

EverFocus Electronics Corp.

2025 ANNUAL REPORT

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Website: <https://www.everfocus.com/tw>

MOPS website: <https://mops.twse.com.tw>

Translation-In case of any discrepancy between the Chinese and English versions, the Chinese Version shall prevail.

One. The name, title, telephone number, and e-mail address of the spokesman and acting spokesman:

Spokesman

Name: Hao-Jung Shih

Title: General Manager

Tel: (02)2662-2338

Email: Dennis_Shih@everfocus.com

Acting Spokesman

Name: Liang-Hui Chang

Title: Special Assistant to the Chairman

Tel: (02)2662-2338

Email: Vanessa_Chang@everfocus.com

Two. The address and telephone number of the Head Office, branch, and factory:

Head office: 7F.-1, No. 133, Ln. 235, Baoqiao Rd., Xindian Dist., New Taipei City.

Tel: (02)2662-2338

Factory: 2F, No. 137, Ln. 235, Baoqiao Rd., Xindian Dist., New Taipei City.

Tel: (02)2662-2338

Branch and factory: None.

Three. The name, address, telephone number and URL of the Stock Transfer Agency:

Name: Grand Fortune Securities Co., Ltd

Address: 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City

Tel: (02) 2371-1658

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

Four. Name, firm name, address, telephone number and website of the CPAs for the most recent financial report:

Accounting Firm: PricewaterhouseCoopers Taiwan

CPAs: Mavis Chang and Shih-Jung Weng

Address: 27F., No. 333, Sec. 1, Keelung Rd., Taipei City

Tel: (02)2729-6666

Website: <https://www.pwc.tw/>

Five. Name of the trading place where overseas securities are listed for trading, and inquiry method of the information of overseas securities: None.

Six. Website of the Company: <http://www.EverFocus.com>

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1、Letter to the Shareholders

We sincerely thank all shareholders for attending EverFocus Electronics Co., Ltd.'s 2026 Annual General Meeting of Shareholders. Your long-standing support and trust have been a vital pillar of the Company's sound operations and, more importantly, a key driving force behind our continued advancement and progress. On behalf of the Board of Directors and the entire management team, we would like to express our deepest appreciation.

Looking back on fiscal year 2025, amid the ongoing evolution of the industry environment and increasingly intense market competition, EverFocus Electronics proactively adjusted its operating strategies, continued to invest in research and development, and further strengthened the deployment of its core technologies across various application scenarios. Through systematic planning and execution by the management team, the Company has gradually established a stable operating foundation in its key application areas, with related achievements steadily becoming evident. In particular, our AI Vision-related businesses have made substantive progress, laying a critical cornerstone for future growth momentum.

Looking ahead, the Company will continue to focus on technological advancement and value enhancement as its core strategic directions, concentrating on application fields with strong growth potential. We will progressively expand into AI application domains such as humanoid robotics, specialized vehicles, and smart manufacturing, while advancing related technologies and system integration to further strengthen the market competitiveness of our total solution offerings. At the same time, we will continue to enhance corporate governance and internal management mechanisms, implement our commitment to sustainable operations, and strive to create long-term and stable value for all shareholders.

We hereby present to our shareholders a report on the Company's operating results for fiscal year 2025 and the key highlights of the business plan for fiscal year 2026.

1. 2025 Operating Report

(1) Comparison of Operating Results

Separate Financial Statements:

Unit: NT\$ Thousands

Item	2025	2024	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Net Operating Revenue	488,040	432,945	55,095	12.73
Net Gross Profit	97,302	107,985	(10,683)	(9.89)
Net Loss for the Period	(40,340)	(59,792)	19,452	(32.53)

Consolidated Financial Statements:

Unit: NT\$ Thousands

Item	2025	2024	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Net Operating Revenue	506,246	460,280	45,966	9.99
Net Gross Profit	115,697	131,889	(16,192)	(12.28)
Net Loss for the Period	(40,340)	(59,792)	19,452	(32.53)

Financial income and expenditures and profitability analysis (parent company only)

Item		2025	2024	Variance
Financial Structure	Debt-to-Asset Ratio (%)	49.11	41.37	7.74
	Ratio of Long-term Capital to Property, Plant, and Equipment (%)	4,182.46	3,908.11	274.35
Solvency	Current Ratio (%)	152.80	202.15	-49.35
	Quick Ratio (%)	108.65	157.24	-48.59
Profitability	Return on Assets (ROA) (%)	-3.96	-6.11	2.15
	Return on Equity (ROE) (%)	-7.88	-10.65	2.77
	Net Profit Margin (%)	-8.27	-13.81	5.54
	Earnings Per Share (EPS) (NT\$)	-0.60	-0.90	0.30

Analysis of Financial Income, Expenditures, and Profitability (Consolidated)

Item		2025	2024	Variance
Financial Structure	Debt-to-Asset Ratio (%)	47.42	38.42	9
	Ratio of Long-term Capital to Property, Plant, and Equipment (%)	3,356.10	3,147.15	208.95
Solvency	Current Ratio (%)	121.43	144.73	-23.3
	Quick Ratio (%)	83.07	108	-24.93
Profitability	Return on Assets (ROA) (%)	-3.89	-6.28	2.39
	Return on Equity (ROE) (%)	-7.88	-10.65	2.77
	Net Profit Margin (%)	-7.97	-12.99	5.02
	Earnings Per Share (EPS) (NT\$)	-0.60	-0.90	0.30

(2) Budget Execution: None.

The Company set internal budget targets for 2025 but did not disclose any financial forecasts to the public.

(3) Implementation Results of Product Strategy:

EverFocus continues to advance the optimization of its operations and product structure, with a clear strategic focus on AI Vision intelligent imaging solutions as its core development axis. The Company is progressively transforming from a traditional imaging equipment supplier into an integrated, application-driven solution provider that combines imaging

sensing, edge AI computing, and domain-specific applications. Leveraging its long-standing expertise in imaging technologies and extensive experience in industrial-grade product design, the Company has established a layered and systematic AI Vision product architecture, forming a comprehensive product portfolio ranging from foundational imaging modules to advanced computing systems, characterized by high scalability and strong customization capabilities.

From a product architecture perspective, the Company has adopted a three-tier strategy to drive the development of its AI Vision products. This structure comprises high-quality camera modules and actuators, application-specific cameras embedded with AI computing capabilities, and AI Vision systems integrating multiple sensors with high-performance computing platforms. This architecture enables the Company to flexibly deliver individual products, integrated modules, or full system-level solutions according to different application scenarios and customer requirements, thereby enhancing project implementation flexibility and overall value added.

In terms of application deployment, the Company continues to deepen the practical application of AI Vision technologies in smart manufacturing, logistics automation, and industrial environments. Through image recognition and visual analytics technologies, related solutions are now capable of supporting functions such as dimensional and volumetric measurement, stacking and loading assessment, drop and tilt detection, and other critical tasks. These solutions have been successfully deployed in production lines, warehouses, and automated equipment, contributing to improved operational efficiency, reduced reliance on manual labor, mitigation of operational risks, and enhanced real-time management and decision-making capabilities, thereby gradually establishing commercially viable application outcomes.

At the same time, the Company is actively expanding its presence in robotics and AMR (Autonomous Mobile Robot) applications. For various types of equipment, including humanoid robots, quadruped robots, robotic arms, and unmanned vehicles, the Company has planned corresponding AI vision modules and edge computing platforms. By integrating multiple cameras, depth sensors, and high-performance computing units, these products support key functions such as environmental perception, obstacle avoidance, localization, and task recognition. Multiple products have already completed planning and validation, laying a solid foundation for subsequent system integration and project collaboration.

In the fields of intelligent transportation and specialized vehicles, the Company continues to strengthen the integration of AI Vision with in-vehicle systems. Product applications cover advanced driver assistance systems (ADAS), surround-view imaging, blind-spot detection, driver behavior analysis, and fleet management, with gradual expansion into commercial vehicles and special-purpose vehicle markets. Through the integration of imaging and AI technologies, the Company's products not only enhance driving safety but also improve vehicle operational management efficiency, thereby increasing the overall value of its total solution offerings.

Overall, in fiscal year 2026, the Company's product strategy has evolved from a predominantly hardware-centric sales model toward an application-driven and system-integration-focused approach. The completeness and application depth of AI Vision-related

products continue to improve, while a robust product and technology foundation capable of supporting medium- to long-term development is being progressively established.

2. Summary of Business Plan for 2026

(1) Operating Strategy:

EverFocus will continue to focus on strengthening operational stability and enhancing overall management efficiency as the foundation of its business development. While consolidating its existing key customer base, EverFocus will further strengthen long-term partnerships with major ODM customers, system integration partners, and strategic collaborators. Through a project-oriented business model emphasizing medium- to long-term cooperation, EverFocus aims to improve order visibility and revenue stability while reducing reliance on single-product sales and short-term price competition, thereby establishing a more resilient and sustainable operating structure.

In response to rapid industry changes and increasingly diverse customer demands, EverFocus will continue to refine its market strategies by focusing on application sectors with strong growth potential and higher entry barriers. The Company will further transition from a product-oriented business model toward an integrated solutions-driven approach. By leveraging its capabilities in imaging technology, edge computing, and system integration, EverFocus aims to participate more actively in the early planning and system design stages of customer projects, thereby enhancing long-term collaboration and increasing the value-added of its products and services.

Internally, EverFocus will continue to strengthen cross-functional collaboration by integrating resources across research and development, manufacturing, sales, and project management. Through ongoing optimization of operational processes and project management mechanisms, EverFocus aims to enhance project execution efficiency and delivery quality while ensuring that product development, customization, and mass production proceed smoothly in response to evolving customer requirements.

In addition, EverFocus will continue to expand its international market presence by leveraging its established overseas operations and accumulated market experience. By strengthening relationships with global customers and partners, EverFocus aims to enhance operational efficiency, improve service responsiveness, and reduce the potential impact of fluctuations in any single regional market.

EverFocus will also continue to strengthen corporate governance, internal control, and risk management mechanisms to address potential challenges arising from industry competition, supply chain dynamics, and macroeconomic uncertainties. Through sound management systems and timely information management, EverFocus will maintain stable operations while preserving flexibility for long-term development.

Overall, EverFocus will remain committed to prudent management and operational optimization in 2026, with the goal of supporting sustainable growth and creating long-term value for its shareholders.

(2) Product Development Strategy:

EverFocus will continue to position AI Vision technology at the core of its product development strategy, gradually evolving its product architecture from standalone hardware

devices toward integrated and application-oriented system solutions. The Company will further strengthen key technologies including image sensing, edge computing, and multi-sensor integration. Through modular and platform-based design, EverFocus aims to enhance product flexibility, stability, and scalability across diverse application scenarios while meeting customers' requirements for performance, reliability, and long-term operation.

As artificial intelligence and intelligent technologies continue to be adopted across various industries, EverFocus will focus on application areas with strong mid- to long-term growth potential, including humanoid robotics, specialized vehicles, and smart manufacturing. In robotics and automation applications, product development will emphasize capabilities such as environmental perception, visual recognition, obstacle avoidance, and positioning. By integrating high-performance edge computing platforms, EverFocus aims to improve real-time responsiveness and system stability to support increasingly complex automation and intelligent applications.

In the specialized vehicle segment and related fields, the Company will continue strengthening the integration of video-assisted operations, safety monitoring, and operational management functions, enhancing product reliability and operational value in real-world environments.

For smart manufacturing and industrial applications, EverFocus will continue promoting the deployment of AI Vision technologies in production and logistics environments. These solutions support applications such as visual inspection, dimensional measurement, process monitoring, and operational optimization, helping customers improve manufacturing efficiency and operational accuracy. By accumulating implementation experience and application results, EverFocus aims to establish scalable and replicable solution frameworks to support future market expansion.

At the same time, EverFocus will continue strengthening its software and system integration capabilities to ensure that its products not only maintain strong hardware competitiveness but also effectively support the overall requirements of system integrators and end users. Through continuous improvements in development processes and technology integration efficiency, the Company aims to accelerate product development cycles, enhance project support capabilities, and further strengthen the long-term competitiveness of its product portfolio.

(3) Long-Term Development Strategy

Looking ahead, EverFocus will continue positioning itself as a provider of intelligent vision-based solutions, leveraging its expertise in imaging technology, industrial-grade product design, and system integration capabilities. Building upon these strengths, the Company will gradually evolve from a traditional hardware-oriented manufacturing model toward a higher value-added provider of intelligent system solutions. Amid the ongoing advancement of artificial intelligence, the Internet of Things, and edge computing technologies, EverFocus will pursue technology development and application expansion with a prudent and pragmatic approach, aiming to establish sustainable long-term competitive advantages.

Going forward, EverFocus will continue focusing on application sectors with strong mid- to long-term growth potential, including smart manufacturing, robotics and automation

equipment, and specialized vehicles. Through continuous investment in technology and long-term market development, the Company aims to accumulate critical application experience and industry knowledge in these fields. By deepening the practical deployment of its products and solutions in real-world environments, EverFocus expects to further expand its operational scale and market influence while reducing reliance on any single market or application segment.

From a management perspective, EverFocus will continue strengthening its corporate governance, internal control, and risk management mechanisms to ensure stable operations amid rapidly changing industry conditions and market dynamics. Through sound management systems and prudent resource allocation, the Company aims to gradually expand its business footprint while maintaining a balanced approach between growth and operational stability, thereby enhancing overall organizational resilience.

Overall, EverFocus' long-term development strategy is founded on prudent management and sustainable growth. By combining continuous technological advancement, focused application development, and improvements in operational efficiency, EverFocus aims to build a strong foundation capable of supporting long-term growth while creating forward-looking and sustainable value for its shareholders.

(4) Impact of External Competitive Environment

In recent years, competition within the global imaging and intelligent application industries has continued to intensify. Market structures and competitive dynamics have evolved significantly with the rapid advancement of artificial intelligence, edge computing, and Internet of Things (IoT) technologies. In addition to established brands from Europe, the United States, and Japan that continue to strengthen their technological capabilities and brand advantages, competitors from Asia have also improved significantly in terms of cost efficiency, product development cycles, and market penetration. As a result, overall market competition has become increasingly diverse and complex. In particular, within the standardized hardware segment, price competition and product commoditization have become more evident, creating pressure on business models that rely primarily on hardware sales.

In response to this competitive environment, EverFocus recognizes that long-term growth can only be sustained through technological advancement and application differentiation. Accordingly, the Company has been actively transforming from a traditional imaging equipment supplier into a provider of AI Vision-based intelligent application solutions. By focusing on market segments with higher application depth and technical barriers, EverFocus aims to reduce the impact of direct price competition. Through the integration of imaging technologies, edge computing capabilities, and system integration expertise, the Company is able to participate more deeply in the system planning and application design stages of customer projects, thereby strengthening long-term collaboration and increasing overall value.

Furthermore, as customers place greater emphasis on product reliability, cybersecurity requirements, and long-term supply capabilities, market competition has gradually shifted from individual product performance toward comprehensive solution capabilities and service quality. EverFocus continues to strengthen its product quality management, technical support, and project service capabilities in order to meet customer expectations for reliability and

long-term partnerships. Through these efforts, the Company aims to establish differentiated competitive advantages.

Amid the ongoing evolution of the global competitive landscape, EverFocus will continue to adopt a prudent and pragmatic approach in adjusting its market strategies and product direction, with the objective of maintaining operational stability and sustaining long-term competitiveness.

(5) Impact of Regulatory and Macroeconomic Environment

With respect to the regulatory environment, increasingly stringent requirements relating to cybersecurity, data protection, product safety, and industry compliance across various jurisdictions have become important factors influencing corporate operations. EverFocus closely monitors regulatory developments relevant to its operations in both domestic and international markets, including product safety regulations, information security requirements, import and export controls, and other industry-related compliance standards. Through established internal management mechanisms and the support of external professional advisors, the Company ensures that its operations and product designs comply with applicable laws and regulations, thereby mitigating potential operational impacts arising from regulatory changes.

Within the Company, management, finance, shareholder services, and internal audit units continuously monitor and evaluate significant policy and regulatory developments. Relevant operational procedures are adjusted as necessary to maintain regulatory compliance and management transparency. In addition, through long-term collaboration with accounting firms and legal advisors, EverFocus is able to obtain timely professional guidance, strengthening its compliance management and risk control capabilities while providing a solid foundation for sustainable business development.

From a macroeconomic perspective, global economic conditions, inflationary pressures, interest rate fluctuations, and geopolitical developments may all influence market demand, supply chain stability, and corporate investment decisions. EverFocus will continue to monitor macroeconomic developments and their potential impact on industry and market conditions. Through diversified market deployment and flexible resource allocation, the Company seeks to mitigate the impact of fluctuations in any single market or region on overall operations. EverFocus will also prudently evaluate the timing of investments and resource deployment to maintain a balanced approach between operational stability and growth, thereby sustaining a stable and disciplined pace of business development.

Wishing all shareholders good health and all the best!

EVERFOCUS ELECTRONICS CORP.



Chairman : Yung-Shun Chuang



General Manager : Hao-Jung Shih



Accounting Officer : Chia-Wei Lin



2、Corporate Governance Report

1. Organizational system : This information has been disclosed on the [EverFocus Electronics Corporation website].

Please refer to the link: https://www.everfocus.com/tw/about/index.php?index_id=30

※In response to the regulatory authority's streamlining measures, redundant disclosures are no longer included in this report.

2. Background information of Directors, Supervisors, President, V.P., Assistant V.P., and the heads of various departments and branches

(1)Directors and Supervisors

(1.1)Information on Directors:

March 31, 2026

Nationality	Title	Name	Gender Age distribution	Date elected (appointed)	Term of office	Date first elected	Education and experience	Concurrent positions at the Company and other companies	Other officers, directors, or supervisors of the Company who is a spouse or a relative within the second degree of kinship			Remark
									Title	Name	Relationship	
ROC	Chairman	Yung-Shun Chuang	Male 71-80	2024.06.21	3 years	2018.06.14	<ul style="list-style-type: none"> • Chairman, AAeon Technology Inc. • Honorary Doctorate in Engineering, National Taiwan University of Science and Technology 	• Please see (Note 1) for other concurrent positions.	Vice Chairman	Fu-Chieh, Chuang	First-Degree	-
ROC	Institutional Director	Jui Hai Investment Co., Ltd.	Not applicable	2024.06.21	3 years	2024.06.21	-	-	-	-	-	-
ROC	Vice Chairman	Representative Fu-Chieh Chuang	Male 41-50	2024.6.21	3 years	2024.06.21	<ul style="list-style-type: none"> • Master's Degree in Electrical Engineering, Carnegie Mellon University, USA • Chairman, QQE TECHNOLOGY CO., LTD. 	• Please see (Note 2) for other concurrent positions.	Chairman	Yung-Shun Chuang	First-Degree	-
ROC	Director	Hui-Ming Tsao	Female 61-70	2024.06.21	3 years	2012.06.13	<ul style="list-style-type: none"> • General Manager of EverFocus Electronics Corporation • National Taiwan University, Graduate Institute of Electrical Engineering • Vice General Manager of EverFocus Electronics Corporation 	<ul style="list-style-type: none"> • Director, EVERFOCUS JAPAN CORP. • supervisor logcat CO., LTD. 	-	-	-	-

ROC	Institutional Director	LCL CAPITAL INC.	Not applicable	2024.06.21	3 years	2018.06.14	-	<ul style="list-style-type: none"> • Director, COLLINS CO., LTD. • Director, GLAC BIOTECH CO., LTD. • Director, Bioengine Technology Development Inc. 	-	-	-	-
ROC	Director	Representative Ching-Kun Chen	Male 71-80	2024.06.21	3 years	2011.11.28	<ul style="list-style-type: none"> • Master, Department of Management Science, National Chiao Tung University • Passed the CPA Exam • Instructor, Department of Finance, Tamkang University 	<ul style="list-style-type: none"> • Partner, Jar Shin CPAs • Collins Co., Ltd- Representative Director • Independent Director and Member of Remuneration Committee, ALLIED BIOTECH CORP. 	-	-	-	-
ROC	Director	Representative Chieh-Hsi Li	Male 41-50	2024.06.21	3 years	2021.01.05	<ul style="list-style-type: none"> • Ph.D. in Information Engineering, University of Southern California, USA 	<ul style="list-style-type: none"> • CEO, COLLINS CO., LTD. • CEO, THRoute Corporation 	-	-	-	-
ROC	Independent director	Hsu-Nan Huang	Male 61-70	2024.06.21	3 years	2018.06.14	<ul style="list-style-type: none"> • Ph.D., College of Management, National Chiao Tung University • Professor of the School of Management • Professor and Dean of School of Management, Ming Chuan University 	<ul style="list-style-type: none"> • Please see (Note 3) for other concurrent positions. 	-	-	-	-
ROC	Independent director	Chen-An Li	Male 61-70	2024.06.21	3 years	2021.07.01	<ul style="list-style-type: none"> • Master, Institute of Business Automation and Management, National Taipei University of Technology • Vice President, Manufacturing Center, LITEMAX ELECTRONICS INC. 	-	-	-	-	-

ROC	Independent director	Kun-Chang Kuo	Male 61-70	2024.6.21	3 years	2024.06.21	• Department of Business Administration, National Chengchi University	• Director of KING CORE ELECTRONICS INC. • Supervisor of KING CORE ELECTRONICS (SUZHOU) CO., LTD (legal representative) • Chairman of Shenzhen Zhen King Electronics Components Co.,Ltd. (legal representative)	-	-	-	-
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Note 1: Serving Concurrently as Chairman - Corporate Representative of the Following Companies:AAEON Technology Inc., AAEON TECHNOLOGY (SUZHOU) INC., AAEON INVESTMENT, CO., QQE TECHNOLOGY CO., ONYX HEALTHCARE INC.,JETWAY INFORMATION CO., ONYX HEALTHCARE (SHANGHAI) LTD.,IHELPER INC., iHELPER Inc (Term of office expires in September 2025).; Chairman of the following companies: Chairman,EVERFOCUS JAPAN CORP., Chairman,EverFocus Electronics (ShenZhen) Co., Ltd., Chairman,EVERFOCUS ELECTRONICS CORP., YanXin Investment Co., Ltd.,Fu Li Investment Co.,Atech OEM Inc., JET WAY COMPUTER CORP、JET WAY COMPUTER B.V.、JET WAY (FAR EAST)INFORMATION COMPANY LIMITED、TOP NOVEL ENTERPRISE CORP.、CANDID INTERNATIONAL CORP.; Serving Concurrently as Director - Corporate Representative of the Following Companies:LITEMAX ELECTRONICS INC.,Xac Automation Corp.,WINMATE INC.,NEW FUTURE CAPITAL CO., LTD.,IBASE TECHNOLOGY INC.,PROTECTLIFE INTERNATIONAL BIOMEDICAL INC.; Director of the following companies:AAEON Electronics Inc.,AAEON TECHNOLOGY (Europe) B.V.,AAEON TECHNOLOGY GMBH ,AAEON TECHNOLOGY SINGAPORE PTE. LTD., Mcfees Group Inc.,ALLIED BIOTECH CORP.,KING CORE ELECTRONICS INC.,Outstanding Electronics (Dongguan) Manufacturer Co., Ltd.,MACHVISION, INC.,TOP UNION ELECTRONICS CORPORATION, TOP UNION Electronics (SUZHOU) Co., Ltd.,Allied Oriental International Ltd.,LitemaxTechnology, Inc.,ONYX Healthcare Europe B.V,ONYX Healthcare USA, Inc.,CHC Healthcare Group,China University of Technology., China University of Technology.; Serving Concurrently as Director and General Manager of the Following Companies:Outstanding Electronics Manufacturer Group co.LTD.; Independent Director TAIFLEX SCIENTIFIC CO., LTD.

Note 2: Chairman of the following companies: ATECH TECHNOLOGY (SAMOA) LTD., Growing Profits Group Limited., Outstanding Electronics Manufacturer Group Co.,Ltd.; Director of the following companies: AAEON Technology Inc., AAEON Technology Singapore Pte. Ltd.,OMA-LIGHTING CO., LTD.,INNMAX technology, INC.,QQE TECHNOLOGY CO., LTD.,Chin Yu Investment Co., Ltd.,YanXin Investment Co., Ltd.,SPARK TECHNOLOGIES INC.,LINKENCE TECHNOLOGIES INC., ISSA TECHNOLOGY CO., LTD., WINMATE INC.(Term of office expires in July 2025), Jui Hai Investment Co.,Ltd., Dunpin No.1 Innovation Investment Co., Ltd.; Serving Concurrently as Supervisor of the Following Companies:Fu Li Investment Co.

Note 3: Professor and Director of the SME Innovation Incubation Center, Ming Chuan University; Director of the Institute for Financial and Economic Legislative Promotion; Independent Director of KING CORE ELECTRONICS INC., XAC AUTOMATION CORP., and TOP UNION ELECTRONICS CORPORATION; Director of LITEMAX ELECTRONICS INC.; Supervisor of Le Young Construction Co., Ltd.; and Corporate Representative Director of SUNSINO DEVELOPMENT ASSOCIATE INC.

(2) Shareholdings and Shareholding Ratios of Directors

March 23, 2026

Title	Nationality	Name	Date elected (appointed)	Shareholding when elected		Current shareholding		Shares currently held by spouse and minors		Shares held by third parties	
				Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)	Number of shares	Shareholding ratio (%)
ROC	Chairman	Yung-Shun Chuang	2024.06.21	10,655,686	15.95	10,655,686	15.95	0	0	0	0
ROC	Institutional Director	Jui Hai Investment Co., Ltd.	2024.06.21	338,295	0.51	338,295	0.51	0	0	0	0
ROC	Vice Chairman	Representative Fu-Chieh, Chuang	2024.6.21	338,295	0.51	900,000	1.35	0	0	0	0

ROC	Director	Hui-Ming Tsao	2024.06.21	1,707,541	2.56	1,707,541	2.56	2,104,485	3.15	0	0
ROC	Institutional Director	LCL CAPITAL INC.	2024.06.21	0	0	0	0	0	0	0	0
ROC	Director	Representative Ching-Kun Chen	2024.06.21	3,768,021	5.64	3,768,021	5.64	0	0	0	0
ROC	Director	Representative Chieh-Hsi Li	2024.06.21	3,768,021	5.64	3,768,021	5.64	0	0	0	0
ROC	Independent director	Hsu-Nan Huang	2024.06.21	0	0	0	0	0	0	0	0
ROC	Independent director	Chen-An Li	2024.06.21	18,629	0.03	18,629	0.03	0	0	0	0
ROC	Independent director	Kuo Kun-Chang	2024.6.21	0	0	0	0	0	0	0	0

(1.2) Corporate shareholders' main shareholders :

March 23, 2026

Name of corporate shareholder	Corporate shareholders' main shareholders
Jui Hai Investment Co.,Ltd.	Hui-Mei, Huang 23.87% Yung-Shun, Chuang 11.43% Fu-Chieh, Chuang 7.56% Fu-Chun, Chuang 7.56%
LCL CAPITAL INC.	Wen-Hsuan Tseng 84.4% Yi-Hsuan Li 9% Chong-Liang Li 4.6% Kuei-Hua Lin 2%

(2) Directors' Professional Qualifications and Independent Analysis :

Name \ Criteria	Professional qualifications and experience (Note 1)	Independence situation (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Chairman Yung-Shun Chuang	He holds an Honorary Doctorate in Engineering from the National Taiwan University of Science and Technology (Taiwan Tech). Currently serving as Chairman of the Board for this company, he also holds directorships as a corporate representative for several publicly listed and OTC companies, including AAEON Technology Inc. and Onyx Healthcare Inc. With over 30 years of deep expertise in the industrial computer sector and more than five years of extensive experience in business operations and corporate management, he possesses exceptional leadership, market strategy, operational excellence, and strategic planning capabilities.	<ul style="list-style-type: none"> • Compliant with Article 30 of the Company Act. 	1
Vice Chairman Fu-Chieh, Chuang	Holding a Master's degree in Electrical and Computer Engineering from Carnegie Mellon University (CMU), possesses extensive experience in the technology industry and corporate management. Currently a Director of EverFocus Electronics Corp., he/she has been deeply involved in strategic planning, business development, and international market expansion for the long term, demonstrating exceptional industry insight and leadership. In addition to his/her role at EverFocus, He has held executive or supervisory positions at various investment and technology firms, gaining profound knowledge in corporate finance, operations, and regulatory compliance. His/her professional background and practical expertise contribute to the diversity and professionalism of the Board, further strengthening the company's overall governance performance.	<ul style="list-style-type: none"> • Compliant with Article 30 of the Company Act. 	0
Director Hui-Ming Tsao	Holding a Master's degree from the Graduate Institute of Electrical Engineering at National Taiwan University, formerly served as the General Manager of the Company. With over five years of essential business and corporate operational experience, he/she possesses robust capabilities in industrial management and technological research and development.	<ul style="list-style-type: none"> • Compliant with Article 30 of the Company Act. 	0

Corporate representative Ching-Kun Chen	Holding a Master's degree from the Institute of Management Science at National Yang Ming Chiao Tung University (NYCU), is currently a Partner at CPA Plus (Creditional Professional Accountants). With over five years of essential business and corporate operational experience, he possesses profound expertise in financial auditing, tax planning, and corporate governance.	<ul style="list-style-type: none"> Compliant with Article 30 of the Company Act. 	1
Corporate representative Chieh-Hsi Li	Holding a Ph.D. in Computer Science from the University of Southern California (USC), He currently serves as the CEO of Great China Metal Industry Co., Ltd. (GCM). He possesses extensive professional experience in business and corporate operations, spanning over five years. His background combines high-level technical expertise with proven leadership in corporate management and strategic execution.	<ul style="list-style-type: none"> Compliant with Article 30 of the Company Act. 	0
Independent director Hsu-Nan Huang	Holding a Ph.D. from the Institute of Management Science at National Yang Ming Chiao Tung University (NYCU), currently serves as the Director of the Business Innovation Incubation Center at Ming Chuan University. With over 10 years of distinguished professorial experience, he possesses profound expertise in the fields of legal affairs, finance, and accounting.	Has met all independence assessment requirements (Note 1) for the two years preceding election and throughout the current term.	3
Independent director Chen-An Li	Holding a Master's degree from the Graduate Institute of Business Automation and Management at National Taipei University of Technology (NTUT), previously served as the Vice President of the Manufacturing Center at Litemax Electronics Inc. He possesses over five years of essential experience in business operations, financial management, and corporate strategy.	Has met all independence assessment requirements (Note 1) for the two years preceding election and throughout the current term.	0
Independent director Kuo Kun-Chang	A graduate of the Department of Business Administration at National Chengchi University (NCCU), currently serves as a Director of King Core Electronics Inc. He/She also holds several key international positions as a corporate representative, including Supervisor of King Core Electronics (Suzhou) Co., Ltd. and Chairman of Shenzhen Zhenqi Electronic Components Co., Ltd.	Has met all independence assessment requirements (Note 1) for the two years preceding election and throughout the current term.	0

Note 1: Criteria for Independence Assessment

1. Not an employee of the Company or any of its affiliates. 2. Not a director or supervisor of the Company or any of its affiliates (unless serving concurrently as an independent director of the Company, its parent, subsidiary, or a subsidiary of the same parent, as appointed in accordance with the Act or local laws). 3. Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of issued shares of the company or ranking in the top 10 in holdings. 4. Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a manager in item 1 or any of the persons in items 2 and 3. 5. Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the company, ranks in the top 5 in holdings, or has designated representatives as directors or supervisors of the company in accordance with Article 27, paragraph 1 or 2 of the Company Act (unless serving concurrently as an independent director of the Company, its parent, subsidiary, or a subsidiary of the same parent). 6. Not a director, supervisor, or employee of another company where a majority of the company's director seats or voting shares are controlled by the same person (unless serving concurrently as an independent director of the Company, its parent, subsidiary, or a subsidiary of the same parent). 7. Not a director (member of the governing body), supervisor, or employee of another company or institution where the chairman, general manager, or person of equivalent rank is the same person or the spouse of the Company's chairman or general manager (unless serving concurrently as an independent director). 8. Not a director (member of the governing body), supervisor, manager, or shareholder holding 5% or more of the shares, of a specified company or institution that has a financial or business relationship

with the Company (unless the specified company holds between 20% and 50% of the Company's shares and serves concurrently as an independent director). 9. Not a professional specialist who provides audit services, or has received cumulative compensation exceeding NT\$500,000 in the last two years for commercial, legal, financial, or accounting services, to the Company or its affiliates; nor an owner, partner, director, supervisor, or manager of such firm or institution, or a spouse thereof. (Members of the Remuneration Committee, Public Tender Offer Review Committee, or Special Committee for Merger and Acquisition performing duties under relevant laws are excluded). 10. Not a spouse or a relative within the second degree of kinship to any other director of the Company. 11. Free of any circumstances stipulated in Article 30 of the Company Act. 12. Not elected in the capacity of the government, a juristic person, or a representative thereof as provided in Article 27 of the Company Act.

(3) Profiles and Shareholdings of Management and Department Heads

March 31, 2026

Nationality	Title	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Relation
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
					ROC	Vice Chairman and Executive Vice President	Fu-Chieh Chuang	Male	112.11.09	900,000			1.35	0	0.00	
ROC	General Manager (Resigned on March 11, 2025)	Chih-Hung Kao	Male	112.11.09	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> • Master's in Electrical Engineering from National Taiwan University • EMBA from the Business School of National Taiwan University • Co-founder and CEO of AREC Inc. 	• Director and concurrently General Manager of AREC Inc.	None	None	None	None
ROC	General Manager (Assumed Office on January 15, 2026)	Hao-Jong Shih	Male	2026.01.15	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> • MBA in Information Management, Da-Yeh University 	None	None	None	None	None
ROC	Financial Officer (Resigned on March 11, 2025)	Chien-Liang Chen	Male	108.11.14	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> • Master, Department of Management Science, National Chiao Tung University • Taxation Officer, TECO Electric and Machinery Co., Ltd. • Accounting Manager, Taiwan Pelican Express Co., Ltd. 	• Supervisor, EVERFOCUS JAPAN CORP.(Resigned on March 11, 2025)	None	None	None	None
ROC	Financial Officer (Assumed Office on March 11, 2025)	Chia-Wei Lin	Female	114.03.11	11	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> • Department of Accounting, China University of Technology 	None	None	None	None	None
ROC	Chief Internal Auditor	Li-Wen Chou	Female	110.08.12	1000	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> • B.A. in Applied English, Kun Shan University 	None	None	None	None	None

Note 1 : Chairman of the following companies: ATECH TECHNOLOGY (SAMOA) LTD. 、 Growing Profits Group Limited 、 Outstanding Electronics Manufacturer Group Co.,Ltd.; Director of the following companies: AAEN Technology, AAEN Technology Singapore Pte. Ltd.,OMA-LIGHTING CO., LTD.,INNMAX technology, INC.,QTECHNOLOGY CO., LTD.,Chin Yu Investment Co., Ltd.,YanXin Investment Co., Ltd.,SPARK TECHNOLOGIES INC.,LINKENCE TECHNOLOGIES INC., ISSA Technology., WINMATE INC.(Term of office expires in July 2025), Dunpin No.1 Innovation Investment Co., Ltd.; Serving Concurrently as Supervisor of the Following Companies:Fu Li Investment Co.

3. Remuneration paid to directors, supervisors, general manager, and vice general manager

(1) Remuneration paid to directors (including independent directors) (disclosure of directors' names and remuneration)

December 31, 2025

Unit: NTS thousands

Title	Name	Directors' remuneration								Sum of A, B, C and D as percentage of Net Income (%) (Note 2)	
		Compensation (A)		Severance pay and pensions (B)		Remuneration for directors (C) (Note 1)		Allowances (D)		The Company	From all consolidated entities
		The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities		
Chairman	Yung-Shun Chuang	0	0	0	0	0	0	25	25	25(0.06)	25(0.06)
Institutional Director	Jui Hai Investment Co., Ltd.	0	0	0	0	0	0	0	0	0	0
Vice Chairman	Fu-Chieh Chuang	0	0	0	0	0	0	25	25	25(0.06)	25(0.06)
Director	Hui-Ming Tsao	0	0	0	0	0	0	25	25	25(0.06)	25(0.06)
Institutional Director	LCL CAPITAL INC.	0	0	0	0	0	0	0	0	0	0
Director	Representative Ching-Kun Chen	0	0	0	0	0	0	25	25	25(0.06)	25(0.06)
Institutional Director	LCL CAPITAL INC.	0	0	0	0	0	0	0	0	0	0
Director	Representative Chieh-Hsi Li	0	0	0	0	0	0	25	25	25(0.06)	25(0.06)
Independent director	Hsu-Nan Huang	0	0	0	0	0	0	185	185	185(0.46)	185(0.46)
Independent director	Chen-An Li	0	0	0	0	0	0	185	185	185(0.46)	185(0.46)
Independent director	Kuo Kun-Chang	0	0	0	0	0	0	185	185	185(0.46)	185(0.46)

December 31, 2025 / Unit: NT\$ thousands

Title	Name	Relevant Remuneration Received by Directors Who are Also Employees										Compensation from invested businesses other than subsidiaries
		Base compensation, bonuses, and allowances (E)		Severance pay and pensions (F)		Employee profit sharing from earnings distribution (G) (Note 1)				Sum of A, B, C, D, E, F and G as percentage of Net Income % (Note 2)		
		The Company	From all consolidated entities	The Company	From all consolidated entities	The Company		From all consolidated entities		The Company	From all consolidated entities	
						Cash Amount	Share Amount	Cash Amount	Share Amount			
Chairman	Yung-Shun Chuang	0	0	0	0	0	0	0	0	25(0.06)	25(0.06)	None
Institutional Director	Jui Hai Investment Co., Ltd.	0	0	0	0	0	0	0	0	0	0	None
Vice Chairman	Fu-Chieh Chuang	610	610	0	0	0	0	0	0	635(1.57)	635(1.57)	None
Director	Hui-Ming Tsao	0	0	0	0	0	0	0	0	25(0.06)	25(0.06)	None
Institutional Director	LCL CAPITAL INC.	0	0	0	0	0	0	0	0	0	0	None
Director	Representative Ching-Kun Chen	0	0	0	0	0	0	0	0	25(0.06)	25(0.06)	None
Institutional Director	LCL CAPITAL INC.	0	0	0	0	0	0	0	0	0	0	None
Director	Representative Chieh-Hsi Li	0	0	0	0	0	0	0	0	25(0.06)	25(0.06)	None
Independent director	Hsu-Nan Huang	0	0	0	0	0	0	0	0	185(0.46)	185(0.46)	None
Independent director	Chen-An Li	0	0	0	0	0	0	0	0	185(0.46)	185(0.46)	None
Independent director	Kuo Kun-Chang	0	0	0	0	0	0	0	0	185(0.46)	185(0.46)	None

(1) Article 16 of the Article of Incorporation states: Directors of the Company shall be entitled to remuneration for their duties regardless of profit or loss. The Board of Directors is authorized to determine the remuneration within the standards for maximum salaries established in the Company's Remuneration Policy based on the level of their participation in the Company's operations and the value of their contribution. The Directors shall be reimbursed for all expenses incurred as necessary to carry out their duties. Directors are entitled to receive NT\$5,000 transportation fee for attending the meeting.

(2) According to Article 19 of the Company's Articles of Association: If the Company generates a profit in any fiscal year, 3% to 10.5% of the profit shall be allocated as employee compensation. At least 20% of the aforementioned employee compensation shall be reserved for grassroots employees. The distribution of such compensation, either in the form of shares or cash, shall be determined by the Board of Directors, and the recipients may include employees of subsidiaries who meet specific criteria. The Company may also allocate up to 2.5% of the profit as directors' remuneration, subject to the resolution of the Board of Directors. However, if the Company has accumulated losses, the amount required to offset such losses shall be reserved first. Subsequently, employee compensation and directors' remuneration shall be distributed according to the specified ratios.

Compensation received by director for providing service (e.g. consultancy service without the title of an employee) to the parent company, any company included in the financial statements, or any business investment in the last year, except those disclosed in the above table: None

Note 1: Due to the Company has accumulated losses in 2025, the Board of Directors resolved not to appropriate the remuneration to directors, supervisors and employees.

Note 2: The Company has adopted the IFRS, the net income disclosed is the net loss after tax in the 2025 parent company only financial statements.

(2) Remuneration paid to supervisors (disclosure of supervisors' names and remuneration): None.

(3) Remuneration of the General Manager and Vice General Managers (Individual Disclosure of Names and Amounts)

December 31, 2025

Unit: NT\$ thousands

Title	Name	Salary (A)		Severance pay and pensions (B)		Bonuses and special expenses (C)		Employee compensation (D) (Note 3)				Sum of A, B, C and D as percentage of Net Income (%) (Note 4)		Amount of employee stock option received		Number of new restricted employee shares received		Compensation from invested businesses other than subsidiaries
		The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company		From all consolidated entities		The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	
								Cash Amount	Share Amount	Cash Amount	Share Amount							
General Manager (Note 1)	Chih-Hung Kao	1,040	1,040	0	0	0	0	0	0	0	0	1,040 (2.58)	1,040 (2.58)	0	0	0	0	Yes
General Manager (Note 2)	Hao-Jong Shih	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	None

Note 1: General Manager Chih-Hung Kao stepped down on November 13, 2025.

Note 2: As General Manager Hao-Jong Shih assumed office on January 15, 2026, no remuneration was paid or disclosed for the 2025 fiscal year.

Note 3: Due to the Company has accumulated losses in 2025, the Board of Directors resolved not to appropriate the remuneration to employees.

Note 4: The Company has adopted the IFRS, the net income disclosed is the net loss after tax in the 2025 parent company only financial statements.

(4) Top five officers' remuneration (disclosure of officers' names and remuneration)

December 31, 2025
Unit: NTS thousands

Title	Name	Salary (A)		Severance pay and pensions (B)		Bonuses and special expenses (C)		Employee compensation (D) (Note 3)				Sum of A, B, C and D as percentage of Net Income (%) (Note 4)		Compensation from invested businesses other than subsidiaries
		The Company	From all consolidated entities	The Company	From all consolidated entities	The Company	From all consolidated entities	The Company		From all consolidated entities		The Company	From all consolidated entities	
								Cash Amount	Share Amount	Cash Amount	Share Amount			
Vice Chairman	Fu-Chieh Chuang	2856	0	76.23	0	67.5	0	0	0	0	0	3000 (7.44)	3000 (7.44)	None
General Manager (Note 1)	Chih-Hung Kao													Yes
General Manager (Note 2)	Hao-Jong Shih													None
Assistant Vice President	Chih-Wei Hsu													None

Note 1: General Manager Chih-Hung Kao stepped down on November 13, 2025.

Note 2: As General Manager Hao-Jong Shih assumed office on January 15, 2026, no remuneration was paid or disclosed for the 2025 fiscal year.

Note 3: Due to the Company has accumulated losses in 2025, the Board of Directors resolved not to appropriate the remuneration to employees.

Note 4: The Company has adopted the IFRS, the net income disclosed is the net loss after tax in the 2025 parent company only financial statements.

(5) Employee Remuneration Distributed to Managers and Distribution Situation

December 31, 2025

Unit: NT\$ thousands

	Title	Name	Share amount (Note 1)	Cash amount (Note 1)	Total	Percentage of net earnings after tax (Note 2)
Manager	Vice Chairman	Fu-Chieh Chuang	0	0	0	0
	General Manager (Resigned on March 11, 2025)	Chih-Hung Kao				
	General Manager (Note 3)	Hao-Jong Shih				

Note 1: Due to the Company has accumulated losses in 2025, the Board of Directors resolved not to appropriate the remuneration to employees.

Note 2: The Company has adopted the IFRS, the net income disclosed is the net loss after tax in the 2024 parent company only financial statements.

Note 3: As General Manager Shih, Hao-Jung assumed office on January 15, 2026, he is not included in this statistical table.

(6) Amount of remuneration paid in the last 2 years by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, President, and Vice Presidents, and their respective proportions to net income and the policies, standards, and packages by which they were paid, the procedures through which remunerations were determined, and their association with business performance and future risks.

A、Percentage of total remunerations of net income:：

Title	2025	2024
	Amount of remuneration paid by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, President, and Vice Presidents, and their respective proportions to net income (%).	Amount of remuneration paid by the Company and all companies included in the consolidated financial statements to the Company's directors, supervisors, President, and Vice Presidents, and their respective proportions to net income (%).
Director	1,290 (3.19)	675 (1.13)
Supervisor	0	0
General Manager and Vice General Manager	1,040 (2.58)	1,800 (3.01)

Please refer to page 76-77 for the description of employee bonus and remuneration to directors and supervisors.

B、Policies, standards by which they were paid, and their association with business performance and future risks: The remuneration standards for the Company's Directors and Supervisors are clearly defined in the Articles of Incorporation. Remuneration for managers is assessed and recommended by the Remuneration Committee based on industry benchmarks and individual performance, subject to the approval of the Board of Directors. Annual operating performance directly impacts the remuneration of Directors and Supervisors, as well as the annual bonuses and employee compensation for managers, ensuring a strong alignment between executive compensation and the Company's business achievements and future risk considerations.

4. Implementation of Corporate Governance:

(1) Board of directors' meeting status:

A total of 5 meetings were held in 2025

Attendance of directors are shown below:

Title	Name	Attendance rate in person	Attendances by proxy	Attendance rate in person (%)	Remark
Chairman	Yung-Shun Chuang	5	0	100.00%	-
Vice Chairman	Jui Hai Investment Co., Ltd. Representative: Fu-Chieh Chuang	5	0	100.00%	-
Director	Hui-Ming Tsao	5	0	80.00 %	-
Director	LCL CAPITAL INC. Representative: Ching-Kun Chen	5	0	100.00%	-
Director	LCL CAPITAL INC. Representative: Chieh-Hsi Li	3	2	60.00%	-
Independent director	Hsu-Nan Huang	5	0	100.00%	-
Independent director	Chen-An Li	5	0	100.00%	-
Independent director	Kun-Chang Kuo	5	0	100.00%	-

Other items to be stated:

Board of Directors	Contents of Motions	Matters described in Article 14-3 of the Securities and Exchange Act	Opinions of independent directors	Company's resolution of independent director's opinions	Result of Resolution
11th Session, 5th Meeting (2025.03.11)	Proposal for the "2024 Evaluation of the Effectiveness of the Internal Control System" and the "Statement on Internal Control System."	Yes	None	None	Unanimous consent of all directors present at the meeting.
	Assessment of the Independence and Suitability of the Company's External Auditors	Yes	None	None	Unanimous consent of all directors present at the meeting.
	Proposal for the change of the Company's Financial Officer, Accounting Officer, and Corporate Governance Officer.	Yes	None	None	Unanimous consent of all directors present at the meeting.
11th Session, 6th Meeting (2025.05.13)	The Consolidated Financial Reports for the First Quarter of 2025	V	None	None	Unanimous consent of all directors present at the meeting.
	Loaning of Funds to EverFocus Electronics Corp. (USA)	V	None	None	Unanimous consent of all directors present at the meeting.
11th Session, 7th Meeting (2025.08.12)	The Consolidated Financial Reports for the Second Quarter of 2025	V	None	None	Unanimous consent of all directors present at the meeting.

	Proposal for the Change of the Company's External Auditors	V	None	None	Unanimous consent of all directors present at the meeting.
	Endorsement and Guarantee for EverFocus Electronics Corp. (USA) (CTBC Bank, Tun Pei Branch)	V	None	None	Unanimous consent of all directors present at the meeting.
	Endorsement and Guarantee for EverFocus Electronics Corp. (Japan) (Taipei Fubon Bank, Business Department)	V	None	None	Unanimous consent of all directors present at the meeting.
	Endorsement and Guarantee for EverFocus Electronics Corp. (Japan) (CTBC Bank, Tokyo Branch)	V	None	None	Unanimous consent of all directors present at the meeting.
11th Session, 8th Meeting (2025.11.12)	The Consolidated Financial Reports for the Third Quarter of 2025	V	None	None	Unanimous consent of all directors present at the meeting.
	Amendment to Certain Provisions of the "Internal Control System"	V	None	None	Unanimous consent of all directors present at the meeting.
	The 2026 Annual Audit Plan	V	None	None	Unanimous consent of all directors present at the meeting.
11th Session, 9th Meeting (2025.12.10)	Transactions with Related Parties	V	None	None	Unanimous consent of all directors present at the meeting.

Other matters resolved by the Board of Directors for which an Independent Director has a dissenting or qualified opinion, and which are recorded or stated in writing: None.

TWSE/TPEX-listed companies shall disclose the information on the evaluation cycle, period, scope, method, and content of the Board of Directors' self (or peer) evaluations.

Implementation of Board Performance Evaluation:

Assessment cycle	Assessment period	Scope of assessment	Method of assessment	Assessment items
Conducted once each year	January 01, 2025 to December 31, 2025	Board of Directors	Questionnaire of Self-Evaluation of Performance of the Board	A. Participation in the operation of the Company B. Improvement of the quality of the board of directors C. Composition and structure of the board of directors D. Election and continuing education of the directors E. Internal control
		Board members	Questionnaire of Self-Evaluation of Performance of Board Members	A. Alignment of the goals and missions of the company B. Awareness of the duties of a director C. Participation in the operation of the Company D. Management of internal relationship and communication E. The director's professionalism and continuing education F. Internal control
		Members of Functional Committees (Remuneration and Audit)	Members of Functional Committees (Remuneration and Audit) Questionnaire of Self-Evaluation of Performance of the Board	A. Participation in the operation of the Company B. Awareness of the duties of the functional committee C. Improvement of quality of decisions made by the functional committee D. Makeup of the functional committee and election of its members E. Internal control

On March 19, 2021, the Board of Directors approved the "Board of Directors Performance Evaluation Policy," and performance evaluations are conducted annually in accordance with the procedures and indicators specified therein. The evaluation for 2025 was completed in the first quarter of 2026, and the results were reported to the 11th meeting of the 11th session of the Board of Directors on March 4, 2026.

The results of the 2025 Board of Directors performance evaluation are as follows: The results for both the "Board Performance Self-Evaluation" and "Individual Board Member Self-Evaluation" were "Excellent (or Outstanding)"; the results for the "Functional Committee Self-Evaluation" were "Excellent." The Company's Board performance evaluation results will serve as a reference for the selection or nomination of Directors. Enhancements to the functionality of the board of directors in the current and the most recent year, and the progress of such enhancements

Goals for Enhancing Board Functionality: Since its inception, the Company has consistently upheld the spirit of corporate governance, ensuring a robust operational framework to maximize shareholder interests. In addition to establishing the "Rules of Procedure for Board of Directors Meetings" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies," the Company has also established the "Remuneration Committee" and its "Organizational Charter" pursuant to the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies." The Charter explicitly requires committee members to exercise the due care of a good administrator, faithfully perform their duties, and submit recommendations to the Board of Directors for discussion.

To further strengthen the governance functions of the Board, the Company established the "Audit Committee" on June 14, 2018, to replace the supervisor system. The Audit Committee is composed of all independent directors, and the "Audit Committee Organizational Charter" was formulated as the basis for its operations.

Assessment of Implementation Status:

The Company's board secretariat continuously monitors regulatory changes and corporate governance requirements to timely amend the "Rules of Procedure for Board of Directors Meetings." This ensures compliance with core governance principles and builds a sound oversight and management system. To maintain information transparency and protect investor rights, the Company immediately announces material resolutions of the Board on the Market Observation Post System (MOPS) following meetings. To date, the Company's Board of Directors has operated smoothly and effectively.

(2) Operations of Audit Committee

The Company's Audit Committee was officially established on June 14, 2018, and is composed of three independent directors. The Committee is designed to assist the Board of Directors in overseeing the quality and integrity of the Company's accounting, auditing, financial reporting processes, and financial controls. The Committee meets at least once per quarter. The term of the current members is from July 1, 2024, to June 30, 2027.

The primary matters for review encompass the audit of financial statements and accounting policies and procedures, the internal control system and related policies and procedures, material asset or derivative transactions, and material loaning of funds, endorsements, or guarantees. Furthermore, the Committee oversees derivative financial instruments and cash investment status, regulatory compliance, related party transactions and potential conflicts of interest involving managers and directors, grievance reports, fraud prevention plans and fraud investigation reports, information security, and corporate risk management. Additionally, the Committee is responsible for the appointment, dismissal, or remuneration of external auditors, as well as the appointment and dismissal of financial, accounting, or internal audit heads.

Title	Name	Qualification
Independent director (Convener)	Hsu-Nan Huang	He received his PhD from the Department of Management Science, National Chiao Tung University and is currently the director of the Institute of Management at Ming Chuan University. He has over 10 years of teaching experience in law, finance and accounting.
Independent director	Chen-An Li	National Taipei University of Technology with a Master's degree in Business Automation and Management, and served as the Vice President of the Manufacturing Center at LITEMAX ELECTRONICS INC. He has more than five years of working experience in commerce, finance and corporate business.
Independent Director	Kun-Chang Kuo	Graduated from the Department of Business Administration at National Chengchi University, currently serving as a Director of Chin Pao Electronic Industrial Co., Ltd., Supervisor (Corporate Representative) of Chin Pao Electronics (Suzhou) Co., Ltd., and Chairman (Corporate Representative) of Shenzhen Zhenqi Electronic Components Co., Ltd.

I. The Audit Committee held 5 meetings (A) in 2025. The attendance of the Independent Directors is as follows:

Title	Name	Attendance in person (B)	Attendances by proxy	Attendance rate in person (%) (B/A)	Remark
Independent director	Hsu-Nan Huang	4	1	80%	-
Independent director	Chen-An Li	5	0	100%	-
Independent director	Kun-Chang Kuo	5	0	100%	-

II. Other matters to be registered:

Audit Committee	Contents of Motions	Matters described in Article 14-5 of the Securities and Exchange Act.	Opinions of independent directors	Company's resolution of independent director's opinions	Result of Resolution
3th Session, 3th Meeting (2025.03.11)	Adoption of the 2024 Final Financial Reports.	Yes	None	None	Unanimous consent of all members present at the meeting.
	Proposal for 2024 Deficit Compensation.	Yes	None	None	Unanimous consent of all members present at the meeting.
	The 2024 "Assessment of the Effectiveness of the Internal Control System" and the "Internal Control System Statement."	Yes	None	None	Unanimous consent of all members present at the meeting.
	Assessment of the Independence and Suitability of the Company's External Auditors.	Yes	None	None	Unanimous consent of all members present at the meeting.
	Changes of the Company's Accounting Officer, Financial Officer, and Corporate Governance Officer.	Yes	None	None	Unanimous consent of all members present at the meeting.
3th Session, 4th Meeting (2025.05.13)	The Company's 2025 Q1 Consolidated Financial Reports.	Yes	None	None	Unanimous consent of all members present at the meeting.
	Loaning of Funds to EverFocus Electronics (USA) Inc.	Yes	None	None	Unanimous consent of all members present at the meeting.
3th Session, 5th Meeting (2025.08.12)	The Company's 2025 Q2 Consolidated Financial Reports.	Yes	None	None	Unanimous consent of all members present at the meeting.
	Change of the Company's External Auditors (Attesting CPAs).	Yes	None	None	Unanimous consent of all members present at the meeting.
	Endorsement/Guarantee for EverFocus Electronics (USA) Inc. (CTBC Bank, Tun North Branch).	Yes	None	None	Unanimous consent of all members present at the meeting.
	Endorsement/Guarantee for EverFocus Electronics (Japan) Co., Ltd. (Taipei Fubon Bank, Business Department).	Yes	None	None	Unanimous consent of all members

					present at the meeting.
	Endorsement/Guarantee for EverFocus Electronics (Japan) Co., Ltd. (CTBC Bank, Tokyo Branch).	Yes	None	None	Unanimous consent of all members present at the meeting.
3th Session, 6th Meeting (2025.11.12)	The Company's 2025 Q3 Consolidated Financial Reports.	Yes	None	None	Unanimous consent of all members present at the meeting.
	Business Transactions and Credit Facilities with Banks.	Yes	None	None	Unanimous consent of all members present at the meeting.
	Amendment to Certain Provisions of the "Internal Control System."	Yes	None	None	Unanimous consent of all members present at the meeting.
	The 2026 Annual Audit Plan.	Yes	None	None	Unanimous consent of all members present at the meeting.
3th Session, 3th Meeting (2025.12.10)	Transactions with Related Parties.	Yes	None	None	Unanimous consent of all members present at the meeting.
	Amendment to the "Internal Control System"—Addition of the definition of "Non-managerial Employees."	Yes	None	None	Unanimous consent of all members present at the meeting.

Except for the aforementioned matters, any other resolutions not approved by the Audit Committee but passed by at least two-thirds of all directors: None.

III. Communication Methods between Independent Directors and the Internal Audit Officer:

- i. Regular Reports: Based on the execution of the annual audit plan, internal audit reports for the preceding month are submitted to the Independent Directors by the end of each month. Additionally, follow-up reports on improvements are prepared and delivered to each member for review on a quarterly basis. In the event of any questions, full communication is maintained via telephone or email at any time.
- ii. Meeting Presentations: The Internal Audit Officer presents audit business reports to the members during the quarterly Audit Committee and Board of Directors meetings. In the event of material irregularities, a report will be immediately prepared and submitted to the members for review; as of the most recent meeting, no such special circumstances have occurred.
- iii. Direct Channels: Outside of formal meetings, the Internal Audit Officer may contact Independent Directors directly via telephone, email, or in-person meetings as needed. The communication status has remained effective and professional.

IV. Summary of Communication between Independent Directors and chief internal auditor in 2025

Date	Number of attendees	Key points of communication	Communication results
April 2, 2026	Independent Director: Hsu-Nan Huang Independent Director: Chen-An Li Independent Director: Kun-Chang Kuo External Auditor (CPA): Wei-Li Hsieh chief internal auditor: Li-Wen Chou	Report on 2025 Inventory Status.	Suggestions from Independent Directors: Review whether excessive inventory has been incurred due to Engineering Change Requests (ECR) without implementing "running changes" (i.e., consuming existing stock before introducing new materials). Furthermore, conduct an evaluation and disposal assessment for raw

			material inventory aged over two years.
		Summary of the External Auditor's Audit findings.	No objections were raised

V. Communication methods between independent directors and CPAs :

- i. The auditors provided a detailed explanation of the matters related to the audit (review) of the financial statements and the key audit matters for the current year's financial report during the Audit Committee meetings. They engaged in fruitful discussions and maintained good communication with the independent directors.
- ii. In addition to the communication that takes place during the Audit Committee meetings, the auditors and the independent directors maintain regular and open communication throughout the year. They are in contact through various means, including telephone, video conferencing, and email, to ensure that any questions or concerns regarding the audit process or financial reporting can be addressed promptly.

VI. The annual work priorities are as follows :

- i. According to Article 14-1 of the Securities and Exchange Act, the company is required to establish or amend internal control systems
- ii. Assessment of the effectiveness of internal control systems
- iii. Establishment or revision of processing procedures for significant financial transactions involving acquisition or disposal of assets, engaging in derivative trading, lending funds to others, endorsing or providing guarantees for others, as required by Article 36-1 of the Securities and Exchange Act
- iv. Matters concerning conflicts of interest involving directors themselves
- v. Material asset or derivatives transactions
- vi. Material lending funds, endorsements or guarantees
- vii. Fundraising, issuance, or private placement of equity securities
- viii. Hiring or dismissal of an attesting CPA, or the compensation given thereto
- ix. Appointment or discharge of financial, accounting, or internal auditing officers
- x. Annual financial statements signed or stamped by the Chairman, Manager and Accounting Officer , and the second quarter financial report subject to audit certification by the auditor
- xi. Significant matters prescribed by other companies or regulatory Authorities

VII. Audit committee's report for the most recent year's financial statement

Audit Committee's Review Report

Please approve:

The Board of Directors has prepared the Company's 2025 Financial Statements (including the Consolidated Financial statements). The CPAs Mavis Chang and Shih-Rung Wang of PricewaterhouseCoopers Taiwan were retained to audit the Company's Financial Statements and have issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and Loss for Make-up Statement have been reviewed and determined to be correct and accurate by the Audit Committee members of the Company. According to Article 14-4 of the Securities and Exchange Act and the Article 219 of the Company Act, we hereby submit this report.

To

EVERFOCUS ELECTRONICS CORP.

2026 Annual General Shareholders' Meeting

EVERFOCUS ELECTRONICS CORP.

Convener of the Audit Committee, Hsu-Nan Huang



March 04, 2026

(3) The state of the Company’s implementation of corporate governance, any deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such deviations:

Evaluation Items	Operational Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Summary	
1. Does the company establish and disclose the Corporate Governance Best Practice Principles based on the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”?	✓		The Company has formulated the "Code of Corporate Governance Practice"	No discrepancy
2. Equity structure and shareholders’ equity				
(1) Does the Company have internal operation procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If so, have these procedures been implemented accordingly?	✓		(1) The Company has set up spokesman, acting spokesman and stock affair officer to handle matters related to shareholders’ suggestions, questions and disputes; if there is a dispute and litigations, it will be handled by the Company's attorney.	No discrepancy
(2) Does the Company possess a list of its major shareholders as well as the ultimate owners of these shares?	✓		(2)The Company has appointed Grand Fortune Securities to handle related stock affairs. The Company also has a dedicated staff to maintain contact with the stock agent at all times to handle the list of major shareholders of the Company and ultimate owners of these shares.	No discrepancy
(3) Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates?	✓		(3)The division of management authority and responsibility between the Company and its affiliates is clearly defined. All inter-company transactions are carried out in accordance with the relevant provisions of the Company's internal control system.	No discrepancy
(4) Has the Company established internal rules prohibiting insider trading on undisclosed information?	✓		(4)The "Procedures for Handling Material Inside Information" are established to regulate the operating procedures of information confidentiality and how to handle abnormal situations.	No discrepancy
3. Composition and responsibilities of the Board of Directors				
(1) Has the Company established a diversification policy for the composition of its Board of Directors and has it been implemented accordingly?	✓		(1) In accordance with Article 24 of the Company's "Corporate Governance Best Practice Principles," the composition of the Board of Directors shall consider diversity. An appropriate diversity policy shall be formulated based on the Board's operations, business model, and developmental needs, which should include, but not be limited to, standards in the following two dimensions: i. Basic Conditions and Values: Gender, age, nationality, culture, etc. ii. Professional Knowledge and Skills: Professional background (e.g., law,	No discrepancy

		<p>accounting, industry, finance, marketing, or technology), professional skills, and industry experience.</p> <p>To achieve the ideal objectives of corporate governance, the Board of Directors as a whole should possess the following capabilities: operational judgment, accounting and financial analysis, management, crisis management, industry knowledge, international market perspective, leadership, and decision-making.</p> <p>The members of the Company's Board of Directors possess extensive experience; all directors are distinguished professionals aged 45 or older with many years of deep expertise in their respective fields. Currently, there are 8 directors, including 3 Independent Directors (1 with a tenure of less than 3 years; 2 with a tenure of 3 to 9 years) and 2 representatives of institutional directors. All directors are of R.O.C. nationality, consisting of 7 males and 1 female. One director also serves as an employee of the Company. The Company continues to strive toward the specific management goals of its Board diversity policy. For further details, please refer to [Appendix I].</p>	
(2) Other than the Remuneration Committee and Audit Committee which are required by the law, does the Company plan to set up any other Board committees?	✓	(2) In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, the Company established the Sustainability Committee on November 26, 2024.	No discrepancy
(3) Has the Company established a methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of the performance to the Board of Directors, and used the results as reference for directors' remuneration and renewal ?	✓	(3) The Company's "Board of Directors Performance Evaluation Measures" were approved by the Board of Directors on March 26, 2020. In accordance with these measures, the results of the performance evaluations are reported to the Board and utilized as a reference for determining individual directors' remuneration and nominations for reappointment. The evaluation for the year 2024 was completed in the first quarter of 2025, and the results were reported to the 5th meeting of the 11th term of the Board of Directors on March 11, 2025.	No discrepancy
(4) Does the company regularly evaluate its external auditors' independence?	✓	(4) The Company's Audit Committee conducts an annual assessment of the independence and suitability of the external auditors. In addition to requiring the external auditors to provide a "Statement of Independence," the assessment is performed in accordance with the standards set forth in [Appendix II]. It has been confirmed that, other than fees for audit and tax-related services, there are no other financial interests or business relationships between the auditors and the Company. Furthermore, the family members of the auditors do not violate any independence requirements. The results of the most recent annual assessment were discussed and approved by the Audit Committee on March 11, 2025, and	No discrepancy

			were subsequently reported to and approved by the 18th meeting of the 10th term of the Board of Directors on March 11, 2025.	
4. Has the company designated an appropriate number of personnel that specializes (or are involved) in corporate governance affairs (including but not limited to providing directors/supervisors with the information needed and assist directors and supervisors in complying with the laws and regulations to perform their duties, convention of board meetings and shareholders' meetings, preparation of board meeting and shareholders meeting minutes, etc.)?	✓		As resolved by the Board of Directors on March 11, 2025, Ms. Chia-Wei Lin, a Financial Officer, is appointed as the Corporate Governance Officer of the Company, responsible for governance-related matters. The main responsibilities of the Corporate Governance Officer are as follows: (1) Handle matters related to the meetings of the Board of Directors and shareholders' meetings in accordance with the law. (2) Prepare minutes of meetings of the Board of Directors and shareholders' meetings. (3) Assist directors in their appointment and continuous professional development. (4) Provide information necessary for directors to carry out their duties. (5) Assist directors in complying with laws and regulations. (6) Report to the Board of Directors on the examination results of whether the qualifications of independent directors comply with relevant laws and regulations during nomination, election, and tenure. (7) Handle matters related to changes in directors. (8) Handle other matters stipulated in the company's articles of incorporation or contracts.	No discrepancy
5. Has the Company established a means of communicating with its Stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) or created a Stakeholders Section on its Company website? Does the Company respond to stakeholders' questions on corporate responsibilities?	✓		The Company has established a "Stakeholders Section" on its official website to disclose contact persons and communication channels for various stakeholders.	No discrepancy
6. Has the Company appointed a professional registrar for its Shareholders' Meetings?	✓		Professional registrar (stock agent) of the Company: The Company has appointed Grand Fortune Securities to handle related stock affairs.	No discrepancy
7. Disclosure of information				
(1) Has the Company established a corporate website to disclose information regarding its financials, business and corporate governance status?	✓		(1) The "About " section of the company's website discloses the monthly revenue, quarterly results and CSR related information.	No discrepancy
(2) Does the Company use other information disclosure channels (e.g. maintaining an English language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors' conference etc.)?	✓		(2) The Company has a dedicated staff to maintain the Company's English website, and there is also a spokesman and an acting spokesman responsible for the disclosure of external information; all required announcements are posted on the Market Observation Post System in accordance with the regulations.	No discrepancy

<p>(3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?</p>		<p>✓</p>	<p>(3) The following are the Company's annual financial statements, quarterly financial statements and monthly operating status as announced and reported in accordance with relevant regulations:</p> <ul style="list-style-type: none"> ● The Company announces and reports the annual financial statements within three months after the end of the fiscal year. ● The Company announces and reports the first, second, and third quarter financial statements with 45 days after the end of each period. ● The Company announces and reports the operating status of each month with 10 days after the end of each month. 	<p>The Company has completed the public filing and announcement of its annual financial reports, quarterly financial reports, and monthly operating status within the statutory deadlines in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and other relevant regulations. However, the disclosure has not yet been completed in advance of the recommended deadlines suggested by the "Corporate Governance Best Practice Principles."</p> <p>The primary reason for this deviation is that the preparation of the annual financial report involves the consolidation of financial statements and auditing procedures by external auditors, which requires a significant amount of time; thus, early disclosure within the recommended timeframe could not be achieved. Moving forward, the Company will continue to improve the timeliness of its information disclosure to align with the recommendations of the Corporate Governance Best Practice Principles.</p>
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<p>8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (e.g. including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?</p>	<p>✓</p>	<ol style="list-style-type: none"> 1. The Company is committed to environmental protection, labor safety and labor welfare. The executives of the Company operate the business based on the ethical code of conduct and maintain good relationships with customers, suppliers and banks. The Company has established the "Regulations for Handling Operations, Business and Financial Transactions between the Company and its Related Parties, Specific Companies and Affiliates" in its internal control system so that each of the Company's related parties can recuse themselves from conflict of interest activities. Please refer to pages 84-85 of the Annual Report for additional information on environment protection and labor relations of the Company. 2. The Company has not established corporate governance best practice principles, but has disclosed the attendance of directors and supervisors for board meetings on the Market Observation Post System. The attendance of directors and supervisors in the board meetings has been satisfactory over the years. The minutes of each board meeting are provided to the directors and supervisors for their reference after the meeting. 3. The Company has adopted the Procedures for Handling Material Inside Information for the purpose of establishing sound mechanisms for the handling and disclosure of material inside information by this Corporation, in order to prevent improper information disclosures and to ensure the consistency and accuracy of information released by the Company to the public. For more information, please refer to the Company's website / About / Social Responsibility / Corporate Governance / Important Regulations. 4. The agenda working group of the Board of Directors would remind the managers, directors and supervisors of the Company regarding the rules and regulations related to material information by e-mail from time to time. 5. The Company will notify the directors and supervisors by e-mail from time to time to attend the professional education courses held by the relevant units; and will disclose the information about the directors' and supervisors' training on the Market Observation Post System (MOPS) on a regular basis as required by the competent authority. Please refer to pages 46-47 of the Annual Report for information on the 2025 training records for directors and supervisors of the Company. 6. Implementation status of risk management policies and risk measurement standards: (1)Risk management policy: The Company has always adopted a prudent prevention policy for risk management and has established a strict internal control system in compliance with the requirements set by the 	<p>No discrepancy</p>
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		<p>competent authority, laws and regulations. We also have qualified internal auditors who formulate risk-oriented audit plans to review the existing or potential risks in the internal control procedures annually.</p> <p>(2) In addition, the Company maintains insurance policies including property insurance, product liability insurance, and others to avoid and diversify risks. Responsibility for risk management at each level: All management units in the Company are responsible for the risk management according to the nature of the business; the following is a summary of the Company's risk implementation and the main responsible management units:</p> <ul style="list-style-type: none"> ● Resource Services Division: The Finance and Accounting Division is responsible for the preparation and control of budget and the system; the allocation and utilization of funds; and the establishment of a hedging mechanism to reduce financial risks. The Information Division promotes and implements computerization and information security control and protection to minimize information security risks. ● R&D Division: Focus on product development, R&D efficiency evaluation and analysis to increase market share and reduce the risk associated with product substitution and market obsolescence. ● Sales Division: Responsible for marketing strategies, marketing promotions, keeping track of market trends and minimizing business operating risks. ● Manufacturing Division: Responsible for production, manufacturing, machinery and equipment maintenance and repair, and labor safety and health management to reduce the risk associated with the manufacturing process. ● Quality Division: Prepare quality assurance plans, revise quality handbooks and make sure they are implemented to reduce the risk of unstable product quality; provide after-sales service, technical support to customers, and analyze and resolve customer complaints to minimize the risks arising from customer complaints, loss and being replaced by the competitors. ● Occupational Safety Division: Develop/plan/supervise and promote the safety and health management activities to reduce the risk of occupational disasters among the employees of the Company. <p>7. For the implementation of customer policies, quality is always our core value.</p> <p>Our products are covered by product liability insurance. The Company</p>	
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		<p>adopts "green processes" to produce "green products" through pollution prevention, process reduction and continuous improvement measures to enhance environmental performance and operational efficiency, such as: eco-friendly product design, waste removal and treatment, efficient use of natural resources, energy saving and waste reduction efficiency.</p> <p>The Company obtained ISO 14001 environmental management system certification in 2009 to meet international standards. Subsequently, the Company conducts regular internal audits and comprehensive reviews to establish a foundation for sustainability and to protect the rights of consumers.</p> <p>8. The Company has purchased liability insurance for its directors and supervisors since 2005. The directors of the Company are highly self-disciplined and have recused themselves from all motions in which they have a conflict of interest with in order to implement corporate governance. The information on the Company's liability insurance for directors and supervisors is as follows:</p> <table border="1" data-bbox="1010 678 1662 874"> <thead> <tr> <th data-bbox="1010 678 1167 743">Insured</th> <th data-bbox="1167 678 1319 743">Insurance Company</th> <th data-bbox="1319 678 1469 743">Coverage</th> <th data-bbox="1469 678 1662 743">Insured Period</th> </tr> </thead> <tbody> <tr> <td data-bbox="1010 743 1167 874">All directors and supervisor</td> <td data-bbox="1167 743 1319 874">Shinkong Insurance Co., Ltd.</td> <td data-bbox="1319 743 1469 874">USD 2 millions</td> <td data-bbox="1469 743 1662 874">From: September 1, 2025 To: September 1, 2026</td> </tr> </tbody> </table> <p>9. For additional information about the Company, please visit the Company's website. Website of the Company: https://www.everfocus.com/</p>	Insured	Insurance Company	Coverage	Insured Period	All directors and supervisor	Shinkong Insurance Co., Ltd.	USD 2 millions	From: September 1, 2025 To: September 1, 2026	
Insured	Insurance Company	Coverage	Insured Period								
All directors and supervisor	Shinkong Insurance Co., Ltd.	USD 2 millions	From: September 1, 2025 To: September 1, 2026								

9. The improvement status regarding the results of the Corporate Governance Evaluation announced by Taiwan Stock Exchange. (Not applicable. The Company is exempted from the assessment): The Company established the "Sustainability Committee" on November 26, 2024, to strengthen its corporate governance structure and promote sustainable development strategies. The Committee is chaired by the Chairman and composed of department heads, responsible for planning and executing policies and objectives related to Environmental, Social, and Governance (ESG) criteria. Furthermore, the Company is actively enhancing information transparency by periodically publishing Sustainability Reports to disclose its performance and progress in various ESG aspects. Regarding performance indicators not yet achieved, the Company will continue to review and optimize relevant systems and processes—particularly in areas such as Board diversity, risk management mechanisms, and the protection of shareholder rights. Specific improvement plans have been formulated, with regular reports on implementation status submitted to the Board to ensure continuous enhancement of corporate governance quality.

Attachment 1

Individual directors for diversification of Board members

1. Basic Information of Board of Directors Members:

Title	Nationality or place of registration	Name	Gender Age distribution	Date elected (appointed)	Term of office	Date first elected	Education	experience
Chairman	ROC	Yung-Shun Chuang	Male 71-80	2024.06.21	3 years	2018.06.14	Honorary Doctorate of Engineering, National Taiwan University of Science and Technology	Chairman, AAEON Technology Inc.
Vce Chairman Representative / Corporate Director	ROC	Representative Fu-Chieh, Chuang	Male 41-50	2024.06.21	3 years	2024.06.21	Master's Degree in Electrical Engineering, Carnegie Mellon University, USA	General Manager, QQE TECHNOLOGY CO., LTD.
Director	ROC	Hui-Ming Tsao	Female 61-70	2024.06.21	3 years	2012.06.13	National Taiwan University, Graduate Institute of Electrical Engineering	Director, EVERFOCUS JAPAN CORP. supervisor logcat CO., LTD.
Corporate Director Representative	ROC	Representative Ching-Kun Chen	Male 71-80	2024.06.21	3 years	2011.11.28	Master, Department of Management Science, National Chiao Tung University Passed the CPA Exam	Partner, Jar Shin CPAs
Corporate Director Representative	ROC	Representative Chieh-Hsi Li	Male 41-50	2024.06.21	3 years	2021.01.05	Ph.D. in Information Engineering, University of Southern California, USA	CEO, COLLINS CO., LTD. CEO, THRoute Corporation
Independent director	ROC	Hsu-Nan Huang	Male 61-70	2024.06.21	3 years	2018.06.14	Ph.D., College of Management, National Chiao Tung University	Dean & Professor, School of Management, Ming Chuan University
Independent director	ROC	Chen-An Li	Male 61-70	2024.06.21	3 years	2021.07.01	Master, Institute of Business Automation and Management, National Taipei University of Technology	Vice General Manager, Manufacturing Center, LITEMAX ELECTRONICS INC.
Independent director	ROC	Kun-Chang Kuo	Male 61-70	2024.6.21	3 years	2024.06.21	Department of Business Administration, National Chengchi University	Director of KING CORE ELECTRONICS INC.

2. Board of Directors Diversity Policy

Individual directors for diversification of Board members As for the composition of the Board of Directors, an appropriate diversification policy is formulated based on its operations, operation type, and development needs, which shall include but not limited to the following two major standards :

(1) Basic conditions and values: Gender, age, nationality, culture, etc.

(2) Professional knowledge and skills: Professional background, professional skills, and industry experience, etc. To achieve the ideal goals of corporate governance, the members of the Board are equipped with professional knowledge, skills, and qualities necessary for performing their duties. These include operational judgment, accounting and financial analysis abilities, business management skills, crisis handling capabilities, industry knowledge, international market perspectives, leadership qualities, and decision-making skills. The members of the Board of Directors of this company are selected based on the company's operations, business type, and development needs. They possess different expertise in various domains.

3. Current Status of Board of Directors Diversity Achievement

(1) The Company's 11th Board of Directors is composed of eight directors. (including one female director.) All board members possess extensive experience and expertise in various fields, including law, finance, accounting, digital technology and information, marketing, industry, and business management. Among the eight directors, three are independent directors, accounting for 37.5% of the total board seats, exceeding one-third of the total board membership. All independent directors exercise their powers independently. In addition to their leadership, decision-making, crisis management, and international market expertise, the three independent directors bring diverse professional backgrounds:

- Director Hsu-Nan Huang holds a Ph.D. from the Institute of Management Science at National Yang Ming Chiao Tung University. He currently serves as a Full-time Professor in the Department of Business Administration and the Dean of the School of Management at Ming Chuan University, with over ten years of experience in teaching and research within the fields of law, finance, and accounting.
- Director Chen-An Lee holds a Master's degree from the Institute of Business Automation and Management at National Taipei University of Technology. He previously served as the Vice President of the Manufacturing Center at Litemax Electronics Inc. and possesses over five years of experience in business, finance, and corporate operations management.
- Director Kun-Chang Kuo graduated from the Department of Business Administration at National Chengchi University and currently serves as a Director of King Core Electronics Inc. He has extensive experience in the industrial and marketing sectors and holds concurrent positions as a Supervisor of King Core Electronics (Suzhou) Co., Ltd. (institutional representative) and Chairman of Shenzhen Zhenqi Electronic Components Co., Ltd. (institutional representative).

Currently, female directors account for 12.5% of the Board. To further enhance gender balance, the Company has set a target of 20% for female representation on the Board and will actively seek professional and experienced female candidates for director or independent director positions to improve Board diversity and leadership.

The members possess a diverse range of professional backgrounds and the ability to perform their duties. Relevant information is as follows:

December 31, 2025

Diversification Items Name	Profile								Professional Background						Professional Background								
	Nationality	Gender	Employee of the Company	Age				Term of independent directors		Law	Accounting	Finance	Industry	Marketing	Technology	Operational Judgment	Accounting and financial analysis	Business Management	Crisis Management	Knowledge of Industries	International market	Leadership	Decision making
				41 To 50	51 To 60	61 To 70	71 To 75	Under 3 years	3~9 years														
Yung-Shun Chuang	ROC	Male	V				V					V	V	V	V	V	V	V	V	V	V	V	
Fu-Chieh, Chuang	ROC	Male	V	V										V	V	V	V	V	V	V	V	V	
Hui-Ming Tsao	ROC	Female	V			V						V	V	V	V	V	V	V	V	V	V	V	
Representative Ching-Kun Chen	ROC	Male					V			V	V				V	V	V	V	V	V	V	V	
Representative Chieh-Hsi Li	ROC	Male		V								V	V	V	V	V	V	V	V	V	V	V	
Hsu-Nan Huang	ROC	Male				V			V		V	V			V	V	V	V	V	V	V	V	
Chen-An Li	ROC	Male				V		V				V		V	V	V	V	V	V	V	V	V	
Kun-Chang Kuo	ROC	Male				V		V				V	V		V	V	V	V	V	V	V	V	

Professional Knowledge and Independence of Directors:

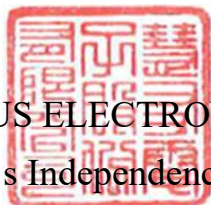
December 31, 2025

	Whether the Individual Has More Than Five Years of Work Experience and the Following Professional Qualifications (Note1)			Compliance with Independence Requirements (Note1)										Number of Other Public Companies Where the Individual Also Serves as an Independent Director	
	Lecturer or Above at Public or Private Colleges or Universities in Fields Related to Business, Law, Finance, Accounting, or Banking.	Judges, Prosecutors, Lawyers, Certified Public Accountants, or Other Professionals and Technical Personnel Who Have Passed National Examinations and Hold Certificates Required for Banking Services.	Work Experience Required in Business, Law, Finance, Accounting, or Banking.	1	2	3	4	5	6	7	8	9	10		
Yung-Shun Chuang	V		V												1
Hui-Ming Tsao	V		V												0
Fu-Chieh, Chuang	V		V												0
Representative Ching-Kun Chen	V	V	V												1
Representative Chieh-Hsi Li	V		V												0
Hsu-Nan Huang	V	V	V	V	V	V	V	V	V	V	V	V	V	V	3
Chen-An Li	V		V	V	V	V	V	V	V	V	V	V	V	V	0
Kun-Chang Kuo	V		V	V	V	V	V	V	V	V	V	V	V	V	1

Note 1 : Please mark "V" under the applicable condition codes if each director or supervisor has met the following conditions in the two years prior to appointment and during their term of office:

- (1) Not an employee of the Company or its affiliates.
- (2) Not a director or supervisor of the Company or its affiliates (except for independent directors mutually serving among the Company, its parent company, its subsidiaries, or subsidiaries of the same parent company, established in accordance with the Company Act or local laws).
- (3) Neither they nor their spouse, minor children, or those holding shares in the name of others, are among the top 10 shareholders or hold 1% or more of the total issued shares of the Company.
- (4) Not the spouse, second-degree relative, or third-degree direct relative of the managerial officers listed in (1) or the persons listed in (2) and (3).
- (5) Not a director, supervisor, or employee of any corporate shareholder that directly holds 5% or more of the total issued shares of the Company, is among the top five shareholders, or appoints representatives to serve as directors or supervisors of the Company under Article 27, Paragraph 1 or 2 of the Company Act (except for independent directors mutually serving among the Company, its parent company, its subsidiaries, or subsidiaries of the same parent company, established in accordance with the Company Act or local laws).
- (6) Not a director, supervisor, or employee of another company whose board seats or shares with voting rights are controlled by the same person who controls the Company (except for independent directors mutually serving among the Company, its parent company, its subsidiaries, or subsidiaries of the same parent company, established in accordance with the Company Act or local laws).
- (7) Not a director (trustee), supervisor (auditor), or employee of another company or organization where the chairman, general manager, or an equivalent position of the Company is the same person or spouse (except for independent directors mutually serving among the Company, its parent company, its subsidiaries, or subsidiaries of the same parent company, established in accordance with the Company Act or local laws).

Attachment 2



EVERFOCUS ELECTRONICS CORP

Assessment Form of CPA's Independence and Competence in 2025

CPA Firm: PricewaterhouseCoopers, Taiwan

CPA: Mavis Chang and Shih-Jung Weng

1. Independence Assessment

Evaluation Item	Evaluation Result	Corresponding CPA Independence Statement Item
(1) The appointed auditor has no direct or indirect financial interests in the company.	Yes	In Compliance
(2) The appointed auditor has not engaged in any financing or guarantee activities with the company or its directors.	Yes	In Compliance
(3) The appointed auditor has not compromised the audit work based on considerations of possible client loss °	Yes	In Compliance
(4) The appointed auditor has not received any fees related to the audit engagement or public expenses.	Yes	In Compliance
(5) The appointed auditor has no significant commercial or potential employment relationships with the company.	Yes	In Compliance
(6) Members of the audit service team have not held positions as directors, executives, or influential roles in audit engagements with the company currently or in the past two years.	Yes	In Compliance
(7) The accounting firm appointed has provided non- assurance services to the company that do not directly impact significant aspects of the audit engagement	Yes	In Compliance
(8) The appointed auditor has not promoted or facilitated the issuance of stocks or other securities of the company.	Yes	In Compliance
(9) The appointed auditor has not acted as a defense counsel for the company or represented the company in coordinating conflicts with third parties.	Yes	In Compliance
(10) The appointed auditor has no immediate family relationships with directors, executives, or individuals holding influential positions in relation to audit services.	Yes	In Compliance
(11) The appointed auditor has not served as a director, executive, or held influential positions in relation to audit engagements with the company within the past year of their resignation as a co-practicing accountant.	Yes	In Compliance
(12) The appointed auditor has not received significant gifts or presents of value from the company or its directors and executives.	Yes	In Compliance
(13) The appointed auditor has not accepted inappropriate choices of accounting policies or improper disclosures in financial statements made by the company's management °	Yes	In Compliance
(14) The appointed auditor has not been subjected to or influenced by the company's management to reduce the necessary audit procedures on the grounds of reducing audit fees.	Yes	In Compliance
(15) The appointed auditor does not have any litigation relationship with the company.	Yes	In Compliance

2. Competence Assessment

Evaluation Item	Evaluation Result	Whether the CPA possesses Competence

(1) The accountant has experience with multinational groups and related industries	Yes	Yes
(2) Whether the accountant undergoes ongoing professional training.	Yes	Yes
(3) In the most recent year, the company has not been involved in any litigation or received any sanctions from regulatory authorities regarding its financial reporting.	Yes	Yes
(4) the accountant has not been subject to disciplinary actions by the disciplinary committee for accountants and publicly announced sanctions within the past five years, or any penalties under Article 37, Paragraph 3 of the Securities and Exchange Act.	Yes (Note1)	Yes

Note1: Upon reviewing the information provided in the 2022 Audit Quality Indicators (AQIs) from PricewaterhouseCoopers, Taiwan and the list of accountants disciplined under the Accountants Act released by the Financial Supervisory Commission on August 2, 2023, as well as the list of accountants subject to penalties under Article 37 of the Securities and Exchange Act published on November 13, 2020, it is confirmed that CPA Mavis Chang and CPA Wei-Li Hsieh have not been subject to disciplinary actions by the Accountants Disciplinary Committee and publicly announced as such.

3. Evaluation Results :

After evaluation, it has been determined that the appointed signing CPAs do not have any of the circumstances mentioned in the independence assessment criteria above and meet the assessment criteria for competence.

Chairman:



Manager:



Accounting Officer:



4. The composition, duties and operations of the Remuneration Committee of the Company:

(1) Composition of Remuneration Committee

December 31, 2025

Title	Name	Professional qualifications and experience	Independence Status (Note1)	Number of other public companies where concurrently serving as an member of remuneration committee
Independent director Convener	Hsu-Nan Huang	Ph.D. from the Institute of Management Science at National Yang Ming Chiao Tung University. Currently serving as the Dean of the School of Management at Ming Chuan University, with over 10 years of professorial experience in the fields of legal affairs, finance, and accounting.	Compliance with the independence requirements.	0
Independent director	Chen-An Li	Holds a Master's degree from the Institute of Business Automation and Management at National Taipei University of Technology. Previously served as the Vice President of the Manufacturing Center at Litemax Electronics Inc., with over five years of work experience in commerce, finance, and other areas essential to the Company's business.	Compliance with the independence requirements.	0
Independent director	Kun-Chang Kuo	Graduated from the Department of Business Administration at National Chengchi University. He currently serves as a Director of King Core Electronics Inc., a Supervisor of King Core Electronics (Suzhou) Co., Ltd. (institutional representative), and the Chairman of Shenzhen Zhenqi Electronic Components Co., Ltd. (institutional representative).	Compliance with the independence requirements.	0

Note1: During the two years before being elected or during the term of office, an independent director of a public company may not have been or be any of the following:

- (1) Not an employee of the company or any of its affiliates.
- (2) Not a director or supervisor of the company or any of its affiliates (do not apply to independent directors or supervisors 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 or subsidiary or a subsidiary of the same parent).
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph (1) or any of the persons in the preceding subparagraphs (2) or (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act (do not apply to independent directors or supervisors 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 or subsidiary or a subsidiary of the same parent).
- (6) If a majority of the company's director seats or voting shares and those of any other company are controlled by the same person: Not a director, supervisor, or employee of that other company (do not apply to independent directors or supervisors 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 or subsidiary or a subsidiary of the same parent).
- (7) If the chairperson, general manager, or person holding an equivalent position of the company and a person in any of those positions at another company or institution are the same person or are spouses: Not a director (or governor), supervisor, or employee of that other company or institution. (do not apply to independent directors or supervisors 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 or subsidiary or a subsidiary of the same parent).

- (8) A director (governor), supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the company (do not apply to specified company or institution holds 20 percent or more and no more than 50 percent of the total number of issued shares of the Company, and independent directors or supervisors 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 or subsidiary or a subsidiary of the same parent).
- (9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof. This restriction does not apply to a member of the remuneration committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Do not have any of the circumstances in the subparagraphs of Article 30 of the Company Act.

2. Committee Responsibilities:

To ensure a sound system for compensation of the directors, supervisors and managerial officers of the Company, the Remuneration Committee Charter is adopted pursuant to Article 3 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter.

- (1) Functions of the Committee: The functions of the Committee are to professionally and objectively evaluate the policies and systems for compensation of the directors, supervisors, and managers of the Company, and submit recommendations to the board of directors for its reference in decision making.
- (2) Scope of duties: The Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the board of directors for discussion.
- (2.1) Periodically reviewing this Charter and making recommendations for amendments.
- (2.2) Establishing and periodically reviewing the performance assessment standards, annual and long-term performance goals, and the policies, systems, standards, and structure for the compensation of the directors, supervisors, and managers of the Company.
- (2.3) Periodically assessing the degree to which performance goals for the directors, supervisors, and managerial officers of the Company have been achieved, setting the types and amounts of their individual compensation.

3. Status of Remuneration Committee meetings:

- (1) The Company's Remuneration Committee has three members.
- (2) Term of office for the current Committee: From June 21, 2024, to June 30, 2027.

The Remuneration Committee held 3 meetings (A) during the most recent fiscal year (2025). The qualification and attendance of the committee members are as follows:

Title	Name	Attendance in person (B)	Attendances by proxy	Rate of actual attending (%) (B/A)	Remark
Independent director Convener	Hsu-Nan Huang	3	0	100 %	Re-elected
Independent director	Chen-An Li	3	0	100 %	Re-elected
Independent director	Kun-Chang Kuo	3	0	100 %	
Other items to be stated:					
1. If the Board of Directors declines to adopt or modifies a recommendation of the Remuneration Committee, the date and session of the Board meeting, the content of the motion, the resolution of the Board, and the Company's handling of the Remuneration Committee's opinions shall be specified (if the remuneration approved by the Board is superior to the recommendation of the Committee, the circumstances and reasons for the discrepancy shall be detailed): None.					
2. For resolutions of the Remuneration Committee, if any member has a dissenting or qualified opinion which is recorded or made in writing, the date and session of the Committee meeting, the content of the motion, the opinions of all members, and the handling of such opinions shall be specified: None.					

(3) The discussion items and results of resolutions of the Remuneration Committee:

Remuneration Committee	Contents of motions and the Company's resolution of remuneration committee members' opinions	Result of Resolution	Handling of the opinions of Remuneration Committee members
6th Term, 2nd Meeting (2025.03.11)	Appointment of the Financial Officer and Corporate Governance Officer for the Fiscal Year 2025	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.
	Remuneration Proposal for the Company's Newly Appointed Financial Officer	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.
	2025 Salary Adjustment Proposal for the Company's Internal Management	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.
	Explanation of the Performance Bonus Achievement Regulations for Internal Managers	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.
	Explanation of the 2024 Year-end Bonus Distribution for Management	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.
6th Term, 3rd Meeting (2025.08.13)	Adjustment to the Monthly Remuneration of the Company's Financial Officer	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.
	Election of Mr. Fu-Chieh Chuang as the Vice Chairman of the Company	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.
6th Term, 4th Meeting (2025.11.12)	Adjustment of the President and R&D Officer Roles and Organizational Restructuring	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.
	Explanation of the Performance Bonus Achievement Regulations for Internal Managers	All members of the Committee present approved.	Proposed to the Board of Directors and approved by all Directors present.

Directors' and supervisors' ongoing education in 2023:

December 31, 2025

Title	Name	Current term Date of appointed	Course date		Organizer	Course name	Course hours	Whether in compliance with the regulations (Note 1)
			From	To				
Chairman	Yung-Shun Chuang	2024.06.21	2025.06.20	2025.06.20	Taiwan Corporate Governance Association (TCGA)	Defense Strategies and Legal Compliance Issues in Hostile Takeovers	3	Yes
			2025.07.09	2025.07.09	Taiwan Stock Exchange (TWSE)	2025 Cathay Sustainable Finance and Climate Change Summit	3	
			2025.07.31	2025.07.31	Taiwan Stock Exchange (TWSE)	2025 Summit on Strengthening Taiwan's Capital Market	3	
Vice Chairman/ Corporate Representative of Director	Fu-Chieh Chuang	2024.06.21	2025.05.21	2025.05.21	Taiwan Directors Institute	From Challenges to Opportunities: Unleashing Data Value and Creating New Business Models through AI	3	Yes
			2025.06.07	2025.06.07	Importers and Exporters Association of Taipei (IEAT)	The 11th ITM Program — New Global Trade Landscape	6	
			2025.07.19	2025.07.19	Importers and Exporters Association of Taipei (IEAT)	The 11th ITM Program — Global Management Wisdom	6	
			2025.08.02	2025.08.02	Importers and Exporters Association of Taipei (IEAT)	The 11th ITM Program — Multinational Operational Transformation	6	
Director	Hui-Ming Tsao	2024.06.21	2025.08.22	2025.08.22	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2025 Taishin-Shin Kong Net Zero Summit	3	No (Note2)
Corporate Representative of Director	Ching-Kun Chen	2024.06.21	2025.07.16	2025.07.16	National Federation of Certified Public Accountants Associations (NFCPAA)	Legal Liabilities for Greenwashing in Sustainability Reports	3	Yes
			2025.07.22	2025.07.22	National Federation of Certified Public Accountants Associations (NFCPAA)	Recent Amendments and Practical Applications of IFRSs	3	
Corporate Representative of Director	Chieh-Hsi Li	2024.06.21	2025.03.20	2025.03.20	Taiwan Academy of Banking and Finance (TABF)	Corporate Governance Lecture Series	3	Yes
			2025.04.11	2025.04.11	Taiwan Directors Institute	Upgrading Corporate Governance: Building New Horizons for Talent Competitiveness	3	
Independent director	Hsu-Nan Huang	2024.06.21	2025.06.10	2025.06.10	Business Council for Sustainable Development (BCSD) Taiwan	CDP Taiwan Launch Event: Enhancing Climate Disclosure to Improve Corporate Climate Resilience	3	Yes
			2025.07.09	2025.07.09	Taiwan Stock Exchange (TWSE)	2025 Taishin-Shin Kong Net Zero Summit	6	

			2025.08.22	2025.08.22	Chinese National Association of Industry and Commerce, Taiwan (CNAIC)	2025 Cathay Sustainable Finance and	3	
Independent director	Chen-An Li	2024.06.21	2025.07.09	2025.07.09	Taiwan Stock Exchange (TWSE)	2025 Cathay Sustainable Finance and	6	Yes
Independent director	Kuo Kun-Chang	2024.06.21	2025.05.07	2025.05.07	Taiwan Directors Institute	SAP NOW AI Tour Taiwan: "Business AI · Winning the Future"	3	Yes
			2025.05.16	2025.05.16	Securities and Futures Institute (SFI)	2025 Seminar on the Prevention of Insider Trading	3	
			2025.07.09	2025.07.09	Taiwan Stock Exchange (TWSE)	2025 Cathay Sustainable Finance and Climate Change Summit	6	

Note 1: Disclosure is made in accordance with the relevant provisions of the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEX Listed Companies."

Note 2: Due to scheduling constraints in 2025, Director Huei-Ming Tsao's actual training hours did not meet the recommended standard for the year. The Company has since strengthened the planning mechanism for director education, which includes pre-scheduling relevant courses and continuously tracking progress to ensure compliance with the regulatory requirements in subsequent years.

5. Implementation of Promoting Sustainable Development and Deviations from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons thereof:

Promoted items	Implementation status			Discrepancies with the Sustainable Development Best Practice Principles for TWSE/ GTSM Listed Companies and the reasons
	Yes	No	Summary description	
1. Does the Company develop guidelines for sustainability and establish a sustainability unit which is delegated to Management by the Board of Directors and subject to supervision by the board?	V		On November 12, 2024, the Company's Board of Directors approved the establishment of the ESG Sustainability Development Committee. To ensure the effective promotion of sustainability-related initiatives, the Board appointed a senior executive to serve as the Chief Sustainability Officer (CSO) and established a cross-departmental task force to implement sustainability development tasks. The Committee held its inaugural meeting on November 26, 2024, and engaged an external advisory team for guidance. A total of 19 meetings were held, providing 44 hours of training.	No significant difference
2. Does the Company conduct risk assessments on environmental, social and corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies based on the principle of materiality? (Note 1)	V		The Company has conducted a systematic assessment of the potential significant impacts of environmental, social, and corporate governance (ESG) issues on investors and stakeholders, following the principle of materiality. Based on the assessment, management strategies and action plans have been developed, with the following implementation status: 1. Identification of Material Topics and Double Materiality Analysis: In accordance with international frameworks such as the GRI Standards 2021, TCFD, and SASB, the Company identified 31 sustainability topics. These were screened and evaluated by the ESG Sustainability Committee to select 19 core topics for stakeholder surveys. Furthermore, a Double Materiality analysis was	No significant difference

		<p>conducted, culminating in the development of a materiality matrix."</p> <p>2. Management of Significant Impact Issues: Five significant issues were ultimately identified: information security, carbon emissions, supply chain management, occupational safety training, and health promotion. These issues have been integrated into the ESG management strategy, with specific controls and target tracking for potential risks (e.g., zero cybersecurity incidents, carbon intensity targets, supplier audit improvement rates).</p> <p>3. Establishment of Risk Management Mechanisms: The Sustainability Development Committee was established, authorized by the Board of Directors, with senior management responsible for promoting various risk response mechanisms. Specific measures include the implementation of a cybersecurity off-site backup plan, initiation of ISO 14064-1 carbon inventory, updates to supplier compliance systems, and the achievement of a zero-incident target for health and safety.</p> <p>4. Board Supervision and Policy Integration: Significant issues and risk responses are set as standing agenda items for the ESG Committee, with the Board of Directors providing regular supervision. Standard operating procedures and audit processes have been established for these initiatives, serving as the core basis for the Company's future risk management policy and sustainable governance system.</p>	
<p>3. Environmental Issue</p> <p>(1) Has the Company established appropriate environmental management procedures in accordance with its industrial characteristics?</p>	V	<p>The Company, as a manufacturer of industrial computers and surveillance imaging equipment, operates in the electronics manufacturing sector characterized by low energy and water consumption. Nevertheless, the Company actively establishes and promotes an environmental management system based on industry characteristics to fulfill environmental responsibilities and address climate risks. The specific initiatives are as follows:</p> <p>1. Establishment of an Environmental Management System: In compliance with environmental regulations, the Company has implemented and continues to promote the ISO 14001 Environmental Management System, integrating pollution prevention, energy conservation, waste reduction, and green production processes from the manufacturing stage.</p> <p>2. Establishment of Carbon Inventory System: In accordance with the ISO 14064-1 international standard, the Company completed the establishment of the GHG (Greenhouse Gas) inventory for the base year (2025) and is scheduled to undergo third-party verification in 2026.</p> <p>3. Energy Efficiency and Green Design:</p>	No significant difference

		<p>The Company incorporates energy-saving design and material selection restrictions (such as RoHS compliance and hazardous substance management) at the product development stage, based on product characteristics and customer requirements. Continuous efforts are made to promote resource recycling, waste classification, and proper disposal.</p> <p>4. Climate Risk Assessment and Strategy: Following the TCFD (Task Force on Climate-related Financial Disclosures) framework, the Company conducts a climate change risk and opportunity assessment. A management mechanism with early warning and adaptation capabilities has been established to enhance overall operational resilience and promote sustainable environmental development.</p>	
(2) Has the Company improved the utilization rate of each resource and used the re-generated material with low impact on the environment?	V	<p>In line with the sustainability philosophy of "Energy Conservation, Environmental Protection, and Caring for the Earth," the Company promotes energy saving, carbon reduction, and resource recycling at both the product development and manufacturing operational levels to reduce overall environmental impact. The specific implementation measures are as follows:</p> <p>1. Promotion of Energy-Saving Improvement Measures: The Company has enhanced energy efficiency by adopting virtualization technology, automating internal processes, and optimizing lighting and air conditioning systems. Measures also include reducing paper and consumable waste, effectively lowering operational energy consumption.</p> <p>2. Green Design-Oriented Product Development: Environmental design principles are incorporated at the product development stage, prohibiting the use of specific hazardous substances (such as lead and mercury) in compliance with RoHS regulations. Recyclable materials are used to manufacture components, extending product lifespan and increasing circular value.</p> <p>3. Application of Recycled Materials and Resource Recovery: The Company promotes packaging reduction and reuse to enhance recycling rates and has strengthened waste classification and recycling systems within its facilities. In 2024, recycled materials and environmentally friendly materials were introduced for certain product components.</p> <p>4. Setting Energy Management Goals and Monitoring: Under the supervision of the ESG Committee, the Company continuously monitors energy-saving results and resource utilization efficiency indicators. Looking forward, the Company plans to further adopt renewable materials and carbon footprint labeling designs to achieve low-carbon manufacturing and circular economy goals.</p>	No significant difference

<p>(3) Has the Company evaluated the potential risks and opportunities from climate change and taken precautions on climate-related issues?</p>	<p>V</p>	<p>The Company has identified the potential impacts of climate change on its business operations and, in reference to the TCFD (Task Force on Climate-related Financial Disclosures) framework, has assessed climate-related risks and opportunities. The following specific response measures have been established:</p> <p>1. Climate Change Risk Identification and Assessment: Following the TCFD framework, the Company has identified risks related to increasing extreme weather events in operating locations, supply chain disruptions for raw materials, and stricter carbon taxes and emission regulations. The potential impacts of these risks on business continuity and operating costs have been analyzed.</p> <p>2. Establishment of Response Strategies and Action Mechanisms: The Company has developed climate risk response strategies, including enhancing the disaster resilience of facility infrastructure, strengthening energy use monitoring, and promoting lean management in manufacturing processes. Cross-departmental collaboration is also encouraged to develop medium- and long-term carbon management plans.</p> <p>3. Adoption of Technology Upgrades and Digital Transformation: The Company promotes system automation and virtualization platforms, which help reduce electricity consumption and improve equipment efficiency, thereby lowering carbon emissions. Data backup capabilities are also enhanced to strengthen operational resilience against climate impacts.</p> <p>4. Seizing Green Transition Opportunities: In response to the growing market demand for energy-efficient and environmentally friendly products, the Company actively invests in green design solutions that comply with international standards (such as RoHS and REACH). Through differentiated design, the Company aims to capture potential green business opportunities.</p>	<p>No significant difference</p>
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<p>(4) Has the Company track the total amount emission of greenhouse gas, water consumption, and waste for the past two years, and establish policy for energy saving and carbon reduction, lower emission of greenhouse gas, decrease water consumption and better waste management?</p>	<p>V</p>	<p>To enhance the management and responsibility of environmental sustainability issues, the Company has gradually established an environmental data collection system. This system covers greenhouse gas emissions, water consumption, and total waste generation, providing a foundation for subsequent energy-saving, carbon reduction, and resource efficiency improvement strategies. Through systematic monitoring and internal policy implementation, the Company actively pursues low-carbon operations and circular management goals. The specific implementation measures are as follows:</p> <p>1. Greenhouse Gas (GHG) Inventory: A preliminary greenhouse gas (GHG) inventory was conducted in 2024. Following this, the Company established its base year (2025) carbon inventory in accordance with the ISO 14064-1 standard, covering Scopes 1, 2, and 3. In 2026, a third-party verification process will be introduced to progressively strengthen the foundation of carbon reduction management.</p> <p>2. Water Consumption and Waste Statistics Management: A routine monitoring mechanism has been established to regularly compile water usage and waste generation data for the facilities. Annual trend comparisons and intensity indicators (such as carbon emissions per million revenue) are used to support early warning and performance evaluation.</p> <p>3. Promotion of Energy Saving and Reduction Measures: Initiatives include replacing outdated air conditioning equipment, digitizing documents, applying computer virtualization, and optimizing operational processes. These measures aim to reduce energy consumption and carbon emissions while improving work efficiency and resource utilization.</p> <p>4. Waste Classification and Recycling Management: The Company continues to enhance industrial waste classification and recycling processes, ensuring compliance by entrusting qualified disposal units with waste management. Internal waste reduction awareness campaigns are regularly conducted, and a digital recycling tracking mechanism is planned for future implementation.</p>	<p>No significant difference</p>
<p>4. Social issues (1) Does the Company make relevant management policies and processes according to the International Bill of Human Rights?</p>	<p>V</p>	<p>The Company is committed to protecting human rights and adheres to international human rights standards, including the United Nations Global Compact, the Universal Declaration of Human Rights, and the International Labour Organization (ILO) Conventions. The Company has established human rights management policies and specific implementation mechanisms in compliance with national labor laws and gender equality regulations, ensuring that all workers are treated equally, respected, and protected. The implementation</p>	<p>No significant difference</p>

		<p>status is as follows:</p> <ol style="list-style-type: none"> 1. Establishment of the "Human Rights Policy Statement" and Internal Regulations: The Company has established an internal "Human Rights Policy" covering key areas such as anti-discrimination, sexual harassment prevention, workplace equality, reasonable working hours, freedom of association, and workplace safety. This policy applies to all EverFocus employees (including permanent, contract, and temporary staff) as well as all operational activities. Furthermore, value chain partners, such as suppliers and contractors, are required to comply with these principles. The Sustainable Development Committee is responsible for overseeing and reviewing the policy, periodically evaluating its effectiveness, and reporting to management. The Human Resources Section of the Resource Service Department is tasked with daily implementation, including education and training, grievance handling, and human rights risk management. 2. Compliance with Gender Equality and Labor Rights Protection Regulations: In line with government policies, the Company has established a mechanism for filing sexual harassment complaints, with clear procedures specified in the employee handbook. In 2025, no gender-related complaints were received. 3. Establishment of Complaint and Communication Channels: The Company provides anonymous suggestion boxes, a dedicated complaint hotline, and a designated contact window, ensuring that employees can raise human rights-related issues without fear of retaliation. 4. Regular Education and Training Programs: Human rights and workplace ethics courses are included in new employee orientation and annual training plans. In 2025, the participation rate for all employees in these training sessions reached 100%. 	
(2) Has the Company set reasonable employee benefits (including remuneration, vacation days, and other benefits), and reflect business performance or achievements in the employee remuneration policy?	V	<p>The Company places great importance on the physical and mental well-being and career development of its employees. In addition to safeguarding basic rights in accordance with relevant labor laws, the Company has established several welfare systems that exceed regulatory requirements. A fair compensation and reward distribution mechanism is also in place, determined based on business performance, ensuring stable rewards and job security for employees. The implementation status is as follows:</p> <ol style="list-style-type: none"> 1. Compensation Structure and Reward System: In accordance with the Company's Articles of Association and business performance, employee compensation is allocated, including an annual performance review and bonus system. Salaries are adjusted based on individual performance and job levels. In 2025, the monthly salary of all grassroots 	No significant difference

		<p>employees exceeded the statutory minimum wage by over 75%.</p> <p>2. Comprehensive Welfare Measures: The Company provides labor insurance, health insurance, group insurance, regular health check-ups, employee travel, three-festival bonuses, birthday bonuses, maternity allowances, and subsidies for marriage and bereavement. A Welfare Committee organizes a variety of welfare activities and offers family care programs for employees.</p> <p>3. Leave and Flexible Work Arrangements: In addition to legally mandated leave, including annual leave, paternity leave, and family care leave, the Company also provides flexible working hours. Employees are encouraged to take appropriate vacations to maintain a healthy work-life balance.</p> <p>4. Compensation Information Disclosure and Communication: Regular salary market surveys and internal reports are conducted to ensure fairness. The Board of Directors monitors salary equity. Relevant compensation policies are disclosed in the Company's annual report and sustainability report, enhancing transparency and employee trust.</p>	
<p>(3) Does the Company provide a safe and healthy work environment for employees and regularly provide health and safety training for employees?</p>	<p>V</p>	<p>The Company places great importance on workplace safety and employee health, continuously establishing management systems in compliance with the Occupational Safety and Health Act and related regulations. The Company provides a safe working environment and implements education, training, and systematic measures to reduce occupational accident risks, enhancing employee health awareness and satisfaction. The implementation status is as follows:</p> <p>1. Workplace Safety Inspections: Regular safety inspections are conducted for facility areas, firefighting equipment, and work routes within the plant. A workplace hazard prevention mechanism has been established. In 2025, zero occupational safety incidents were reported.</p> <p>2. Regular Health Check-up System: Employees are entitled to free annual health check-ups, with follow-up tracking for abnormal cases based on the examination results. In 2025, the health check-up participation rate reached 88%, indicating a gradual increase in employee health awareness.</p> <p>3. Safety and Health Education and Training: New employees are required to complete an occupational safety and health training course upon onboarding. Annual safety training and first aid drills are conducted for all employees, enhancing their self-protection awareness and emergency response capabilities.</p>	<p>No significant difference</p>

<p>(4) Has the Company established an effective career development training program for employees?</p>	<p>V</p>	<p>The Company values employee professional growth and career development. By aligning organizational strategies with departmental needs, the Company designs a variety of training courses and industry-academia collaboration programs to help employees enhance their competencies, broaden their perspectives, and establish a long-term talent cultivation mechanism. This approach aims to strengthen the overall competitiveness of the Company's human capital.</p> <p>1. Systematic Annual Training Planning: A comprehensive training process has been established, following the cycle of "Training Needs Survey – Implementation – Feedback – Tracking." Departments submit their training needs, which are then incorporated into the annual training plan. In 2025, the average training hours per employee exceeded 4.8 hours.</p> <p>2. Parallel Development of Professional Skills and General Knowledge: The training courses cover a wide range of topics, including professional skills, language proficiency, management knowledge, digital tool applications, and workplace ethics. This balanced approach ensures both technical depth and diverse soft skill development.</p> <p>3. Onboarding Training and Integration System for New Employees: New employees undergo onboarding training, which includes an introduction to company culture, departmental operations, and basic skills training. This program enhances new employees' adaptability and work efficiency.</p>	<p>No significant difference</p>
<p>(5) Regarding customer health and safety, customer privacy, marketing and labelling of products and services, does the Company follow relevant regulations and international standards, and formulate relevant consumer protection policies and grievance procedures?</p>	<p>V</p>	<p>The Company is committed to product safety, customer privacy, and information accuracy. In compliance with relevant laws and industry standards, the Company has established management mechanisms for product design, labeling, services, and complaints, aiming to enhance customer trust and satisfaction while protecting consumer rights. The implementation status is as follows:</p> <p>1. Compliance with Product Health and Safety Standards: All products comply with the European Union's Restriction of Hazardous Substances (RoHS) directive and other international standards for electromagnetic compatibility and safety. A comprehensive quality inspection process is in place to ensure that products pose no health risks during development, production, and transportation.</p> <p>2. Product Labeling and Marketing Information Management: Product specifications, warnings, and usage instructions are clearly labeled, adhering to the principles of integrity in marketing and informational materials. The Company conducts self-reviews in accordance with the Fair Trade Act and advertising regulations to avoid misleading consumers.</p> <p>3. Customer Data and Privacy Protection:</p>	<p>No significant difference</p>

		<p>A customer data confidentiality policy is in place, ensuring that customer information is only used and maintained by authorized personnel for business purposes. Unauthorized disclosure or misuse of customer information is strictly prohibited. In 2025, there were no incidents of customer data breaches.</p> <p>4. Customer Complaint and Response Mechanism: The Company provides online contact channels and an after-sales customer service hotline for handling customer inquiries and complaints. All cases are managed by dedicated personnel, who respond and follow up on improvements according to established procedures. In 2025, the complaint response rate reached 100%.</p>	
(6) Has the Company established supplier management policies which require suppliers to comply with relevant standards on issues such as environmental protection, occupational safety and health or labor rights, and suppliers' implementation?	V	<p>The Company adheres to the principles of sustainable supply chain management by establishing a Supplier Code of Conduct, requiring suppliers to comply with relevant laws and standards related to environmental protection, occupational safety, and labor rights. This commitment is enforced through document signing and on-site audit mechanisms, ensuring responsible value chain management. The implementation status is as follows:</p> <p>1. Establishment of the Supplier Code of Conduct: Suppliers are required to comply with international human rights standards (including the prohibition of child labor, forced labor, and discrimination), adhere to local environmental and occupational safety regulations, and uphold the principles of fair trade and integrity. All new suppliers must sign a compliance commitment agreement.</p> <p>2. Document Signing and Compliance Declarations: In 2025, 98% of qualified suppliers completed the signing of the "Environmental Prohibited Substances Guarantee" and the "Supplier Ethical Conduct Commitment". These documents cover clauses on environmental law compliance, prohibition of hazardous substances, corporate integrity, and occupational safety protection.</p> <p>3. Supplier Risk Identification and Auditing: A supplier grading and risk assessment mechanism has been established, with on-site audits conducted for high-risk suppliers. These audits evaluate suppliers' compliance with environmental management, human rights policies, and occupational safety measures, with corrective actions required within a specified period for any deficiencies identified.</p> <p>4. Continuous Collaboration and Communication Mechanism: The Company maintains an annual communication mechanism with major suppliers to exchange information on regulations, environmental protection, and product quality issues. This approach strengthens cooperative relationships and</p>	No significant difference

			promotes consensus on ESG principles and responsible practices.	
5. Does the Company adopt internationally recognized standards or guidelines when producing corporate social responsibility reports, to disclose the status of their implementation of the corporate social responsibility policy? Did the Company obtain a third party assurance or verification to ensure the reliability of the information in their CSR reports?	V		<p>To enhance the transparency of non-financial information disclosure, the Company published its first Sustainability Report in 2025. The report covers topics including corporate governance, environmental sustainability, social responsibility, and risk management, demonstrating the Company's commitment to sustainability and corporate responsibility towards stakeholders. The implementation status is as follows:</p> <p>1. Reporting Standards Adopted: The report was prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021 Edition and the Task Force on Climate-related Financial Disclosures (TCFD) framework, ensuring a comprehensive and structured presentation of information. Key communication points from the Sustainability Accounting Standards Board (SASB) were also disclosed.</p> <p>2. Coverage and Disclosure Scope: The report provides information on key ESG aspects, including governance policies, material issues, environmental management, labor relations, cybersecurity risks, and supply chain responsibility. It reflects the Company's performance from 2024 to 2025 and outlines future goals.</p> <p>3. Third-Party Verification Status: As this is the Company's first sustainability report, third-party verification has not yet been commissioned. However, the Company has established relevant supporting documents and statistical forms for information disclosed in the report. In the future, depending on the actual progress of sustainability initiatives and regulatory requirements, the Company plans to engage a verification agency to conduct report assurance procedures.</p>	No significant difference
6. If the Company has established its own sustainable development best practice principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe its operation and any deviations from the established principles: The Company has not yet formally established its own "Sustainable Development Best Practice Principles." However, in practice, the Company already operates in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," and there are no significant deviations between the Company's practices and the provisions of the aforementioned Principles.				
7. Other important information helpful in understanding the status of promoting sustainable development: Promotion of ESG Philanthropy and Social Engagement: In 2025, the Company expanded its positive social and environmental impact by participating in tree planting, beach cleanups, and green commuting initiatives, as well as organizing second-hand goods donations and blood drives. Establishment of a Sustainability Section on the Official Website for Transparency: A dedicated sustainability webpage has been launched to proactively disclose ESG strategies, policies, material topics, and implementation summaries, providing stakeholders with real-time access to information. Progressive Strengthening of Sustainable Governance: The Sustainable Development Committee was formally established in 2024 (FY113). Since then, multiple meetings have been held to track ESG projects, consolidate data, establish systems, and optimize processes, laying a solid foundation for future sustainability audits and verification.				

Note 1: The Materiality Principle refers to Environmental, Social, and Governance (ESG) issues that have a significant impact on the Company's investors and other stakeholders.

6. Climate-related Information

(1) Implementation of Climate-Related Information

Item	Implementation status
<p>1. Describe the supervision and governance by the board of directors and management regarding climate-related risks and opportunities.</p>	<p>In 2024, the Company officially established the "Sustainability Development Committee" as the highest governing body for climate-related risks and opportunities, operating under the Board of Directors. The Committee is chaired by a senior executive and is responsible for overseeing the identification, response, and implementation of climate change issues. Regular meetings are held to track and discuss key topics, including climate risks, carbon inventory systems, and carbon reduction strategies. The Committee Chair regularly reports the implementation status and risk assessment results to the Board of Directors, ensuring that climate governance mechanisms are integrated into the Company's decision-making process. This approach enhances the Company's climate resilience and response capabilities.</p>
<p>2. Describe how the identified climate risks and opportunities impact the business, strategy, and finances of the company (short-term, medium-term, long-term).</p>	<p>In accordance with the TCFD (Task Force on Climate-related Financial Disclosures) framework, the Company has identified potential risks and opportunities posed by climate change on its business and operations. These have been assessed from short-term, medium-term, and long-term perspectives, with the following results:</p> <p>1. Short-Term (Within 1 Year): Extreme weather events (such as heavy rainfall and typhoons) may result in regional power outages, equipment damage, or logistics disruptions, affecting shipment schedules and supply stability. This poses short-term operational risks and may increase response costs.</p> <p>2. Medium-Term (1–3 Years): The introduction of domestic carbon pricing mechanisms and the implementation of international Carbon Border Adjustment Mechanism (CBAM) may lead to increased product manufacturing costs. This could impact the Company's price competitiveness in certain international markets. The Company will need to adjust raw material selection and product development strategies to strengthen carbon footprint management capabilities.</p> <p>3. Long-Term (Beyond 3 Years): Global customers' demand for green products and strong ESG performance will continue to rise. The Company must maintain investment in energy-saving design, sustainable supply chain management, and carbon information disclosure. These requirements will influence future capital expenditure allocation, research and development direction, and potential customer acquisition strategies.</p>

<p>3. Describe the financial impacts of extreme weather events and transition actions.</p>	<p>The Company has conducted a preliminary assessment of the potential financial impacts of climate change, specifically focusing on extreme weather events and policy transition pressures. These impacts may affect operating costs, capital expenditures, and product strategies, as described below:</p> <p>1. Impact of Extreme Weather Events:</p> <p>Extreme weather events, such as typhoons and heavy rainfall, may cause disruptions or damage to operational sites, logistics, and critical equipment. This can lead to increased costs for repairs, backup measures, and insurance. Delays in product delivery may also occur, affecting short-term revenue stability.</p> <p>2. Impact of Transition Actions:</p> <p>In response to increasingly stringent carbon emission regulations and green supply chain requirements, the Company must allocate human resources to conduct carbon inventories, implement energy-saving initiatives, and perform third-party verification. These activities will result in higher management costs. Additionally, product materials and designs must comply with standards such as RoHS, non-toxic, and energy-saving requirements, affecting the structure of research and development costs and raw material procurement costs.</p>
<p>4. Describe how the process of identifying, assessing, and managing climate risks is integrated into the overall risk management system.</p>	<p>The Company has incorporated climate change risks into its overall operational risk management framework. Through collaboration between the Sustainability Development Committee and various departments, climate risks and opportunities are identified and integrated into existing risk assessment and response mechanisms. The implementation status is as follows:</p> <p>1. Identification and Assessment Process:</p> <p>Climate risks highly relevant to the Company's operations are identified through materiality analysis, stakeholder surveys, and internal departmental meetings. These risks include extreme weather events, carbon pricing regulations, and green procurement requirements. Identified risks are categorized based on the likelihood of occurrence and potential impact.</p> <p>2. Integration into Overall Risk Management System:</p> <p>The results of climate risk assessments are incorporated into the ESG management framework, with the Sustainability Development Committee overseeing management and providing regular reports to the Board of Directors. Relevant control measures, such as energy usage monitoring, carbon inventory, and equipment replacement, are included in the internal control and improvement tracking system. These measures operate in conjunction with existing operational processes.</p>

<p>5. When conducting scenario analysis to assess resilience to climate change risks, it is necessary to specify the scenario, parameters, assumptions, analysis factors, and key financial impacts used in the analysis.</p>	<p>The Company has not yet adopted a quantitative climate scenario analysis model. However, it has conducted preliminary qualitative risk scenario simulations as a foundation for enhancing climate resilience. The implementation status is as follows:</p> <p>1. Scenarios Used and Assumptions: The scenario assumptions include the implementation of a domestic carbon pricing system, an increase in the frequency of extreme weather events, and the requirement for carbon footprint verification by major customers. These scenarios assume that relevant regulations and market demands will gradually tighten in the medium to long term.</p> <p>2. Analysis Factors: The scenario analysis covers potential impacts in the following areas:</p> <ul style="list-style-type: none"> • Disruption risks in production and operations. • Stability of raw material supply. • Carbon management costs. • Pressure on equipment investment. • Customer ESG procurement thresholds. • Energy transition trends. <p>3. Key Financial Impacts: If carbon pricing or carbon fees are implemented, the Company may face increased electricity and indirect emission costs, affecting the cost structure and pricing strategies of manufacturing. Additionally, to meet sustainability design, carbon disclosure, and product upgrade requirements, the Company will need to increase investments in research and development, carbon inventory, and verification efforts.</p> <p>4. Future Plans: The Company will continue to refer to the TCFD (Task Force on Climate-related Financial Disclosures) recommended framework. Depending on business and resource conditions, the Company plans to gradually introduce quantitative climate scenario models (such as 2°C/1.5°C scenarios) to strengthen its quantitative assessment capabilities for climate resilience.</p>
<p>6. If there is a transformation plan in place to address climate related risks, please describe the contents of that plan, including the indicators and objectives used for identifying and managing physical risks and transition risks.</p>	<p>Although the Company has not yet established a comprehensive carbon reduction transition blueprint, it has already implemented multiple energy-saving, carbon-reduction, and green operation measures following its climate risk management strategy. These efforts aim to gradually build climate transition capabilities and establish preliminary performance tracking indicators. The implementation status is as follows:</p> <p>1. Transition Plan Content: The current initiatives include:</p> <ul style="list-style-type: none"> i. Implementing the ISO 14064-1 greenhouse gas inventory system, with the completion of a 2025 baseline carbon emissions inventory. ii. Conducting energy-saving improvements for high-energy-consuming facilities (such as air conditioning, lighting, and mainframe systems). iii. Promoting digitalized operational processes (such as electronic invoicing and paperless administration). iv. Strengthening the supplier environmental compliance guarantee and responsibility management mechanisms.

	<p>2. Physical Risk and Transition Risk Management Indicators: Key indicators include:</p> <ol style="list-style-type: none"> i. Carbon Emission Intensity (tonnes CO₂e per million revenue). ii. Year-on-year (YoY) statistical trends for Scope 1, 2, and 3 emissions. iii. Supplier Compliance Rate for Environmental/Restricted Substances Guarantee Certificates (97.2% in 2025). iv. Number of Energy-Saving Improvement Projects Implemented and the Amount of Electricity Saved (results to be assessed in 2026). <p>3. Medium- and Long-Term Target Planning: The Company plans to introduce third-party verification mechanisms in 2026 and establish specific carbon reduction targets based on the verification results. A tracking mechanism will be developed to monitor climate-related performance. The Company will also evaluate the gradual adoption of renewable energy use or carbon footprint labeling in the future.</p>
<p>7. If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.</p>	<p>Currently, the Company has not yet implemented an internal carbon pricing (ICP) mechanism as a tool for operational or investment decision-making. In the future, the Company will evaluate the feasibility of introducing ICP as a reference for product development, capital expenditure, and supply chain management. This evaluation will consider the progress of domestic carbon fee policies, the implementation of Carbon Border Adjustment Mechanisms (CBAM) in major markets, and the maturity of our internal carbon emissions data.</p>
<p>8. If climate-related targets are established, details should be provided on the covered activities, scope of greenhouse gas emissions, planning timeline, progress achieved annually, and if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, information should be disclosed on the source and quantity of carbon offsets for emissions reduction or the quantity of Renewable Energy Certificates (RECs) used</p>	<p>The Company has gradually established a greenhouse gas (GHG) management system to address climate change issues. A baseline inventory has been completed, and the management framework has been established. Although specific carbon reduction targets and schedules have not yet been set, the Company has initiated phased management measures based on Scope 1 and Scope 2 emissions. The implementation status is as follows:</p> <ol style="list-style-type: none"> 1. Covered Activities and Emission Scopes: In 2025, the Company completed the establishment of a GHG emissions inventory in accordance with ISO 14064-1 standards, covering: <ul style="list-style-type: none"> • Scope 1: Direct Emissions from Fuel Consumption • Scope 2: Indirect Emissions from Purchased Electricity • Scope 3 Other Indirect Emissions 2. Timeline Planning and Target Setting Progress: The Company plans to complete its first third-party verification in 2026. Based on the verification results, mid-term carbon reduction targets and tracking mechanisms will be established, including: <ul style="list-style-type: none"> • A carbon emission intensity indicator (CO₂e per million revenue). • Statistical tracking of the results of energy-saving and emission reduction measures. 3. Carbon Offsetting and RECs Usage: The Company has not yet adopted Carbon Offsetting Mechanisms or Renewable Energy Certificates (RECs). In the future, the feasibility and cost-effectiveness of using these tools will be evaluated in line with business expansion and carbon neutrality policy trends, as a supplementary method to achieve reduction targets.
<p>9. Greenhouse gas inventory and verification status with reduction targets, strategies, and specific action plans.</p>	<p>According to the timeline stipulated in the 'Sustainable Development Roadmap for TWSE/TPEX Listed Companies,' the Company is classified as a 'Phase 3' entity based on its paid-in capital and is required to complete its greenhouse gas (GHG) inventory by 2026 (FY115). For further details, please refer to the 'Status of Greenhouse Gas Inventory and Assurance' section in the most recent annual report.</p>

(2) Status of Greenhouse Gas Inventory and Assurance in the Most Recent Year

i. Greenhouse Gas (GHG) Inventory Information

State the greenhouse gas (GHG) emissions for the most recent two years (metric tons CO ₂ e), emission intensity (metric tons CO ₂ e per million NTD), and data coverage scope.			
Item	Value (Note1)	Year	Data Coverage Scope
Scope 1 Emissions (Note2)	16.4570 Metric Tons CO ₂ e	2025	Taiwan HQ: 1F, 2F, 6F Warehouse, and 7F Office / Emission Sources: Vehicle Fuel and Refrigerants
Scope 2 Emissions (Note2)	191.8326 Metric Tons CO ₂ e	2025	
Scope 3 Emissions (Note2)	184.2842 Metric Tons CO ₂ e	2025	Other Indirect Emissions
Total Emissions	392.574 Metric Tons CO ₂ e	2025	Consolidated Statistics for Taiwan Headquarters
Carbon Emission Intensity (Note 4)	0.804 Metric Tons CO ₂ e / Million NTD Revenue	2025	Calculated Based on the Total Emissions of Taiwan Headquarters

Note 1: GHG Inventory Standards: The Greenhouse Gas Protocol (GHG Protocol) or the ISO 14064-1 standard issued by the International Organization for Standardization (ISO)

Note 2: Direct Emissions (Scope 1): Greenhouse gas emissions from sources that are owned or controlled by the Company. Energy Indirect Emissions (Scope 2): Greenhouse gas emissions from the generation of purchased electricity, heat, or steam consumed by the Company. Other Indirect Emissions (Scope 3): Greenhouse gas emissions that occur as a consequence of the Company's activities but are emitted from sources owned or controlled by another entity, excluding energy indirect emissions.

Note 3: The scope of data for Direct Emissions (Scope 1) and Energy Indirect Emissions (Scope 2) shall be managed in accordance with the timeline stipulated by the order issued under Paragraph 2, Article 10 of these Regulations. The disclosure of Other Indirect Emissions (Scope 3) information remains voluntary.

Note 4: GHG emissions intensity may be calculated per unit of product/service or per unit of revenue; however, at a minimum, data calculated based on revenue (in millions of NTD) must be provided.

ii. Greenhouse Gas (GHG) Assurance Information

Status of assurance for the most recent two fiscal years up to the publication date of the annual report (including assurance scope, institution, standards, and opinions):

As of the publication date of this annual report, the Company has not yet completed third-party GHG assurance. However, in 2025, the Company established an organizational carbon inventory system in accordance with the ISO 14064-1 international standard and completed the base year emission inventory. In alignment with the disclosure regulations and timeline set by the competent authorities, the Company plans to complete third-party assurance in 2026 (FY115). The process will be conducted according to ISO 14064-3 or TWSAS verification standards, and the assurance scope will cover Scope 1 and Scope 2 emissions of the Taiwan Headquarters.

iii. Greenhouse Gas Reduction Goals, Strategies, and Concrete Action Plans

tatus of emissions (tonnes CO₂e), intensity (tonnes CO₂e / million NTD), and data coverage for the most recent two years:

1. Reduction Base Year and Baseline Data:

The Company completed its 2025 base year carbon inventory in accordance with the ISO 14064-1 international standard. This marks the Company's first organizational inventory. Total emissions for the base year were 392.574 tonnes CO₂e, with an operational carbon intensity of 0.804 tonnes CO₂e / million NTD revenue.

2. Reduction Goals:

(1) Short-term Goal (2026): Reduce Scope 1+2 operational carbon intensity to 0.422 tonnes CO₂e / million NTD revenue (a 1% reduction from the base year).

(2) Long-term Goals (2030):

① Reduce Scope 1+2 emissions by 42% compared to the 2025 base year.

② Reduce original Scope 3 categories or overall Scope 3 emissions by 20%.

3. Strategies and Concrete Action Plans:

- (1) Establish a Climate Change Risk Task Force responsible for climate risk identification and management.
- (2) Progressively expand the scope of GHG inventory to cover the supply chain and implement supplier carbon management.
- (3) Implement energy-saving measures: replace lighting, optimize HVAC temperature control, and promote digital operations to reduce electricity consumption.
- (4) Encourage employee behavioral changes: promote paperless workflows, plastic reduction, and minimize resource waste.
- (5) Introduce carbon reduction guidance for suppliers and require the signing of environmental responsibility commitments.

4. Implementation Outcomes (As of 2025):

- (1) Completed the base year inventory and established management indicators.
- (2) GHG inventory coverage includes Scope 1 and Scope 2 and Scope 3 emissions.
- (3) Set future intensity targets and carbon reduction plans, integrated into the annual oversight of the Sustainable Development Committee.

7. Status the company's performance in the area of ethical corporate management, any discrepancy from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies and the reason for such discrepancies.

Evaluation items	Implementation status and			Discrepancies with Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary description	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the Company have a Board-approved ethical corporate management policy and stated in its regulations and external correspondence the ethical corporate management policy and practices, as well as the active commitment of the Board of Directors and management towards enforcement of such policy?</p> <p>(2) Does the Company have mechanisms in place to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the Company implement programs to prevent unethical conduct based on the above and ensure the programs cover at least the matters described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(3) Does the Company provide clear operating procedures, code of conduct, disciplinary actions, and appeal procedures in the programs against unethical conduct? Does the Company enforce the programs above effectively and perform regular reviews and amendments?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(1) The company has established the "Code of Conduct for Integrity Management," "Operating Procedures and Behavioral Guidelines for Integrity Management," and "Code of Ethics," requiring directors and executives to lead by example and adhere to the principles of honesty and integrity, fostering a corporate culture of trust and integrity .</p> <p>(2) In addition to the established "Code of Conduct for Integrity Management" and "Operating Procedures and Behavioral Guidelines for Integrity Management," the company has also included relevant reward and punishment measures in its employee code of conduct to prevent occurrences of dishonest behavior among employees</p> <p>(3) The company conducts preliminary assessments of legality and integrity of business relationships, ensuring avoidance of dealing with entities lacking integrity. It also complies with relevant laws and regulations. Any donation or sponsorship funds require authorization from the authorized hierarchy before being processed</p>	<p>It generally complies.</p>

Evaluation items	Implementation status and			Discrepancies with Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary description	
<p>2. To implement integrity management</p> <p>(1) Does the Company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p> <p>(2) Does the Company have a unit responsible for ethical corporate management on a full-time basis under the Board of Directors which reports the ethical corporate management policy and programs against unethical conduct regularly (at least once a year) to the Board of Directors while overseeing such operations?</p> <p>(3) Whether the Company has established policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?</p>	✓		<p>(1) To ensure that the Company conducts its business activities in a fair and transparent way, the Company is clearly defined to prohibit conducting business with persons who have a misconduct record.</p> <p>(2) The Company has not established a dedicated unit under the Board of Directors. Currently, the HR Division has been appointed as the executive unit to promote and convey ethical corporate management by conducting various training courses related to ethical corporate management.</p> <p>(3) To communicate the company's management philosophy, direction, concepts and priorities through internal channels on a regular and occasional basis in order to deepen the ethical corporate management best practice principles.</p>	It generally complies.
<p>(4) To implement relevant policies on ethical conducts, has the company established effective accounting and internal control systems, audit plans based on the assessment of unethical conduct and have its ethical conduct program audited by internal auditors or CPA periodically?</p> <p>(5) Does the Company provide internal and external ethical conduct training programs on a regular basis?</p>	✓		<p>(4) The Company has established an effective accounting system and internal control system. The internal auditors conduct audits on all departments from time to time to implement the supervision mechanism and control various risk management.</p> <p>(5) The company provides various training courses such as new employee training to convey the company's ethical management principles, or the supervisor can convey these concepts within the department.</p>	
<p>3. Operation of integrity channels</p> <p>(1) Has the Company established a reward /punishment system and a complaint hotline? Has the Company established a system where the accused individual can be reached by an appropriate person?</p> <p>(2) Has the Company established standard operating procedures for investigating the complaints received, as well as follow-ups after investigations are completed, and has the Company ensured these investigations are handled confidentially?</p> <p>(3) Does the Company provide proper whistleblower protection?</p>	✓		<p>(1) When employees discover any dishonest or improper behavior, they can directly report it to senior management. The company also ensures the confidentiality of the whistleblower's identity and the reported content to prevent retaliation. The company has established a disciplinary system and employees can file complaints through normal administrative procedures. Violators will face disciplinary action.</p> <p>(2) The company's "Code of Conduct" and "Operating Procedures and Guidelines for Ethical Business Practices" have specified provisions regarding the standard operating procedures for investigating reported matters, the subsequent actions to be taken after the investigation is completed, and the related confidentiality mechanisms.</p> <p>(3) The relevant provisions in the company's "Code of Conduct" and "Operating Procedures and Guidelines for Ethical Business Practices" stipulate that confidentiality obligations are imposed on individuals who report misconduct, and they are prohibited from engaging in any improper handling or actions</p>	It generally complies.
<p>4. Enhancing Information Disclosure: Does the Company disclose the content of its "Ethical Corporate Management Best Practice Principles" and the results of its implementation on its website and the Market Observation Post System (MOPS)?</p>	✓		<p>Relevant information has been disclosed in the 'Investors' section of the Company's website and on the Market Observation Post System (MOPS).</p>	It generally complies.

Evaluation items	Implementation status and			Discrepancies with Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the reasons
	Yes	No	Summary description	
5. If the Company has established its own ethical corporate management principles based on the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," please describe any deviations from the established principles: The Company has faithfully implemented its operations in accordance with its "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct.				
6. Other important information helpful in understanding the implementation of ethical corporate management: To foster a corporate culture of integrity, ensure sound organizational development, and provide an excellent business environment, the Company has established its "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct." The results of their implementation are regularly disclosed in the Annual Report.				

8. Access to the Company's Corporate Management Principles and Relevant Regulations: The Company has established various corporate governance regulations, including the "Code of Ethical Conduct," "Ethical Corporate Management Best Practice Principles," "Procedures for Ethical Management and Guidelines for Conduct," "Rules of Procedure for Board of Directors Meetings," "Rules of Procedure for Shareholders' Meetings," "Procedures for Election of Directors," "Audit Committee Charter," "Remuneration Committee Charter," and "Corporate Governance Best Practice Principles." These regulations have been disclosed on the Market Observation Post System (MOPS) and the Company's official website.

EVERFOCUS ELECTRONICS CORP.

Codes of Ethical Conduct

1. Purpose of and basis for adoption:

In recognition of the necessity to assist the Company in its establishment of codes of ethical conduct, these Guidelines are adopted for the purpose of encouraging directors, and managerial officers of the Company (including president or its equivalents, vice president or its equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards, and to help interested parties better understand the ethical standards of the Company.

2. Prevention of conflicts of interest:

(1) Company directors shall exercise a high degree of self-discipline. If a director is an interested party with respect to any proposal for a board meeting, and when the interested party relationship is likely to prejudice the interests of the company, the director shall enter recusal during the voting. The director also may not act as another director's proxy to exercise voting rights on that matter. The directors shall practice self-discipline and must not support one another in improper dealings.

(2) When a director or manager of the Company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the Company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the third degree of kinship, the Company shall strictly comply with the relevant regulations of the Company when lending of funds, providing guarantees, and making major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director or a manager belongs, and shall take the initiative to report to the Board of Directors during the decision-making process to explain the possible conflict of

interest and shall recuse themselves.

3. Minimizing incentives to pursue personal gain:

When the company has an opportunity for profit, it is the responsibility of the directors or managers to maximize the reasonable and proper benefits that can be obtained by the company; shall prevent its directors or managers from engaging in any of the following activities:

(1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions.

(2) Obtaining personal gain by using company property or information or taking advantage of their positions.

(3) Competing with the company.

4. Confidentiality:

The directors or managers of the Company shall be bound by the obligation during their terms or after the terms to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information.

Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers.

5. Fair trade:

Directors or managers of the Company shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their

positions, or through misrepresentation of important matters, or through other unfair trading practices.

6. Safeguarding and proper use of company assets:

All directors or managers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes in order to protect the profitability of the Company.

7. Legal compliance:

The company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws and regulations.

8. Encouraging reporting on illegal or unethical activities:

The Company shall raise awareness of ethics internally through its employee website and encourage employees to

report to a company chief internal auditor upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. The chief internal auditor should carefully investigate and communicate the situation to clarify any confusion if it is not a truth. If there is a fact, he/she should report it to the President, the Board of Directors or the independent directors as soon as possible when appropriate. The chief internal auditor, President, Board of Directors or independent directors shall use their best efforts to ensure the safety of informants and protect them from reprisals.

9. Disciplinary measures:

When a director or a manager violates the Code of Ethical Conduct, the Company shall report to the Board of Directors to dismiss the manager or request the shareholders' meeting to dismiss the director if moral advice is ineffective. When the Board of Directors or the shareholders' meeting discusses the dismissal of the violator, the violator shall be notified to appeal in the meeting. When the Board of Directors or the shareholders' meeting passes a resolution to discipline the offender, the Board of Directors or the shareholders' meeting shall disclose on the Market Observation Post System (MOPS) the title and name of the violator, date of violation, reason for the violation, the provisions of the code violated, and the disciplinary actions taken.

10. Procedures for exemption

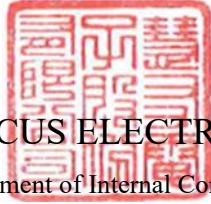
A director or manager may be exempt from the Company's Code of Ethical Conduct by resolution of the Board of Directors in order to maintain the Company's normal operations (e.g., purchase and sale of goods) or to develop the Company's long-term interests (e.g., technical cooperation) for the benefit of his or her own family members, spouse, parents, children or third relatives within third degree of kinship. Any exemption for directors or managers from compliance with the code shall be adopted by a resolution of the board of directors, and that information on the date on which the board of directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

11. Method of disclosure: The company shall disclose the code of ethical conduct approved by the Board of Directors, and any amendments to it, in its annual reports and prospectuses and on the MOPS.

12. Enforcement: The Company's code of ethical conduct, and any amendments to it, shall enter into force after it has been adopted by the board of directors, and submitted to a shareholders meeting.

13. This code was established on June 15, 2006

The first amendment was made on March 9, 2018.



EVERFOCUS ELECTRONICS CORP.

Statement of Internal Control System

March 04, 2026

Based on the findings of a self-assessment, EVERFOCUS ELECTRONICS CORP. (“the Company”) states the following with regard to its internal control system during the year 2025:

1. The Company’s Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Internal control system is designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency and regulatory compliance of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
3. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the “Regulations”). The criteria adopted by the Regulations identify five key components of managerial internal control: 1. control environment, 2. risk assessment, 3. control activities, 4. information and communication, and 5. monitoring activities.
Each component also includes several items which can be found in the Regulations.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid Regulations.
5. Based on the results of the aforementioned evaluation, the Company believes that its internal control system (including the supervision and management of subsidiaries) as of December 31, 2025, and for the period from January 1 to December 31, 2025—which encompasses understanding the extent of achievement regarding the objectives of effectiveness and efficiency of operations, reliability, timeliness, and transparency of reporting, and compliance with relevant laws and regulations—is effective in its design and implementation, providing reasonable assurance of the achievement of the objectives mentioned above.
6. This Statement is an integral part of the Company’s annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement was passed by the Board of Directors in their meeting held on March 04, 2026, with none of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

EVERFOCUS ELECTRONICS CORP

Chairman: Yung-Shun Chuang



General Manager: Hao-Jung Shih



- (9) CPA audit report, where a CPA has been hired to carry out a special audit of the internal control system: Not applicable.
- (10) As of the reporting date, has the Company or its personnel been punished due to violation of regulations or has the Company punished its personnel for violating the Company's internal controls? If so, what were the major deficiencies and the steps taken to improve on the deficiencies? None.
- (11) Up to recent year and the publication date of this annual report, major resolutions of shareholders' and board meetings:

Major resolution		Implementation status
Matters for Adoption	1. To approve the Company's 2024 final accounts.	Resolved at the 2025 Annual General Meeting of Shareholders.
	2. To approve the Company's 2024 loss make-up statement.	Resolved at the 2025 Annual General Meeting of Shareholders.
Matters for Discussion	1. Amendment to the Company's "Articles of Incorporation"	Resolved at the 2025 Annual General Meeting of Shareholders.

Major resolutions of board meeting: (2025)

Date/Term	Proposals	Result of Resolution
The 5th Meeting of the 11th Term (2025.03.11)	The Company's 2024 (FY113) Financial Statements	Approved unanimously by all attending directors as proposed.
	The Company's 2024 (FY113) Deficit Compensation Table	Approved unanimously by all attending directors as proposed.
	Amendment to the Company's "Articles of Incorporation"	Approved unanimously by all attending directors as proposed.
	2024 (FY113) "Assessment of Internal Control System Effectiveness" and "Statement of Internal Control System"	Approved unanimously by all attending directors as proposed.
	Assessment of the Independence and Suitability of the Company's External Auditors	Approved unanimously by all attending directors as proposed.
	The Time, Venue, and Agenda of the 2025 (FY114) Annual General Meeting of Shareholders	Approved unanimously by all attending directors as proposed.
	Change of the Company's Financial Officer, Accounting Officer, and Corporate Governance Officer	Approved unanimously by all attending directors as proposed.
	2024 (FY113) Year-end Performance Bonus for the Company's Executives	Approved unanimously by all attending directors as proposed.
	Review of Compensation for the Company's Financial and Accounting Officers	Approved unanimously by all attending directors as proposed.
The 6th Meeting of the 11th Term (2025.05.13)	The Company's 2025 (FY114) Q1 Consolidated Financial Statements	Approved unanimously by all attending directors as proposed.
	The Company's Loan of Funds to EverFocus Electronics (USA) Inc.	Approved unanimously by all attending directors as proposed.
	Salary Adjustment for the Company's Financial and Accounting Officers	Approved unanimously by all attending directors as proposed.
	Election of the Vice Chairman and Organizational Restructuring	Approved unanimously by all attending directors as proposed.
The 7th Meeting of the 11th Term (2025.08.12)	Removal of Non-Compete Restrictions for Directors and Executives	Approved unanimously by all attending directors as proposed.
	The Company's 2025 (FY114) Q2 Consolidated Financial Statements	Approved unanimously by all attending directors as proposed.
	Change of the Company's External Auditors (CPAs)	Approved unanimously by all attending directors as proposed.
	Endorsement and Guarantee for EverFocus Electronics (USA) Inc. (CTBC Bank, Tun-Bei Branch)	Approved unanimously by all attending directors as proposed.
	Endorsement and Guarantee for EverFocus Electronics (Japan) Co., Ltd. (Taipei Fubon Bank, Business Department)	Approved unanimously by all attending directors as proposed.
Endorsement and Guarantee for EverFocus Electronics (Japan) Co., Ltd. (CTBC Bank, Tokyo Branch)	Approved unanimously by all attending directors as proposed.	

Date/Term	Proposals	Result of Resolution
	Completion of the 2024 (FY113) Sustainability Report and Corporate ESG Disclosure Filings	Approved unanimously by all attending directors as proposed.
The 8th Meeting of the 11th Term (2025.11.12)	The Company's 2025 (FY114) Q3 Consolidated Financial Statements	Approved unanimously by all attending directors as proposed.
	Adjustment of Duties for the President and R&D Officer, and Organizational Restructuring	Approved unanimously by all attending directors as proposed.
	Matters Regarding Business Transactions Between the Company and Banks	Approved unanimously by all attending directors as proposed.
	Amendment to Certain Provisions of the "Internal Control System"	Approved unanimously by all attending directors as proposed.
	The 2026 (FY115) Internal Audit Plan	Approved unanimously by all attending directors as proposed.
	Distribution of Performance Bonuses for the Company's Internal Executives	Approved unanimously by all attending directors as proposed.
The 9th Meeting of the 11th Term (2025.12.10)	The Company's 2026 (FY115) Annual Budget Plan	Approved unanimously by all attending directors as proposed.
	Transactions Between the Company and Related Parties	Approved unanimously by all attending directors as proposed.
	Amendment to the Internal Control System: Addition of the Definition of "Entry-level Employees"	Approved unanimously by all attending directors as proposed.

Board of Directors Meetings in 2026 and up to the Date of Publication of the Annual Report

Date/Term	Proposals	Result of Resolution
The 10th Meeting of the 11th Term (2026.01.14)	Increase of Credit Lines from Banks	Approved unanimously by all attending directors as proposed.
	Assessment of the Independence and Suitability of the Company's External Auditors	Approved unanimously by all attending directors as proposed.
	Investment in "Dunpin Innovation No. 5 Xinglin Investment Fund"	Approved unanimously by all attending directors as proposed.
	Appointment of the New President and R&D Officer	Approved unanimously by all attending directors as proposed.
	Removal of Non-Compete Restrictions for Directors and Executives	Approved unanimously by all attending directors as proposed.
	Compensation for the Newly Appointed President and R&D Officer	Approved unanimously by all attending directors as proposed.
	Appointment of and Compensation for the New Associate Vice President of Sales Department	Approved unanimously by all attending directors as proposed.
	Distribution of 2025 (FY114) Year-end Bonuses for the Company's Executives	Approved unanimously by all attending directors as proposed.
The 11th Meeting of the 11th Term (2026.01.14)	The Company's 2025 (FY114) Financial Statements	Approved unanimously by all attending directors as proposed.
	The Company's 2025 (FY114) Deficit Compensation Table	Approved unanimously by all attending directors as proposed.
	2025 (FY114) "Assessment of Internal Control System Effectiveness" and "Statement of Internal Control System"	Approved unanimously by all attending directors as proposed.
	Addition of Right-of-Use Assets through Lease from Related Parties	Approved unanimously by all attending directors as proposed.
	Transactions Between the Company and Related Parties	Approved unanimously by all attending directors as proposed.
	The Time, Venue, and Agenda of the 2026 (FY115) Annual General Meeting of Shareholders	Approved unanimously by all attending directors as proposed.
	Salary Adjustment and Promotion for Executives	Approved unanimously by all attending directors as proposed.

(12) Major issues of record or written statements made by any director or supervisor dissenting to important resolutions passed by the Board of Directors during 2023 and as of the date of this annual report: None.

(13) Summary of resignations and dismissals of personnel related to the financial report (including the chairman,

general manager, chief accounting officer, chief financial officer, chief internal auditor, and chief research and development officer) during the most recent year and up to the date of the annual report printing:

Title	Name	Date of Appointment	Date of Dismissal	Reason for Resignation or Dismissal
General Manager	Chih-Hung Kao	2023.11.09	2025.11.13	Adjustment of Duties
R&D Officer	Chih-Hung Kao	2023.08.31	2025.11.13	Adjustment of Duties

5. Information on the professional fees of the external auditors:

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Auditing Period	Audit fees	Non-audit fees	Total	Remark
PwC Taiwan	Mavis Chang	2025.1.1-2025.12.31	2,280	0	2,280	None
	Wei-Li Hsieh					

- (1) If the ratio of non-audit fees from the signing accountant's firm and its related entities to audit fees exceeds one-fourth, the amounts and nature of audit and non-audit fees should be disclosed: None
- (2) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.
- (3) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefor shall be disclosed: None.

6. The facts about the Company chairman, president, managerial officer in charge of financial or accounting affairs having served with the CPA Office or the affiliation thereof over the past year, the name, title and period of employment with the certified public accountant's firm or its affiliates should be disclosed: None

7. Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report) by a director, supervisor, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

(1) Changes in shareholdings of directors, supervisors, managers and major shareholders

March 23, 2026; Unit: Shares; %

Title	Name	2025		As of March 22, 2026	
		Increase (decrease) in number of shares held	Increase (decrease) in pledged shares	Increase (decrease) in number of shares held	Increase (decrease) in pledged shares
Chairman and President	Yung-Shun Chuang	0	0	0	0
Director	Hui-Ming Tsao	0	0	0	0
Director	LCL CAPITAL INC.	0	0	0	0
Corporate Representative	Ching-Kun Chen	0	0	0	0
Corporate Representative	Chieh-Hsi Li	0	0	0	0
Director	Jui Hai Investment Co.,Ltd.	0	0	0	0
Corporate Representative	Fu-Chieh, Chuang	0	0	0	0

Independent director	Hsu-Nan Huang	0	0	0	0
Independent director	Chen-An Li	0	0	0	0
Independent director	Kun-Chang Kuo	0	0	0	0
General Manager	Chih -Hung Kao (Resigned on November 13, 2025)	0	0	0	0
General Manager	Hao-Jung Shih (Assumed office on January 15, 2026)	0	0	0	0
Internal Auditor	Li-Wen Chou	0	0	0	0
Financial Officer	Chia-Wei Lin	0	0	0	0

(2) The person to whom shares are transferred is a related party: None.

(3) The person to whom shares are pledged is a related party: None.

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

Related-Party Relationships Among Top Ten Shareholders

March 23, 2026 Unit: shares; %

Name	Number of shares held by themselves		Shares held by spouse and minors		Shares held by others		Names and the relationship among the top ten shareholders in the relationship of related parties or spouses, blood relatives within the second degree of kinship.		Remark
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name (or abbreviation)	Relationship	
Yung-Shun Chuang	10,655,686	16%	0	0	0	0	Fu-Chieh Chuang	1st degree of kinship	None
LCL CAPITAL INC.	3,768,021	6%	0	0	0	0	WITTY MATE CORPORATION	(Note1)	None
Chia-Ming Huang	2,104,485	3%	1,707,541	3%	0	0	Hui-Ming Tsao	Spouse	None
Zhi Pin Industrial Co., Ltd.	1,931,616	3%	-	-	-	-	-	-	None
Wu Shun Investment Co., Ltd.	1,858,000	3%	-	-	-	-	-	-	None
Hui-Ming Tsao	1,707,541	3%	2,104,485	3%	0	0	Chia-Ming Huang	Spouse	None
WITTY MATE CORPORATION	1,564,220	2%	-	-	-	-	LCL CAPITAL INC.	(Note1)	None
Fu-Chieh Chuang	900,000	1%	-	-	-	-	Yung-Shun Chuang	1st degree of kinship	None
PEI HSI CO., LTD.	666,000	1%	-	-	-	-	-	-	None
Tso-Yin Mao	630,000	1%	-	-	-	-	-	-	None

Note1: LCL CAPITAL INC. is the major shareholder of WITTY MATE CORPORATION.

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

Unit: shares; %

Invested enterprise (Note 1)	Held by the Company		Held by Directors, Supervisors, Managers, and Directly/Indirectly Controlled Businesses		Total Investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
EverFocus Electronics (USA) Inc.	8,934,000	100.00	0	0	8,934,000	100.00
EverFocus Electronics (Japan) Co., Ltd.	200	100.00	0	0	200	100.00
EverFocus Security Electronics (Shenzhen) Co., Ltd.	USD 2,050,000 (Note1)	100.00	0	0	USD 2,050,000 (Note1)	100.00
EverSpring Technology Co., Ltd.	500,000	100.00	0	0	500,000	100.00
EverFocus Electronics (UK) Ltd.	75	75.00	0	0	75	75.00
Acrosser Technology Co., Ltd.	1,800,000	15.25	0	0	1,800,000	15.25

Note 1: Represented at the original investment cost.

Note 2: EverSpring Technology Co., Ltd. filed for dissolution and liquidation with the local court on December 27, 2023.

Note 3: EverFocus Electronics (UK) Ltd. completed the dissolution and liquidation process in October 2025.

Note 4: Long-term investments accounted for under the equity method.

3. Capital and Shares

1. Capital and shares

(1) Capitalization:

Month/ Year	Issue price	Authorized Share Capital		Capital Stock		Remark			
		Number of shares	Amount (NT\$)	Number of shares	Amount (NT\$)	Sources of Capital	Capital Increase by Assets other than Cash	Others	
1995.07	10	1,000,000	10,000,000	700,000	7,000,000	Capital upon establishment	7,000,000	-	-
1996.11	10	1,200,000	12,000,000	1,200,000	12,000,000	Cash capital increase	5,000,000	-	-
1997.09	10	9,800,000	98,000,000	9,800,000	98,000,000	Capitalization of retained earnings Cash capital increase	5,680,000 80,320,000	-	Note1
1998.07	10	10,918,353	109,183,530	10,918,353	109,183,530	Capitalization of retained earnings Employee bonus	9,800,000 1,383,530	-	Note2
1999.09	10	18,000,000	180,000,000	18,000,000	180,000,000	Cash capital increase Capitalization of retained earnings Employee bonus	10,358,540 53,499,930 6,958,000	-	Note3
2000.10	10	42,000,000	420,000,000	24,111,500	241,115,000	Capitalization of retained earnings Capitalization of capital reserves Employee bonus	50,400,000 3,600,000 7,115,000	-	Note4
2001.09	10	42,000,000	420,000,000	35,858,375	358,583,750	Cash capital increase Capitalization of retained earnings Employee bonus	48,000,000 60,278,750 9,190,000	-	Note5
2002.08	10	103,000,000	1,030,000,000	49,775,000	497,750,000	Capitalization of retained earnings Capitalization of capital reserves Employee bonus	89,645,940 35,858,370 13,661,940	-	Note6
2003.06	10	103,000,000	1,030,000,000	64,402,000	644,020,000	Capitalization of retained earnings Capitalization of capital reserves for employee bonus	99,550,000 29,865,000 16,855,000	-	Note7
2004.09	10	150,000,000	1,500,000,000	77,260,000	772,600,000	Capitalization of retained earnings Employee bonus	109,483,400 19,096,600	-	Note8
2005.08	10	207,000,000	2,070,000,000	94,888,000	948,880,000	Capitalization of retained earnings Employee bonus	154,520,000 21,760,000	-	Note9
2006.07	10	207,000,000	2,070,000,000	103,550,700	1,035,507,000	Capitalization of retained earnings Employee bonus	75,910,400 10,716,600	-	Note10
2007.06	10	207,000,000	2,070,000,000	107,122,100	1,071,221,000	Capitalization of retained earnings Employee bonus	20,710,000 15,004,000	-	Note11
2008.07	10	207,000,000	2,070,000,000	112,249,800	1,122,498,000	Capitalization of retained earnings Employee bonus	31,356,630 19,920,370	-	Note12
2009.07	10	207,000,000	2,070,000,000	114,322,796	1,143,227,960	Capitalization of retained earnings	20,729,960	-	Note13
2010.12	10	207,000,000	2,070,000,000	111,722,796	1,117,227,960	Cancellation of treasury stock to reduce capital	-26,000,000	-	Note14
2011.07	10	207,000,000	2,070,000,000	121,507,847	1,215,078,470	Capitalization of capital reserves	97,850,510	-	Note15
2011.10	10	207,000,000	2,070,000,000	118,507,847	1,185,078,470	Cancellation of treasury stock to reduce capital	-30,000,000	-	Note16
2015.04	10	207,000,000	2,070,000,000	115,507,847	1,155,078,470	Cancellation of treasury stock to reduce capital	-30,000,000	-	Note17

2019.08	10	207,000,000	2,070,000,000	68,115,093	681,150,930	Capital reduction to offset losses	-473,927,540	-	Note18
2021.09	10	207,000,000	2,070,000,000	53,401,000	534,010,000	Capital reduction to offset losses	-147,140,930	-	Note19
2022.04	10	207,000,000	2,070,000,000	66,801,000	668,010,000	Cash capital increase	134,000,000	-	Note20

Note 1: Approved with the letter 86 Chien San Kuei Zi No. 238993 dated on September 30, 1997 issued by Department of Reconstruction of the Taiwan Provincial Government

Note 2: Approved with the letter Jing (087) Shang Zi No. 087120921 issued by the Ministry of Economic Affairs

Note 3: Approved with letter (88) Tai Cai Zheng (I) No. 59484 dated on July 6, 1999 issued by the Securities and Futures Institute, Ministry of Finance.

Note 4: Approved with letter (89) Tai Cai Zheng (I) No. 77552 dated on September 15, 2000 issued by the Securities and Futures Institute, Ministry of Finance.

Note 5: Approved with letters (90) Tai Cai Zheng (I) No. 130237 dated on May 16, 2001 and (90) Tai Cai Zheng (I) No. 130236 dated on May 24, 2001 issued by the Securities and Futures Institute, Ministry of Finance.

Note 6: Approved with letter (91) Tai Cai Zheng Yi Zi No. 0910135217 dated on June 27, 2002 issued by the Securities and Futures Institute, Ministry of Finance.

Note 7: Approved with letter Tai Cai Zheng Yi Zi No. 0920120693 dated on May 13, 2003 issued by the Securities and Futures Institute, Ministry of Finance. 66

Note 8: Approved with letter Tai Cai Zheng Yi Zi No. 0930129867 dated on July 6, 2004 issued by Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan

Note 9: Approved with letter Jin Guan Zheng Yi Zi No. 0940126083 dated on June 29, 2005 issued by Financial Supervisory Commission, Executive Yuan

Note 10: Approved with letter Jin Guan Zheng Yi Zi No. 0950128163 dated on July 4, 2006 issued by Financial Supervisory Commission, Executive Yuan

Note 11: Approved with letter Jin Guan Zheng Yi Zi No. 0960033108 dated on June 29, 2007 issued by Financial Supervisory Commission, Executive Yuan

Note 12: Approved with letter Jin Guan Zheng Yi Zi No. 0970032585 dated on July 1, 2008 issued by Financial Supervisory Commission, Executive Yuan

Note 13: Approved with letter Jin Guan Zheng Fa Zi No. 0980032662 dated on July 1, 2009 issued by Financial Supervisory Commission, Executive Yuan

Note 14: Approved with the letter Jing Shou Shang Zi No. 09901291690 dated on December 31, 2010 issued by the Ministry of Economic Affairs.

Note 15: Approved with letter Jin Guan Zheng Fa Zi No. 1000030654 dated on July 4, 2011 issued by Financial Supervisory Commission, Executive Yuan

Note 16: Approved with the letter Jing Shou Shang Zi No. 10001233290 dated on December 31, 2011 issued by the Ministry of Economic Affairs.

Note 17: Approved with the letter Jing Shou Shang Zi No. 10401075530 dated on December 31, 2010 issued by the Ministry of Economic Affairs.

Note 18: Approved with the letter Jin Shou Shang Zi No. 10801102490 dated on August 12, 2019 issued by the Ministry of Economic Affairs.

Note 19: Approved with the letter Jin Shou Shang Zi No. 11001172090 dated on September 24, 2021 issued by the Ministry of Economic Affairs.

Note 20: Approved with the letter Jin Shou Shang Zi No. 11101064710 dated on April 19, 2022 issued by the Ministry of Economic Affairs.

March 23, 2026

Type of Stock	Authorized Share Capital			Remark
	Outstanding Shares (Note 1)	Unissued Shares	Total	
Ordinary shares	66,801,000	140,199,000	207,000,000	None

Note 1: Stock of listed company

(2)Information on the shelf registration: None.

(3)Preferred shares: None.

(4)List of major shareholders: List all shareholders with a stake of 5 percent or greater or shareholders who rank in the top 10 in shareholding percentage.

Major Shareholders	Shareholding	Shareholding percentage
Yung-Shun Chuang	10,655,686	16%
LCL CAPITAL INC.	3,768,021	6%
Chia-Ming Huang	2,104,485	3%
Zhi Pin Industrial Co., Ltd.	1,931,616	3%
Wu Shun Investment Co., Ltd.	1,858,000	3%
Hui-Ming Tsao	1,707,541	3%
WITTY MATE CORPORATION	1,564,220	2%
Fu-Chieh Chuang	666,000	1%
PEI HSI CO., LTD.	900,000	1%
Tso-Yin Mao	630,000	1%

(5) Dividend Policy and Implementation Status:

i. Information on the Company's dividend policy set forth in the Articles of Incorporation:

If the Company posts a profit for the fiscal year, it shall allocate 3% to 10.5% as employee compensation. No less than 20% of said compensation shall be reserved for junior-level employees. The Board of Directors shall determine, by resolution, whether the distribution is to be made in stock or cash, and the recipients may include employees of controlled companies meeting specific criteria. The Board may also resolve to allocate no more than 2.5% of the aforementioned profit as remuneration for Directors and Supervisors. However, if the Company has accumulated losses, an amount shall be reserved in advance to offset such losses before allocating compensation for employees and remuneration for Directors and Supervisors.

After the annual closing, if there are earnings, the Company shall first pay taxes and offset accumulated losses in accordance with the law, then set aside 10% as a legal reserve. Such allocation may cease once the legal reserve reaches the Company's paid-in capital. Any remaining balance, after the provision or reversal of special reserves as required by law, combined with the accumulated undistributed earnings, shall be proposed by the Board of Directors for the distribution of dividends and bonuses to shareholders (between 0% and 100% of the distributable earnings), subject to the resolution of the Shareholders' Meeting.

The Board of Directors is authorized to distribute all or part of the dividends and bonuses in cash, provided that at least two-thirds of the directors are present and more than half of the attending directors approve. Such distribution shall subsequently be reported to the Shareholders' Meeting.

The primary principle for dividend distribution is to maintain a sound financial structure while supporting future business growth. The distribution process follows the Company Act, where the Board considers profitability, future operational needs, and investor protection to draft a distribution proposal annually. Dividends may be distributed through stock dividends (via earnings or capital reserve capitalization) and cash dividends. To balance growth and returns, if investment plans can enhance profitability, stock dividends may be prioritized (ranging from 0% to 90%); if capital expansion affects dividend levels, cash dividends shall be utilized (ranging from 10% to 100%).

(6) Impact of the stock dividend distribution proposed by the shareholders' meeting on the Company's operating performance and earnings per share: Not applicable. The shareholders' meeting did not propose a stock dividend distribution and the Company was not required to disclose financial forecast information for 2026.

(7) Remuneration to employees, directors and supervisors:

i. The percentage or range of remuneration to the employees, directors and supervisors are 69 delineated under the Articles of Incorporation:

If the Company generates a profit in any fiscal year, 3% to 10.5% of the profit shall be allocated as employee compensation. At least 20% of the aforementioned employee compensation shall be reserved for grassroots employees. The distribution, either in the form of shares or cash, shall be determined by the Board of Directors, and the recipients may include employees of subsidiaries who meet specific criteria. The Company may also allocate up to 2.5% of the profit as remuneration for directors and supervisors, subject to the resolution of the Board of Directors. However, if the Company has accumulated losses, the amount required to cover such losses

shall be reserved first. Thereafter, employee compensation and directors' remuneration shall be distributed according to the specified ratios.

- ii. The basis for estimating the amount of employee and director remuneration, shall take into account the number of shares to be distributed as stock bonuses, and the accounting treatment of any discrepancy between the actual distributed amount and the estimated figure for the current period:

The Board of Directors resolved not to distribute remuneration to employees and directors due to the Company's accumulated losses in fiscal 2025.

- iii. Remuneration distribution approved by the Board: The Board of Directors resolved not to distribute remuneration to employees and directors due to the Company's accumulated losses in fiscal 2025.
- iv. The actual distribution of employee and director/supervisor remuneration for the previous fiscal year (with an indication of the number, value and stock price of the shares distributed) shall be declared. If there is any discrepancy between the actual distribution and the recognized employee bonuses and director/supervisor compensation, the discrepancy, its cause, and its status must also be listed: As the Company has accumulated losses for both 2024 and 2025, no remuneration to employees and directors has been estimated.

(8) Share Buyback by the Company: None.

2. Issuance of Corporate Bonds (including Overseas Corporate Bonds): None.

3. Information on convertible bonds: None.

4. Information on exchangeable bonds: None.

5. Shelf registration for issuing bonds: None.

6. Information on corporate bonds with warrants: None.

7. Preferred shares: None.

8. Information on preferred stock with warrants: None.

9. Issuance of Global Depositary Receipts: None.

10. Status of employee stock option plan: None.

11. Issuance of New Restricted Employee Shares: None.

12. Information on employee stock options granted to management team and to top 10 employees: None.

13. Information on new restricted employee shares granted to management team and to top 10 employees: None.

14. Basic information of the merged and the acquired company: None.

15. Financing Plans and Implementation: The company's previous cash capital increase in 2021 has been successfully completed. The fundraising plan was fully implemented in the third quarter of 2022.

4. Operations Overview

1. Business activities

(1) Business Scope

(1.1) Main Business Activities:

- (I) CB01010 Mechanical Equipment Manufacturing
- (II) CC01080 Electronics Components Manufacturing
- (III) E604010 Machinery Installation
- (IV) E603050 Automatic Control Equipment Engineering
- (V) F113010 Wholesale of Machinery
- (VI) F213080 Retail Sale of Other Machinery and Equipment
- (VII) F119010 Wholesale of Electronic Materials
- (VIII) F219010 Retail Sale of Electronic Materials
- (IX) I501010 Product Designing
- (X) E605010 Computer Equipment Installation
- (XI) EZ05010 Instrument and Meters Installation Engineering
- (XII) I301010 Software Design Services
- (XIII) E601010 Electric Appliance Construction
- (XIV) E603010 Cable Installation Engineering
- (XV) F401010 International Trade
- (XVI) CC01101 Restrained Telecom Radio Frequency Equipment and Materials Manufacturing
- (XVII) F401021 Restrained Telecom Radio Frequency Equipment and Materials Import
- (XVIII) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

(1.2) Main Products and Business Breakdown:

Unit: NT\$ thousand

Main Products/Year	Sales Revenues in 2025	Proportion (%)
Digital Video Recorder	138,875	27.43
Camera	157,246	31.06
AV Over IP	15,411	3.04
IPC	132,459	26.16
Others	62,255	12.30
Total	506,246	100.00

(1.3) Current Products/Services:

- (I) Embedded Boards and System
- (II) In-Vehicle Recording Devices
- (III) CCTV Surveillance Products
- (IV) IPC
- (V) After-Sales Services and Others

(1.4) The Company has recently launched the following new products:

- (I) Artificial Intelligence Edge Computing
- (II) Industrial Automation Applications
- (III) Network Audio-Visual Transmission Solutions
- (IV) Wireless Communication and Sensor Modules
- (V) Smart Factory System Equipment and Solutions
- (VI) Industrial Computer Software
- (VII) AI Artificial Intelligence Edge Computing Platform
- (VIII) In-Vehicle Vision Solutions

(2) Industry Overview

(2.1) Current Industry Status and Development:

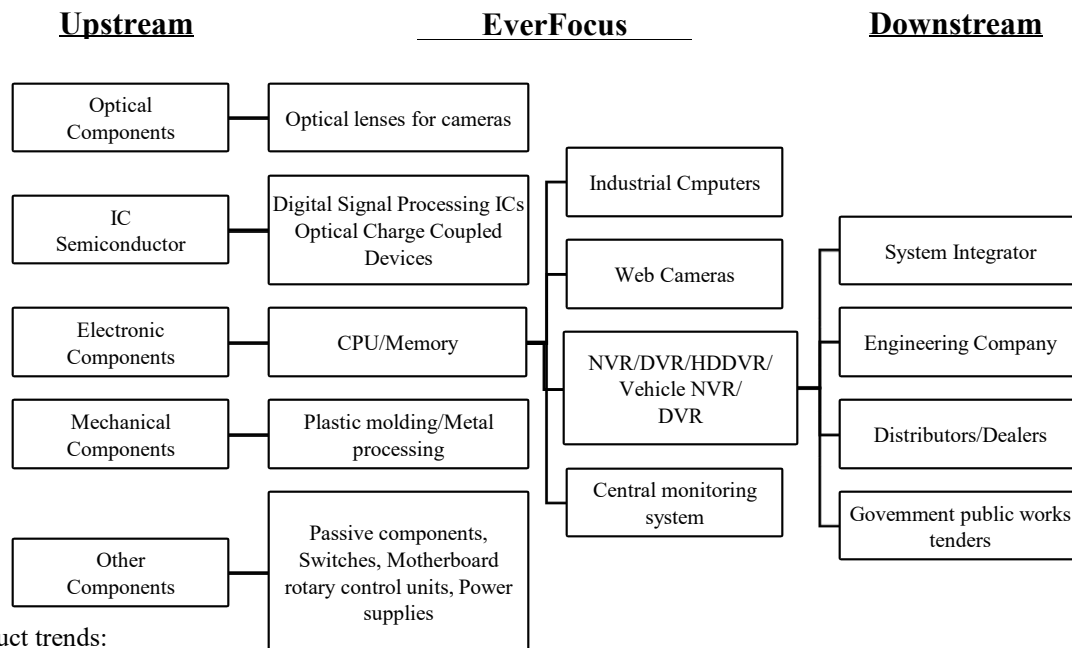
In recent years, the rapid advancement of Artificial Intelligence, the Internet of Things, and edge computing has accelerated the transformation of the imaging industry from traditional surveillance hardware toward intelligent, system-level solutions. Imaging technologies are increasingly integrated with real-time analytics and on-device processing, enabling systems to deliver not only data capture but also actionable insights and decision support, positioning imaging as a core enabler of intelligent applications.

Technologically, the industry continues to evolve toward higher resolution, edge-based processing, and deeper hardware-software integration. The adoption of multi-sensor architectures and platform-based designs further enhances system flexibility and scalability, allowing solutions to be tailored across diverse application scenarios while improving efficiency and performance.

On the demand side, imaging technologies are seeing expanding adoption across smart manufacturing, industrial automation, robotics, and intelligent logistics, where visual sensing and analytics are critical to operational optimization. In addition, applications in commercial vehicle safety, intelligent transportation, and smart city infrastructure continue to drive demand, supported by increasing requirements for safety, efficiency, and data-driven management.

Looking ahead, the industry is expected to shift further toward high value-added, integrated intelligent solutions. Companies with strong capabilities in imaging technology, edge computing, and system integration will be well positioned to capture growth opportunities and establish sustainable competitive differentiation in an increasingly dynamic market.

(2.2) The Relevance of Upstream, Midstream and Downstream Companies in the Industry:



(2.3) Product trends:

As artificial intelligence and edge computing technologies continue to mature, imaging products are evolving from single-function devices toward highly integrated and intelligent systems. In addition to image quality and reliability, product development is increasingly focused on enhancing on-device computing capabilities, enabling imaging solutions to perform image capture, real-time analytics, and system control in an integrated manner, thereby increasing their value across a wide range of intelligent applications.

From an architectural perspective, imaging products are adopting modular and platform-based designs, allowing core computing platforms to be integrated with various sensing modules and application functionalities. This enhances scalability and flexibility across diverse deployment scenarios. At the same time, with the advancement of edge computing, AI algorithms are increasingly executed on-device rather than in the cloud, enabling real-time image recognition and data processing, improving system responsiveness, and reducing data transmission requirements.

In terms of system integration, imaging products are increasingly integrated with multi-sensor systems and control platforms, including radar, sensing devices, and automation systems. As a result, imaging solutions are evolving from standalone monitoring and recognition tools into key components within broader system operations and management frameworks. In parallel, as application environments become more complex, product development places greater emphasis on durability, system stability, and long-term operational reliability, particularly in industrial and outdoor environments.

Looking ahead, imaging products are expected to continue evolving toward greater intelligence, modularity, and system-level integration. Through ongoing hardware-software integration and platform-based architectures, imaging solutions will achieve enhanced flexibility and higher value-added capabilities, positioning them to address the growing demand for intelligent and automated applications across industries.

(2.4) Competition:

The imaging products market remains highly competitive, with participants spanning the United States, Europe, Japan, and other Asian regions. Market players demonstrate differentiated strengths across technology development, product quality, pricing strategies, and distribution channels. Established international brands typically maintain advantages in technology capabilities and brand recognition, while certain Asian manufacturers are more competitive in cost control and speed to market, resulting in a diversified and dynamic competitive landscape.

As artificial intelligence (AI) and intelligent applications are increasingly integrated into imaging solutions, competition is shifting from a primary focus on product specifications and pricing toward capabilities in system integration, product reliability, and application-level performance. In addition to maintaining stable product quality and manufacturing capabilities, companies are required to continuously invest in research and development and product innovation to meet evolving requirements in image recognition, system integration, and long-term operational reliability across diverse application scenarios.

Overall, despite the intense competitive environment, the continued expansion of intelligent applications is expected to sustain market growth. Companies with strong capabilities in technology integration and consistent product quality will be better positioned to capture growth opportunities and maintain competitive differentiation in the evolving imaging solutions market.

(3) R&D Status

(3.1) Percentage of R&D expenses to operating income

Unit: NT\$ thousands; %

Year Item	2024	2025
R&D expenses	121,638	92,823
Operating income	460,280	506,246
Operating income	26.43	18.34

(4) Long-Term and Short-Term Business Development Plans

(4.1) Short-Term Plans

The Company will prioritize the optimization of its operational fundamentals and product mix. In an environment where market demand has yet to fully recover, it will focus on higher-margin industrial application products and project-based businesses to reduce reliance on standardized surveillance products. At the same time, the Company will further strengthen relationships with existing customers—particularly in the semiconductor equipment and industrial sectors—to enhance order visibility and overall profitability. In addition, the Company will actively advance the deployment and shipment of edge computing-related products, gradually establishing a solid foundation for its new product lines and laying the groundwork for future growth momentum.

(4.2) Long-Term Plans

The Company will continue to strengthen its integration capabilities in AI vision technologies and advance toward a platform-based “AI Vision” strategy by integrating image capture, edge computing, and system-level capabilities to deliver comprehensive end-to-end solutions. It will also progressively transition from a product-centric business model to an application-driven solutions provider. In terms of application focus, the Company

will concentrate on high-growth sectors, including smart mobility, smart manufacturing, and emerging AI applications. In the mobility segment, it will continue to develop in-vehicle imaging and fleet management solutions; in manufacturing, it will enhance its capabilities in machine vision inspection and automation; and in AI applications, it will actively invest in the integration of edge AI platforms and related technologies to expand opportunities in robotics and intelligent applications. Meanwhile, the Company will continue to strengthen its hardware-software integration capabilities and increase R&D investment to enhance product differentiation and competitiveness, while expanding its global market presence and deepening vertical application penetration to gradually scale its operations and drive long-term growth.

2. Market Analysis

(1) Regions for the Sale and Provision of Major Products and Services :

Unit: NT\$ thousands

Region \ Year	2024		2025	
	Net Sales	Ratio %	Net Sales	Ratio %
America	154,306	33.52	131,192	25.91
Asia	285,654	62.06	356,455	70.41
Europe	22,311	4.85	16,246	3.21
Others	(1,991)	(0.43)	2,353	0.46
Total	460,280	100.00	506,246	100.00

(1.1) Market share

The Company's products cover edge computing and system integration applications and are marketed worldwide. The relevant industry is primarily composed of application-driven niche markets with a fragmented market structure. As there is currently no authoritative statistical data available to clearly present the market share of each manufacturer, the Company continues to enhance its overall competitive advantages through deeper development of vertical applications and strengthened system integration capabilities.

(1.2) Future Market Supply, Demand, and Growth Potential

(1.2.1) Industrial PC (IPC) Market

(a) Demand-Side Dynamics

In recent years, the overall demand in the Industrial PC (IPC) market has shifted from traditional equipment control and data acquisition toward advanced applications such as Smart Manufacturing, Edge Computing, In-Vehicle applications, Image Recognition, and System Integration. As enterprises continue to drive digital transformation, automation upgrades, and IoT device management, there is a steady increase in demand for IPC products characterized by high performance, high reliability, and long-term availability.

(b) Supply-Side Dynamics

While market competition remains intense due to the increasing standardization of hardware platforms, manufacturers who possess industry-specific know-how, strong software-hardware integration capabilities, customized design (ODM/JDM) skills, and extensive experience in vertical market deployment continue to maintain a superior competitive advantage. Furthermore, as global supply chains stabilize, overall supply capacity and lead-time management have significantly improved compared to previous periods.

(c) Market Size and Growth Forecast

According to data from MarketsandMarkets, the global IPC market is projected to grow from USD 5.0 billion in 2023 to USD 6.6 billion by 2028, representing a Compound Annual Growth Rate (CAGR) of 5.5%. The primary growth drivers include the digitization of the manufacturing sector, the adoption of the Industrial Internet of Things (IIoT), the deployment of smart factories, and the increased emphasis by enterprises on production efficiency, quality stability, and the ROI of information infrastructure.

(d) Future Growth Outlook

Driven by continuous expansion in manufacturing activities and industrial investment, the Asia-Pacific (APAC) region is expected to remain one of the fastest-growing markets. Overall, the IPC market exhibits robust and steady growth characteristics. Looking ahead, the industry is poised to benefit from the sustained increase in demand for Smart Factories, Smart Logistics, Intelligent Transportation Systems (ITS), and various Edge Computing applications.

(1.2.2) Artificial Intelligence (AI) Market

(a) Demand-Side Dynamics

AI technology has progressively extended from cloud-based training to edge inference and on-site industrial applications, driving heightened demand for Industrial PCs (IPCs) and edge computing platforms. The scope of AI implementation within enterprises continues to expand, encompassing fields such as Smart Manufacturing, Quality Inspection, Security Surveillance, Logistics Optimization, and Intelligent Telematics.

(b) Supply-Side Dynamics

The AI supply chain is composed of chip suppliers, cloud service providers (CSPs), software platform developers, and edge device manufacturers. Global technology leaders are continuously investing in AI chips, model platforms, and application services, driving performance enhancements and cost optimization. Companies possessing capabilities in edge computing, image processing, system integration, and the ability to deploy applications in vertical markets are well-positioned to capture market opportunities.

(c) Market Size and Growth Forecast

According to IDC, global spending related to edge computing is projected to approach USD 261 billion in 2025, with sustained growth expected in the coming years. Furthermore, IDC estimates that enterprise spending on AI-related initiatives will reach USD 227 billion in 2025, with approximately 67% of this demand stemming from enterprises embedding AI capabilities into their core operations. This indicates that the AI market remains in a phase of rapid expansion.

(d) Future Growth Outlook

Observing application trends in the manufacturing sector, the 2025 Smart Manufacturing Report by Rockwell Automation indicates that 95% of surveyed enterprises have already invested or plan to invest in AI-related technologies. Key application directions include quality control, cybersecurity enhancement, and addressing labor shortages. Additionally, Siemens has noted a continuous increase in demand for high-performance edge infrastructure for Industrial AI, reflecting that the practical implementation of AI will further drive the need for highly reliable, real-time computing, and integrated platform equipment at industrial sites.

Overall, the Industrial PC (IPC) market maintains a trajectory of steady growth, while the Artificial Intelligence (AI) market exhibits high-growth potential. As these two sectors increasingly converge, providers equipped with expertise in edge computing, image processing, system integration, and vertical market deployment are well-positioned to capitalize on the sustained expansion of demand across smart manufacturing, intelligent telematics, and emerging AI applications.

(2). Key Products: Primary Applications and Production Process

(2.1) Key Applications and Functions of Major Products

(2.1.1) Industrial PC (IPC):

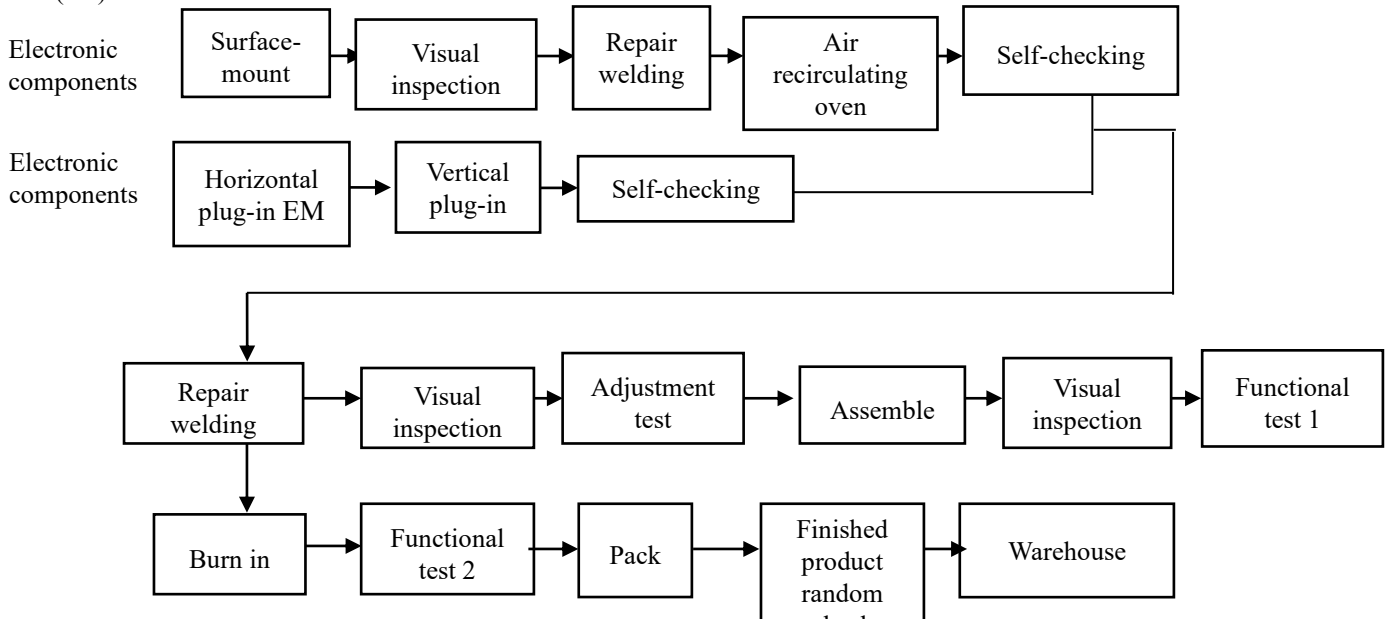
- Key Applications: Machine Control / Edge Computing / Human-Machine Interface (HMI) / Stable Long-term Operation in Harsh Environments.
- Description: Serving as a high-temperature resistant and anti-vibration hub for edge computing and control, our IPCs are widely deployed in automated production lines, robotic arms, and HMI systems.
- Manufacturing Process: The comprehensive production lifecycle spans from requirement specification and PCB design to SMT (Surface Mount Technology) and DIP (Dual In-line Package), mechanical assembly, firmware flashing, and rigorous burn-in testing, followed by final calibration and shipment.

(2.1.2) Visual AIoT

- Key Applications: Visual Inspection / Intelligent Transportation Systems (License Plate & Pedestrian Recognition) / Footfall Analytics / Security Anomaly Detection.
- Description: By integrating high-resolution image sensors, AI acceleration cards, and communication modules—followed by rigorous model training, inference optimization, and firmware encapsulation—these solutions are deployed across quality inspection, smart traffic management, retail analytics, and security surveillance.

- Performance Optimization: We ensure continuous performance enhancement through on-site pilot tuning and OTA (Over-the-Air) updates to meet the evolving needs of various application scenarios.

(2.2) Production Process



(3) Supply of Raw Materials

Main raw materials	Supply status
Active component (IC)	Good
PC board	Good
Passive components (resistors, capacitors, etc.)	Good
Wires	Good
Material for outer structure (shell, screws, etc.)	Good
Lens	Good
Packing materials	Good
Memory Components	Supply Strain

(4) Major suppliers and customers for the most recent two years

(4.1) Suppliers accounting for more than 10% of annual net procurement for the most recent two years:

Unit: NT\$ thousands

Item	2024				2025			
	Name	Amount	Percentage of Total Annual Net Purchases (%)	Relation with the Company	Name	Amount	Percentage of Total Annual Net Purchases (%)	Relation with the Company
1	Company I	37,294	13.53	None	Company I	95,131	21.97	None
2	Others	238,419	86.47	None	Others	40,682	9.39	None
3	-	-	-	None	-	-	-	-
4	Total net procurement	275,713	100.00	X	Total net procurement	433,040	100.00	X

(4.1) Suppliers accounting for more than 10% of annual net procurement for the most recent two years:

Unit: NT\$ thousands

Item	2024				2025			
	Name	Amount	Percentage of Total Annual Net Purchases (%)	Relation with the Company	Name	Amount	Percentage of Total Annual Net Purchases (%)	Relation with the Company
1	Customer K	124,144	26.97	None	Customer D	126,535	24.99	None
2	Customer C	74,714	16.23	None	Customer C	109,659	21.66	None
3	Others	261,422	56.80	None	Customer K	57,923	11.44	None
4	-	-	-	None	Others	212,129	41.90	None
5	Net Sales	460,280	100.00		Net Sales	506,246	100.00	

3. Employee information (including subsidiaries) for the most recent two fiscal years and as of the publication date of annual report

Respective Fiscal Years		2024	2025	As of March 31, 2026
Number of employees	Direct labor	17	21	20
	Indirect labor	106	106	103
	Total	123	127	123
Average age		45.21	43.96	44.6
Average year of services		9.55	8.38	8.55
Educational background (%)	Ph.D	0	0	0
	Master	9.76	12.6	13.83
	Bachelor	72.36	68.5	68.29
	Senior High School	13.01	13.39	12.19
	Below Senior High School	4.87	5.51	5.69

4. Environmental Expenditure Information

For the most recent fiscal year and up to the date of publication of this annual report, the total amount of losses and penalties incurred due to environmental pollution (including compensation and violations identified through environmental protection inspections) is disclosed. This includes specifying the date of disposition, reference number, violated regulation, content of the violation, and details of the penalty. Additionally, any current and future estimated amounts and corresponding countermeasures are disclosed. If reasonable estimation is not feasible, the fact of such infeasibility must be explained: None.

To further enhance the Company's environmental management performance and implement corporate environmental conservation practices, the Company engaged a professional consulting firm at the end of October 2008 to assist in implementing the ISO 14001 Environmental Management System. Through the joint efforts and continuous improvements made by the Company's employees, the certification was successfully obtained in August 2009, meeting international standards. This achievement reinforces the foundation for the Company's sustainable development and protects consumer rights. The latest certificate is valid from May 7, 2024, to May 7, 2027.

5. Labor relations

(5.1) Employee Welfare Measures, Retirement System, and Implementation Status, as well as Labor-Management Agreements: The Company has always adhered to the philosophy that "employees are the foundation of the Company's growth and its most important resource for development." Therefore, the Company's Articles of Association clearly stipulate the provision of employee bonuses as part of employee welfare, which not only enhances employee cohesion but also fosters a spirit of solidarity. This approach enables both labor and management to work together toward achieving the common goal of customer satisfaction.

(5.1.1) Employee benefit plans:

On December 14, 1998, the Company established the "Employee Welfare Committee". The welfare plan includes: wedding and funeral subsidies, childbirth subsidies, injury and illness assistance, disaster relief, birthday bonuses, meal subsidies, field trip grants, and festival gifts.

(5.1.2) Further education and training of employees:

(a) In order to help new employees understand the company's business and the functions in related departments as soon as possible, the human resources department is responsible for organizing training for new employees so that they can understand the company's environment, business, organization, rules and regulations and products.

(b) For the long-term development of the Company, employees may receive internal and external professional training courses, including professional skills, work performance management, etc., depending on their job requirements; through systematic training development, all education and training can be effective to strengthen employees' functions, improve work efficiency, increase professional knowledge and skills, and enhance business performance and competitiveness.

(c) The Company's personnel related to financial information transparency and their attained licenses: None.

(5.1.3) Retirement plan and implementation status

The Company has adopted an employee retirement plan in accordance with the Labor Standards Act. All regular employees of the Company are eligible to participate in this retirement plan. "The Labor Pension Act" became effective on July 1, 2005. Employees may choose the retirement mechanism prescribed in the Labor Standards Act, or to apply the pension plan under the Labor Pension Act and to retain the years of service prior to the adoption of the Act. The Company's retirement plan under the Labor Pension Act is a defined benefit pension plan. Starting from July 1, 2005, For employees covered by the pension plan under the Labor Pension Act, the Company shall make monthly contributions of 6% of their wages to the employees' individual pension accounts. The pension fund for employees with old pension system is calculated according to the Company's original pension plan.

Retirement plan:

i. A worker may apply for voluntary retirement under any of the following conditions:

(a) Where the worker attains the age of fifty-five and has worked for fifteen years.

(b) Where the worker has worked for more than twenty-five years.

ii. The Company shall force a worker to retire if any of the following situations has occurred:

(a) Where the worker attains the age of sixty.

(b) Where the worker is unable to perform his/ her duties due to disability.

iii. The criteria for payment of worker pensions shall be as follows:

Two bases are given for each full year of service rendered. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The length of service is calculated as half year when it is less than 83 six months and as one year when it is more than six months. The employee's pension is calculated based on the length of service and the average salary (base) of the six months before retirement.

iv. Pension Fund

(a) The Company's Labor Pension Preparation Fund Supervisory Committee was officially approved and established on December 29, 1997, pursuant to Document No. 489694 issued by the Taipei County Government. The Committee is responsible for the management and utilization of the pension fund. Furthermore, the Company contributes 2% of the total monthly wages to a dedicated pension fund account at the Bank of Taiwan.

- (b) Starting from the fiscal year 1998, the Company has engaged qualified actuaries to perform annual actuarial valuations of pension liabilities and has recognized the related expenses and liabilities in the financial statements in accordance with applicable regulations.

(5.1.4) Establishment of Employee Code of Conduct and Ethics

- i. For employee behavior and code of ethics, the Company has established relevant operating rules and regulations to be followed, which are listed below:
 - (a) Corporate Charter: Clearly regulate the company and employee perspectives, hierarchical responsibilities and departmental responsibilities.
 - (b) Regulations for approval authority: To provide a clear division of authority and responsibility between different operating hierarchies in the Company's organization, and to enhance management and work efficiency.
 - (c) Regulations for Employee Rewards and Punishments: To provide employees with a basis for rewards and punishments at work.
 - (d) Regulations for internal communication: To establish proper communication procedures within the company and to ensure the effectiveness of the quality/environmental management system.
 - (e) Regulations for management and certified personnel management: To ensure that the competence and qualifications of personnel related to product quality and environmental management meet the job requirements.
 - (f) Education and training practices: Through a systematic training and development system, we can improve the work efficiency and professional knowledge and skills for our employees to achieve our business objectives.
 - (g) Regulations for job substitution: When the employee is on leave or taking business trip, the business he/she undertakes can be operated normally.
 - (h) Employee attendance management: To improve work performance so that employees can be on-time and follow attendance management rules.
 - (i) Internal Procedures for Handling Significant Information: To regulate the procedures for information confidentiality and the handling of abnormal situations.
 - (j) Code of Ethical Conduct: To make the company's stakeholders more aware of the company's ethical standards.
- ii. To ensure that employees are promptly informed of all regulations regarding conduct and ethics, in addition to the items listed above, the Company has integrated all relevant policies and guidelines into an open internal information system. This platform allows employees to access and review these documents at any time.

(5.1.5) Protection Measures for Work Environment and Personal Safety

(1) Workplace Safety and Occupational Health

To ensure a safe working environment, the Company maintains Public Liability Insurance for all business premises and facilities. In accordance with fire safety regulations, a designated Fire Safety Manager is appointed, who undergoes retraining at least once every three years. The Company conducts fire and disaster drills twice a year. Furthermore, we have appointed one Level-A Occupational Safety and Health (OSH) Manager and one OSH Technician to execute environmental improvements and safety training. Annual OSH education is provided to all employees, and on-site medical staff visit weekly to provide health services, ensuring the robust implementation of our occupational health and safety management system.

(2) Employee Benefits and Health Security

To enhance employee welfare, the Company provides statutory Labor and Health Insurance and contributes 6% to pension accounts in accordance with the law. Additionally, Group Insurance is provided for extra protection. Employees are also entitled to a free comprehensive health examination annually.

(3) Gender Equality and Anti-Harassment

In compliance with the Act of Gender Equality in Employment, the Company established the "Measures for Prevention, Complaint, and Punishment of Sexual Harassment" in March 2002. Our Human Resources Department serves as the dedicated unit for handling complaints, ensuring strict confidentiality throughout

the process. Any employee engaged in sexual harassment will face severe disciplinary action, including immediate dismissal for serious offenses, to maintain gender equality and human dignity in the workplace.

(4) Tobacco Control and Health Promotion

To promote a healthy, smoke-free workplace and comply with the Tobacco Hazards Prevention Act, the Company implemented the "Campus Tobacco Hazard Management Measures" in May 2008. Smoking is strictly prohibited on the premises. Violations are linked to individual performance evaluations. Furthermore, compliance is extended to external vendors; those who violate regulations and fail to improve after warnings will be documented in our Supplier Evaluation and Audit system.

(5.2) The Company maintained good labor relations with its employees in 2024 and up to the date Of publication of the annual report, and no losses were incurred due to labor disputes.

6. Information and Communication Security Management

(6.1) Outline the information security risk management framework, information security policies, specific management measures, and the resources allocated for information security management.

(6.1.1) Information Security Risk Management Framework

The "Information Technology (IT) Section" is the dedicated unit responsible for information security at the Company. Its duties include formulating security policies, planning and executing management initiatives, and supervising security-related affairs. The IT Section reports the status of information security to the Board of Directors at least once a year.

(6.1.2) Information Security Policy

The Company has established the "Information Security Management Measures" covering all employees, critical information systems, network infrastructure, and backup environments for sensitive data. These policies aim to strengthen security management, ensure the Confidentiality, Integrity, and Availability (CIA) of information assets, raise security awareness, and ensure business continuity while complying with regulatory requirements.

In accordance with the Personal Data Protection Act, the Company has also implemented access control, backup protection, system monitoring, and training to secure personal data related to customers, employees, and suppliers.

(6.1.3) Specific Management Measures

The Company has implemented the following measures to fortify its security posture:

- Email Security: Cloud-based filtering to block phishing attempts.
- Monitoring & SIEM: Real-time monitoring of hosts and networks with automated alerts; implementation of SIEM and EDR agents for threat detection and log collection.
- Physical Security: Data center access control, environmental monitoring, and regular UPS testing.
- Disaster Recovery: Adherence to the 3-2-1 backup principle with defined RPO/RTO targets and periodic recovery drills.
- Vulnerability Management: Regular vulnerability scanning and remediation.
- Network Security: Network segmentation (OAM vs. Service networks), UTM firewall monitoring for East-West traffic, and VPN MFA (Multi-Factor Authentication).
- Redundancy: High-availability design for core network equipment and circuits.
- Web Protection: Use of CDN and WAF (Web Application Firewall) to defend the official website.
- Endpoint Defense: Deployment of advanced antivirus and endpoint protection platforms.
- Identity & Access Management (IAM): Strict application and approval processes for system access, annual permission audits, and immediate revocation for resigned personnel.
- Standardized Procedures: Clear protocols for system operations, access, change management, and incident handling.
- Awareness: Regular security briefings and unannounced social engineering (phishing) tests.
- ISO Certification Roadmap: Planned launch of the ISO/IEC 27001 (ISMS) project in April 2026, with the goal of obtaining external certification by August 2026.

(6.1.4) Resources Invested in Information Security Management

Human Resources: One dedicated information security professional.

Training & Awareness (FY2025):

- Issued 8 information security newsletters/announcements.
- Conducted 1 social engineering drill.
- Security personnel completed 40 hours of external seminars (5 sessions).
- Implementation of ISO 27001 Lead Auditor training for designated staff.
- 100% of new hires signed the Employee Code of Conduct and Non-Disclosure Agreements (NDA).

Technology Investment: Continued licensing of premium antivirus and firewall services.

Performance Metrics: Zero (0) major information security incidents occurred in FY2025.

(6.2) Disclosure of Losses, Potential Impacts, and Countermeasures Due to Major Information Security Incidents for the Most Recent Fiscal Year and Up to the Date of Publication of This Annual Report:None.

7. Material Contracts: As of the publication date of this annual report for the fiscal year 2025, the Company has no material contracts.

5. Review of financial conditions, financial performance, and risk management

1. Analysis of Financial Status

Unit: NT\$ Thousands

Item	Year	2025	2024	Difference	
				Amount	%
Current Assets		532,708	458,523	74,185	16.18
Non-Current Assets		406,967	402,239	4,728	1.18
Total Assets		939,675	860,762	78,913	9.17
Current Liabilities		438,710	316,809	121,901	38.48
Non-Current Liabilities		6,871	13,919	(7,048)	(50.64)
Total Liabilities		445,581	330,728	114,853	34.73
Capital Stock		668,010	668,010	0	0.00
Capital Surplus		55,312	55,312	0	0.00
Retained Earnings		(254,403)	(215,593)	(38,810)	18.00
Other Equity		25,175	22,305	2,870	12.87
Treasury Shares		-	-	-	-
Total Equity Attributable to Owners of the Parent		494,094	530,034	(35,940)	(6.78)
Non-Controlling Interests		-	-	-	-
Total Equity		494,094	530,034	(35,940)	(6.78)
Explanation:					
1. The increase in current liabilities for 2025 was primarily driven by the growth in short-term borrowings, accounts payable, other payables, and lease liabilities.					
2. The decrease in non-current liabilities for 2025 was mainly attributable to the reduction in lease liabilities.					
3. The decrease in retained earnings for 2025 was due to the net loss incurred during the fiscal year.					

2. Analysis of Financial Performance

Unit: NT\$ Thousands

Item	2025		2024		Increase (Decrease) Amount	Change Ratio (%)
	Subtotal	Total	Subtotal	Total		
Sales Revenue	506,246		460,280		45,966	9.99
Total Operating Revenue		506,246		460,280	45,966	9.99
Total Operating Costs		390,549		328,391	62,158	18.93
Cost of Goods Sold	390,549		328,391		62,158	18.93
Gross Profit		115,697		131,889	(16,192)	(12.28)
Operating Expenses		190,022		235,055	(45,033)	(19.16)
Operating Loss		(74,325)		(103,166)	28,841	(27.96)
Non-Operating Income and Expenses		38,796		52,091	(13,295)	(25.52)
Interest and Other Income	50,310		37,911		12,399	32.71
Other Gains and Losses	(12,134)		20,762		(32,896)	(158.44)
Finance Costs	(6,662)		(5,164)		(1,498)	29.01
Expected Credit Loss	0		399		(399)	(100.00)
Loss Before Tax		(35,529)		(51,075)	15,546	(30.44)
Income Tax Benefit (Expense)		(4,811)		(8,717)	3,906	(44.81)
Net Loss for the Period		(40,340)		(59,792)	19,452	(32.53)
Other Comprehensive Income		4,400		(2,917)	7,317	(250.84)
Total Comprehensive Income for the Period		(35,940)		(62,709)	26,769	(42.69)

Analysis of Change Ratio:

1. The increase in operating costs for 2025 was primarily due to the rise in inventory write-downs and obsolescence losses.
2. The decrease in net non-operating income and expenses for 2025 was mainly attributable to the increase in foreign exchange losses and impairment losses.
3. The increase in income tax expense for 2025 was caused by the decrease in deferred tax assets.

3. Cash Flow (Consolidated)

Cash flow Liquidity Analysis for the Most Recent Two Years

Year Item	2025	2024	Increase (Decrease) Ratio %
Cash Flow Ratio (%)	-17.68	-8.56	-106.54
Cash Flow Adequacy Ratio (%)	-153.4	-161.55	5.04
Cash Reinvestment Ratio (%)	-15.71	-5.14	-205.64
Analysis of Changes in Cash Flow Ratios:			
1. The increase in the cash flow ratio and the cash reinvestment ratio for FY2025 was primarily attributable to the growth in net cash inflows from operating activities.			
2. The growth in the cash flow adequacy ratio for FY2025 was mainly driven by the increase in net cash inflows from operating activities.			

Cash Flow Liquidity Analysis for the Next Year

Unit: NT\$ Thousands

Cash balance at beginning A	Projected net cash flow from operating activities in current period B	Projected cash outflow in current period C	Projected amount of cash surplus (deficit) A + B + C	Remedy for cash deficit	
				Investment plan	Financing plan
60,723	579	16,349	77,651	0	0

Cash Flow Liquidity Analysis for the Coming Year:

1. Cash flows from operating activities are expected to consist primarily of net cash outflows related to ongoing business operations.
2. Cash flows from investing activities are primarily comprised of capital expenditures and cash outflows for the acquisition of operating assets.
3. Cash flows from financing activities consist primarily of cash inflows from short-term bank financing and credit facilities to support liquidity needs.

4. The recent major capital expenditures have had an impact on the financial operations : Not applicable.

5. The investment Strategy in the most recent year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year:

Item \ Description	Original investing Amount (Note1)	Carrying amount as of December 31, 2025	Policy	Main reason for profit or loss	Improvement plan	Other investment plan in the future
EverFocus Electronics Corp. USA	93,941	(64,218)	Agency sales of Company products and customer service.	Insufficient scale of operations.	Transform and develop the AI Industrial PC (IPC) market.	None
EverFocus Electronics (Shenzhen) Co., Ltd.	64,748	14,193	R&D, production, and sales of commercial surveillance equipment.	Market transformation toward AI IPC; domestic demand is gradually warming up.	Transform and develop the AI Industrial PC (IPC) market.	None

Note1: Investment amount exceeding 5% of paid-in capital

6. Risk management and assessment:

- (1) The effect upon the company's profits (losses) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future:

Effect on the Company's profits (losses):

(NT\$ thousands)	
Item	2025
Interest income	3,321
Foreign exchange loss	(9,598)

- (1.1) In terms of interest rate:

The Company does not expect to have long-term financial liabilities in the near future, although it has bank loans in 2025; therefore, the impact of interest rate fluctuations on the Company is not significant.

- (1.2) In terms of exchange rate:

Some of the Company's revenues and payables are quoted in U.S. dollars. By offsetting foreign-currency assets and liabilities, the Company significantly reduces its exchange rate risk thereby resulting in a natural hedge.

- (1.3) In terms of inflation:

The products of the Company and its subsidiaries are not directly sold to general consumers, so inflation has no direct and immediate impact on the Company and its subsidiaries, and there has been no significant impact of inflation on profit or loss in the most recent year and as of the printing date of the annual report.

- (2) The company's policy regarding high-risk investments, highly leveraged investments, loans to other parties, endorsements, guarantees, and derivatives transactions; the main reasons for the profits/losses generated thereby; and response measures to be taken in the future:

- (2.1) High-risk and high-leverage investments:

The Company is mainly engaged in R&D, manufacturing and sales, and does not engage in high-risk, high-leverage investments.

- (2.2) Loans to other parties, endorsements and guarantees:

All operations are conducted in accordance with the Company's "Procedures for Provision of Loaning of Funds, Endorsements, and Guarantees." As of the publication date of this annual report, the Company's outstanding endorsements and guarantees were provided for financing purposes to its wholly-owned subsidiaries, EverFocus Electronics (Japan) Co., Ltd. and EverFocus Electronics (U.S.) Inc., with guarantee amounts of JPY 250 million and USD 1.5 million, respectively; these are secured by a time deposit certificate equivalent to JPY 215 million and real estate with a book value of NTD 73,093 thousand as collateral. Furthermore, as of the same date, the Company has provided loans to its wholly-owned subsidiary, EverFocus Electronics (U.S.) Inc., totaling USD 523,172. Regarding derivative commodity transactions, the Company has not engaged in any such activities during the 2025 fiscal year, reflecting a conservative and stable financial risk management policy. (2.3) Derivatives transactions:

- (3) Research and development work to be carried out in the future, and further expenditures expected for research and

development work:

As a professional surveillance manufacturer, we have developed a wide range of integrated products to provide the functions and added value to our future products, which will be integrated, networked and under centralized control. We have combined digitalization, internet and personal PC technologies to make our products more advanced and diversified to meet the needs from different customers. The projected research and development expenses for 2025 are approximately NT\$65,000 thousand.

- (4) Effect on the company's financial operations of important policies adopted and changes in the legal environment at home and abroad, and measures to be taken in response:

The Company is always attentive to significant domestic and foreign policy and legal changes.

At present, there is no significant impact on the Company's financial operations from these changes. The Company hires domestic and foreign legal advisors, project insurance agents and professionals from related departments to understand and respond to various policies and legal changes promptly so that the Company's financial and business impact can be minimized.

- (5) Effect on the company's financial operations of developments in science and technology (including cyber security risks) as well as industrial change, and measures to be taken in response:

There is no financial impact on the Company under current technological and industry changes.

- (6) Effect on the company's crisis management of changes in the company's corporate image, and measures to be taken in response:

The Company has always been operating with professionalism and integrity, and has attached great importance to corporate image and risk management. There is no recent change in corporate image that has affected corporate crisis management.

- (7) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken:

The Company is in a sound operating position and has no plans for mergers and acquisitions for the most recent year and up to the publication date of the annual report.

- (8) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken:

In order to meet business needs and expand production capacity, the primary objective is to improve the efficiency of factory and warehouse management; the Company has no plans to purchase new factories for now.

- (9) Regarding the risks and countermeasures of concentration in purchases or sales, the Company offers a diverse range of products; in 2025, there were three individual customers whose annual business volume each accounted for more than 10% of the global consolidated net revenue (please refer to page 83-84 of this annual report for specific sales amounts and percentages). While supporting existing growth, the Company continuously and actively expands its customer base to mitigate the potential risks associated with sales concentration. Furthermore, to ensure supply chain resilience, the Company maintains at least two or more suppliers for every raw material required for its products.

- (10) Regarding the impact, risks, and countermeasures associated with substantial transfers or changes in shareholdings by directors or major shareholders with more than a 10% stake: The Company maintains excellent relationships with its directors and major shareholders, who fully support the implementation of corporate policies. As of the publication date of this annual report, there have been no instances of substantial transfers or changes in shareholdings that would affect the Company's operations.

- (11) Regarding the impact, risks, and countermeasures associated with changes in management control: For the most recent fiscal year and up to the publication date of this annual report, the Company's management control has remained stable. Our management team is fully committed to enhancing operational performance and maximizing shareholder value, which is expected to have a consistently positive impact on the Company's overall operations.

- (12) Regarding litigious or non-litigious matters: For the 2025 fiscal year and up to the publication date of this annual report, there have been no major litigious, non-litigious, or administrative contentious matters involving the Company, its subsidiaries, directors, president, de facto responsible persons, or major shareholders with a stake exceeding 10%, whether concluded by a final judgment or still pending, that would have a material impact on shareholders' equity or securities prices. All relevant parties, including the aforementioned management and major shareholders, have no involvement in any such legal proceedings as of the publication date of this report.

- (13) Other Significant Risks and Mitigation Measures: None

7. Other important matters: None.

6.Special Disclosure

(1) Information on Affiliates :

Access path:

Market Observation Post System (MOPS) → Individual Company → Electronic Document Download → Related Party Transaction Disclosures (Three Reports) Section.

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

(2) Private Placement of Securities in the Most Recent Year and Up to the Date of Publication of the Annual Report: None

(3) Holding or Disposal of the Company's Shares by Subsidiaries in the Most Recent Year and Up to the Date of Publication of the Annual Report: None

(4) Other Necessary Supplementary Explanations: None

7. Events occurred which significantly affect shareholders' equity or price of shares pursuant to subparagraph 2, paragraph 3, article 36 of the Securities and Exchange Act:

(1) Events occurred in the previous year or up to the publication of this annual report, which significantly affect shareholders' equity or price of shares pursuant to subparagraph 2, paragraph 3, article 36 of the Securities and Exchange Act: None

EVERFOCUS ELECTRONICS CORP.



Chairman : Yung-Shun Chuang



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