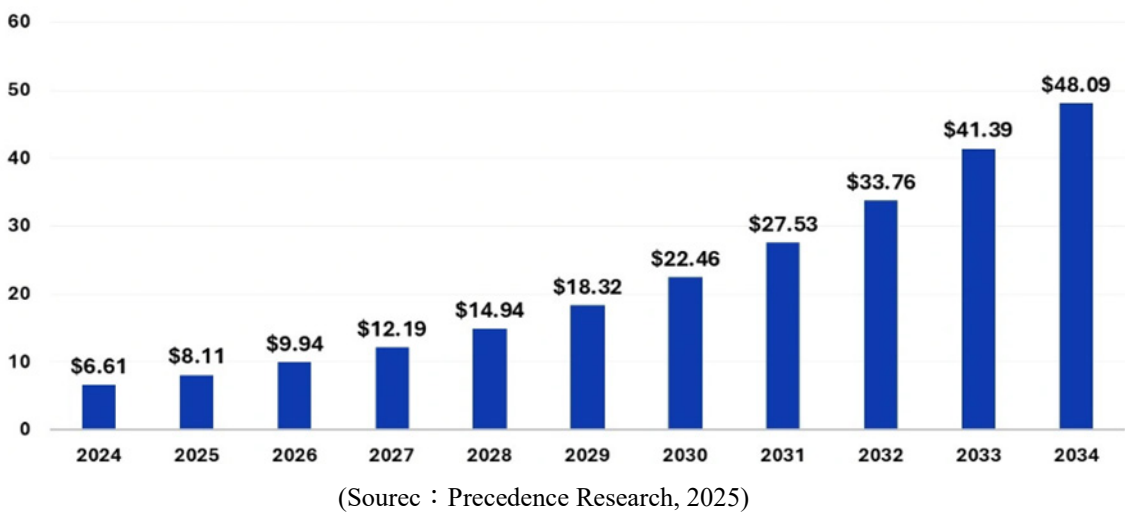
Operating systems and consumer devices have also begun integrating LE Audio and Auracast capabilities to enhance multi-device connectivity and user experience. As smart home ecosystems continue to expand and demand for streaming

entertainment increases, wireless audio technologies are expected to remain an important driver of demand for home entertainment products and wireless audio control IC solutions.

At the product level, soundbar manufacturers continue to incorporate advanced audio technologies such as virtual surround sound, Dolby Atmos, spatial audio, and wireless subwoofer architectures to deliver more immersive listening experiences. These developments reflect the industry's ongoing transition toward higher-quality audio performance and deeper integration of smart connectivity features.

Meanwhile, the global esports industry continues to expand as gaming evolves from a form of entertainment into a professional and commercially significant sector. The proliferation of high-speed networks, live-streaming platforms, and immersive technologies has enhanced audience engagement and accelerated the development of a comprehensive esports ecosystem.

According to Precedence Research (2025), the global esports market is expected to grow from approximately US\$8.1 billion in 2025 to US\$55.4 billion by 2035, representing a CAGR of approximately 21.2%. Growth is driven by increasing viewership, expanding sponsorship activities, rising mobile gaming adoption, and continued investments in esports teams, tournaments, and venues.



The growth of esports has also stimulated demand for high-performance gaming peripherals. Competitive gamers increasingly require premium audio devices with precise sound positioning, low-latency transmission, and immersive audio performance. Similarly, wireless keyboards and mice require highly responsive controls, stable connectivity, and low-latency operation. These trends continue to create opportunities for advanced wireless audio, connectivity, and control IC solutions.

(4) NRE Design Services, ASICs and Wafer Products Sales and IP Licensing

Driven by the rapid adoption of artificial intelligence (AI), data centers, 5G communications, the Internet of Things (IoT), Advanced Driver Assistance Systems (ADAS), and AR/VR applications, demand for Application-Specific Integrated Circuits (ASICs) and semiconductor intellectual property (IP) solutions has continued to expand. As semiconductor designs become increasingly sophisticated and application-specific, semiconductor IP has become a critical enabler of system-on-chip (SoC) development and time-to-market optimization.

According to Gartner, AI has emerged as one of the most significant growth drivers for the semiconductor industry. Global semiconductor revenue reached approximately US\$793 billion in 2025, representing year-over-year growth of approximately 21%, primarily fueled by strong demand for AI accelerators, high-performance computing (HPC) processors, and High Bandwidth Memory (HBM). The continued expansion of generative AI, cloud computing infrastructure, and data center investments is expected to further accelerate demand for advanced semiconductor solutions.

As AI-related semiconductor designs become increasingly complex and development costs continue to rise, demand for third-party semiconductor IP has grown accordingly. The substantial resources required to develop advanced chips from architecture design through mass production have encouraged technology companies and cloud service providers to leverage external IP solutions, including processor cores, interface controllers, and high-speed connectivity technologies, in order to shorten development cycles, reduce design risk, and improve development efficiency.

According to Precedence Research (2025), the global semiconductor IP market is expected to reach approximately US\$8.17 billion in 2025 and grow to approximately US\$17.06 billion by 2034, representing a compound annual growth rate (CAGR) of approximately 8.5%. Demand for processor IP, interface IP, and SoC-related technologies is expected to continue increasing alongside the growth of AI, data center, and high-performance computing applications. The sustained expansion of the semiconductor IP market presents attractive opportunities for companies with advanced IC design capabilities and proprietary technology portfolios.

4. Competitive Situation

Our company and its subsidiaries offer a diverse portfolio of products and services, including biometric sensing ICs and their applications, peripheral and control

ICs for information and consumer electronics, wireless audio control ICs, ASIC wafer sales, IP licensing, and technical service revenues.

The main competitors for our core products and services include the following:

➤ International competitors:

Goodix Technology (China), SMI, Microchip Technology (formerly SMSC), Skyworks Solutions (Avnera Corporation), and Synopsys.

➤ Domestic competitors (Taiwan):

Phison Electronics, ASolid, Realtek, Genesys Logic, Novatek, ASMedia, PROLIFIC, Nuvoton, ITE Tech, Progate, Faraday, Global Unichip Corp, M31, eMemory, and Andes Technology.

(III) Technology and Research and Development Highlights

1. Cost of Research and Development in the Last Five Years

Unit: New Taiwan Thousand Dollar; %

Items	2021	2022	2023	2024	2025
R&D expenses	1,195,104	1,542,376	1,558,658	2,005,491	2,253,977
Net Revenues	3,442,807	3,289,300	3,848,595	4,795,000	5,327,499
Revenues%	34.71%	46.89%	40.50%	41.82%	42.31%

2. Recently Developed Technologies or Products

Year	R&D achievements
2020	(1) Fingerprint Sensing Integration under OLED TFT Panel Successfully integrated fingerprint acquisition beneath OLED panels using TFT sensors. Optimization of fingerprint detection capabilities was achieved, enabling highly precise alignment and improved sensing accuracy. (2) Analog AI Specification and Initial Design Completion Completed the preliminary specification definition, layout, and circuit schematic of the analog AI architecture. By simplifying the analog multiply-accumulate (MAC) units, the design achieves compact area utilization and high-performance efficiency.
2021	(1) Under-Display Fingerprint Sensor Revision Enhanced under-display fingerprint sensor design to support low-transmittance displays, improving compatibility with the latest panel technologies. (2) Side-Mounted Capacitive Fingerprint Sensor Update Redesigned side-mounted capacitive fingerprint sensor to support 2.4mm packaging, enabling slimmer device form factors and improved integration flexibility. (3) Optical Fingerprint AI Matching Algorithm Upgrade Updated the AI-based fingerprint matching algorithm for optical sensors to improve recognition accuracy and processing efficiency.

Year	R&D achievements
	(4) Development of 2D Optical Anti-Spoofing Algorithm Designed and implemented a two-dimensional anti-spoofing algorithm for optical fingerprint sensors, enhancing system resistance to fake fingerprints and improving biometric security. (5) Capacitive Fingerprint AI Matching Algorithm Upgrade for 2.4mm Packaging Revised the AI matching algorithm used in capacitive fingerprint sensors to ensure optimal performance within the constraints of 2.4mm packaging dimensions.
2022	(1) Side capacitive fingerprint was revised to support 2.1mm packaging (2) Under-screen large-area TFT fingerprint sensor solution (3) Optical fingerprint AI matching algorithm was revised to improve performance and support more use scenarios (4) Optical 2.5D counterfeit-resistant algorithm was developed (5) Capacitive fingerprint AI matching algorithm was revised to support 2.1mm packaging (6) Capacitor 2.5D counterfeit-resistant algorithm was developed (7) Time of flight sensor chip 1x1 and 4x4 editions were developed (8) Ambient brightness and proximity sensor chip developed
2023	(1) Optimization of 1×1 Time-of-Flight (ToF) Sensing Chip Module (2) Development of 8×8 Time-of-Flight (ToF) Sensing Chip (3) Optimization of MCU Module with Embedded Fingerprint Accelerator (4) Optimization of Ambient Light and Proximity Sensor Chip (5) Development of High-Sensitivity Ambient Light and Flicker Detection Sensor Chip (6) Application Development for FPS in Low-Transmittance Display Panels (7) Sensor Design to Enhance FPS Sensitivity (8) Mass Production of FPS Sensors with Smaller Sensing Areas
2024	(1) Development of Gen 2 8×8 Time-of-Flight (ToF) Chip and Module (2) Development of Gen 3 Time-of-Flight (ToF) Chip Platform (3) Fingerprint Module with Adaptive I/O Design (1.2V / 1.8V) (4) Optical Fingerprint Sensor with Pixel Binning Technology (5) Development of FPS Chip Encryption Application (6) Development of Fingerprint Sensing Application Using MCU + CIS + 2P Lens Architecture (7) High-Speed Fingerprint Unlocking Solution (8) Low-Illumination Scenario FPS Application Development (9) Development of SPAD-Based Fingerprint Architecture (10) Capacitive Swipe Fingerprint Registration Application Development (11) Launch of Stereo Instrument Wireless Transmission Solution
2025	(1) Development of a Beamforming Ultrasonic Fingerprint Module. (2) Completion of the ALS product platform development, which successfully passed Samsung smartphone qualification and was adopted into Samsung smartphone projects. The platform is expected to be introduced into additional projects and applications going forward. (3) Development of FPS chip power consumption optimization. (4) Design and development of FPC solutions supporting glass cover lenses.

Year	R&D achievements
	(5) In collaboration with Google, FPS was successfully ported to the Chrome OS Aluminum platform, and the Company obtained the status of a leading development vendor. (6) FPS successfully passed customer qualification by Lenovo and Acer on the Chrome OS platform and secured opportunities for commercial project adoption. (7) Achievement of mass production for capacitive touch slider registration applications. (8) The Gen 2 8×8 Time-of-Flight (ToF) sensor chip and module successfully passed system qualification for Samsung's S Series smartphones and is expected to be introduced into subsequent projects, further expanding related application areas.

The Company is dedicated to the independent research and development of fingerprint recognition technologies, with full command of key technologies and proactive efforts in securing patent protection. As of December 31, 2025, the Company has approximately 35 patent applications pending in various countries, and has been granted a total of 698 patents worldwide.

(IV) Long-Term and Short-Term Business Development Plan

1. Short-Term Business Development Plan

- (1) Develop high-performance AI chips to enhance the computing capabilities of both existing hardware and software systems.
- (2) Maintain strong collaborative relationships with foundries, packaging, and testing partners, and work closely to leverage big data analytics, machine learning, and artificial intelligence technologies. These efforts aim to optimize process parameters, improve yield rates, streamline operations, enable early error detection, reduce production costs, shorten development cycles, and prevent raw material shortages.
- (3) Closely monitor product trends and customer needs to reduce the risks associated with new product development.
- (4) Deepen collaboration with existing customers by expanding cooperation across broader product lines and exploring new applications for current products, thereby enlarging the customer base.
- (5) Provide fast and effective resolution of production line issues faced by customers.
- (6) Broaden industrial presence to increase market share in biometric sensing ICs, peripheral and control ICs for information and consumer electronics, wireless audio control ICs, NRE design services, ASIC wafer sales, and IP licensing.

2. Long-Term Business Development Plan

- (1) Continuously invest in innovation within the field of artificial intelligence by launching competitive new products and optimizing the existing product

portfolio. These efforts aim to enhance product competitiveness and added value, thereby maintaining a leading position in the market.

- (2) Establish a more robust internal management system to strengthen operational efficiency and external communication. Collaborate with strategic investments to jointly develop application platforms and provide customers with diversified solutions, creating synergies and fostering deeper product-level cooperation with invested companies.
- (3) Advance into high-end chip design service businesses focused on cutting-edge semiconductor process technologies.
- (4) Integrate the product lines of invested companies and affiliated enterprises. Through a hybrid sales model, support market penetration into brand customers, enhance influence over both brand clients and the market, expand sales channels, and increase overall market share.

II. Market and Sales Overview

(I) Market Analysis

1. Sales (provided) Regions of the Company's Major Commodities (services)

Unit: NTD'000; %

Sales Region		2024		2025	
		Revenues	%	Revenues	%
Domestic Sales		918,209	19.15	1,003,967	18.84
International Sales	Asia	3,876,133	80.84	4,205,971	78.95
	America	609	0.01	79,683	1.50
	Others	49	0.00	37,878	0.71
Total		4,795,000	100.00	5,327,499	100.00

2. Market Share

According to research published by the International Data Corporation (IDC) in January 2026, global smartphone shipments reached approximately 1.26 billion units in 2025, representing year-over-year growth of approximately 1.9% to 2.3%. The results indicate that the smartphone market has gradually recovered from the impacts of inflationary pressure and weak consumer demand experienced in recent years and has returned to a more stable growth trajectory.



Company	2025 Shipments	2025 Market Share	2024 Shipments	2024 Market Share	Year-Over-Year Change
1. Apple	251.7	20.0%	234.3	18.9%	7.4%
2. Samsung	241.2	19.1%	223.5	18.1%	7.9%
3. Xiaomi	165.2	13.1%	168.4	13.6%	-1.9%
4. vivo	103.9	8.2%	101.2	8.2%	2.6%
5. OPPO	102.0	8.1%	104.8	8.5%	-2.7%
Others	397.7	31.5%	405.2	32.7%	-1.8%
Total	1261.7	100.0%	1237.5	100.0%	2.0%

(Source: IDC Worldwide Quarterly Mobile Phone Tracker, 2026)

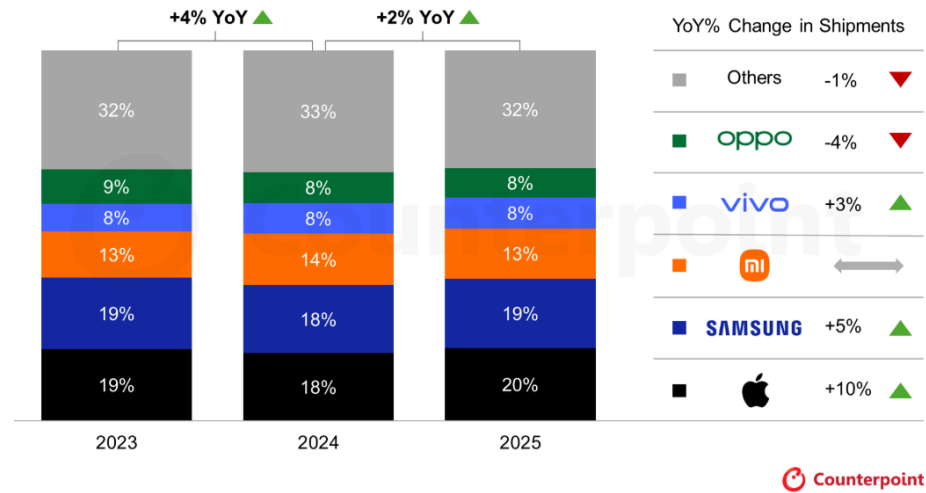
Counterpoint Research reported in January 2026 that global smartphone shipments increased by approximately 2% year-over-year in 2025. Apple remained the world's leading smartphone vendor with an estimated market share of approximately 20%, followed by Samsung at approximately 19%, while Xiaomi maintained its position as the third-largest smartphone brand globally. Apple continued to lead the premium smartphone segment, supported by strong demand for flagship models and replacement-cycle upgrades. Samsung maintained its market position through its comprehensive Galaxy product portfolio and continued expansion in foldable smartphones. Meanwhile, Chinese smartphone vendors continued to increase penetration across emerging markets, including India, Southeast Asia, the Middle East, Africa, and Latin America.

The recovery of the global smartphone market in 2025 was primarily driven by the completion of inventory adjustments, improving demand in emerging markets, increasing 5G smartphone penetration, and replacement demand associated with the introduction of AI-enabled smartphones (GenAI Smartphones). In addition, continued growth in premium smartphones, foldable devices, and AI-powered imaging applications contributed to higher average selling prices (ASPs), supporting the ongoing premiumization of the smartphone market.

In the field of biometric authentication, fingerprint sensing remains one of the most widely adopted identity verification technologies for mobile devices. Current fingerprint recognition solutions are primarily categorized into capacitive fingerprint sensors and optical under-display fingerprint sensors. Capacitive fingerprint solutions continue to be widely deployed in entry-level and mainstream smartphones due to their reliability, low power consumption, and cost advantages. Optical under-display fingerprint sensors, meanwhile, continue to gain adoption in mid-range and premium smartphones, benefiting from the increasing penetration of OLED displays.

Overall, supported by the integration of AI functionalities, ongoing market premiumization, increasing 5G adoption, and growing demand in emerging markets, the global smartphone industry has returned to a stable growth path. At the same time,

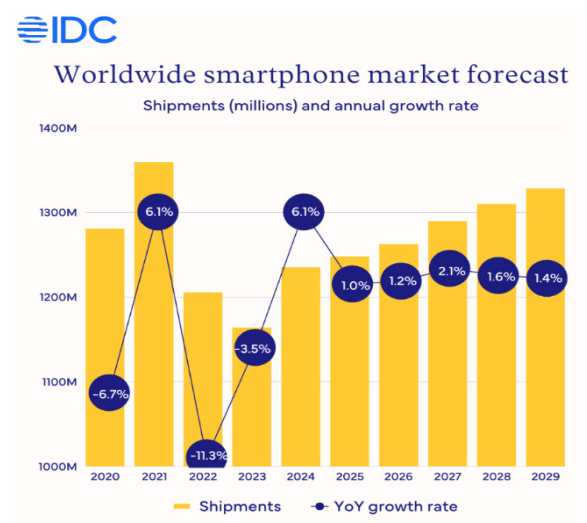
rising demand for secure biometric authentication is expected to continue supporting the long-term growth of the fingerprint sensing market.



(Source : Counterpoint, 2026)

3. Future Supply and Demand and Growth of the Market

According to research published by the International Data Corporation (IDC) in early 2026, the global smartphone market recorded its second consecutive year of growth in 2025, with shipments reaching approximately 1.26 billion units, representing year-over-year growth of approximately 2%. IDC attributed the recovery primarily to increasing demand for premium smartphones, continued 5G adoption in emerging markets, and the rapid growth of Generative AI (GenAI) smartphones, indicating that the industry has gradually recovered from the impacts of inflationary pressures, rising interest rates, and inventory adjustments experienced in recent years.



(Source: IDC, 2025)

According to Counterpoint Research, Apple and Samsung continued to dominate the premium smartphone segment in 2025, while Chinese smartphone vendors further expanded their market presence through competitively priced products and broader penetration into emerging markets. As replacement cycles gradually normalized, the integration of AI functionalities, foldable form factors, and advanced imaging capabilities into premium devices contributed to continued growth in average selling prices (ASPs), supporting the ongoing premiumization of the smartphone industry.

The rapid advancement of Generative AI (GenAI) has become one of the most significant growth drivers for the smartphone market. AI-enabled features are increasingly expanding beyond flagship devices into mid- and high-tier smartphones, including real-time translation, AI-enhanced imaging, content generation, intelligent assistants, and on-device AI inference. IDC estimates that global GenAI smartphone shipments will exceed 370 million units in 2025, representing approximately 30% of total smartphone shipments, with penetration expected to surpass 70% by 2029. Counterpoint Research similarly forecasts that approximately one-third of smartphones shipped in 2025 will incorporate generative AI capabilities, positioning AI as a standard feature in future smartphone products.

Beyond smartphones, growing demand for AI computing is also accelerating the development of AI PCs, high-performance computing (HPC), AI servers, and data center infrastructure. Canalys projects that AI PCs will experience rapid adoption over the coming years, driving demand for low-power sensing technologies, edge AI computing, and high-speed connectivity solutions. At the same time, the expansion of AI servers and data centers continues to support demand for High Bandwidth Memory (HBM), advanced semiconductor process technologies, and CoWoS advanced packaging solutions.

On the supply side, while the global semiconductor supply chain has largely normalized, sustained demand for AI servers, HPC platforms, and large language model (LLM) applications continues to place pressure on the supply of certain advanced chips, leading-edge manufacturing capacity, and memory products. IDC has indicated that growing AI infrastructure investments have contributed to rising DRAM and NAND Flash prices, which may further affect the cost structures and pricing of consumer electronics products. Going forward, the industry will continue to monitor the potential impact of geopolitical developments, trade policies, raw material costs, and global economic conditions on end-market demand.

In the field of biometric authentication, fingerprint sensing remains one of the most widely adopted identity verification technologies for smartphones. Current fingerprint authentication solutions are primarily categorized into capacitive

fingerprint sensors and optical under-display fingerprint sensors. Capacitive fingerprint solutions continue to be widely deployed in mainstream smartphones due to their maturity, low power consumption, and proven reliability. Optical under-display fingerprint solutions, meanwhile, continue to gain adoption in mid-range and premium smartphones, supported by the increasing penetration of OLED display technology.

Furthermore, fingerprint sensing and AI-based sensing technologies are expanding into a broader range of applications, including notebook computers, AI PCs, automotive electronics, smart locks, and cybersecurity solutions. As AI PCs and intelligent cockpit applications continue to evolve, demand for low-power AI sensing, Human Presence Detection (HPD), Driver Monitoring Systems (DMS), and edge AI computing is expected to increase, supporting the growth of related sensing and AI semiconductor markets.

The fingerprint sensing industry requires the integration of hardware, software, and algorithm development to achieve high-quality image capture and reliable authentication within extremely short response times. Solutions must address various real-world conditions, including wet fingers, environmental noise, and image distortion, while performing image reconstruction, feature extraction, and matching processes without compromising security or user convenience. As a result, fingerprint sensing represents a highly specialized field within the IC design industry that requires extensive cross-disciplinary expertise and long-term technology accumulation.

Since its establishment, the Company has remained committed to proprietary technology development and has accumulated nearly 690 patents to protect its intellectual property portfolio. Through sustained investment in technology innovation and algorithm optimization, the Company has developed products that deliver an optimal balance of security, convenience, and performance across a wide range of applications.

In addition to its established fingerprint sensing technologies, the Company continues to expand its presence in AI ASICs, AI sensing, semiconductor IP licensing, and high-speed connectivity solutions. Leveraging group-wide resources and strategic integration, the Company is progressively building end-to-end capabilities spanning semiconductor IP, ASIC design, and advanced packaging technologies, positioning itself to capture growth opportunities arising from the AI, 5G, high-performance computing, and intelligent connectivity era.

4. Competitive Niche

(1) Biometric Sensor ICs

The Company has long been dedicated to the field of fingerprint recognition. Leveraging its technical advantages in the biometric sector, our biometric chip product line continues to evolve with advanced manufacturing processes, moving toward higher resolution, enhanced recognition accuracy, and diversified specifications. In algorithm development, we are further integrating deep learning-based artificial intelligence (AI) to expand the emerging applications of biometrics across various industries.

Our high-performance standalone fingerprint processing chip has been successfully developed and, when combined with our miniature capacitive fingerprint sensors, has been introduced into the next generation of notebook fingerprint applications to enhance security and expand the market share of our fingerprint recognition chip products. This also contributes to the optimization of our existing product portfolio.

In 2024, the Company signed an exclusive cooperation agreement with Fingerprints, the world's largest biometric sensor provider. Through this partnership, we acquired leading intellectual property and technologies related to its mobile device product lines. The integrated technology platform enables us to consolidate existing markets and penetrate major Chinese OEMs as well as global brands such as Google. This strategic move allows us to deliver high-value services to mobile device customers worldwide and achieve synergy in technology and scale.

Additionally, the Company is actively developing an AI-based Driver Monitoring System (DMS) to enhance driver awareness, reduce safety risks, and improve the overall driving experience. By offering machine vision-based Dynamic Vision Sensors (DVS) with high precision, low power consumption, and minimal computational requirements, we provide more advanced in-vehicle security and control solutions. These AI capabilities are also leveraged to enhance the accuracy and anti-spoofing features of our fingerprint recognition software.

Furthermore, the Company has embarked on the development of Time-of-Flight (ToF) sensing technologies and is committed to creating chip solutions that offer superior cost advantages compared to existing market alternatives. These efforts aim to facilitate faster adoption by customers and accelerate time-to-market for product applications.

(2) Peripherals and Control ICs for Information and Consumer Electronics

The information and consumer electronics peripheral and control ICs developed by the Company and its subsidiaries are widely applied across various domains, including multimedia video transmission systems, notebook computers, desktop PCs

and monitors, as well as related peripherals and consumer electronics products. These offerings also encompass the development of high-speed interface IP.

As AI-related applications continue to proliferate, a wide range of innovative use cases are emerging. However, to fully realize the value of AI and mitigate cloud-based data security risks, such applications must be personalized at the end-user level. This is expected to drive a wave of AI PC replacement demand. In anticipation of this trend, the Company and its subsidiaries have proactively expanded into multi-port Type-C applications and HDMI redriver sales channels. These strategic initiatives are expected to contribute to continued revenue growth in the future.

(3) Wireless Audio Control ICs

The wireless audio control chips developed by the Company and its subsidiaries are primarily applied in control ICs and modules for soundbars, headphones, microphones, and related products. Leveraging years of expertise in low-latency wireless transmission technology, the Company addresses key consumer pain points such as poor Bluetooth audio quality and excessive latency in Wi-Fi connections. The solutions provide superior wireless transmission quality, enhanced audio performance, and greater flexibility in device connectivity.

Beyond traditional applications in wireless home theater systems and wireless headphones, the product portfolio has expanded to include wireless headset microphones, wireless microphones, wireless gaming headsets, musical instrument transmission systems, and IoT (Internet of Things) wireless peripherals.

Looking ahead, brand clients in South Korea and Japan are expected to continue initiating soundbar projects, contributing significantly to revenue growth. Project development timelines are also accelerating. In addition, the successful development of new application domains such as musical instrument transmission and wireless e-sports products is anticipated to generate new revenue streams in the near future.

(4) NRE Design Services, ASICs, and Wafer Products Sales and IP Licensing

ce initiating its strategic transformation in 2022, the Company has evolved beyond its traditional fingerprint sensing business and repositioned itself through a specialized division-of-labor model. Following the acquisition of InPsytech, Inc. in early 2024 and Alcor Micro Corp.'s strategic investment in Star River Semiconductor, the Company has been actively building an end-to-end IP and ASIC platform focused on advanced semiconductor technologies.

The Company is optimistic about the long-term development of chiplet architectures in the post-Moore's Law era. Through InPsytech's advanced semiconductor IP capabilities and Star River Semiconductor's expertise in advanced

process technologies and advanced packaging services, including CoWoS, the Company aims to provide customers with comprehensive end-to-end solutions that shorten time-to-market, reduce development risks, and improve product success rates. These capabilities have also enabled the Company to establish a strategic collaboration with Arm, a global leader in semiconductor intellectual property.

According to industry research, demand for AI servers, high-performance computing (HPC), and cloud data center infrastructure continues to accelerate. Benefiting from advantages in performance, power efficiency, and energy optimization, Arm-based server platforms have achieved increasing adoption among hyperscalers and cloud service providers. Industry leaders including Amazon Web Services (AWS), Microsoft Azure, Google Cloud, and NVIDIA have actively deployed Arm-based server solutions, driving rapid growth in the Arm server ecosystem. Verified Market Reports estimates that the global Arm server market will expand from approximately US\$6 billion in 2024 to approximately US\$30 billion by 2033, representing a compound annual growth rate (CAGR) of approximately 20% during the forecast period.

In addition, the rapid adoption of Generative AI and Large Language Models (LLMs) continues to drive demand for highly scalable and energy-efficient computing platforms. AWS's latest Graviton5 processor, based on the Arm Neoverse V3 architecture, has already gained significant adoption among major AI companies, including Meta, highlighting the growing importance of Arm-based platforms within AI data center infrastructure.

To position itself among the first wave of developers of Arm-based server CPUs, Alcor Micro Corp. resolved at its Board meeting on July 23, 2024, to enter into a strategic collaboration with Arm and obtained an architectural license for the latest Arm Neoverse Compute Subsystems V3 (CSS V3) platform. Leveraging the technological advantages of the Arm Neoverse V3 architecture, the Company aims to capitalize on emerging opportunities in the server processor market and help customers address the growing demand for both high-performance computing and energy-efficient solutions.

Looking ahead, the Company will continue to focus on two strategic growth pillars: AI Platform ASIC solutions and Arm-based server processors. Through continuous investment in innovation, advanced technology development, and ecosystem partnerships, the Company is committed to delivering highly integrated, high-performance semiconductor solutions. By helping customers reduce development risk, shorten product development cycles, and enhance system performance, the Company seeks to strengthen its technological leadership and

competitive position while capturing growth opportunities arising from the AI, HPC, and cloud computing era.

5. Advantages and Disadvantages in the Company's Prospect, and Contingency Measures

(1) Advantageous Factors

A. Diversification of Applications, Promising Future of the Industry

The application of biometric recognition is not only a security-grade anti-counterfeiting mechanism at the high security level, but the application of biometrics can also be used as a protection function for personal privacy, such as: password management of various accounts, database management, mailbox management, etc. of personal electronic devices. Furthermore, the uniqueness of biometric recognition enables the introduction of various types of consumer electronic products, providing individuals with fast and convenient personal management functions for their daily lives. These include: all devices that provide for personal needs such as wearable devices, access control, vehicle anti-theft devices and smart TV, etc. In addition to smartphones, fingerprint recognition is a huge opportunity for multiple applications in mobile devices, mobile payments, automotive electronics and financial smart cards and so on.

B. Fingerprint recognition technology has patent restrictions, thus there are high barriers to entry

As the time taken to train an IC design talent is relatively long, the research and development of a product requires a long-term accumulation of experiences. Furthermore, fingerprint recognition ICs have to capture clear images in an extremely short period of time, and overcome all kinds of situations that may be caused by users' fingers in daily use, such as wet fingers and sensor noise, etc. After capturing the image, the image has to be rearranged and go through a series of analysis and calculations, where the image will then be compared with the analyzed finger characteristic values using an algorithm. As a result, security and convenience are particularly important in applications. Therefore, cross-domain knowledge and skills are needed, and it is a high technical barrier and requires years of cumulative experience in the IC design industry. The Company was established in 2007 and has acquired key technology and patents related to fingerprint recognition through its own development and acquisition. It has not only equipped itself with advanced development technologies and expertise in upstream chip design and production, but has also empowered itself with the ability for self-development of algorithms, as well as hardware and software application

development and system integration capabilities due to its long-term accumulative shipment experience in personal computer market. This enables the Company to provide a full range of products and services for different needs of customers, including those in the upstream, middle and downstream sectors.

C. Exclusive Analog Artificial Intelligence (AI) Chip

The analog AI chip is designed with analog circuitry, and the area can be effectively reduced thanks to new process improvement. Compared with the digital circuitry design, there is a multiplier difference in area between the two, the power consumption is expected to be lower, and it can be produced using a lower-order manufacturing process.

In addition, the analog AI and sensors can be integrated on the same chip, and the complex computation results can be reported immediately after processing, which can significantly reduce the burden and transmission volume of the main system, and is a low cost, low power, high performance, and strong anti-counterfeiting product. This analog AI chip is expected to be widely used in mobile device recognition systems, driver monitoring system (DMS), automatic driving, security surveillance, the Internet of Things and other fields, to add more cost-effective new AI applications.

D. AI PC/NB Energy-Efficient Applications

According to Canalys, the AI PC market has entered a period of rapid growth. Canalys estimates that global AI PC shipments will exceed 100 million units in 2025, representing approximately 40% of the total PC market. By 2027, global AI PC shipments are projected to reach approximately 205 million units, representing a compound annual growth rate (CAGR) of approximately 44% from 2024 to 2027. As Microsoft, Intel, AMD, and Qualcomm continue to promote the development of the AI PC ecosystem, AI capabilities are increasingly becoming a standard feature in mid-range and high-end PC products.

AI PCs leverage dedicated AI accelerators, particularly Neural Processing Units (NPUs), to enhance on-device AI computing capabilities. In addition to improving AI application performance, on-device AI processing offers advantages in power efficiency, information security, and privacy protection. Canalys believes that AI PCs will deliver greater energy efficiency, more personalized user experiences, and lower AI computing costs, while accelerating the premiumization of the PC industry.

Furthermore, demand for commercial AI PCs continues to increase as the end-of-support (EOL) deadline for Windows 10 approaches and enterprises accelerate AI PC deployment. IDC has noted that growing demand for AI PCs and premium computing devices is also driving increased demand for high-capacity memory, NAND Flash storage, and high-performance computing solutions.

Recently, the Company successfully entered the AI PC market through its Human Presence Detection (HPD) sensing technology. Utilizing machine vision to detect user presence, HPD enhances information security while enabling intelligent power-saving functionality. The solution aligns with Microsoft's Windows 11 sustainability initiatives and future AI PC power-efficiency requirements. As AI PCs become increasingly mainstream and enterprises place greater emphasis on cybersecurity and energy efficiency, the Company believes that HPD and AI sensing applications present significant long-term growth opportunities.

E. End-to-End Sales from IP to ASIC

Through strategic investments and transformation initiatives, the Company has built a comprehensive end-to-end IP/ASIC platform. In 2024, the acquisition of Inpsytech completed the foundational layer for IP development. Inpsytech's IP deployment strategy focuses on four major application areas: AI/HPC, automotive, digital storage, and general-purpose IP. Foundation IP, including standard cell libraries and specialty I/O, serves as a cornerstone for future development due to its broad applicability across the semiconductor industry. Key customers include leading AI/HPC firms in the U.S. and Europe, storage solution providers, automotive clients, and both domestic and international foundries.

Inpsytech's flagship IP offerings include UCIE (D2D, Chiplet-to-Chiplet) interfaces, DDR and LPDDR Combo PHYs, ONFI 5.1 PHYs for automotive sensors and transmission, and advanced, low-power, compact, and customizable Foundation IP. Several of these IPs support advanced 2.5D/3D packaging technologies such as CoWoS and InFO, reinforcing the Company's strength in leading-edge process nodes.

Through its equity investment in StarRiver Semiconductor, the Company has further expanded its capabilities in advanced process and CoWoS packaging design and tape-out services. Coupled with IP advantages, this enables customers to accelerate time-to-market. The Company is among the first to develop ARM architecture-based server CPUs. On July 23, 2024, its subsidiary Alcor Micro Corp. resolved to enter into a strategic collaboration

with global IP leader ARM, obtaining a license for the latest Neoverse Compute Subsystem V3 (CSS V3). The Company is expected to become a leading provider of ARM-based AI server CPU chips by 2027.

(2) Disadvantageous Factors

A. Uncertainties and Variables in Global Consumer Electronic Markets

Global markets continue to face uncertainties arising from geopolitical tensions, macroeconomic developments, and the reallocation of resources across the AI supply chain. These factors may increase volatility in end-market demand and create additional challenges for supply chain management.

Response Strategy:

In light of these external challenges, the Company has swiftly adjusted its operational strategies to remain agile and resilient. Key measures include diversifying supply chain risks, implementing effective inventory and capacity management, continuously optimizing product portfolios, and exercising strict cost control. By maintaining close collaboration with customers and strengthening customer loyalty, the Company is actively developing diversified product strategies to accelerate revenue growth and enhance profitability.

B. Intense Market Competition and Short Product Cycle

High-tech industries face quick changes, new products emerge rapidly and the continuous integration of the semiconductor industry has resulted in the flow of talents.

Response Strategy:

The Company will continue to invest in new product research and development and launch new products in a timely manner with market trends in mind, and grasp market opportunities. It will further optimize existing products and perform more effective and comprehensive integration to increase the value added of new products, while working with investees to provide more diversified solutions for customers, and become a trustworthy and reliable partner to customers. It will also continue to recruit research and development talents to improve product development speed and application, in order to create long-term stable value for the Company.

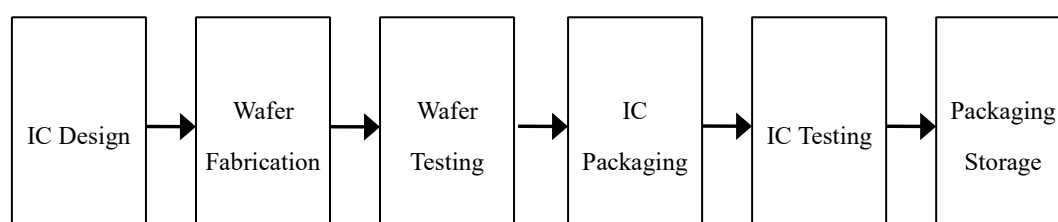
(II) Product Manufacturing Process and Important Uses of Primary Products

1. Important Uses of Main Products (Services)

Main Products (Services)	Main Function and Uses
Biometric Sensor ICs	Optical Fingerprint Recognition Sensor Chip and Fingerprint Recognition Software Applications
Peripherals and Control ICs for Information and Consumer Electronics	Including storage device controller ICs, memory card reader controller ICs, smart card reader controller ICs, hub controller ICs, input/output device controller ICs, image processing controller ICs, multimedia video converter ICs, notebook-related controller ICs, and MCUs.
Wireless Audio Control ICs	Including wireless audio control ICs and modules, our products are widely applied across various domains such as soundbars, headphones, microphones, and wireless musical instrument transmission. With the rapid development of the wireless audio market—driven by the growth of smart TVs, home entertainment systems, portable multimedia devices, PC multimedia applications, and other gaming multimedia platforms—wireless audio technologies are playing an increasingly essential role across a broad range of consumer electronics and multimedia ecosystems.
NRE Design Services, ASICs, and Wafer Products	(1) Turnkey service primarily based on Netlist-in (2) Turnkey service primarily based on Spec-in (3) Turnkey service primarily based on GDS-in (4) Design, modification, and porting services for silicon intellectual property (IP) (5) Packaging and testing services (6) Front-end design outsourcing services
IP Licensing	Licensing of IP technologies such as UCIe/Die-to-Die, DDR combo, MIPI, ONFI, and Standard Cell.
Technical Services	Providing technical support services, including software testing and sensor chip development.

2. Manufacturing Process of Main Products

The Company is a design company for fingerprint recognition ICs and its solutions. The plant is commissioned to manufacture the wafers and the wafers produced by the plant will be sent to the packing and testing factories for packaging and testing, and then stored for sale. The product manufacturing process is as follows: besides the research and development of software, planning and scheduling of the design is based on the orders given, so it does not have its own product line, and hence, there is no manufacturing process.



(III) Supply of the Primary Raw Materials

Wafers are the major raw materials of the Company's products, and the main supplier of wafers is company A, which possesses a considerable standard in terms of their quality and manufacturing capacity. The supply quantity and level of accommodation are compatible with the Company's demands and expectations. The Company will discuss the price with the supplier based on the demand and supply in the market, and regularly examine the product quality and service conditions. The supplier will provide technical services. Additionally, in response to diverse market demands, we continue to maintain close cooperation with suppliers and are expanding our wafer sources. The introduction of non-Taiwanese foundries is also being progressively completed through strategic investments. The supply of goods from wafer OEMs must be reliable, and the quality of goods supplied, process capabilities, and cooperation must be ensured to meet the Company's developmental needs.

(IV) Names of customers who contributed to more than 10% of total purchase (or sales) amount in one of the most recent two years, and the corresponding purchase (or sales) amounts and percentages, as well as reasons for their changes

- Names of companies which contributed to more than 10% of total purchase amount in one of the most recent two years, and the corresponding purchase amounts and percentages, as well as reasons for their changes

Unit: NTD'000; %

Item	2024				2025			
	Name	Amount in Cash	Net Purchases (%)	Relationship with Issuer	Name	Amount in Cash	Net Purchases (%)	Relationship with Issuer
1	Company A	621,649	27.93	Nil	Company A	1,015,617	29.42	Nil
2	Company B	245,800	11.04	Nil	Company B	863,723	25.02	Nil
3	Others	1,358,160	61.03	-	Others	1,572,305	45.56	-
	Net Purchases	2,225,609	100.00	-	Net Purchases	3,451,645	100.00	-

Reasons for Increase and Decrease: The change in the Company's procurement concentration over the past two years was primarily attributable to the progressive completion and shipment of ASIC projects, resulting in a corresponding increase in procurement from wafer foundries related to such ASIC projects.

- Names of customers who contributed to more than 10% of total sales amount in one of the most recent two years, and the corresponding sales amounts and percentages, as well as reasons for their changes

Unit: NTD'000; %

Item	2024				2025			
	Name	Amount in Cash	Net Sales (%)	Relationship with Issuer	Name	Amount in Cash	Net Sales (%)	Relationship with Issuer
1	Company A	0	0.00	Nil	Company A	908,117	17.05	Nil
2	Company B	776,314	16.19	Nil	Company B	610,796	11.46	Nil
3	Company C	629,639	13.13	Nil	Company C	213,116	4.00	Nil
	Others	3,389,047	70.68		Others	3,595,470	67.49	
	Net Sales	4,795,000	100.00	-	Net Sales	5,327,499	100.00	-

Reasons for Increase and Decrease: The change in the sales concentration of the Company and its subsidiaries over the past two years was primarily attributable to increased demand from customers for ASIC-related products and services.

III. Information on the number of employees, average years of service, average age, and educational background distribution ratio for the last two years and up to the date of publication of the annual report.

Unit: Headcount; years; %

Period		2024	202	As of April 28, 2026
Number of Employees	Direct	-	-	-
	Indirect	595	656	669
	Total	595	656	669
Average Age		41.44	41.44	41.44
Average Length of Service (Years)		5.74	5.74	5.74
Education Level Ratio (%)	PhD	2.52%	2.38%	2.54%
	Postgraduate	51.10%	50.11%	51.57%
	University and Diploma	45.88%	46.91%	45.29%
	Diploma and below	0.50%	0.61%	0.60%

IV. Environmental Expenditure Information

Total Losses (Including Damages) and Fines for Environmental Pollution in the Current Fiscal Year Up to the Date of Publication of the Annual Report, Explanation of Future Contingency Policies (including the improvement of measures) and Possible Payments (including the possible losses, fines, and damages incurred for failure to adopt the contingency policies; an explanation should be provided should a reasonable estimation cannot be given): The Company is an IC design company, and thus is not involved in environmental pollution.

V. Labor/management relations

- (I) List of various employee benefits, further education, training, retirement scheme, and other implementation situations, as well as labor-management agreements and various protective measures for employee rights

1. Employee welfare measures and implementation status

The employee benefits can be categorized into benefit provided by the Company and benefit provided by the Employee Welfare Committee:

- Benefits Provided by the Company:

- (1) Handle labor insurance, national health insurance, and labor pension contributions according to law.

- (2) The company fully pays for employee group insurance, including life insurance, accident insurance, medical insurance, cancer insurance, and business travel insurance.
- (3) Annual health check-ups, overtime dinners, departmental dinners, and yearend banquets.
- (4) Competitive salary payments, including year-end bonuses, performance bonuses, project bonuses, patent bonuses, and travel expense subsidies.

- Benefits Provided by the Employee Welfare Committee:

- (1) Year-end banquet raffle.
- (2) Employee travel, festival celebration activities.
- (3) Festival bonuses, gifts, and birthday bonuses.
- (4) Subsidies for weddings and funerals.

2. Employee continuing education and training

The Company provides diverse training courses and arrangements for education training, to improve the professional skills and core competitiveness of the employees so that they are able to perform their functions, increase work productivity, and ensure work quality in the achievement of the Company's goals of sustainable operations and development.

The contents of the training courses include the training of new employees, professional skills training, management development training, and the general training etc. By providing employees with opportunities for education and development through various ways of internal and external training and self-learning, colleagues will be able to constantly fulfill and gain new knowledge, and unleash their inner potential.

3. Retirement system and implementation status

The Company adopts the new scheme in compliance with the Labor Pension Act, where 6% of the monthly salary will be allocated to the pension account; relevant retirement matters will be handled in compliance with the Labor Pension Act.

4. Labor-management coordination situation

The Regulations set by the Company is compliance with the Labor Standards Act. The Company values its employees' opinions and thus adopts an open and two-way communication approach. This provides a channel for smooth internal communication within the Company, in the hope that the employees and the management can maintain good and harmonious relations.

5. Employee Rights Protection Measures

The Company has formulated relevant management regulations and systems which clearly state employees' rights and obligations, as well as benefits. The Company will examine and modify the contents of the benefits regularly, that can protect the rights and interests of all the employees.

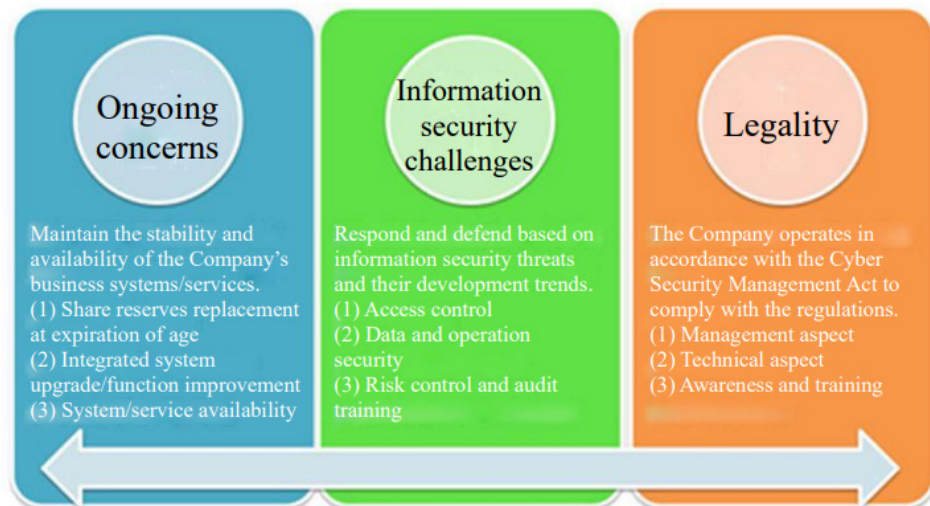
- (II) Losses Incurred by the Company as a Result of Labor Disputes in the Current Fiscal Year Up to the Date of Publication of the Annual Report, and Disclose an Estimate of Losses Incurred to Date or Likely to be Incurred in the Future, and the Contingency Measures. An Explanation Should be Provided Should a Reasonable Estimation Cannot be Given: No such situation.

VI. Cyber security management

(I) The Company's Information and Communication Security Risk Management Architecture, Information Security Policies, Specific Management Plans, and Resources Invested in Information Security Management

1. Information and communication security risk management architecture

The Company has “information and communication security management measures” in place to protect hardware, software and archives in order to meet confidentiality, integrity, availability and legal compliance requirements. And it has gradually improved the management measures based on ongoing concerns, information security challenges and legality, which are used as the foundation of information security architecture.



2. Information and communication security policy

- A. The IT Department is responsible for the coordination and promotion of information security management related matters.

The information department shall gather the relevant units, including the legal, human resource, audit, and research and development units, for discussion on risk assessment or specific topics if necessary.

- B. The Company's personnel should comply with the company's information and confidentiality security standards.
- C. The Company's suppliers, subcontractors, and outsourced service providers should adhere to The Company's information security standards as stipulated.
- D. Upon discovery of a cybersecurity incident, it should be reported to the

cybersecurity contact person.

- E. Any behavior that jeopardizes information security will be subject to civil, criminal, and administrative responsibilities depending on the severity of the situation, or dealt with according to the Company's relevant regulations.

3. Specific management schemes and resources invested in information and communication security management

- A. Outsourced professional computer information vendors undertake maintenance services.
- B. Network and computer system security management.
- C. System access control, development, and maintenance of security management.
- D. Information asset security management.
- E. Installation of network firewalls, antivirus software, and setting access permissions for folders.
- F. Regular vulnerability scans of The Company's computer equipment, network devices, and servers.
- G. Important information systems are set up for regular backups and disaster recovery drills.
- H. Regularly conduct social engineering drills and, based on the results, implement cybersecurity education and training for employees to enhance their awareness of such hacker threats.

(II) Major information and communication security incidents

It is required to list the losses suffered due to major information and communication security incidents in the latest fiscal year and as of the date of this annual report, and its possible impacts and countermeasures: Nil.

VII. Important contracts

List of all marketing contracts, technical assistance agreements, engineering agreements, long-term loan agreements and any other important contracts that will affect the shareholders' equity, which are still valid up to the date of publication of the annual report and that has expired in the current fiscal year; list the parties involved, main content, terms and conditions, and the date of the subscription agreement:

Nature of Contract	Parties Involved	Date of the Subscription Agreement	Main Content	Terms and Conditions
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Authorization	Company E	From January 2015	Software Authorization	Nil
Authorization	Company F	From January 2015	Software Authorization	Nil
Manufacturing Process Outsourcing Contract	Company H	From August 2015	Manufacturing Process Outsourcing	Nil
Authorization	Company K	2023/06-2026/06	Software Authorization	Nil
Authorization	Company L	2023/08-2026/08	Software Authorization	Nil
Authorization	Company F	2024/06-2034/06	Technology Authorization	Nil
Long-term Rental	Mr. Kuo	2024/09-2027/02	Office Rental	Nil
Authorization	Company A	2025/06~2026/06	Software Authorization	Nil
Authorization	Company B	2025/05~2026/06	Software Authorization	Nil
Authorization	Company C	2025/11~2026/11	Software Authorization	Nil
Authorization	Company D	2025/12~2030/12	Patent Authorization	Nil
Authorization	Company E	2025/10~2027/10	Software Authorization	Nil
Authorization	Company G	From December 2025	Software Authorization	Nil

Five. Review and Analysis of Financial Position and Financial Performance, and Risks

I. Financial Status: Main reason(s) for any material change to the assets, liabilities or equity over the last two fiscal years, and the impact of such changes. An explanation on the planned future contingency measures should be included if the impact is of material significance.

Unit: NTD '000; %

Financials \ Fiscal Year	2025	2024	Difference	
			Increase (Decrease)	%
Current assets	5,999,946	4,836,397	1,163,549	24.06
Property, plant and equipment	211,619	234,069	(22,450)	(9.59)
Intangible assets	9,011,624	9,404,777	(393,153)	(4.18)
Other assets	4,041,789	4,466,104	(424,315)	(9.50)
Total Assets	19,264,978	18,941,347	323,631	1.71
Current liabilities	4,728,328	6,766,606	(2,038,278)	(30.12)
Non-current liabilities	1,046,005	1,723,224	(677,219)	(39.30)
Total liabilities	5,774,333	8,489,830	(2,715,497)	(31.99)
Share capital	912,508	912,508	0	0.00
Paid-in Capital	7,538,789	4,936,992	2,601,797	52.70
Retained earnings	(211,730)	1,327,876	(1,539,606)	(115.95)
Other equities	(1,044,967)	(633,829)	(411,138)	64.87
Non-controlling interests	6,296,045	3,907,970	2,388,075	61.11
Total equities	13,490,645	10,451,517	3,039,128	29.08

1. For items with a 20% or more variation between the previous and current periods, and the variation amount reaches NTD 10 million, an explanation should be provided:

- (1) Current Assets: Primarily attributable to an increase in prepayments.
- (2) Current Liabilities: Primarily attributable to a decrease in the current portion of long-term borrowings due within one year or one operating cycle.
- (3) Non-current Liabilities: Primarily attributable to decreases in long-term borrowings and other non-current liabilities.
- (4) Total Liabilities: Primarily attributable to the factors described in items (2) and (3) above.
- (5) Additional Paid-in Capital: Primarily attributable to the difference of NT\$2,583,658 thousand between the actual disposal price and the carrying amount of the Company's equity interest in subsidiaries during the current year.
- (6) Retained Earnings: Primarily attributable to a net loss attributable to owners of the parent of

Financials \ Fiscal Year	2025	2024	Difference	
			Increase (Decrease)	%
NT\$1,597,932 thousand recognized during the current year.				
(7) Other Equity: Primarily attributable to an unrealized fair value loss of NT\$360,023 thousand on financial assets measured at fair value through other comprehensive income (FVOCI) during the current year.				
(8) Non-controlling Interests: Primarily attributable to (i) the difference of NT\$1,832,840 thousand between the actual disposal price and the carrying amount of the Company's equity interest in subsidiaries, and (ii) the Company's failure to subscribe for newly issued shares of subsidiaries in proportion to its shareholding, resulting in an impact of NT\$1,232,294 thousand.				
(9) Total Equity: Primarily attributable to changes in non-controlling interests.				
2. Future Response Plans for Material Impact Factors: Nil				

II. Financial Performance: Main Reasons for Any Material Change to Operating Revenue, Operating Profit or Pre-tax Profit for the Last Two Fiscal Years; the Sales Volume Forecast and the Basis, and the Possible Impact on the Company's Future Financial Operations and Contingency Measures

Unit: NTD '000; %

Fiscal Year	2025	2024	Increase (Decrease)	%
Financials				
Operating Revenue	5,327,499	4,795,000	532,499	11.11
Gross profit	1,837,685	1,888,771	(51,086)	(2.70)
Operating profit (loss)	(1,703,596)	(1,204,049)	(499,547)	41.49
Non-operating income and expenses	(408,711)	(241,102)	(167,609)	69.52
Pre-tax net profit (loss)	(2,112,307)	(1,445,151)	(667,156)	46.17
Income tax benefit (expense)	(146,276)	61,844	(208,120)	(336.52)
Net profit (loss) for the current period	(2,258,583)	(1,383,307)	(875,276)	63.27
Other comprehensive income (net of tax) for the current period	(398,444)	(183,808)	(214,636)	116.77
Total comprehensive income for the current period	(2,657,027)	(1,567,115)	(1,089,912)	69.55
1. For items with a 20% or more variation between the previous and current periods, and the variation amount reaches NTD 10 million, an explanation should be provided: (1) Operating Loss: Primarily attributable to an increase in operating expenses resulting from the consolidation of InPsytech, Inc. (2) Non-operating Income and Expenses: Primarily attributable to an increase in foreign exchange losses of NT\$128,758 thousand, an increase in impairment losses of NT\$145,765 thousand, and an increase in gains on financial assets at fair value through profit or loss (FVTPL) of NT\$158,346 thousand during the current year. (3) Loss Before Income Tax: Primarily attributable to the increase in operating loss and non-operating expenses. (4) Income Tax (Expense) Benefit: Primarily attributable to the impact of the Alternative Minimum Tax (AMT), resulting in income tax expense of NT\$212,524 thousand. (5) Net Loss for the Year: Primarily attributable to the increase in loss before income tax and higher income tax expense. (6) Other Comprehensive Income (Loss), Net of Tax: Primarily attributable to changes in unrealized gains or losses on investments in equity instruments measured at fair value through other comprehensive income (FVOCI). (7) Total Comprehensive Income (Loss) for the Year: Primarily attributable to the increase in net loss for the year and changes in unrealized gains or losses on investments in equity instruments measured at fair				

Financials	Fiscal Year	2025	2024	Increase (Decrease)	%
value through other comprehensive income (FVOCI).					
2. Forecasted Sales Volume, Basis, and Potential Impact on Future Financial and Operational Performance with Response Plan :					
The Company and its subsidiaries operate in the IC design industry. Business plans are formulated based on sales forecasts for existing products, the development progress of new products, customers' production demand forecasts, and the Company's overall business development strategy.					

III. Cash Flows: Analysis of the recent year's cash flow changes, liquidity improvement plans, and analysis of cash liquidity for the upcoming year

1. Analysis of Cash Flow Changes for the Recent Year (2025)

Unit: NTD '000

Fiscal Year Activities	2025	2024	Difference	
	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)	%
Operating	(235,754)	(134,549)	(101,205)	75.22
Investing	(1,083,192)	(2,285,238)	1,202,046	(52.60)
Financing	1,764,983	2,759,292	(994,309)	(36.03)
Analysis of Cash Flow Changes :				
(1) Operating Activities: Primarily attributable to an increase in prepaid expenses of NT\$970,054 thousand during the current year.				
(2) Investing Activities: Primarily attributable to the acquisition of subsidiaries amounting to NT\$2,045,494 thousand in the prior year and payments for intangible assets of NT\$1,218,657 thousand during the current year.				
(3) Financing Activities: Primarily attributable to cash proceeds of NT\$4,140,000 thousand received from the disposal of equity interests in subsidiaries during the current year, partially offset by the repayment of borrowings.				

2. Improvement measures for illiquidity: There is no any situation of illiquidity for the Company.

3. Cash Liquidity Analysis for the Upcoming Year (2026)

Unit: NTD '000

Opening cash balance	Estimated net cash flow from operating activities for the year	Estimated net cash flow from investing and financing activities for the year	Estimated surplus (insufficient) amount	Remedial measures for estimated insufficient cash	
(a)	(b)	(c)	(a)+(b)+(c)	Investment plan	Financial plan
2,647,141	(28,298)	157,838	2,776,682	NA	NA
1. Cash Liquidity Analysis for the Coming Fiscal Year (2025) :					
(1) Operating Activities: Net cash outflows from operating activities are expected as additional working capital will be required in advance to support anticipated revenue growth.					
(2) Investing and Financing Activities: As Alcor Micro Corp. continues to focus on new product development and functional integration, investments in research and development equipment, technologies, and software are expected to continue, resulting in net cash outflows from investing					

activities. To support operational needs and improve the Company's financial structure, the Company plans to raise funds through the disposal of equity interests in subsidiaries and the sale of financial assets, which are expected to generate additional net cash inflows.

2. Remedial Measures and Liquidity Analysis for Expected Cash Shortfalls: There is no anticipated cash shortfall in the coming fiscal year; therefore, no remedial actions are required.

IV. Impact of significant capital expenditures on financial operations in the recent year: None.

V. Reinvestment policy for the recent year, main reasons for profit or loss, improvement plans, and investment plans for the upcoming year

1. Reinvestment Policy

The Company has drafted the “Operating Procedures for Acquisition or Disposal of Assets” in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” formulated by the competent authority, which serves as the basis for the Company’s conduct of its reinvestment business, enabling the Company to master the relevant business and financial situation. Furthermore, in order to improve the supervision and management of the invested companies, the Company has formulated the monitoring and management methods for the subsidiaries in the internal control system, and formulated the relevant regulations for the disclosure of information, finance, business, inventories and financial management, so as to realize the greatest effectiveness in the reinvestment matters of the Company.

2. Main reasons for the profits or losses generated from the reinvestment business in the last fiscal year, and the plan for improving reinvestment profitability

Unit: NTD '000

Name of investor	Name of invested enterprise	Main business item	Investee Company Profit (Loss) for the Year in 2025	Main reasons for profits or losses	Plan for improving reinvestment profitability
The Company	Egis Technology (Japan) Inc.	Customer service, business promotion and technical support	48	Revenue from Technical Services	Nil
"	Egis Technology Korea Inc.	Customer service, business promotion and technical support	1,031	Revenue from Technical Services	Nil
"	OceanX Inc	Investment Holding	20	Investment income	Nil
"	Luxsentek Microelectronics Corp.	Technology Developmen	(1,169)	Operating losses and impairment losses on Accounts receivables	The company is under liquidation.
"	Alcor Micro Corp.	Technology Developmen and investment holding	(349,385)	Operating Loss and Recognition of Losses from Subsidiary Investments	Nil
"	VASUBI Inc.	Technology Development	(14,697)	Operating losses	Accelerate development and integration of its technology

Name of investor	Name of invested enterprise	Main business item	Investee Company Profit (Loss) for the Year in 2025	Main reasons for profits or losses	Plan for improving reinvestment profitability
					to penetrate the supply chain
"	NUI Inc.	Technology Development	(894)	Operating losses	Accelerate development and integration of its technology to penetrate the supply chain
"	Taurus Wireless Inc.	Technology Development	(10,778)	Operating losses	Accelerate development and integration of its technology to penetrate the supply chain
"	Transducer Star Technology Inc.	Technology Development	(23,634)	Operating losses	Accelerate development and integration of its technology to penetrate the supply chain
"	iCatch Technology, Inc.	Technology Development	(175,913)	Strategic Repositioning of R&D Activities	Accelerate development and integration of its technology to penetrate the supply chain
"	SCT Holdings Ltd.	Integrated Circuit Development, Design, and Sales Operations	(117,797)	Deferred customer demand	An impairment loss was recognized as the recoverable amount was lower than the carrying amount.
"	Shentao Intelligent Technology (Shanghai) Co., Ltd.	Customer service, business promotion and technical support	4,728	Operating profits	Nil
"	Egisee Inc.	Technology Development	(60,526)	Operating losses	Continue to actively develop new products and expand business operations.

Name of investor	Name of invested enterprise	Main business item	Investee Company Profit (Loss) for the Year in 2025	Main reasons for profits or losses	Plan for improving reinvestment profitability
"	Inpsytech Inc.	IP Development	162,037	Operrating profits	Nil
"	Kiwi Technology Inc.	Integrated circuit design, development and sales, and product development solutions.	(100,696)	Operating losses	Continue to actively develop new products and expand business operations.
Kiwi Technology Inc.	Egis Vision Inc.	Integrated Circuit Development, Design, and Sales Operations	(90,759)	Operating losses	Continue to actively expand business opportunities.
"	Kiwi Technology Inc	Technical Support Services	(3,384)	Operating losses	Continue to actively expand business opportunities.
Alcor Micro Corp.	Alcor Micro Technology, Inc.	Investment Holing	(1,066)	Operating Loss and Recognition of Losses from Subsidiary Investments	Nil
"	AlgolTek, Inc.	Integrated Circuit Development, Design, and Sales Operations	54,817	Operating losses	Nil
"	Syncomm Technology Corp.	Integrated Circuit Development, Design, and Sales Operations	(9,933)	Operating losses	Continue to actively expand business opportunities.
"	Qunfeng Investment Co., Ltd.	Investment	6,257	Investment profits	Nil
"	Ene Technology Inc.	Integrated Circuit Development, Design, and Sales Operations	(23,457)	Operating losses	Continue to actively develop new products and expand business operations.
Alcor Micro Technology, Inc.(AMTI)	Alcor Micro Technology, (H.K.) Limited (AMTHK)	Investment	(1,011)	Operating Loss and Recognition of Losses from Subsidiary Investments	Nil
AlgolTek, Inc.	Terawins, Inc.	Integrated Circuit Design,	(13,012)	Operating losses	Continue to actively develop

Name of investor	Name of invested enterprise	Main business item	Investee Company Profit (Loss) for the Year in 2025	Main reasons for profits or losses	Plan for improving reinvestment profitability
		Development and Sales			new products and expand business operations.
"	Joint Power eXponent, Ltd.	Integrated Circuit Design, Development and Sales	(30,256)	Operating losses	Continue to actively develop new products and expand business operations.
"	APPRO PHOTOELECTRON INC.	Design, Manufacturing and Sales of Imaging Products	21,601	Operating profits	Nil

Note 1 : Egis (Hong Kong) Limited completed its company registration on August 17, 2015. However, the capital injection from the company has not yet been completed.

3. Investment plan for the coming year

As the company gradually transitions into an IP-centric enterprise, future investment plans will focus on completing a comprehensive portfolio of IP offerings. This includes wired interface IPs (such as PCIe, USB, MIPI, Ethernet, SLVS), wireless communication IPs (including Wi-Fi, BT/BLE, UWB), UCIe, foundational IP components, storage interface IPs (DDR Combo, ONFI), automotive applications, and AI-ISP technologies. The goal is to cover all essential IPs required for chip design. This strategy will accelerate the company's development across key sectors such as AI, HPC, automotive, and AI PCs/Notebooks, enabling the Egis Group to provide an integrated end-to-end solution—from upstream IP supply to chip design services.

VI. Risk Management Analysis and Evaluation

(I) Risk Management Policy

1. Based on the latest developments and requirements from internal audits, the company plans to gradually enhance the management of enterprise risks; the organizational structure for risk management is divided into three levels (mechanisms)

First Mechanism: As the organizing or responsible personnel, one must assume the duty of initially discovering, assessing, and controlling risks, including the consideration, design, and prevention of such risks.

Second Mechanism: The review chaired by the President (or CEO or Vice President), which includes not only feasibility assessment but also various risk assessments.

Third Mechanism: It is a review by the Legal Affairs and Audit Office, and a review by the Board of Directors/Audit Committee. 2. For important risk assessment matters at the company that do not require deliberation by the second and third mechanisms, they will be audited by the Audit Office and, when necessary, reviewed by legal affairs, to discover, assess, and suggest prevention measures for risks. If an immediate potential risk is identified, it can also be immediately reported to superiors for proper prevention.

2. According to the “Regulations on Internal Control System Procedures for Public Companies” established by our company, we have “Self-Inspection Procedures and Methods.” Each year, all departments and operating units conduct routine self-assessments of internal control systems to implement self-monitoring mechanisms, respond promptly to environmental changes, adjust the design and execution of internal control systems, and enhance the audit quality and efficiency of internal audit units. The scope of self-assessment covers the implementation and design of various types of internal control systems within the company.

(II) Risk Management Organization Chart

Important risk assessment matters	(The first mechanism) Direct risk control unit	(The second mechanism) Risk review and control	(The third mechanism) Board of Directors, Audit Committee and Audit Office
1. Interest Rate, Exchange Rate and Financial Risks	Financial staff	Directors at all levels and general manager	Board of Directors and
2. High-risk, high-leverage investment, capital loans to	Financial staff	Directors at all levels and general manager	Audit Committee (Decision-making

Important risk assessment matters	(The first mechanism) Direct risk control unit	(The second mechanism) Risk review and control	(The third mechanism) Board of Directors, Audit Committee and Audit Office
others, derivative commodity transactions, financial investment			and final control of risk assessment and control)
3. Investments and M&A Benefits	Stock and financial staff	Directors at all levels and general manager	
4. Research and development Plan	Research and Development personnel	Directors at all levels, operation officer and general manager	Audit Office (Inspection, Improvement Tracking and Report of Risk)
5. Concentrated sales or purchases	Business Department, Purchasing Department and Financial Staff	Production and marketing meeting	
6. Changes in equity of directors and major shareholders	Stock staff	Board of Directors	
7. Changes of Control	Stock staff	Board of Directors	
8. Litigation and noncontentious matters	Legal staff	General Manager	
9. Other business operations	Directors at all levels	General Manager	
10. Personnel behavior, morality and ethics	Directors at all levels and Personnel Administration Department	Labor-management conference	
11. Compliance with regulations	Directors at all levels	Legal affairs and audit	
12. Management of Board	Stock staff	Legal affairs and audit	
13. Meetings			

(III) The impact of interest rate changes, exchange rate fluctuations, and inflation on the company's profitability and future response measures

1. Interest Rate Fluctuations

(1) Effect on the Profit and Loss of the Company

In fiscal years 2024 and 2025, the Company's bank borrowings accounted for 24.6% and 7.9% of total assets, respectively. Interest expenses represented 2.6% and 3.2% of net operating revenue for each respective period. Given the relatively low proportions, the impact of interest rate fluctuations on the Company's profit and loss is limited. Nevertheless, the Company will continue to monitor changes in both domestic and international economic conditions and will adopt appropriate measures in a timely manner to mitigate risks arising from interest rate volatility.

(2) Specific Countermeasures

The Company evaluates the bank loan interest rate on a regular basis and constantly monitors the financial market for any effects of interest rate fluctuations on the Company's allocation of funds, so as to duly implement adaptation measures. Therefore, interest rate fluctuations do not have any significant effect on the profits and losses of the Company.

2. Exchange Rate Fluctuations

(1) Effect of Exchange Rate Fluctuations on the Profit and Loss of the Company

The Company primarily conducts purchase and sales transactions denominated and settled in U.S. dollars.

In fiscal years 2024 and 2025 (ROC years 113 and 114), the net foreign exchange gains (losses) were NT\$67,410 thousand and NT\$ (61,348) thousand, respectively. These figures represented approximately 1.4% and -1.2% of the Company's net operating revenue, and approximately (4.7%) and 2.9% of the Company's pre-tax net loss, respectively.

As such, fluctuations in the exchange rate between the New Taiwan Dollar and the U.S. Dollar have a material impact on the Company's profitability.

(2) Specific Countermeasures

- A. When providing customers with price quotations, the Business Department will take into account the exchange rate trends for quotation decision-making and make dynamic adjustments to quoted prices offered to customers, so as to avoid any significant impact on the Company's profits due to the exchange rate fluctuations.
- B. The natural hedging of foreign exchange risk will continue to be the main strategy for exchange rate risk control and management in the future, and the foreign currency assets and liabilities will be appropriately adjusted to lower the risks arising from exchange rate fluctuations.

3. Inflation

(1) Analysis of the Impact on the Company

The global economy continues to be constrained by weak end-market demand and ongoing industry inventory adjustments, leading to a slowdown in economic growth momentum.

Interest rates are expected to remain elevated in the near term. In particular, China's sluggish economic performance, coupled with rising geopolitical tensions, has

further dampened end-user demand. As a result, close monitoring of global economic and political uncertainties remains essential.

(2) Specific Countermeasures

- A. The Company will be aware of the fluctuations in market prices of upstream raw materials at all times, and maintain good interactions with suppliers and customers, so as to predict the market trends of the raw materials and lower the impact of rising prices.
- B. In accordance with fluctuations in the costs of raw materials, the Company will dynamically adjust the prices offered to customers when the preset tolerance intervals are exceeded, so as to avoid any significant impact on the Company due to inflation.

(IV) Policies on engaging in high-risk, high-leverage investments, lending funds to others, endorsements, guarantees, and derivative transactions, the main reasons for profits or losses, and future response measures

The Company maintains a prudent financial management policy and does not engage in high-risk or highly leveraged investments. Comprehensive policies and internal control procedures have been established governing loans to others, endorsements and guarantees, and derivative transactions. During 2025 and through the date of this Annual Report, all loans to others and endorsements and guarantees provided by the Company and its subsidiaries were conducted in compliance with applicable regulations and internal policies.

Going forward, the Company will continue to adhere to its established financial management principles and refrain from engaging in high-risk or highly leveraged investments. Policies governing loans to others and endorsements and guarantees will continue to be implemented in accordance with the Company's internal rules and regulations. In addition, transactions involving derivative financial instruments will be conducted in accordance with the Company's Procedures for Derivative Financial Product Transactions.

(V) Future research and development plans and expected R&D expenditures

1. Future Research and Development Plan

The Company is dedicated to the design, development, and sales of biometric sensing-related chips. For further details regarding future research and development plans, please refer to Section Four: "Operational Overview", I.Business Content, (I)

Scope of Business, item 4 New Products (and Services) Under Development” in this Annual Report.

2. Estimated Research and Development Expenses

The Company plans to allocate its R&D expenses progressively based on the development schedule of new products and technologies, with adjustments made in response to market changes and the progress of product development. In 2026, the Company expects to invest approximately NT\$2.7 billion in research and development to continuously support future R&D initiatives and maintain the competitive advantage of its products in the market.

(VI) The impact of significant domestic and international policy and legal changes on the company’s financial operations and response measures

The company’s day-to-day operations comply with relevant domestic and international legal regulations and continuously monitor the trends and changes in domestic and international policies and regulations. Information is collected to provide references for executive decision-making to adjust the company’s operational strategies. Therefore, as of the date the annual report was printed, the company has not been affected by any significant changes in domestic or international policies and laws that would impact its financial operations.

(VII) The impact of technological changes (including information security risks) and industry changes on the company’s financial operations and response measures

The Company keeps an eye on the evolution of technology related to the industry in which it operates, keeps abreast of industry dynamics, continues to enhance its research and development capabilities, and actively expands future market applications to ensure its competitive advantage in the market. In order to fulfill the requirements of information security management, we focus on processes, legal compliance, personnel training, and technology utilization to strengthen the security and protection of data, information systems, equipment, and network communications, and effectively reduce the risk of theft, misuse, leakage, tampering, or destruction of information assets caused by human negligence, intentional or natural disasters, to ensure our commitment to shareholders and customers, and to achieve the Company’s sustainable management. In addition, we continue to pay attention to new cyber security information and technology in response to the rapid changes in external factors and attack methods, and keep our defense or management methods up-to-date to effectively

block new types of information security threats and reduce the risk of operations. Therefore, in the last fiscal year and the current fiscal year up to the date of publication of the annual report, there were no technological innovation or industrial changes that would affect the financial operations of the Company.

(VIII) The impact of changes in corporate image on crisis management and response measures

Since its establishment, the Company has focused on its core business operations, adhering to relevant laws and regulations, actively strengthening internal control and improving management quality and performance, so as to uphold the good corporate image of the Company and increase customer trust. The Company has not faced any operational crisis due to changes in the Company's corporate image in the last fiscal year and the current fiscal year up to the date of publication of the annual report. However, as the enterprise may face considerably huge damages due to corporate crisis, the Company will continue to execute all the requirements of corporate governance so as to minimize the occurrence of corporate risk and such impact on the Company.

(IX) Expected benefits, potential risks, and response measures of mergers and acquisitions

The Company selects investment and acquisition targets that are strategically aligned with the Group's long-term business development objectives. Through close operational integration and disciplined management, the Company expects to effectively manage and mitigate risks related to post-investment integration, investment performance, and financial management.

(X) Expected Benefits, Potential Risks, and Countermeasures of Expanding Facilities

The Company does not have a factory site, and has no plans for the establishment or expansion of a factory in the future. Therefore, this is not applicable.

(XI) Risks and Countermeasures Faced by Concentration of Purchases or Sales

1. In terms of purchases

The Company is a professional IC design company and thus does not own a foundry. At present, its purchases are concentrated in the foundry in Taiwan. In order to achieve reliable and stable production capacity and shorten the time to market of products, IC design companies have the industrial characteristics of using the same semiconductor process, and also consider factors such as process technology, quality efficiency, full capacity, delivery coordination, etc., so they tend to maintain long-term and close cooperation with specific wafer foundry. Should the production output of the collaborating foundry be insufficient, the Company may face the risk of supply

shortage or delay in goods delivery. In view of the aforementioned risks, besides maintaining a good cooperative relationship between the Company and the collaborating foundry, the Company shall also not exclude the possibility of working with other foundries, so as to provide more choices and security in terms of the quality, source, and prices of the raw materials.

2. In terms of sales

As the Company continues to expand in scale and consolidates its market presence, it has consistently developed new products in recent years to align with various end-use application markets. As a result, there is no concentration of sales to specific customers.

(XII) Impact, Risk, and Countermeasures of Major Share Transfers or Changes Involving Directors, Supervisors, or Shareholders Holding More than Ten Percent of the Shares:

There are no such circumstances.

(XIII) Impact, Risk, and Countermeasures of Changes in Management Rights:

There are no such circumstances.

(XIV) Litigation or Non-Litigation Events:

1. Any material litigation, non-litigation, or administrative proceedings that have been adjudicated or are still pending during the past two fiscal years and up to the publication date of this annual report, and whose outcomes may have a significant impact on shareholders' equity or the price of the Company's securities, shall be disclosed, including the disputed facts, amount involved, date proceedings commenced, principal parties involved, and current status of the case:

(1) In May 2024, the Company received a letter from Lenovo Group requesting cost-sharing for litigation expenses and settlement related to a U.S. patent lawsuit, citing indemnification clauses in the fingerprint sensor supply agreement. Only one of the claims in the Lenovo litigation appears potentially relevant to fingerprint sensors, and it remains uncertain whether the patent in question is connected to products supplied by the Company. Legal counsel has formally responded to Lenovo's external attorneys requesting full disclosure. As of March 31, 2026, no reply has been received.

2. Lawsuits, Non-litigation or Administrative Proceedings Involving Directors, Supervisors, President, De Facto Responsible Persons, Shareholders Holding Over 10% of Shares, or Subsidiaries within the Past Two Years and up to the Annual Report Publication Date, the Outcome of Which May Materially Affect Shareholders' Equity or the Market Price of the Company's Securities:

The Company's directors, supervisors, president, de facto responsible persons, shareholders holding over 10% of shares, and subsidiaries have not, within the past two years and up to the publication date of this annual report, been involved in any finalized or pending litigation, non-litigation, or administrative proceedings.

3. In the past two years and up to the publication date of this Annual Report, there have been no incidents involving the Company's directors, supervisors, managerial officers, or shareholders holding more than 10% of shares that fall under the circumstances specified in Article 157 of the Securities and Exchange Act: The Company currently has no such cases.

(XV) Other Significant Risks and Countermeasures: None.

VII. Other Important Matters: None.

Six. Special Notations

I. Relevant Information on Affiliated Enterprises

(I) Combined Business Report of Affiliated Enterprises

For relevant information, please visit the Market Observation Post System (MOPS) > Specific Company > Electronic Document Download > Affiliated Enterprises' Statements Section. Website:

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

(II) Consolidated Financial Statements of Affiliated Enterprises: None.

(III) Report on Affiliated Enterprises: None.

II. Status of Private Placement of Securities in the Last Fiscal Year and the Current Fiscal Year Up to the Date of Publication of the Annual Report

III. Other Necessary Supplementations:

Explanation on the Non-fulfillment of OTC Trading Commitments by the Company

OTC Trading Commitments	Status of Compliance with Commitments
1. An amendment to the "Asset Acquisition or Disposal Procedures" stipulates that "the company must not waive its rights to participate in future capital increases by Egis Technology (Japan). Should the company need to waive its rights to these capital increases or dispose of the aforementioned company due to strategic alliance considerations or other factors, approval must first be obtained from the Over-theCounter Trading Center, followed by a special resolution passed by the company's board of directors." Furthermore, any future revisions to this procedure must be posted on the Public Information Observation Station as significant information and reported to the center for record-keeping.	1. The Company has provided the Letter of Commitment which will be disclosed in the prospectus. 2. The Company has passed the resolution on the addition of the content stated on the left to Article 5, Paragraph 6 of the "Operating Procedures for Acquisition or Disposal of Assets" during the Board meeting on August 13, 2015, and this has been entered into the Market Observation Post System as material information disclosure on the same day. 3. The Company has passed the resolution to amend part of the content of the "Operating Procedures for Acquisition or Disposal of Assets" during the Shareholders' meeting on June 28, 2016, and this has been entered into the Market Observation Post System as material information disclosure on the same day. 4. On May 6, 2020, the Company reported to the Board of Directors that Egis Inc., a wholly-owned subsidiary of the Company, no longer had actual operation function and would be dissolved, and the liquidation certificate was obtained on June 02, 2020. The Company has amended the "Procedure for the Acquisition or Disposal of Assets" in the 2021 shareholders' meeting

Seven. Recent significant events affecting shareholder equity or security prices, as stipulated by Article 36, Paragraph 3, Subparagraph 2 of the Securities Transaction Law:None.