

Stock code: 3060



MIN AIK TECHNOLOGY CO., LTD.

2025

# Annual Report

The Annual Report may be accessed on MOPS at <http://mops.twse.com.tw>

Dated: May 7, 2026

I. (1) Spokesperson

Name: Sun Te Wen  
Title: Financial Management Division, Director  
Tel: (02)8200-1008  
E-mail: investor@minaik.com.tw

(2) Deputy Spokesperson

Name: Chiu Yi Yu  
Title: Manager of Service Dept.  
Tel: (02)8200-1008  
E-mail: investor@minaik.com.tw

II. Address and telephone number of the Company's head office and factory

Head Office: 10F.-1, No. 492-1, Sec. 1, Wanshou Rd., Guishan Dist.,  
Taoyuan City  
Tel: (02) 8200-1008

Guang Chong 2<sup>nd</sup> Plant: 10F.-1 & -2, No. 492-1, Sec. 1, Wanshou Rd., Guishan  
Dist., Taoyuan City  
Tel: (02) 8200-1008

MIN AIK 1<sup>st</sup> Plant: 1F. No. 490 & 1F. No. 492, Sec. 1, Wanshou Rd.,  
Guishan Dist., Taoyuan City  
Tel: (02) 8200-1008

MIN AIK 6<sup>th</sup> Plant: 2F.-1 & 2F.-2, No. 492-1, Sec. 1, Wanshou Rd.,  
Guishan Dist., Taoyuan City  
Tel: (02) 8200-1008

Medical Device Plant: 8F.-1, No. 490, Sec. 1, Wanshou Rd., Guishan Dist.,  
Taoyuan City  
Tel: (02) 8200-1008

III. Institution for stock transfer

Name: Yuanta Securities Co., Ltd., Shareholders Service Dept.,  
Address: B1F., No. 67, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City  
Websites: <http://www.yuanta.com.tw>  
Tel: (02)2586-5859

IV. External auditor certifying the latest financial statements

CPA Office: KPMG International  
Names of CPAs: Tsai Meng- Chuan, CPA & Cheng-An Chih, CPA  
Address: 68F., No. 7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City  
Websites: <http://www.kpmg.com.tw>  
Tel: (02)8101-6666

V. Overseas Listings and Access to the Listing Information: None

VI. The Company's website: <http://www.minaik.com.tw>

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## Ch 1. Letter to Shareholders

Thank you to all of the Group's employees for their everlasting contribution over the years, and also to all shareholders for their long-term care and support.

In recent years, traditional data storage media have rapidly shifted towards server applications, where mechanical hard drives, leveraging their low-cost advantage, are finding a clearer market positioning and steady demand growth. As the high-end hard disk drive components developed by the Company entered the mass production stage, consolidated revenue reached NT\$3.819 billion in 2025, representing a 9% increase from 2024. Gross profit and operating profit increased by 3% and 195%, respectively, while net profit after tax decreased by 186% due to losses arising from exchange rate fluctuations.

### I. Management guidelines and implementation overview

(I) The business policy of 2025 focuses on asset control and optimizing product portfolios, and so on. The implementation is as follows:

1. Asset control: The Company strictly reviews capital expenditures. Equipment investments focus primarily on improving precision and yield rather than expanding production capacity. Capital expenditures in 2025 accounted for only 33% of full-year depreciation, helping the Company continue to streamline fixed costs. In terms of capital management, the Company's consolidated financial liabilities in 2025 decreased by 26% compared to the previous accounting year, and the consolidated cash and cash equivalents decreased by 14%. While reducing the burden of interest expenses, the Company still maintained an appropriate working capital level.
2. Optimization of product portfolio: After assessing the feasibility of converting existing production sites for the development of other businesses, the Company will gradually shut down the non-economically scaled external storage device product lines at its Suzhou plant in 2026. In 2025, the Company had already disposed of certain outdated equipment and optimized its workforce structure in advance. These measures are expected to help improve gross profit margin in 2026.

(II) In addition to continuing the management measures from the previous year, the business policy of 2026 is to expand new business:

1. Optical components: The Company's self-developed optical galvanometers cover a product line ranging from miniature to theater-grade projection equipment. In recent years, competition in this product segment has intensified. To respond to market changes, the Company will focus on the development of customized niche products while continuing to improve manufacturing processes, reduce production costs, and enhance market competitiveness.

2. Biomedical technology development: Biomedical products are characterized by long development cycles and stable demand. The Company has cultivated this field for several years, with business operations covering medical consumables and components for medical equipment. However, given the small-volume, high-mix nature of such products, they have yet to make a significant contribution to revenue, although related revenue still grew by 6% in 2025. The Company will continue to expand the development of molds for medical consumables, as well as component manufacturing and assembly services, with the aim of gradually generating stable revenue and effectively improving capacity utilization.
3. Smart manufacturing business: In recent years, the Company's Automation Division has undertaken several smart manufacturing projects commissioned by the Ministry of Economic Affairs. In 2026, the Division will continue focus on supporting process improvements for high-end hard drive components, deepening customized equipment services for long-term clients, and promoting the development and deployment of standardized medical equipment. These efforts are expected to contribute momentum to the Company's business diversification strategy.

## II. Analysis of business plan implementation and profitability

Unit: NT\$ thousand

Items of Operating Results	2025		2024		Change in proportion
Operating Income	3,818,634	100%	3,508,217	100%	9%
Operating Cost	3,348,845	88%	3,050,237	87%	10%
Gross Operating Profit	469,789	12%	457,980	13%	3%
Operating Expenses	443,011	12%	448,902	13%	(1)%
Operating Profit	26,778	0%	9,078	0%	195%
Non-operating Income and Expenses	(68,352)	(1)%	68,316	2%	(200)%
Net Profit Before Tax	(41,574)	(1)%	77,394	2%	(154)%
Income Tax Expenses	2,526	0%	13,513	0%	(81)%
Net Profit this Term	(44,100)	(1)%	63,881	2%	(169)%
Net Profit Attributable to the Owner of the Parent	(53,880)	(1)%	62,442	2%	(186)%

Analysis of Profitability	2025	2024
Return on assets (%)	(1.17)	1.24
Return on equity (%)	(1.64)	2.44
Ratio of pre-tax net income to total paid-in capital (%)	(3.02)	5.63
Net profit margin (%)	(1.15)	1.82
Earnings Per Share (NT\$)	(0.39)	0.45

### III. R&D Status

The Company's current core product lines are Voice Coil Motors (VCM) and covers for server-grade hard disk drives. Although these product lines have already entered the mass production stage, the Company continues to invest in the research and development of components for HAMR (heat-assisted magnetic recording) hard disk drives, which are expected to enter the sample submission stage in 2026 and the mass production stage in 2027. In addition, the Company will continue to enhance the level of process automation to mitigate the potential impact of rising labor costs. The Company utilizes artificial intelligence, big data analytics, and optical inspection to manage production processes, thereby reducing internal and external quality management costs. At the same time, R&D efforts are focused on improving product precision and cleanliness to proactively address the technological capability requirements of next-generation high-end hard drive components.

It is impossible to successfully carry out transformation and business diversification immediately. Therefore, the Company will aim to achieve business sustainability, continue to optimize cost structure, exercise its core competence satisfactorily, and create higher value for all shareholders.

Chairman	Chia Kin Heng
Manager	Chia Kin Heng
Accounting Manager	Chen Yu Jhen

## Ch 2. Corporate Governance Report

### I. Background information of the Director, President, Vice Presidents, Assistant Vice Presidents, and heads of departments and branch offices

#### (I) Information About Directors

Baseline date: May 7, 2026 ; Unit: Shares

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Office Term	Date first Elected	Shareholding when Elected		Current shareholding		Shareholdings of spouse and underage children		Shares held in the name of others		Major Work Experience (educational background)	Concurrent positions at the Company and other companies	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
Chairman	Singapore	Chia Kin Heng	M 72	2023.06.15	3 years	2000.07.22	2,092,572	1.52%	1,702,000	1.24%	276,000	0.20%	0	0	<ul style="list-style-type: none"> <li>● Nanyang Business School, Nanyang Technological University</li> <li>● Senior Procurement Deputy Manager of BLACK &amp; DECKER, Singapore</li> <li>● Senior Manager of Materials Department, MINISCRIBE CO., LTD.</li> <li>● Senior Materials Manager of LEICA INSTRUMENT PTE. LTD.</li> <li>● Senior Assistant Vice President of Materials Department, WESTERN DIGITAL (S)PTE. LTD.</li> <li>● Vice President of Far East Region, CORNER CO. LTD.</li> <li>● Materials and Production Planning Vice President of MAXTOR PERIPHERALS (S) PTE. LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● Director, MIN AIK TECHNOLOGY USA INC.</li> <li>● Director, MIN AIK INTERNATIONAL DEVELOPMENT PTE. LTD.</li> <li>● Director, MIN AIK TECHNOLOGY (M) SDN. BHD.</li> <li>● Chairman, GEMINNOVATIVE TECHNOLOGY CO., LTD.</li> <li>● Chairman, GREEN FAR COMPANY LTD.</li> <li>● Director, MIN AIK TECHNOLOGY (SUZHOU) CO., LTD.</li> <li>● Director, MIN AIK TRADING (SUZHOU) CO., LTD.</li> <li>● Director, MATC TECHNOLOGY MALAYSIA SDN. BHD.</li> <li>● Director, MAP TECHNOLOGY HOLDINGS PTE. LTD.</li> <li>● Director, Map Plastics Pte. Ltd.(Singapore)</li> <li>● Director, M&amp;J TECHNOLOGIES CO., LTD.</li> <li>● Chairman, MIN AIK PRECISION INDUSTRIAL CO., LTD.</li> <li>● Director, Archers(Shanghai)Systems Limited.</li> <li>● Director, Archers(Suzhou)Systems Limited.</li> </ul>	None	None	None	There are few peers in the industry which the Company engages in. In consideration of the industrial characteristics, the Company's Chairman and President roles are assumed by the same person and establish four independent director positions in response.

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Office Term	Date first Elected	Shareholding when Elected		Current shareholding		Shareholdings of spouse and underage children		Shares held in the name of others		Major Work Experience (educational background)	Concurrent positions at the Company and other companies	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
Juridical Person Director	R.O.C.	Hui Yi Investment & Consulting Company	-	2023.06.15	3 years	2023.06.15	19,000	0.01%	19,000	0.01%	0	0	0	0	-	-	None	None	None	None
Representative of Juridical Person Director	R.O.C.	Chien Hung Yu	M 37	2025.12.04	3 years	2025.12.04	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> <li>● Department of Finance, Westminster University</li> <li>● Researcher, MasterLink Securities Investment Advisory Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>● Director, Earnest Capital Co., Ltd.</li> </ul>	None	None	None	None
Independent Director	R.O.C.	Chen Yung Lin	M 73	2023.06.15	3 years	2002.05.28	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> <li>● MBA, Baylor University</li> <li>● Auditor, Deloitte Taiwan</li> <li>● Senior Auditor, PricewaterhouseCoopers Taiwan (PwC Taiwan)</li> <li>● Partner, Guangxin CPA Office</li> <li>● Director and Supervisor, Taipei City CPA Association</li> <li>● Supervisor, MetaTech (AP) Inc.</li> <li>● Supervisor, CPA Associations, R.O.C. (Taiwan)</li> </ul>	<ul style="list-style-type: none"> <li>● Partner, RSM Taiwan</li> </ul>	None	None	None	None
Independent Director	R.O.C.	Li Chih Feng	M 51	2023.06.15	3 years	2014.06.18	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> <li>● PhD in Law, Department of Risk Management and Insurance of National Chengchi University</li> <li>● Attorney-at-Law, Hongsheng Maritime and Business Law Office</li> <li>● Attorney-at-Law, AON</li> <li>● Legal Manager, HSBC Life (International) Limited</li> <li>● Associate Professor, Department of Financial and Economic Law of Fu Jen Catholic University</li> <li>● Member, Financial Ombudsman Institution</li> </ul>	<ul style="list-style-type: none"> <li>● Professor, Department of Law of Soochow University</li> <li>● Independent Director and Member of the Audit / Compensation Committee, Morteck Corporation</li> <li>● Independent Director and Member of the Senior Executive Nomination / Compensation Committee, Fubon Hyundai Life</li> <li>● Arbitrator, Chinese Arbitration Association, Taipei</li> </ul>	None	None	None	None

Title	Nationality or Place of Registration	Name	Gender Age	Date Elected	Office Term	Date first Elected	Shareholding when Elected		Current shareholding		Shareholdings of spouse and underage children		Shares held in the name of others		Major Work Experience (educational background)	Concurrent positions at the Company and other companies	Managers, directors or supervisors who are spouses or relatives within the second degree of kinship			Remarks
							Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
Independent Director	R.O.C.	Lu Yeh Senms	F 66	2023.06.15	3 years	2014.06.18	308,000	0.22%	308,000	0.22%	0	0	0	0	<ul style="list-style-type: none"> <li>● PhD in Business, Graduate Institute of International Business Administration of Chinese Culture University</li> <li>● Manager, Ming Yuan Certified Public Accountants</li> <li>● Financial Manager, Ming Yuan Business Management Consulting Co., Ltd.</li> <li>● Lecturer, Department of International Business Administration of Chinese Culture University</li> </ul>	<ul style="list-style-type: none"> <li>● Assistant Professor, Department of International Business Administration of Chinese Culture University</li> </ul>	None	None	None	None
Independent Director	R.O.C.	Chan Chin Ping	M 52	2023.06.15	3 years	2023.06.15	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> <li>● Master of Science in Materials Science and Engineering, National Taipei University of Technology</li> <li>● Engineer/Team Lead, ULTran Technology &amp; Service Co.</li> <li>● Section Chief/Senior Engineer, Tekscend Photomask Chungwa Inc.</li> </ul>	<ul style="list-style-type: none"> <li>● Chief Engineer, Tekscend Photomask Chungwa Inc.</li> </ul>	None	None	None	None

## 1. Major Shareholders of Institutional Shareholders

Baseline date: May 7, 2026

Institutional Shareholders	Major Shareholders of Institutional Shareholders
Hui Yi Investment & Consulting Company	Yang Chun Yi (100%)

## 2. Disclosure of Information Regarding Directors' Expertise and Independent Directors' Independence:

Criteria Name	Professional qualifications and experience	Independence Criteria	Name of other Taiwanese Companies currently Serves as an independent Director
Chia Kin Heng Chairman	<ul style="list-style-type: none"> <li>● Graduate of the Nanyang Business School, Nanyang Technological University.</li> <li>● Former Positions: Senior Procurement Deputy Manager of BLACK &amp; DECKER, Singapore; Senior Manager of the Materials Department, MINISCRIBE CO., LTD.; Senior Materials Manager of LEICA INSTRUMENT PTE. LTD.; Senior Assistant Vice President, of the Materials Department, WESTERN DIGITAL (S)PTE. LTD.; Vice President of Far East Region, CORNER CO. LTD.; Materials and Production Planning Vice President of MAXTOR PERIPHERALS (S) PTE. LTD.</li> <li>● Current Positions: Chairman and CEO of the Company, Chairman of the Company's Group, and Representative of Director of MIN AIK PRECISION INDUSTRIAL CO., LTD.</li> </ul>	Not been a person of any conditions defined in Article 30 of the Company Act.	0
Chien Hung Yu Director	<ul style="list-style-type: none"> <li>● Graduate of the Department of Finance, Westminster University.</li> <li>● Former Position: Researcher, MasterLink Securities Investment Advisory Co., Ltd.</li> <li>● Current Positions: Director, Earnest Capital Co., Ltd.</li> </ul>		0

Criteria Name	Professional qualifications and experience	Independence Criteria	Name of other Taiwanese Companies currently Serves as an independent Director
Chen Yung Lin Independent Director	<ul style="list-style-type: none"> <li>● Graduate of Baylor University, Texas, MBA</li> <li>● Former Positions: Auditor, Deloitte Taiwan; Senior Auditor, PricewaterhouseCoopers Taiwan (PwC Taiwan); Partner, Guangxin CPA Office; Director and Supervisor, Taipei City CPA Association; Supervisor, MetaTech (AP) Inc.; Supervisor, CPA Associations, R.O.C. (Taiwan)</li> <li>● Current Position: Partner, RSM Taiwan</li> </ul>	<ol style="list-style-type: none"> <li>1. None of them or their spouses or relatives within the second degree of kinship is an employee of the Company or any of the Company's affiliates.</li> <li>2. None of them or their spouses or relatives within the second degree of kinship is a director or supervisor of the Company or any of the Company's affiliates.</li> <li>3. None of them or their spouses or underage children, and those holding shares in the name of a third party holds more than 1% of the Company's shares or is one of the Company's top 10 natural-person shareholders. Independent Director Lu Yeh Senms, who holds 0.22% of the Company's shares, is not one of the Company's top 10 natural-person shareholders. The other three independent directors do not hold any shares of the Company.</li> </ol>	0
Li Chih Feng Independent Director	<ul style="list-style-type: none"> <li>● Graduate of the Department of Risk Management and Insurance Law Group of National Chengchi University, Ph.D.</li> <li>● Former Positions: Attorney-at-Law, Hongsheng Maritime and Business Law Office; Attorney-at-Law, AON; Legal Manager, HSBC Life (International) Limited; Associate Professor, Department of Financial and Economic Law of Fu Jen Catholic University; Member, Financial Ombudsman Institution</li> <li>● Current Positions: Professor, Department of Law of Soochow University; Independent Director and Member of the Audit / Compensation Committee, Mortech Corporation; Independent Director and Member of the Senior Executive Nomination / Compensation Committee, Fubon Hyundai Life; Arbitrator, Chinese Arbitration Association, Taipei</li> </ul>	<ol style="list-style-type: none"> <li>4. Not a director, supervisor, or employee of any institutional shareholder that: 1. holds 5% or more of the Company's outstanding shares; 2. is a top-5 shareholder; or 3. appoints director/supervisor representative in the Company according to Paragraph 1 or 2, Article 27 of The Company Act.</li> <li>5. Not a director, supervisor, or employee of any other company that controls directorship in the company or where more than half of total voting rights are controlled by a single party.</li> <li>6. Does not assume concurrent duty as Chairman, President, or equivalent role, and is not a director, supervisor, or employee of another company or institution owned by a spouse.</li> <li>7. Not a director, supervisor, officer, or shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial or business relationship with the Company.</li> <li>8. Professional individual or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that provides auditing services to the Company or any affiliated company of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliated company of the Company for which the provider in the most recent two years receiving cumulative compensation not exceeding NT\$500,000, or a spouse thereof; none of the four independent directors has provided auditing services or received compensation for said services exceeding NT\$0 in the most recent two years.</li> </ol>	2
Lu Yeh Senms Independent Director	<ul style="list-style-type: none"> <li>● Graduate of the Graduate Institute of International Business Administration of Chinese Culture University, Ph.D.</li> <li>● Former Positions: Manager, Ming Yuan Certified Public Accountants; Financial Manager, Ming Yuan Business Management Consulting Co., Ltd.</li> <li>● Current Position: Assistant Professor, Department of International Business Administration of Chinese Culture University</li> </ul>	<ol style="list-style-type: none"> <li>9. Not a relative within the second degree of kinship to any other director of the company.</li> </ol>	0
Chan Chin Ping Independent Director	<ul style="list-style-type: none"> <li>● Graduate of the Master of Science in Materials Science and Engineering, National Taipei University of Technology.</li> <li>● Former Positions: Engineer/Team Lead, ULTran Technology &amp; Service Co.</li> <li>● Current Position: Chief Engineer, Tekscend Photomask Chunghwa Inc.</li> </ul>	<ol style="list-style-type: none"> <li>10. Not been a person of any conditions defined in Article 30 of the Company Act.</li> <li>11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.</li> </ol>	0

### 3. Diversity and Independence of Board of Directors:

The Company's "Procedure for Election of Directors" sets forth the Board member diversity policy to strengthen the Board of Directors' functions. The current Board of Directors consists of seven directors (including three directors and four independent directors) with expertise in the fields such as commerce, financial accounting, law, and the Company's industry. The Board members include R.O.C. and Singapore nationals, and none of them is a spouse or relative within the second degree of kinship of each other. The directors with an employee ID account for 14% and female directors for 14%. One independent director has held the position for 3 year, two independent directors have held the position for 12 years, one for 24 years. The average age of all directors is 59 years old. The percentage of female directors stands at 14%. Upon the expiration of the current term, the Company plans to enhance gender diversity on the Board.

Diversity Policy and Management Goals Enforced by the Company's Board Members are Stated as Following:

Diversity Items Name of Directors	Gender / Age	Nationality	Tenure of Independent Director	Business judgment.	Accounting and financial analysis.	Business management	Crisis management	Industry knowledge	International market perspective	Leadership	Decision-making	Industrial Experience/ Professional Abilities
Chia Kin Heng Chairman	M 71~75	Singapore	-	✓	✓	✓	✓	✓	✓	✓	✓	HDD and peripheral industry
Chien Hung Yu Director	M 36~40	R.O.C.	-	✓	✓	✓	✓		✓	✓	✓	Financial accounting
Chen Yung Lin Independent Director	M 71~75	R.O.C.	24	✓	✓	✓	✓		✓	✓	✓	Financial accounting
Li Chih Feng Independent Director	M 51~55	R.O.C.	12	✓		✓	✓		✓	✓	✓	Law
Lu Yeh Senms Independent Director	F 66~70	R.O.C.	12	✓	✓	✓	✓		✓	✓	✓	Financial accounting
Chan Chin Ping Independent Director	M 51~55	R.O.C.	3	✓		✓	✓	✓	✓	✓	✓	Electronics industry

Diversity items	Specific management objectives	Current Status
Nationality	At least two nationalities	✓
Gender	Include at least one female director	✓
Expertise or Background	At least two of them have an industrial background.	✓
	At least one of them is qualified as a CPA.	✓
	At least one of them is qualified as an attorney-at-law.	✓

(II) President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branch Offices

Baseline date: May 7, 2026 ; Unit: Shares

Title	Nationality	Name	Gender	Date of Appointment (election)	Number of shares held		Shares Currently Held by Spouse & Minors		Shares held in the name of others		Major work experience (educational background)	Concurrent positions at other companies	Managers who are spouses or relatives within the second degree of kinship			Remarks
					Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
CEO	Singapore	Chia Kin Heng	M	1998.02.12	1,702,000	1.24%	276,000	0.20%	0	0	<ul style="list-style-type: none"> <li>● Nanyang Business School, Nanyang Technological University</li> <li>● Senior Procurement Deputy Manager of BLACK &amp; DECKER, Singapore</li> <li>● Senior Manager of Materials Department, MINISCRIBE CO., LTD.</li> <li>● Senior Materials Manager of LEICA INSTRUMENT PTE. LTD.</li> <li>● Senior Assistant Vice President of Materials Department, WESTERN DIGITAL (S)PTE. LTD.</li> <li>● Vice President of Far East Region, CORNER CO. LTD.</li> <li>● Materials and Production Planning Vice President of MAXTOR PERIPHERALS (S) PTE. LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● Director, MIN AIK TECHNOLOGY USA INC.</li> <li>● Director, MIN AIK INTERNATIONAL DEVELOPMENT PTE. LTD.</li> <li>● Director, MIN AIK TECHNOLOGY (M) SDN. BHD.</li> <li>● Chairman, GEMINNOVATIVE TECHNOLOGY CO., LTD.</li> <li>● Chairman, GREEN FAR COMPANY LTD.</li> <li>● Director, MIN AIK TECHNOLOGY (SUZHOU) CO., LTD.</li> <li>● Director, MIN AIK TRADING (SUZHOU) CO., LTD.</li> <li>● Director, MATC TECHNOLOGY MALAYSIA SDN. BHD.</li> <li>● Director, MAP TECHNOLOGY HOLDINGS PTE. LTD.</li> <li>● Director, Map Plastics Pte. Ltd.(Singapore)</li> <li>● Director, M&amp;J TECHNOLOGIES CO., LTD.</li> <li>● Chairman, MIN AIK PRECISION INDUSTRIAL CO., LTD.</li> <li>● Director, Archers (Shanghai) Systems Limited.</li> <li>● Director, Archers (Suzhou) Systems Limited.</li> </ul>	None	None	None	There are few peers in the industry which the Company engages in. In consideration of the industrial characteristics, the Company's Chairman and President roles are assumed by the same person and establish four independent director positions in response.

Title	Nationality	Name	Gender	Date of Appointment (election)	Number of shares held		Shares Currently Held by Spouse & Minors		Shares held in the name of others		Major work experience (educational background)	Concurrent positions at other companies	Managers who are spouses or relatives within the second degree of kinship			Remarks
					Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
Chief Operating Officer	R.O.C.	Yang Hung Jen	M	2013.07.01	295,000	0.21%	0	0	0	0	<ul style="list-style-type: none"> <li>● Graduate Institute of Technology Management, Fu Jen Catholic University</li> <li>● Biotechnology Engineer, EVERLIGHT ELECTRONICS</li> <li>● Assistant Vice President of the Quality Engineering Division, MIN AIK TECHNOLOGY CO., LTD.</li> <li>● R&amp;D Chief Engineering Senior Assistant Vice President of MIN AIK TECHNOLOGY CO., LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● Director, MIN AIK TECHNOLOGY (M) SDN. BHD.</li> <li>● Director, MIN AIK TECHNOLOGY (THAILAND) CO., LTD.</li> <li>● Director, MU-TECHNOLOGY PTE. LTD.</li> <li>● Representative of Director, GREEN FAR COMPANY LTD.</li> <li>● Supervisor, MIN AIK TECHNOLOGY (SUZHOU) CO., LTD.</li> <li>● Representative of Director, MIN AIK PRECISION INDUSTRIAL CO., LTD.</li> </ul>	None	None	None	None
Deputy Chief Operating Officer	R.O.C.	Sung Tsan Yung	M	2013.07.01	80,762	0.06%	492	0.0004%	0	0	<ul style="list-style-type: none"> <li>● Department of Mechanical Engineering, National Lotung Industrial Vocational High School</li> <li>● Production Supervisor, Songhai Mold &amp; Plastic Co., Ltd.</li> <li>● Section Chief, Hongjun Precision Industry Co., Ltd.</li> <li>● Assistant Vice President of the Manufacturing Department, MIN AIK TECHNOLOGY CO., LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● Director, MIN AIK TECHNOLOGY (SUZHOU) CO., LTD.</li> </ul>	None	None	None	None
NPI Director	R.O.C.	Tsai Chen Shan	M	2014.09.01	0	0	0	0	0	0	<ul style="list-style-type: none"> <li>● Graduate Institute of Manufacturing Technology, National Taipei University of Technology</li> <li>● Senior NPI Director, MIN AIK TECHNOLOGY CO., LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● Director, MIN AIK TECHNOLOGY (SUZHOU) CO., LTD.</li> </ul>	None	None	None	None
RD Director	R.O.C.	Lin Ying Huang	M	2015.02.01	6,706	0.005%	0	0	0	0	<ul style="list-style-type: none"> <li>● Department of Electrical and Control Engineering, National Yang Ming Chiao Tung University</li> <li>● Manager of the R&amp;D Department, Argosy Research Inc.</li> <li>● Senior RD Director, MIN AIK TECHNOLOGY CO., LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● None</li> </ul>	None	None	None	None

Title	Nationality	Name	Gender	Date of Appointment (election)	Number of shares held		Shares Currently Held by Spouse & Minors		Shares held in the name of others		Major work experience (educational background)	Concurrent positions at other companies	Managers who are spouses or relatives within the second degree of kinship			Remarks
					Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding			Title	Name	Relationship	
China Plant, Managing Director	R.O.C.	Wang Yao Hung	M	2017.07.01	12,423	0.009%	0	0	0	0	<ul style="list-style-type: none"> <li>● Department of Electrical Engineering, Lunghwa University of Science and Technology</li> <li>● QA Section Chief, Guang Chong Technology Co., Ltd.</li> <li>● QA Manager, MIN AIK TECHNOLOGY CO., LTD.</li> <li>● Factory Manager, MIN AIK TECHNOLOGY (M) SDN. BHD.</li> <li>● Assistant Vice President, MIN AIK (DONGGUAN) TECHNOLOGY CO., LTD.</li> <li>● Factory Manager, Amould Plastic Technologies (Suzhou) Co., Ltd.</li> </ul>	● Factory Manager, MIN AIK TECHNOLOGY (SUZHOU) CO., LTD.	None	None	None	None
Sales Division, Director	R.O.C.	Lee Lung Fang	M	2026.02.01	60,000	0.04%	0	0	0	0	<ul style="list-style-type: none"> <li>● Graduate of Mechanical Engineering, National Taiwan University</li> <li>● Manager, Sales Department, MIN AIK TECHNOLOGY CO., LTD.</li> </ul>	● Representative of Director, GEMINNOVATIVE TECHNOLOGY CO., LTD.	None	None	None	None
Financial Management Division, Director	R.O.C.	Sun Te Wen	M	2019.02.01	277,000	0.20%	0	0	0	0	<ul style="list-style-type: none"> <li>● Department of Accounting, National Taiwan University</li> <li>● Senior Specialist, Tax Department, PricewaterhouseCoopers Taiwan (PwC Taiwan)</li> <li>● Accountant, SYNOPSIS</li> <li>● Senior Specialist, Compal Communications, Inc.</li> <li>● Manager, Accounting Department, BUWON PRECISION SCIENCES CO., LTD.</li> <li>● Manager, Accounting Department, MIN AIK TECHNOLOGY CO., LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● Representative of Director, GREEN FAR COMPANY LTD.</li> <li>● Representative of Director, GEMINNOVATIVE TECHNOLOGY CO., LTD.</li> <li>● Representative of Director, MIN AIK PRECISION INDUSTRIAL CO., LTD</li> </ul>	None	None	None	None
Accounting Director	R.O.C.	Chen Yu Jhen	F	2014.09.01	12,848	0.009%	0	0	0	0	<ul style="list-style-type: none"> <li>● Department of Accounting, Ming Chuan University</li> <li>● Auditor, LB ACCOUNTING &amp; TAX SERVICE</li> <li>● Senior Manager, Accounting Department, MIN AIK TECHNOLOGY CO., LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● Representative of Supervisor, GREEN FAR COMPANY LTD.</li> <li>● Representative of Supervisor, GEMINNOVATIVE TECHNOLOGY CO., LTD.</li> </ul>	None	None	None	None

II. Compensation to Directors, President, and Vice Presidents in the Most Recent Year

(I) Compensation Paid to Directors

Compensation to Directors (including independent directors)

Unit: NTS thousand

Title	Name	Remuneration Paid to Directors								Sum of A, B, C and D as percentage of after-tax net income		Relevant Remuneration Received by Directors Who are Also Employees								Sum of A, B, C, D, E, F and G as percentage of after-tax net income		Compensation From Investees Other Than Subsidiaries
		Compensation (A)		Pension upon retirement (B)		Director remuneration (C)		Service Expenses (D)				Base Compensation, Bonuses, and Allowances (E) (Note1)		Pension upon retirement (F)		Employee remuneration (G)						
		The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company		Consolidated subsidiaries		The Company	Consolidated subsidiaries			
Chairman	Chia Kin Heng	960	0	0	0	0	0	0	0	960 (1.78%)	960 (1.78%)	13,578	13,578	0	0	0	0	0	0	14,538 (26.98%)	14,538 (26.98%)	8,605
Juridical Person Director	Hui Yi Investment & Consulting Company	720	0	0	0	0	0	0	0	720 (1.34%)	720 (1.34%)	0	0	0	0	0	0	0	0	720 (1.34%)	720 (1.34%)	0
Representative of Juridical Person Director (Note2)	Chien Hung Yu	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	0
Representative of Juridical Person Director (Note3)	Yang Chun Yi	0	0	0	0	0	0	0	0	0%	0%	0	0	0	0	0	0	0	0	0%	0%	0
Independent Director	Chen Yung Lin	840	0	0	0	0	0	0	0	840 (1.56%)	840 (1.56%)	0	0	0	0	0	0	0	0	840 (1.56%)	840 (1.56%)	0
Independent Director	Li Chih Feng	840	0	0	0	0	0	0	0	840 (1.56%)	840 (1.56%)	0	0	0	0	0	0	0	0	840 (1.56%)	840 (1.56%)	0
Independent Director	Lu Yeh Senms	840	0	0	0	0	0	0	0	840 (1.56%)	840 (1.56%)	0	0	0	0	0	0	0	0	840 (1.56%)	840 (1.56%)	0
Independent Director	Chan Chin Ping	840	0	0	0	0	0	0	0	840 (1.56%)	840 (1.56%)	0	0	0	0	0	0	0	0	840 (1.56%)	840 (1.56%)	0

1. Please explain the policy, system, standards, and structure by which independent director remuneration is paid, and association between the amount paid and independent directors' responsibilities, risks, and time committed:

- (1) The compensation to independent directors is paid in accordance with the Company's "Regulations Governing Payment of Compensation to Directors and Functional Committee Members".
- (2) The remuneration to independent directors is paid subject to their attendance rate and contribution to the Company's business.
- (3) Monthly remuneration to independent directors.

2. Compensation received by directors for providing services (e.g., consultancy services without the title of an employee in the parent company/all companies included in the financial statements/investees) in the most recent year except those disclosed in the above table: None.

Note1: Including salary, bonus, fuel expenses. And other benefits.

Note2: Re-designated on December 4, 2025.

Note3: Dismissed on December 4, 2025.

(II) Compensation Paid to the President and Vice Presidents

Remuneration Paid to Presidents and Vice Presidents

Unit: NT\$ thousand

Title	Name	Salary (A)		Pension upon retirement (B)		Bonuses & Allowance Paid(C) Note		Amount of Employee remuneration (D)				Sum of A, B, C and D as percentage of after-tax net income		Compensation from investees other than subsidiaries
		The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company		Consolidated subsidiaries		The Company	Consolidated subsidiaries	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
CEO	Chia Kin Heng	12,198	12,198	0	0	1,380	1,380	0	0	0	0	13,578 (25.20%)	13,578 (25.20%)	8,605
Chief Operating Officer	Yang Hung Jen	3,624	4,684	180	180	1,062	1,202	0	0	0	0	4,866 (9.03%)	6,066 (11.26%)	1,814

Note: Bonus, fuel expenses, and other benefits.

(III) Compensation Paid to the top five most remunerated executives

Remuneration Paid to the top five most remunerated executives

Unit: NT\$ thousand

Title	Name	Salary (A)		Pension upon retirement (B)		Bonuses & Allowance Paid (C) Note		Amount of Employee remuneration (D)				Sum of A, B, C and D as percentage of after-tax net income		Compensation from investees other than subsidiaries
		The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company	Consolidated subsidiaries	The Company		Consolidated subsidiaries		The Company	Consolidated subsidiaries	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
CEO	Chia Kin Heng	12,198	12,198	0	0	1,380	1,380	0	0	0	0	13,578 (25.20%)	13,578 (25.20%)	8,605
Chief Operating Officer	Yang Hung Jen	3,624	4,684	180	180	1,062	1,202	0	0	0	0	4,866 (9.03%)	6,066 (11.26%)	1,814
Deputy Chief Operating Officer	Sung Tsan Yung	2,220	2,220	152	152	591	591	0	0	0	0	2,963 (5.50%)	2,963 (5.50%)	-
Financial Management Division, Director	Sun Te Wen	1,944	1,944	108	108	505	505	0	0	0	0	2,557 (4.75%)	2,557 (4.75%)	1,829
China Plant, Managing Director	Wang Yao Hung	1,692	2,260	136	136	493	1,207	0	0	0	0	2,321 (4.31%)	3,603 (6.69%)	-

Note: Bonus, fuel expenses, and other benefits.

(IV) Employee Remuneration Distributed to Managers and Distribution Situation

Unit: NTS thousand

	Title	Name	Stock Amount	Cash Amount	Total	Total Amount in Proportion to Net Income
Manager	CEO	Chia Kin Heng	0	0	0	0%
	Chief Operating Officer	Yang Hung Jen				
	Deputy Chief Operating Officer	Sung Tsan Yung				
	NPI Director	Tsai Chen Shan				
	RD Director	Lin Ying Huang				
	China Plant, Managing Director	Wang Yao Hung				
	Sales Division, Director	Lee Lung Fang				
	Financial Management Division, Director	Sun Te Wen				
	Accounting Director	Chen Yu Jhen				

(V) Please compare and explain the amounts of compensation paid in the most recent two years by the Company and all companies included in the consolidated financial statements to the Company's directors, president, and vice presidents, and their respective proportions to the net income stated in the parent company only financial reports or individual financial reports, as well as the policies, standards, and packages by which they were paid, the procedures through which compensation was determined, and their association with business performance and future risks separately

Title	2024		2025	
	Ratio of Total Compensation Paid by the Company to the Company's Directors, President, and Vice Presidents to the Net Income	Ratio of Total Compensation Paid by all Companies Included in the Consolidated Financial Statements to the Company's Directors, President, and Vice Presidents to the Net Income	Ratio of Total Compensation Paid by the Company to the Company's Directors, President, and Vice Presidents to the Net Income	Ratio of Total Compensation Paid by all Companies Included in the Consolidated Financial Statements to the Company's Directors, President, and Vice Presidents to the Net Income
Director President & Vice President Name	40.26%	42.20%	(43.59)%	(45.81)%

1. Policies, Standards, and Packages by Which They Were Paid, the procedures through which compensations were determined: The total compensation paid to directors is decided in accordance with the Company's "Articles of Incorporation". The compensation to individual directors is paid in accordance with the Company's "Regulations Governing Payment of Compensation to Directors and Functional Committee Members" and by taking into consideration the term of office, attendance rate, and contribution to the Company's business. The compensation paid to the president and vice presidents is paid subject to performance and the Company's salary system.
2. Association With Business Performance and Future Risks: The compensation to the directors, president, and vice presidents is paid in accordance with the Company's related rules, as amended subject to the Company's business performance and future risk factors.

### III. Implementation of Corporate Governance

#### (I) Directors' participation in the functionality of board of directors

##### Directors' participation in the functionality of the Board of Directors

A total of 8 meetings (A) were held in the most recent year (from 2025 to May 7, 2026). Below are directors' attendance records:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Chairman	Chia Kin Heng	8	0	100	
Director	Hui Yi Investment & Consulting Company. Representative : Chien Hung Yu	0	0	0	Re-designated on 2025.12.04. (shall attend three times)
Independent Director	Chen Yung Lin	8	0	100	
Independent Director	Li Chih Feng	8	0	100	
Independent Director	Lu Yeh Senms	8	0	100	
Independent Director	Chan Chin Ping	8	0	100	
Director	Hui Yi Investment & Consulting Company. Representative : Yang Chun Yi	4	0	80	Dismissed on 2025.12.04. (shall attend five times)

Other items to be stated:

I. Where the operation of the Board of Directors meets any of the following circumstances, the minutes concerned shall clearly state the meeting date, term, contents of motions, opinions of all independent directors and the Company's resolution of said opinions:

(I) Conditions described in Article 14-3 of the Securities and Exchange Act: The Company has established the Audit Committee and, therefore, Article 14-5 of the Securities and Exchange Act applies to the Company.

(II) Any other resolution(s) passed but with independent directors voicing opposing or qualified opinions on the record or in writing: None.

II. Attendance of Independent Directors at Board of Directors Meetings: ⊙: In person Δ: By proxy

Date of Board of Directors Meeting	Chen Yung Lin	Li Chih Feng	Lu Yeh Senms	Chan Chin Ping
1 <sup>st</sup> meeting of board of directors in 2025 2025.01.20	⊙	⊙	⊙	⊙
2 <sup>nd</sup> meeting of board of directors in 2025 2025.03.12	⊙	⊙	⊙	⊙
3 <sup>rd</sup> meeting of board of directors in 2025 2025.05.09	⊙	⊙	⊙	⊙
4 <sup>th</sup> meeting of board of directors in 2025 2025.08.08	⊙	⊙	⊙	⊙
5 <sup>th</sup> meeting of board of directors in 2025 2025.11.07	⊙	⊙	⊙	⊙
1 <sup>st</sup> meeting of board of directors in 2026 2026.01.30	⊙	⊙	⊙	⊙
2 <sup>nd</sup> meeting of board of directors in 2026 2026.03.11	⊙	⊙	⊙	⊙
3 <sup>rd</sup> meeting of board of directors in 2026 2026.05.07	⊙	⊙	⊙	⊙

III. Disclosure regarding avoidance of interest-conflicting motions, including the names of directors concerned, the motions, the nature of conflicting interests, and the voting process:

Date of Board of Directors Meeting	Motion	Reasons for avoiding conflict of interest	Participation in voting process
1 <sup>st</sup> meeting of board of directors in 2025 2025.01.20	<p>1. Proposal for the amount of purchases/sales with related parties in 2025.</p> <p>2. Proposal for the payment of the 2024 year-end bonus to managers</p>	<p>As Director Chia Kin-Heng is the Director representative of MIN AIK PRECISION, he recused himself from discussion and voting on the proposal due to conflict of interest.</p> <p>As Director Chia Kin-Heng is the manager of the Company, he recused himself from discussion and voting on the proposal due to conflict of interest.</p>	<p>Independent Director Chen Yung-Lin assumed the position of the chairperson for the proposal on a temporary basis. After Director Chen Yung-Lin made inquiries, the remaining attending Directors approved the proposal as proposed with no objection.</p>

3 <sup>rd</sup> meeting of board of directors in 2025 2025.05.09	Proposal for the distribution of the remuneration of directors of investees appointed by the Company.	As Director Chia Kin-Heng is the Director representative of MIN AIK PRECISION, he recused himself from discussion and voting on the proposal due to conflict of interest.	Independent Director Chen Yung-Lin assumed the position of the chairperson for the proposal on a temporary basis. After Director Chen Yung-Lin made inquiries, the remaining attending Directors approved the proposal as proposed with no objection.
1 <sup>st</sup> meeting of board of directors in 2026 2026.01.30	1. Proposal for the amount of purchases/sales with related parties in 2026.  2. Proposal for the payment of the 2025 year-end bonus to managers	As Director Chia Kin-Heng is the Director representative of MIN AIK PRECISION, he recused himself from discussion and voting on the proposal due to conflict of interest.  As Director Chia Kin-Heng is the manager of the Company, he recused himself from discussion and voting on the proposal due to conflict of interest.	Independent Director Chen Yung-Lin assumed the position of the chairperson for the proposal on a temporary basis. After Director Chen Yung-Lin made inquiries, the remaining attending Directors approved the proposal as proposed with no objection.
3 <sup>rd</sup> meeting of board of directors in 2026 2026.05.07	Proposal for the distribution of the remuneration of directors of investees appointed by the Company.	As Director Chia Kin-Heng is the Director representative of MIN AIK PRECISION, he recused himself from discussion and voting on the proposal due to conflict of interest.	Independent Director Chen Yung-Lin assumed the position of the chairperson for the proposal on a temporary basis. After Director Chen Yung-Lin made inquiries, the remaining attending Directors approved the proposal as proposed with no objection.

IV. Evaluation Cycle and Period, Scope of Evaluation, Method and Contents of Evaluation Regarding the Board of Directors' Self (or peer) Performance Evaluation: The evaluation conducted based on the criteria in 2025.

Status of Evaluation Conducted by the Board of Directors

Assessment cycle	Assessment duration	Scope of assessment	Assessment method	Assessment details
Once a year	Performance Evaluation From January 1, 2025 - December 31, 2025	Performance Evaluation of the Board of Directors, Board Members, and Functional Committees	Internal Performance Evaluation of the Board of Directors, Board Members' Self-Evaluation, and Functional Committees' Self-Evaluation	Note1
Once per three years	Performance evaluation from November 1, 2024 ~ October 31, 2025	Board of Directors' performance evaluation	The external professional and independent organization, Taiwan Corporate Governance Association (TCGA), was appointed to perform the Board of Directors' performance evaluation.	Note2

Note1: Assessment details:

- (I) Performance Evaluation of the Board of Directors: The five general standards, namely engagement in the Company's operations, improvement of the Board's decision-making quality, composition and structure of the Board, election and continuing education of directors, and internal controls, etc., consisting of a total of 45 indicators.
- (II) Performance Evaluation of Individual Board Members: The six general standards, namely alignment with the goals and mission of the Company, knowledge of directors' duties, engagement in the Company's operations, management of internal relationship and communication, professionalism and continuing education of directors, and internal controls, etc., consisting of a total of 23 indicators.
- (III) Performance Evaluation of the Audit Committee: The five general standards, namely engagement in the Company's operations, knowledge of the Committee's duties, improvement of the Audit Committee's decision-making quality, composition of the Audit Committee and election of the Committee members, and internal controls, etc., consisting of a total of 22 indicators.
- (IV) Performance Evaluation of the Remuneration Committee: The four general standards, namely engagement in the Company's operations, knowledge of the Committee's duties, improvement of the Committee's decision-making quality, composition of the

Remuneration Committee and election of the Committee members, etc., consisting of a total of 18 indicators.

- (V) The average scores of the evaluation results under various standards range is “Excellent”, reflecting that the Company’s entire operation is considered sound and satisfying the corporate governance requirements (average total scores of the evaluations are 5; for reference, average scores ranging from 1 to 2 stands for “to be improved”, average scores ranging from 2.1 to 3 stands for “OK”, average scores ranging from 3.1 to 4 stands for “Good”, and average scores ranging from 4.1 to 5 stands for “Excellent”).

Note 2: Using five dimensions (Board composition and division of responsibilities, Board guidance and oversight, Board authorization and risk management, Board communication and collaboration, and Board self-discipline and continuous improvement), the Board’s performance was evaluated through open-ended questionnaires, information provided by the Company, public information, and on-site interviews, and an evaluation report was issued accordingly.

V. Enhancements to the Functionality of the Board of Directors in the Current and the Most Recent Year, and the Progress of Such Enhancements:

- (I) Established the Audit Committee and Remuneration Committee, enhanced the Board of Directors’ functionality, and implemented corporate governance.
- (II) Adopted the “Standard Operating Procedure for Handling Directors’ Requirements” on May 10, 2019 to establish fair corporate governance, and helped directors perform their job duties and improve the Board of Directors’ performance.
- (III) Adopted the “Regulations Governing Performance Evaluation of the Board of Directors” on January 17, 2020 and proposed the Board of Directors’ performance evaluation results at the second Board of Directors meeting each year, in order to implement corporate governance, improve the Board of Directors’ function, and set forth performance targets to strengthen the Board of Directors’ operating efficiency.
- (IV) The “Risk Management Policy and Procedures” was established on May 10, 2024, to achieve the goal of sustainable development.
- (V) The “Sustainable Development Committee Charter” was established on August 9, 2024 to implement corporate governance.
- (VI) The “Procedures for the Preparation and Verification of the Sustainability Report” were established on August 8, 2025 to promote corporate sustainability.

## (II) Operation of the Audit Committee

### Operation of the Audit Committee

A total of 8 meetings (A) were held in the most recent year (from 2025 to May 7, 2026). Below are independent directors' attendance records:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Independent Director	Chen Yung Lin	8	0	100	
Independent Director	Li Chih Feng	8	0	100	
Independent Director	Lu Yeh Senms	8	0	100	
Independent Director	Chan Chin Ping	8	0	100	

Other items to be stated:

I. For the Audit Committee meetings that meet any of the following descriptions, state the date, session, contents of motions, independent directors' dissenting opinions, qualified opinions or important suggestions, Audit Committee meeting resolution, and how the Company has responded to the Audit Committee's opinions:

(I) The circumstances referred to in Article 14-5 of the Securities and Exchange Act.:

Date of Audit Committee Meeting	Motion	Resolution	How the Company Has Responded to the Audit Committee's Opinions:
Eighth Meeting of the Fourth Audit Committee 2025.01.20	Report Matters: 2024 Manager sustainability development goals achievement report. Discussion Matters: 1. The proposal for significant amounts overdue for over three months that are not loans as of December 31, 2024. 2. Proposal for the amount of purchases/sales with related parties in 2025. 3. Amendments to certain provisions of the Company's "Risk Management Policies and Procedures".	Approved by all members of the Audit Committee unanimously.	Audit Committee resolution is agreed.

<p>Ninth Meeting of the Fourth Audit Committee 2025.03.12</p>	<p>Report Matters: Report on promotion of the 2024 risk management. Discussion Matters: 1. The Company’s 2024 business report, parent company only financial statements, and consolidated financial statements. 2. The Company’s 2024 earnings distribution plan. 3. Proposal for the amount of purchases/sales with related parties in 2024. 4. Amendments to certain provisions of the “Articles of Incorporation”. 5. Appointment of and remuneration to external auditors for 2025 and the general principles for enactment of the Company’s pre-approved non-assurance service policy. 6. Amendments to the Company’s “Internal Control System” and “Internal Audit System”. 7. The Company’s 2024 “Declaration for Statement of Internal Control System”.</p>	<p>Approved by all members of the Audit Committee unanimously.</p>	<p>Audit Committee resolution is agreed.</p>
<p>Tenth Meeting of the Fourth Audit Committee 2025.05.09</p>	<p>Discussion Matters: 1. The Company’s 2025 Q1 consolidated financial statements. 2. The proposal for significant amounts overdue for over three months that are not loans as of March 31, 2025.</p>	<p>Approved by all members of the Audit Committee unanimously.</p>	<p>Audit Committee resolution is agreed.</p>
<p>Eleventh Meeting of the Fourth Audit Committee 2025.08.08</p>	<p>Report Matters: Report on acquisition of certain shares of the investee, MIN AIK PRECISION INDUSTRIAL CO., LTD. Discussion Matters: 1. The Company’s 2025 Q2 consolidated financial statements. 2. The proposal for significant amounts overdue for over three months that are not loans as of June 30, 2025. 3. Loan funds to subsidiary MATC TECHNOLOGY MALAYSIA SDN. BHD. USD 5 million.</p>	<p>Approved by all members of the Audit Committee unanimously.</p>	<p>Audit Committee resolution is agreed.</p>

	4. The proposal for Establishing the “Procedures for the Preparation and Verification of the Sustainability Report.”		
Twelfth Meeting of the Fourth Audit Committee 2025.11.07	<p>Report Matters: Report on acquisition of certain shares of the investee, MIN AIK PRECISION INDUSTRIAL CO., LTD.</p> <p>Discussion Matters: 1. The Company’s 2025 Q3 consolidated financial statements. 2. The proposal for significant amounts overdue for over three months that are not loans as of September 30, 2025. 3. Amendments to the Company’s “Internal Control System” and “Internal Audit System”. 4. The Company’s “2026 Audit Plan”.</p>	Approved by all members of the Audit Committee unanimously.	Audit Committee resolution is agreed.
Thirteenth Meeting of the Fourth Audit Committee 2026.01.30	<p>Discussion Matters: 1. The proposal for significant amounts overdue for over three months that are not loans as of December 31, 2025. 2. Amendments to the Company’s “Internal Control System” and “Internal Audit System”. 3. Proposal for the amount of purchases/sales with related parties in 2026.</p>	Approved by all members of the Audit Committee unanimously.	Audit Committee resolution is agreed.
Fourteenth Meeting of the Fourth Audit Committee 2026.03.11	<p>Report Matters: Report on promotion of the 2025 risk management.</p> <p>Discussion Matters: 1. The Company’s 2025 business report, parent company only financial statements, and consolidated financial statements. 2. The Company’s 2025 deficit compensation. 3. Payment of cash from capital surplus. 4. Proposal for the amount of purchases/sales with related parties in 2025.</p>	Approved by all members of the Audit Committee unanimously.	Audit Committee resolution is agreed.

	<p>5.Appointment of and remuneration to external auditors for 2026 and the general principles for enactment of the Company’s pre-approved non-assurance service policy.</p> <p>6. The Company’s 2025 “Declaration for Statement of Internal Control System”.</p> <p>7.Amendments to certain provisions of the “Articles of Incorporation”.</p>		
Fifteenth Meeting of the Fourth Audit Committee 2026.05.07	<p>Discussion Matters:</p> <p>1. The Company’s 2026 Q1 consolidated financial statements.</p> <p>2. The proposal for significant amounts overdue for over three months that are not loans as of March 31, 2026.</p>	Approved by all members of the Audit Committee unanimously.	Audit Committee resolution is agreed.

(II) Other than those described above, any resolutions unapproved by the Audit Committee but passed by more than two-third of directors: None.

II. For independent directors’ avoidance of motions which involves a conflict of interest, the names of the independent directors, contents of the motions, reasons of the recusal for a conflict of interest, and participation in voting must be disclosed: None.

III. Communication between the Independent Director and internal audit officer and external auditors:

(I) The internal audit officer shall submit the audit report to the independent directors in the month following completion of the audit indicators. The independent directors may communicate with the internal audit officer directly at any time. All three independent directors of the Company are Audit Committee members. The internal audit officer shall attend the Audit Committee meeting to report on audit operations.

Date	Communication channels	Communication matters	Communication results
2025.01.20	Audit Committee	Audit report from November to December 2024.	Acknowledged.
2025.03.12	Audit Committee	<p>1.The review report on the declaration for statement of internal control system was issued in accordance with the internal control system design and execution result in 2024.</p> <p>2.Audit report from January to February 2025.</p>	<p>The same shall be submitted to the Board of Directors for resolution after it is approved.</p> <p>Acknowledged.</p>

2025.05.09	Audit Committee	Audit report from March to April 2025.	Acknowledged.
2025.08.08	Audit Committee	Audit report from May to July 2025.	Acknowledged.
2025.08.08	Audit Committee	Review of the Company's 2025 Q2 consolidated financial report.	The same shall be submitted to the Board of Directors for resolution after it is approved.
2025.11.07	Audit Committee	1. Audit report from August to October 2025. 2. 2026 Audit Plan.	Acknowledged.  The same shall be submitted to the Board of Directors for resolution after it is approved.
2026.01.30	Audit Committee	Audit report from November to December 2025.	Acknowledged.
2026.03.11	Audit Committee	1. The review report on the declaration for statement of internal control system was issued in accordance with the internal control system design and execution result in 2025. 2. Audit report from January to February 2026.	The same shall be submitted to the Board of Directors for resolution after it is approved.  Acknowledged.
2026.05.07	Audit Committee	Audit report from March to April 2026.	Acknowledged.

(II) The external auditors shall report the audit and results to the independent directors after auditing the Annual Report. After auditing the Annual Report, the external auditors shall explain the key audit matters to the independent directors on August 8, 2025.

IV. Main Annual Work and Operations of the Audit Committee:

(I) The Company's Audit Committee operates pursuant to its Articles of Association and primarily supervises the following matters:

1. Adequate presentation of the Company's financial statements.
2. Appointment (discharge), independence, and performance of the external auditors.
3. Effective implementation of the Company's internal controls.

4. Compliance with laws and regulations.
  5. Control over the Company's existing or potential risks.
  6. To assist the Board of Directors in approving effective risk management mechanisms and exercising its risk management responsibilities.
- (II) The Company's Audit Committee convened a total of five meetings in 2025. Attendance rate of all members was 100%. The matters primarily audited in the current year include:
1. Appraisal on effectiveness of the internal control system and related policies and procedures.
  2. Significant asset or derivatives transactions.
  3. Significant loaning of funds and making of endorsements/guarantees.
  4. Appointment and remuneration of external auditors.
  5. Annual financial report and quarterly financial reports.
  6. Any other material matter so required by the Company or the competent authority.

(III) Status of corporate governance, departures from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and reasons for such departures.

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
I. Has the Company established and disclosed corporate governance principles based on “Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies”?		V	The Company has not yet adopted its own “Corporate Governance Best Practice Principles”, but it follows its internal control system and related regulations. Nevertheless, it will strive towards a Corporate Governance Best Practice Principles.	The Company has not yet adopted its own “Corporate Governance Best Practice Principles”.
II. Equity structure and shareholders’ rights of the company (I) Whether the company has defined some internal operating procedure to deal with suggestions, questions, disputes and legal actions from shareholders, and implemented the procedure?	V		(I) In order to ensure shareholders’ equity, the Company has the spokesperson and deputy spokesperson process shareholders’ suggestions and disputes.	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(II) Whether the company controls the financial holding company's major shareholders and who are their ultimate owners?	V		(II) The Company can control the information about shareholdings by directors, managers, and major shareholders with a stake of more than 10 percent, and report and file related information as required.	No material deviation was found.
(III) Whether the company establishes or implements some risk control and firewall mechanisms between the Company and its affiliates?	V		(III) The Company defines the responsibilities of personnel and asset and financial management of the affiliated companies expressly, and conducts the risk assessment and builds adequate firewalls. The Company has adopted its own "Operation Method for Financial and Business Matters Between This Corporation and its Affiliated Enterprises", "Rules Governing Financial and Business Matters Between This Corporation and its related parties", and "Regulations Governing Management of Subsidiaries' Operations". Meanwhile, the internal auditors will audit the execution thereof regularly.	No material deviation was found.
(IV) Whether the company has established internal regulations to prohibit securities trading by use of the company's internal undisclosed information?	V		(IV) The Company adopts its own "Procedures for Handling Material Inside Information" to prevent insider trading.	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
<p>III. Composition and responsibilities of board of directors</p> <p>(I) Does the Board of Directors have a diversity policy and management goals that are duly enforced?</p>	V		<p>(I) The Company’s Board of Directors members are elected in accordance with the Company’s “Procedure for Election of Directors”. The Board member diversity policy is adopted subject to the Company’s operations, business type, and development needs, in consideration of the Board of Directors’ overall structure. The current Board members include R.O.C. and Singapore nationals. Director Chia Kin Heng has expertise in HDD. Independent Director Chan Chin Ping, have experience in the electronics industry. Director Chien Hung Yu and Independent Director Chen Yung Lin and Independent Director Lu Yeh Senms have an accounting and financial background. Independent Director Li Chih Feng have expertise in law. According to the roster of the current Board members, the directors with an employee ID account for 14% of total members, independent directors for 57%, and female directors for 14%. Two independent directors are teaching in domestic universities. One independent director is working for a domestic CPA office . One independent director is working for an electronics industry office.</p>	No material deviation was found.
<p>(II) Is the company, in addition to establishing the remuneration committee and audit committee, pursuant to laws, willing to voluntarily establish any</p>	V		<p>(II) The Company established the Sustainable Development Committee on August 9, 2024 to implement the sustainable development goals of corporate governance, social responsibility, and environmental protection, and to optimize its oversight function for sustainability governance. On January 20, 2025, pursuant to the “Risk Management Policy and Procedures,” the Audit Committee was designated to assist the Board of Directors in approving effective risk management mechanisms and exercising its risk management responsibilities.</p>	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
<p>other functional committees?</p> <p>(III) Has the Company established a set of policies and assessment tools for evaluating board performance, and conducted performance evaluation on a yearly basis? Are performance evaluation results reported to the board of directors and used as reference for compensation, remuneration and nomination decisions?</p> <p>(IV) Does the company conduct regular assessments regarding the independence of its financial statement auditors?</p>	V		<p>(III) The Company has adopted its own “Regulations Governing Performance Evaluation on the Board of Directors and Functional Committees.” Meanwhile, the Company will conduct the performance evaluation on the Board of Directors once per year. The method of evaluation includes internal self-evaluation by the Board Meeting, self-evaluation by the Board members and self-evaluation by functional committees. The evaluation results are reported to the Board and included as reference for the remuneration of individual Directors and nomination of Directors. The Company will appoint an external professional and independent organization or team consisting of experts and scholars to perform the evaluation every three years. The Company appointed the external professional and independent organization, Taiwan Corporate Governance Association (TCGA), conducted the performance evaluation on the Board of Directors in 2025. The external performance evaluation result has been reported to the Remuneration Committee and Board of Directors, as the reference to help continue improving the Board of Directors’ functions.</p> <p>(IV) The Company evaluates the CPA firm and external auditors’ independence (financial interest, financing guarantee and employment relationship), business relationship, external auditors’ transfer system and AQIs at Q1 meeting of the Board of Directors each year and then appoints the external auditors certifying the Company’s finance and tax. (please see the Note for the evaluation items)</p>	<p>No material deviation was found.</p> <p>No material deviation was found.</p>

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
IV. Has the TWSE/TPEX listed company allocated adequate number of competent corporate governance staff and appointed a Chief Corporate Governance Officer to oversee corporate governance affairs (including but not limited to providing directors/supervisors with the information needed to perform their duties, assisting directors/supervisors with compliance issues, convention of board meetings and shareholders' meetings, and preparation of board/shareholders' meeting minutes)?	V		<p>The Company's Financial Management Division provides the information needed by directors for performance of their job duties and also by the shareholders' meetings within the statutory time limit.</p> <p>(I) It is necessary to notify all directors to attend the meeting at least seven days before a Board of Directors meeting is convened, in order to help directors verify the related motions. A prior notice shall be given to any stakeholders of the motions to remind them that they shall recuse themselves from any circumstances they shall avoid. Meanwhile, the Company shall prepare the Board of Directors meeting minutes after the meeting.</p> <p>(II) The Company shall register the date of shareholders' meetings by the due date prescribed by law, produce the meeting notice and report the notice, meeting handbook and minutes by the due date, and complete the registration of changes upon amendments to the Articles of Incorporation or re-election of directors.</p> <p>(III) The Company shall ensure the accuracy and validity of the important messages released per the important resolutions of the Board of Directors meetings and shareholders' meetings, in order to prevent trading information asymmetry for investors.</p> <p>(IV) The Company appointed the chief corporate governance officer to take charge of the corporate governance practices.</p>	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
V. Does the company have any means to communicate with stakeholders (including but not limited to shareholders, employees, customers, and suppliers etc.), and set up an area for stakeholders on the official website for adequate response to major CSR issues concerned by stakeholders?	V		The Company has set up external and internal communication channels and disclosed the same in the Annual Report or the Company's information. Any stakeholder who receives any information may communicate with the management via the email or phone number disclosed to the public.	No material deviation was found.
VI. Does the Company appoint a stock agency to be responsible for affairs related to the shareholders' meeting?	V		The Company appoints Yuanta Securities Co., Ltd., Shareholders Service Department to process shareholders' meetings on its behalf.	No material deviation was found.
VII. Information Disclosure (I) Establishment of a corporate website to disclose information concerning financial affairs and corporate governance?	V		(I) The Company has assigned personnel dedicated to maintaining and updating the Company's website and also to establish the Company's financial and business information, in order to help shareholders and the public refer to and implement corporate governance information.	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(II) Has the company adopted other means to disclose information (e.g. English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, broadcasting of investor conferences via the company website)?	V		(II) Other Means Adopted by the Company to Disclose Information: 1. Designate dedicated personnel to report financial and business information on the MOPS pursuant to laws, regularly or irregularly. 2. Establish the spokesperson system. 3. Post the files related to investor conferences in the investors section on the Company's website for reference by shareholders and the public.	No material deviation was found.
(III) Does the company publish and make official filing of annual financial reports within two months after the end of an accounting period, and publish/file Q1, Q2, and Q3 financial reports plus monthly business performance before the specified due dates?		V	(III) The Company has not yet published or made official filing of annual financial reports within two months after the end of an accounting period, but will publish/file the financial reports plus monthly business performance before the specified due dates.	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
VIII. Other important information enabling a better understanding of the company's corporate governance (including but not limited to employee rights and interests, employee care, investor relations, stakeholders' rights and interests, continuing education of directors and supervisors, implementation of risk management policies and risk measurement criteria, implementation of customer policy, purchase of liability insurance by the company for directors and supervisors, and donations to political parties, interested parties and public welfare groups)?	V		<p>(I) Employees' Interests and Rights: The Company already set up the opinion mailbox and grievance hotline for employees to allow employees to express their opinions toward the Company and also protect employees' interests and rights pursuant to the Labor Standards Act.</p> <p>(II) Employee Care: Establish a relationship of mutual trust and reliance with employees through the welfare system and fair educational training intended to solidify and stabilize employees' life.</p> <p>(III) Investors' Relationship:</p> <ol style="list-style-type: none"> <li>1. Designate dedicated personnel to report financial and business information on the MOPS pursuant to laws, regularly or irregularly.</li> <li>2. Establish the spokesperson system.</li> </ol> <p>(IV) Suppliers' Relationship: The Company is used to maintaining a fair relationship with suppliers, and maintaining both parties' reasonable interests and rights on the basis of mutual trust and benefit.</p> <p>(V) Stakeholders: Stakeholders may communicate with the Company and also present any suggestions to the Company.</p> <p>(VI) Continuing Education of Directors and Supervisors: Continuing education follows the "Template of Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies". The information regarding continuing education of the Company's directors is disclosed on the MOPS.</p>	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies																																				
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			<p>Continuing Education of Director Chia Kin Heng:</p> <table border="1"> <thead> <tr> <th colspan="2">Course date</th> <th rowspan="2">Exam Administrator</th> <th rowspan="2">Course name</th> <th rowspan="2">Course hours</th> </tr> <tr> <th>From</th> <th>Until</th> </tr> </thead> <tbody> <tr> <td>2025/07/09</td> <td>2025/07/09</td> <td>Taiwan Stock Exchange Corporation (TWSE)</td> <td>2025 Cathay Sustainable Banking and Climate Change Summit</td> <td>6</td> </tr> </tbody> </table> <p>Continuing Education of Director Chien Hung Yu:</p> <table border="1"> <thead> <tr> <th colspan="2">Course date</th> <th rowspan="2">Exam Administrator</th> <th rowspan="2">Course name</th> <th rowspan="2">Course hours</th> </tr> <tr> <th>From</th> <th>Until</th> </tr> </thead> <tbody> <tr> <td>2026/01/29</td> <td>2026/01/29</td> <td>Corporate Operating and Sustainable Development Association</td> <td>Legal Liabilities for False or Misleading Sustainable Information Disclosure (Greenwashing)</td> <td>3</td> </tr> </tbody> </table> <p>Continuing Education of Director Chen Yung Lin:</p> <table border="1"> <thead> <tr> <th colspan="2">Course date</th> <th rowspan="2">Exam Administrator</th> <th rowspan="2">Course name</th> <th rowspan="2">Course hours</th> </tr> <tr> <th>From</th> <th>Until</th> </tr> </thead> <tbody> <tr> <td>2025/03/05</td> <td>2025/03/05</td> <td>Training programs organized by the firm</td> <td>Revisions to the Firm's Anti-Money Laundering Procedures and Implementation Methods</td> <td>2</td> </tr> </tbody> </table>	Course date		Exam Administrator	Course name	Course hours	From	Until	2025/07/09	2025/07/09	Taiwan Stock Exchange Corporation (TWSE)	2025 Cathay Sustainable Banking and Climate Change Summit	6	Course date		Exam Administrator	Course name	Course hours	From	Until	2026/01/29	2026/01/29	Corporate Operating and Sustainable Development Association	Legal Liabilities for False or Misleading Sustainable Information Disclosure (Greenwashing)	3	Course date		Exam Administrator	Course name	Course hours	From	Until	2025/03/05	2025/03/05	Training programs organized by the firm	Revisions to the Firm's Anti-Money Laundering Procedures and Implementation Methods	2	
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Scope of assessment	Implementation Status						The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies	
	Yes	No	Summary					
			2025/03/10	2025/03/10	CPA ASSOCIATIONS R.O.C (TAIWAN)	Analysis of Criminal Legal Risks for CPAs in Audit Engagements: Focusing on the Audit of Subsequent Events	3	
			2025/03/20	2025/03/20	CPA ASSOCIATIONS R.O.C (TAIWAN)	The Advent of the Digital Era: The Impact of Information System Internal Controls and Cybersecurity Risks on Financial Statement Audit Practice	3	
			2025/03/21	2025/03/21	CPA ASSOCIATIONS R.O.C (TAIWAN)	Seminar on “Introduction to the Latest Tax Hot Topics”	3	
			2025/06/17	2025/06/17	CPA ASSOCIATIONS R.O.C (TAIWAN)	Analysis of the Latest Crime Trends and Anti-Money Laundering Investigations	3	
			2025/07/22	2025/07/22	CPA ASSOCIATIONS R.O.C (TAIWAN)	Roundtable on Court Case Rotation Practice Sharing	3	
			2025/07/25	2025/07/25	CPA ASSOCIATIONS R.O.C (TAIWAN)	Considerations of Materiality in Sustainability Information Disclosure	3	
			2025/09/08	2025/09/08	CPA ASSOCIATIONS R.O.C (TAIWAN)	Cross-Strait ESG Practices and Responses under Trump’s Global Reciprocal Tariffs	5	

Scope of assessment	Implementation Status						The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies	
	Yes	No	Summary					
			2025/09/10	2025/09/10	CPA ASSOCIATIONS R.O.C (TAIWAN)	Discussion on the Overall Evaluation Standards for CPA Firms and Common Deficiencies	3	
			2025/09/10	2025/09/10	CPA ASSOCIATIONS R.O.C (TAIWAN)	Statement of Quality Management Standards No. 1 “Quality Management for CPA Firms”	3	
			2025/11/04	2025/11/04	CPA ASSOCIATIONS R.O.C (TAIWAN)	U.S. Trusts and Cross-Border Wealth Succession	3	
			2025/11/10	2025/11/10	CPA ASSOCIATIONS R.O.C (TAIWAN)	Understanding the Industrial Land System and Key Considerations for Purchase and Sale Transactions	3	
			2025/11/19	2025/11/19	CPA ASSOCIATIONS R.O.C (TAIWAN)	Introduction to the Taxpayer Rights Protection Act and Sharing of Related Cases	3	
			2025/12/22	2025/12/22	CPA ASSOCIATIONS R.O.C (TAIWAN)	Case Analysis of Identifying Predicate Offense Threats in Risk Assessment Reports on Money Laundering, Terrorist Financing, and Proliferation Financing	3	

Scope of assessment	Implementation Status			The deviation and causes of Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies																	
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			<p>Continuing Education of Director Lu Yeh Senms:</p> <table border="1"> <thead> <tr> <th colspan="2">Course date</th> <th rowspan="2">Exam Administrator</th> <th rowspan="2">Course name</th> <th rowspan="2">Course hours</th> </tr> <tr> <th>From</th> <th>Until</th> </tr> </thead> <tbody> <tr> <td>2025/05/16</td> <td>2025/05/16</td> <td>Securities and Futures Institute</td> <td>2025 Insider Trading Prevention Presentation Conference</td> <td>3</td> </tr> <tr> <td>2025/07/09</td> <td>2025/07/09</td> <td>Taiwan Stock Exchange Corporation (TWSE)</td> <td>2025 Cathay Sustainable Banking and Climate Change Summit</td> <td>6</td> </tr> </tbody> </table> <p>(VII) Implementation of Risk Management Policies and Risk Measurement Criteria: The Company adopts internal regulations pursuant to laws to conduct various risk assessments.</p> <p>(VIII) Implementation of Customer Policy: The Company convenes a business review meeting with customers regularly, in order to verify customers' opinions and questions about products, maintain a stable and fair relationship, and create profit for the Company.</p> <p>(IX) Purchase of Liability Insurance by the Company for Directors and Supervisors: The Company has purchased "liability insurance for directors, supervisors, and managers".</p>	Course date		Exam Administrator	Course name	Course hours	From	Until	2025/05/16	2025/05/16	Securities and Futures Institute	2025 Insider Trading Prevention Presentation Conference	3	2025/07/09	2025/07/09	Taiwan Stock Exchange Corporation (TWSE)	2025 Cathay Sustainable Banking and Climate Change Summit	6	
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<p>IX. Please specify the status of the corrections based on the Corporate Governance Assessment Report released by the Corporate Governance Center of the TWSE in the most recent year, and the priority corrective actions and measures against the remaining deficiencies: The Company continues to take related actions and measures in accordance with the Company's internal regulations, subject to the corporate governance evaluation result, in order to practice corporate governance.</p>																					

Note: CPA independence and suitability evaluation items:

1. The AQIs provided by KPMG were used to evaluate the independence and suitability of the CPA's firms and CPAs: (1) professionalism: audit experience, training hours, turnover, and professional support; (2) quality control: CPAs' load, audit efforts, EQCR reviews, and quality control support capabilities (3) independence: non-audit fees and client familiarity; (4) supervision: deficiencies and penalties found in external inspections and the letters issued by competent authorities for improvement; (5) innovation ability: innovative plans or initiatives.
2. With reference to the evaluation indicators under the Article 47 of The Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10: (1) the CPAs have not served for more than 7 years; (2) whether members of the audit service team, other co-practicing accountants, or shareholders of corporate accounting firms, CPA's firm, affiliates of the firm, and affiliated firms maintain independent of the Company; (3) whether CPAs and the members of the audit service team assume the position of a director/supervisor, managers, or position that has material effects on the audit case in an audit customer at present or in the most recent two years; (4) the CPAs and members of the audit service team are not a relative of the Company's Directors/supervisors, managers, or persons with duties that has material effects on the audit case; (5) the CPAs are not assuming the position of a Director/supervisor, managers, or position that has material effects on the audit case within one year from stepping down as CPAs; (6) the CPAs have no direct or indirect significant financial interest in the Company; (7) the CPA's firm does not rely excessively on a single client (the Company) for remuneration; (8) there is no significant close business relationship between the CPAs and the Company; (9) there is no potential employment relationship between the CPAs and the Company; (10) the CPAs have no contingent fee related to the audit case; (11) the CPAs do not represent the Company for defense in legal cases or other disputes with third-parties; (12) the CPAs shall not promote or act as an intermediary for the company's issued stocks or other securities; (13) the CPAs have no accept significant gifts, gratuities, or special favors from the company, its directors, supervisors, managers, or major shareholders; (14) the CPAs or members of the audit service team do not keep money on behalf of the Company; (15) whether the CPAs have complied with the requirements related to independence under The Norm of Professional Ethics for Certified Public Accountant No. 10 and whether the "Declaration of Independence" issued by the CPAs is obtained; (16) the quality and timeliness of auditing and taxation services provided by the CPAs meet the needs of the Company; (17) whether the CPAs take the initiative to provide updated taxation and securities regulations and applicable requirements under new standards to the Company on a regular basis; (18) whether the CPAs assist in the communication and coordination with the competent authorities; (19) whether the CPAs have appropriate interactions with the Audit Committee and keep the records before audit planning and the issuance of the audit opinion.

(IV) Composition, Responsibilities, and Functionality of the Remuneration Committee:

Information About Remuneration Committee Members

May 7, 2026

Criteria		Professional qualifications and experience	Independence Criteria	Number of other public companies in which the member concurrently serves as a remuneration committee member:
ID	Name			
Independent Director (Convener)	Chen Yung Lin	<ul style="list-style-type: none"> <li>● Graduate of Baylor University, Texas, MBA</li> <li>● Former Positions: Auditor, Deloitte Taiwan; Senior Auditor, PricewaterhouseCoopers Taiwan (PwC Taiwan); Partner, Guangxin CPA Office; Director and Supervisor, Taipei City CPA Association; Supervisor, MetaTech (AP) Inc.; Supervisor, CPA Associations, R.O.C. (Taiwan)</li> <li>● Current position: Partner, RSM Taiwan</li> </ul>	<ol style="list-style-type: none"> <li>1. None of them or their spouses or relatives within the second degree of kinship is an employee of the Company or any of the Company's affiliates.</li> <li>2. None of them or their spouses or relatives within the second degree of kinship is a director or supervisor of the Company or any of the Company's affiliates.</li> <li>3. None of them or their spouses or underage children, and those holding shares in the name of a third party holds more than 1% of the Company's shares or is one of the Company's top 10 natural-person shareholders. Independent Director Lu Yeh Senms, who holds 0.22% of the Company's shares, is not one of the Company's top 10 natural-person shareholders. The other three independent directors do not hold any shares of the Company.</li> </ol>	0
Independent Director	Li Chih Feng	<ul style="list-style-type: none"> <li>● Graduate of the Department of Risk Management and Insurance Law Group of National Chengchi University, Ph.D.</li> <li>● Former positions: Attorney-at-Law, Hongsheng Maritime and Business Law Office; Attorney-at-Law, AON; Legal Manager, HSBC Life (International) Limited; Associate Professor, Department of Financial and Economic Law of Fu Jen Catholic University, Financial Ombudsman Institution</li> <li>● Current Positions: Professor, Department of Law of Soochow University; Independent Director and Member of the Audit / Compensation Committee, Morteck Corporation; Independent Director and Member of the Senior Executive Nomination / Compensation Committee, Fubon Hyundai Life; Arbitrator, Chinese Arbitration Association, Taipei</li> </ul>	<ol style="list-style-type: none"> <li>4. Not a director, supervisor, or employee of any institutional shareholder that: 1. holds 5% or more of the Company's outstanding shares; 2. is a top-5 shareholder; or 3. appoints director/supervisor representative in the Company according to Paragraph 1 or 2, Article 27 of The Company Act.</li> <li>5. Not a director, supervisor, or employee of any other company that controls directorship in the company or where more than half of total voting rights are controlled by a single party.</li> <li>6. Does not assume concurrent duty as Chairman, President, or equivalent role, and is not a director, supervisor, or employee of another company or institution owned by a spouse.</li> <li>7. Not a director, supervisor, officer, or shareholder holding 5% or more of the total outstanding shares of a specified company or institution that has a financial or business relationship with the Company.</li> </ol>	2
Independent Director	Lu Yeh Senms	<ul style="list-style-type: none"> <li>● Graduate of the Graduate Institute of International Business Administration of Chinese Culture University, Ph.D.</li> <li>● Former positions: Manager, Ming Yuan Certified Public Accountants; Financial Manager, Ming Yuan Business Management Consulting Co., Ltd.</li> <li>● Current position: Assistant Professor, Department of International Business Administration of Chinese Culture University</li> </ul>	<ol style="list-style-type: none"> <li>8. Professional individual or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that provides auditing services to the Company or any affiliated company of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliated company of the Company for which the provider in the most recent two years receiving cumulative compensation not exceeding NT\$500,000, or a spouse thereof; none of the four independent directors has provided auditing services or received compensation for said services exceeding NT\$0 in the most recent two years.</li> </ol>	0

Criteria		Professional qualifications and experience	Independence Criteria	Number of other public companies in which the member concurrently serves as a remuneration committee member:
ID	Name			
Independent Director	Chan Chin Ping	<ul style="list-style-type: none"> <li>● Graduate of the Master of Science in Materials Science and Engineering, National Taipei University of Technology.</li> <li>● Former Positions: Engineer/Team Lead, UI Tran Technology &amp; Service Co.</li> <li>● Current Position: Chief Engineer, Tekscend Photomask Chunghwa Inc.</li> </ul>	9. Not a relative within the second degree of kinship to any other director of the company. 10. Not been a person of any conditions defined in Article 30 of the Company Act. 11. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Act.	0

Name	Criteria	Independence Criteria				
		Whether them or their spouses or relatives within the second degree of kinship are directors or supervisors of the Company or any of the Company's affiliates	Number and percentage of the Company's shares held in their own names or names of the spouses or relatives within the second degree of kinship (or proxy shareholder)		Whether they serve as directors, supervisors, or employees in any entity that has a certain relationship with the Company	Amount of remuneration received in the most recent two years for providing commercial, legal, financial, accounting, or other professional services to the Company and its affiliates
			Shares	Percentage		
Chen Yung Lin	No	0	0%	No	0	
Li Chih Feng	No	0	0%	No	0	
Lu Yeh Senms	No	308,000	0.22%	No	0	
Chan Chin Ping	No	0	0%	No	0	

Information concerning the remuneration committee

1. The Company's Remuneration Committee consists of four members.
2. Current Members' Term of Office: The term of office commenced from June 27, 2023 until June 14, 2026. A total of seven (A) Remuneration Committee meetings were convened in the most recent year (from 2025 to May 7, 2026). Below are the members' qualifications and attendance records:

Title	Name	Actual attendance (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener	Chen Yung Lin	7	0	100	
Member	Li Chih Feng	7	0	100	
Member	Lu Yeh Senms	7	0	100	
Member	Chan Chin Ping	7	0	100	

Other items to be stated:

- (1) Where the Board of Directors rejects or modifies suggestions from the Remuneration Committee, please disclose the date and session of the meeting, contents of the motions, resolution made by the Board of Directors' meeting, and how the Company has responded to Remuneration Committee's opinions: None.
- (2) Where any resolution(s) by the Remuneration Committee is passed but with a member voicing opposing or qualified opinions on the record or in writing, please disclose the date and session of the meeting, contents of the motion, the entire members' opinions, and how their opinions are addressed: None.

(3)

Date of Remuneration Committee Meeting	Motion	Resolution	How has the Company responded to the Remuneration Committee's opinions
Fifth Meeting of Fifth Remuneration Committee 2025.01.10	Review of payment of the 2024 year-end bonus to managers.	The Remuneration Committee members agreed to pass the motion unanimously.	Remuneration Committee resolution is agreed.

Sixth Meeting of Fifth Remuneration Committee 2025.03.04	1.Reported on the Board of Directors' performance evaluation result. 2.Review of payment of 2024 remuneration to employees and directors.	Acknowledged.  The Remuneration Committee members agreed to pass the motion unanimously.	None.  Remuneration Committee resolution is agreed.
Seventh Meeting of Fifth Remuneration Committee 2025.04.30	Proposal for the discussion of the distribution of the remuneration of directors of investees appointed by the Company.	The Remuneration Committee members agreed to pass the motion unanimously.	Remuneration Committee resolution is agreed.
Eighth Meeting of Fifth Remuneration Committee 2025.10.29	Amendment to “ Regulations of Employee Stock Ownership Trust” .	The Remuneration Committee members agreed to pass the motion unanimously.	Remuneration Committee resolution is agreed.
Ninth Meeting of Fifth Remuneration Committee 2026.01.22	1.Review of payment of the 2025 year-end bonus to managers. 2.Proposal for staff promotion.	The Remuneration Committee members agreed to pass the motion unanimously.	Remuneration Committee resolution is agreed.
Tenth Meeting of Fifth Remuneration Committee 2026.03.03	Reported on the Board of Directors' performance evaluation result.	Acknowledged.	None.
Eleventh Meeting of Fifth Remuneration Committee 2026.04.29	Proposal for the discussion of the distribution of the remuneration of directors of investees appointed by the Company.	The Remuneration Committee members agreed to pass the motion unanimously.	Remuneration Committee resolution is agreed.

(V) Implementation Status of Sustainable Development Practices, and Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof
	Yes	No	Summary	
I. Does the Company implement a governance framework that supports sustainable development, and designate a unit that specializes (or is involved) in the promotion of sustainable development? Is the unit empowered by the Board of Directors and run by senior management, and how does the Board supervise progress?	V		In order to create the maximum interest for shareholders and employees and fulfill the social responsibility based on the philosophy of sustainability and enhanced corporate value, the Company established the “Corporate Social Responsibility Steering Committee” in 2014, in order to supervise and review the affairs related to compliance with the Code of Conduct. The Committee was renamed the “Sustainable Development Team” in 2023. Meanwhile, the Company established the Sustainable Development Best Practice Principles and the establishment of the Sustainable Development Committee Charter in 2024. The Committee convenes meetings regularly and reports to the Board of Directors at least once per year on the Company’s promotion of the sustainable development, including the sustainable development policy, target and management policy, risk management, climate change risks and opportunities, and GHG and energy management; the 2025 implementation status was reported to the Board on May 7, 2026. Sustainable Development Team is also responsible for overall planning about the effective operation of each department’s sustainable development policy.	No material deviation was found.
II. Has the company conducted risk assessment on environmental, social and corporate governance issues that are relevant to its operations, and implemented risk management policies or strategies based on principles of materiality?	V		(I) In order to strengthen corporate governance, establish an effective risk management system, and steadily operate its business toward the goal of corporate sustainability, the Company established the Risk Management Policy and Procedures in 2024 in accordance with the “Risk Management Best Practice Principles for TWSE/TPEX	No material deviation was found.

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof
	Yes	No	Summary	
			<p>Listed Companies,” and reports on the operation of risk management to the Board of Directors at least once a year. The most recent report was made on March 11, 2026.</p> <p>(II) The Sustainability Committee identifies key stakeholders by referencing the five principles of the AA 1000 SES standard: materiality, completeness, responsiveness, multi stakeholder inclusiveness, and sustainability context. These stakeholders are categorized into six groups, including customers, employees, suppliers, government agencies, contractors, and investors, to serve as the foundation for stakeholder communication. We have identified five key stakeholders: employees, customers, suppliers, investors, and community/nonprofit organizations. By referencing relevant international sustainability trends, research reports, literature, and internally prioritized issues, we broadly conducted internal and external surveys and collected information on environmental, social, and governance (ESG) topics relevant to each key stakeholder group. Through stakeholder questionnaires and statistical analysis, we effectively identified, measured, and assessed issues that could have a significant impact on the Company, investors, and other stakeholders. The comprehensive evaluation serves as the basis for our important corporate sustainability development direction, and it helps to solidify our ESG strategies and the specific action plans we will adopt.</p>	

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof						
	Yes	No	Summary							
			<p>(III) The company's risk identification and measures are as follows:</p> <table border="1"> <tr> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Material issues</td> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Issue identification</td> <td>Risk management policy or strategy</td> </tr> <tr> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Society</td> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Product safety</td> <td> <ol style="list-style-type: none"> <li>1. The Company's products comply with product and service laws and regulations formulated by the government and brands.</li> <li>2. Production complies with the relevant specifications of QC080000, and raw materials or chemical ingredients containing substances generally prohibited are excluded from the process from the beginning to ensure product quality and safety.</li> <li>3. To protect customer rights and interests and safeguard service quality, the Company has established its Regulations for Handling Customer Complaints and has set up a customer service line and communication website.</li> </ol> </td> </tr> </table>	Material issues	Issue identification	Risk management policy or strategy	Society	Product safety	<ol style="list-style-type: none"> <li>1. The Company's products comply with product and service laws and regulations formulated by the government and brands.</li> <li>2. Production complies with the relevant specifications of QC080000, and raw materials or chemical ingredients containing substances generally prohibited are excluded from the process from the beginning to ensure product quality and safety.</li> <li>3. To protect customer rights and interests and safeguard service quality, the Company has established its Regulations for Handling Customer Complaints and has set up a customer service line and communication website.</li> </ol>	
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Items	Implementation Status			Summary	Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof
	Yes	No			
				<p>Human rights policy</p> <ol style="list-style-type: none"> <li>1. In accordance with labor regulations in Taiwan and the requirements of the International Labor Organization (ILO), we formulated employment commitments that comply with ethical and fair norms and eliminate human rights violations.</li> <li>2. Comply with RBA requirements and implement a zero placement fee policy for foreign workers.</li> <li>3. The Company organizes forced labor prevention and related education and training courses from time to time each year.</li> </ol>	
				<p>Occupational safety</p> <ol style="list-style-type: none"> <li>1. Make regular safety declarations for plants and buildings regularly as required by law.</li> <li>2. Conduct daily occupational safety patrol inspections and hold occupational safety meetings each quarter to discuss safety and health plans and examine the implementation status.</li> <li>3. Fire drills and occupational safety education and training are regularly organized each year to enhance employee occupational safety awareness and response capacity.</li> </ol>	

Items	Implementation Status			Summary	Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof
	Yes	No			
				<p>4. Implement the ISO45001 occupational health and safety management system certification, identify the hazards and risks of the operating environment, and have prevention policies in place to avoid occupational safety problems.</p> <p>Social welfare</p> <p>1. The Company established a corporate volunteer club to strengthen the mutual support system for internal employees, cultivate employee concept of public welfare, and encourage employees to participate in social volunteer services apart from work to contribute to society.</p> <p>2. The Company and its employees are committed to giving back to society and actively participate in a number of social welfare activities.</p>	

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof						
	Yes	No	Summary							
			<table border="1"> <tr> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Environmental protection</td> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Green plants</td> <td> <p>Formulate implementation plans and programs each year and regularly track and examine the progress of the targets to ensure the achievement of the targets.</p> <ol style="list-style-type: none"> <li>1. Implement the ISO14001 environmental management system certification and establish, implement, maintain and continuously improve according to its requirements in order to achieve the expected results, including improvement of the organization's environmental performance.</li> <li>2. Promote environmental policies and make improvements to the process and equipment to effectively reduce energy waste and reduce carbon emissions.</li> <li>3. Replaced certain old cooled water chillers for energy-saving management of equipment.</li> <li>4. Disclose data on GHG, water consumption, and waste.</li> <li>5. Continue to develop and promote recyclable materials.</li> </ol> </td> </tr> <tr> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Corporate governance</td> <td style="writing-mode: vertical-rl; transform: rotate(180deg);">Stakeholder communications</td> <td> <p>Establish various communication channels and actively communicate to reduce conflicts and misunderstandings. Dedicated personnel will respond to relevant communication issues through the contact channel.</p> </td> </tr> </table>	Environmental protection	Green plants	<p>Formulate implementation plans and programs each year and regularly track and examine the progress of the targets to ensure the achievement of the targets.</p> <ol style="list-style-type: none"> <li>1. Implement the ISO14001 environmental management system certification and establish, implement, maintain and continuously improve according to its requirements in order to achieve the expected results, including improvement of the organization's environmental performance.</li> <li>2. Promote environmental policies and make improvements to the process and equipment to effectively reduce energy waste and reduce carbon emissions.</li> <li>3. Replaced certain old cooled water chillers for energy-saving management of equipment.</li> <li>4. Disclose data on GHG, water consumption, and waste.</li> <li>5. Continue to develop and promote recyclable materials.</li> </ol>	Corporate governance	Stakeholder communications	<p>Establish various communication channels and actively communicate to reduce conflicts and misunderstandings. Dedicated personnel will respond to relevant communication issues through the contact channel.</p>	
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Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof			
	Yes	No	Summary				
			<table border="1"> <tr> <td></td> <td>Information security</td> <td>           1. Continue to reinforce the management of computer equipment, network security, virus protection, and system access control.            2. Enhance information security advocacy, education and training.         </td> </tr> </table>		Information security	1. Continue to reinforce the management of computer equipment, network security, virus protection, and system access control. 2. Enhance information security advocacy, education and training.	
	Information security	1. Continue to reinforce the management of computer equipment, network security, virus protection, and system access control. 2. Enhance information security advocacy, education and training.					
<p>III. Environmental issues</p> <p>(I) Has the Company established environmental policies suitable for the Company's industrial characteristics?</p> <p>(II) Does the Company endeavor to utilize all resources more efficiently, and use renewable materials which have a low impact on the environment?</p> <p>(III) Does the company assess potential risks and opportunities associated with climate change, and undertake measures in response to climate issues?</p>	<p>V</p> <p>V</p> <p>V</p>		<p>(I) No harmful waste has been generated from the Company's production process. Industrial waste disposal is contracted to qualified service providers. In addition, the Company has obtained the ISO 14001 environmental management system certificate (valid period: 2023/08/10 - 2026/08/09), and will conduct internal and external audits regularly.</p> <p>(II) The Company's plants are committed to promoting digital operations and reducing the amount of paper required for documentation to implement energy conservation, recycling, and adoption of green products, hoping to save expenditures and reduce product costs, create profit advantages, and improve the Group's overall operating performance.</p> <p>(III) The Company passed ISO14064-1 GHG Accounting Standard Certification in 2011, and also conducts the internal and external audits regularly. Meanwhile, the Company pays attention to potential risks and opportunities to enterprises which may be caused by climate changes, and takes corresponding measures based on the evaluation of materiality of the issues.</p>	<p>No material deviation was found.</p> <p>No material deviation was found.</p> <p>No material deviation was found</p>			

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof																																	
	Yes	No	Summary																																		
(IV) Does the company maintain statistics on greenhouse gas emission, water usage and total waste volume in the last two years, and implement policies aimed at reducing energy, carbon, greenhouse gas, water, and waste?	V		<p>(IV) The statistics and policies are as follows:</p> <p>1. The Company's greenhouse gas inventory statistics for the past two years are as follows:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>GHG emission Scope 1</td> <td>69.052 (Metric tons of CO2-e)</td> <td>102.197 (Metric tons of CO2-e)</td> </tr> <tr> <td>GHG emission Scope 2</td> <td>2991.963 (Metric tons of CO2-e)</td> <td>2543.620 (Metric tons of CO2-e)</td> </tr> <tr> <td>Factory premises</td> <td>Taiwan</td> <td>Taiwan</td> </tr> </tbody> </table> <p>Note: The total emissions in 2025 were 2,645.817 metric tons of CO2e, representing a decrease of 13.6% compared with the total emissions of 3,061.015 metric tons of CO2e in 2024. The main reason was the adjustment of production scheduling, which led to a reduction in the load on the air-conditioning system and a corresponding decrease in overall electricity consumption.</p> <p>2. The Company's water consumption statistics for the past two years are as follows:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Water consumption</td> <td>52,078(tons)</td> <td>36,118(tons)</td> </tr> <tr> <td>Factory premises</td> <td>Taiwan</td> <td>Taiwan</td> </tr> </tbody> </table> <p>3. The Company's waste statistics for the past two years are as follows:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>General Industrial Waste</td> <td>12.79(tons)</td> <td>9.29(tons)</td> </tr> <tr> <td>Hazardous Industrial Waste</td> <td>0(tons)</td> <td>0(tons)</td> </tr> <tr> <td>Factory premises</td> <td>Taiwan</td> <td>Taiwan</td> </tr> </tbody> </table>	Item	2024	2025	GHG emission Scope 1	69.052 (Metric tons of CO2-e)	102.197 (Metric tons of CO2-e)	GHG emission Scope 2	2991.963 (Metric tons of CO2-e)	2543.620 (Metric tons of CO2-e)	Factory premises	Taiwan	Taiwan	Item	2024	2025	Water consumption	52,078(tons)	36,118(tons)	Factory premises	Taiwan	Taiwan	Item	2024	2025	General Industrial Waste	12.79(tons)	9.29(tons)	Hazardous Industrial Waste	0(tons)	0(tons)	Factory premises	Taiwan	Taiwan	No material deviation was found.
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Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof
	Yes	No	Summary	
			<p>4. The Company's policies on energy saving and carbon reduction, greenhouse gas reduction, water reduction or other waste management are as follows:</p> <p><b><u>Energy and resource consumption and reduction of greenhouse gas emissions:</u></b></p> <p>The introduction of equipment for production and manufacturing is as follows:</p> <ol style="list-style-type: none"> <li>(1) Smart manufacturing introduction: Real-time monitoring and control of the operation of the molding machine to improve production efficiency and reduce shutdown time.</li> <li>(2) Production efficiency improvement: Introduce automated equipment system, improve production line efficiency by 20%, and reduce costs.</li> <li>(3) Promotion of reengineering projects: Reengineering of old equipment to extend equipment lifespan, thereby reducing the need for new equipment purchase, and lessen resource consumption. (Appearance inspection device)</li> <li>(4) Fully enclosed dust-free molding workshop: Completely enclosed dust-free design that meets the high cleanliness production requirements for medical and high-end electronic products.</li> </ol> <p><b><u>Water resource management:</u></b></p> <p>Water reduction measures: The Company has adjusted its production processes, which reduced the amount of water used in production processes. The Company also uses water recycling equipment to recycle wastewater, which effectively reduces the water consumed and</p>	

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof
	Yes	No	Summary	
			<p>wastewater discharged. Water consumption in 2025 is expected to be 31% less than in 2024.</p> <p><b><u>Waste management:</u></b>  The Company has established the “EP-04-04 Waste Disposal Procedure” to evaluate various sources of environmental pollution and implement waste classification from the source. Through comprehensive assessment of environmental factors within the factory, we review raw material usage, waste generation, and classification progress to continuously improve the production process and effectively reduce environmental pollution. All the Company’s waste is non-hazardous waste. The amount of waste produced every year is strictly managed. Waste is all disposed of by qualified institutions approved by the government. The management target unit’s waste reduction rate is 2% compared to the previous year.</p>	
IV. Social issues (I) Whether the Company establishes the related management policies and procedures in accordance with the relevant laws and international human right conventions?	V		(I) The Company complies with the Labor Standards Act and RBA rules, adopts related policies, and posts them on the Company’s website (www.minaik.com.tw). In addition to the labor/national health insurance, the Company also enrolls each employee into the group accidental insurance program. The Company has also established the Employee Welfare Committee, and convenes labor-management meetings periodically to maintain employees’ interests and rights.	No material deviation was found.

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof						
	Yes	No	Summary							
(II) Has the company developed and implemented reasonable employee welfare measures (including compensation, leave of absence and other benefits), and appropriately reflected business performance or outcome in employees' compensations?	V		(II) The Company has adopted work rules and related HR management regulations covering the requirements under the Labor Standards Act, such as the base pay, working hours, leave, pension, labor/national health insurance benefits, and occupational accident compensation of the Company's employees. The Company established the Employee Welfare Committee which operates through the Welfare Committee formed upon election by the employees and takes charge of various welfare affairs. The Company's compensation policy is subject to the positive correlation between personal ability, contribution to the Company, performance, and relationship with business performance.	No material deviation was found.						
(III) Whether the Company provides the existence of a safe and healthy work environment; regular safety and health training to company employees?	V		(III)1. In order to provide a healthy and safe working environment, the Company adopts environmental and occupational health and safety policies, and organizes employees' safety promotion, conducts employees' health checkups, and complies with related laws and regulations. 2. Physicians and nurses are specially hired to provide on-site services so that employees can enjoy professional medical consultation in plants. 3. Number of occupational accidents in 2025, the number of persons involved, and the ratio to the total number of employees are as follows: <table border="1" data-bbox="1061 1257 1771 1406"> <thead> <tr> <th>Number of occupational accidents</th> <th>Number of persons involved</th> <th>Occupational accident ratio</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>215</td> <td>0.0%</td> </tr> </tbody> </table>	Number of occupational accidents	Number of persons involved	Occupational accident ratio	0	215	0.0%	No material deviation was found.
Number of occupational accidents	Number of persons involved	Occupational accident ratio								
0	215	0.0%								

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof						
	Yes	No	Summary							
(IV) Has the Company established some effective career development training plan for employees?	V		<p>Improvement measures: Regularly examine fool-proof and safety devices and implement pre-operation inspections.</p> <p>4.The number of occupational accidents in 2025, the number of casualties, and the ratio to the total number of employees are as follows:</p> <table border="1"> <thead> <tr> <th>Number of fire incidents</th> <th>Number of casualties</th> <th>Ratio to the total number of employees</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0</td> <td>0.0%</td> </tr> </tbody> </table> <p>Improvement measures: Regularly carry out fire control inspection and maintenance, declaration and fire drills.</p> <p>(IV) The Company values employees' career planning and potential development. The Company invests massive educational training resources each year, hoping to strengthen the enterprise's overall competition through employees' skills and quality.</p>	Number of fire incidents	Number of casualties	Ratio to the total number of employees	0	0	0.0%	No material deviation was found.
Number of fire incidents	Number of casualties	Ratio to the total number of employees								
0	0	0.0%								
(V) Has the company complied with laws and international standards with respect to customers' health, safety and privacy, marketing and labeling in all products and services offered, and implemented consumer protection policies and complaint procedures?	V		<p>(V) The Company's marketing and labeling of products and services comply with the relevant laws and regulations and international standards. With respect to the sold products, the Company will issue a Declaration of Conformity under international laws and regulations including CE, FCC, VCCI, UL, REACH, RoSH, WEEE, EuP, and halogen-free requirements, per customers' needs. Meanwhile, in order to protect customers' privacy, the Company complies with the Non-disclosure Agreement and Personal Data Protection Act, established a customer service unit and stakeholder section to protect consumers' interest policy, and also provide grievance channels.</p>	No material deviation was found.						

Items	Implementation Status			Deviation From the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and Causes Thereof
	Yes	No	Summary	
(VI) Has the company implemented a supplier management policy that regulates suppliers' conducts with respect to environmental protection, occupational safety and health or work rights/human rights issues, and tracked suppliers' performance on a regular basis?	V		(VI) The Company performs supplier evaluations regularly, and also asks suppliers to sign the "Commitment of Suppliers for Corporate Social Responsibility" according to the RBA requirements, in order to work with each other to improve corporate social responsibility. Most of the Company's domestic/foreign suppliers have worked with the Company permanently. If any of them is suspected of violating its corporate social responsibility policies or renders remarkable effect to the environment and society adversely, the Company may terminate or rescind the contract with it at any time.	No material deviation was found.
V. Does the Company prepare the sustainable development report or any report on non-financial information based on international reporting standards or guidelines? Are the above mentioned reports supported by assurance or opinion of a third-party certifier?	V		The Company prepared the Sustainability Report in accordance with the latest GRI Standards issued by the Global Reporting Initiative (GRI). The aforesaid report has not yet obtained any assurance or verification opinion from an independent third-party assurance provider.	No material deviation was found.
VI. If the Company has established its own sustainable development policies in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe the current practices and any deviations thereof from such principles: The Company has established its own "Sustainable Development Best Practice Principles." After considering the Company's current status and regulatory requirements, the Company has implemented the system in a step-by-step manner, and there is no significant difference.				
VII. Other information useful to the understanding of sustainable practices: For more information, please visit the corporate governance and ESG on the Company's website ( <a href="https://www.minaik.com">https://www.minaik.com</a> ).				

### Implementation of climate-related information

Item	Implementation status									
<p>I. Describe the supervision and governance of climate-related risks and opportunities by the Board and the management.</p>	<p>I. The Board attaches attention to climate issues and promotes and monitors the effectiveness of functional committees. The organizational structure for sustainable development was established in 2023; it is composed of senior management and the sustainable development promotion taskforce. The taskforce shall hold a meeting at least once a year to report to the Board regarding the material information and implementation status, including the implementation effects of energy conservation and carbon reduction, GHG emissions management, climate impact evaluations, and the achievement progress of sustainability targets.</p>									
<p>II. Describe the effects of climate risks and opportunities identified on the Company's business, strategy, and finance (short-, mid-, and long-term).</p>	<p>II.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Affected timetable</th> <th style="width: 55%;">Effects of risk/ opportunity issues</th> <th style="width: 30%;">Countermeasures</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Short-term</td> <td>Production interruptions and an increase in operating costs due to extreme rainfall and drought, rising raw material costs, and government taxes on carbon and energy.</td> <td>Strengthen disaster prevention facilities, use low-carbon energy, and adopt more efficient production, distribution, and transportation methods to respond.</td> </tr> <tr> <td style="text-align: center;">Mid-term</td> <td>The decrease in the demand for existing products/services, write-offs of existing assets, and early scrapping due to changes in the preference and initial living and consumption models of consumers and changes in the average rainfall.</td> <td>Develop smart manufacturing production lines and plants to respond to changes in industrial trends and formulate climate adaptation plans to increase income and reduce climate threats.</td> </tr> </tbody> </table>	Affected timetable	Effects of risk/ opportunity issues	Countermeasures	Short-term	Production interruptions and an increase in operating costs due to extreme rainfall and drought, rising raw material costs, and government taxes on carbon and energy.	Strengthen disaster prevention facilities, use low-carbon energy, and adopt more efficient production, distribution, and transportation methods to respond.	Mid-term	The decrease in the demand for existing products/services, write-offs of existing assets, and early scrapping due to changes in the preference and initial living and consumption models of consumers and changes in the average rainfall.	Develop smart manufacturing production lines and plants to respond to changes in industrial trends and formulate climate adaptation plans to increase income and reduce climate threats.
Affected timetable	Effects of risk/ opportunity issues	Countermeasures								
Short-term	Production interruptions and an increase in operating costs due to extreme rainfall and drought, rising raw material costs, and government taxes on carbon and energy.	Strengthen disaster prevention facilities, use low-carbon energy, and adopt more efficient production, distribution, and transportation methods to respond.								
Mid-term	The decrease in the demand for existing products/services, write-offs of existing assets, and early scrapping due to changes in the preference and initial living and consumption models of consumers and changes in the average rainfall.	Develop smart manufacturing production lines and plants to respond to changes in industrial trends and formulate climate adaptation plans to increase income and reduce climate threats.								

Item	Implementation status		
	Long-term	Decrease in production capacity, rising infrastructure costs, and forced changes in labor management and planning due to increased water resource pressure and changes in the average temperature.	Improve the overall disaster response capability and introduce diverse alternative energy sources to reduce the level of risk impacts.
III. Describe the impact of extreme weather events and transformation actions on finance.	III. The impact of extreme weather and climate change may result in an inability to acquire specific raw materials, an increase in the procurement cost, and rising energy prices, causing an increase in the costs of energy consumption of the Company. Climate change gives rise to multiple risks; the Company shall improve its risk management and comply with laws and regulations and relevant expenses.		
IV. Describe the incorporation method of the identification, evaluation, and management procedures of climate risks in the overall risk management system.	IV. Under the Sustainable Development Committee, the Company's risk management scope is divided into corporate governance, social responsibility, and environmental sustainability (including climate risk). Based on the risk management practices and the materiality principles, the Company identifies the risks that it is exposed to, concludes different types of risk factors, proposes countermeasures, makes regular examinations and reports to the Committee and the Board.		
V. If scenario analysis is used to assess resilience in the face of climate change risks, the scenarios, parameters, assumptions, analysis factors used, and major financial impacts shall be specified.	V. The Company has not adopted scenario analysis for climate change.		
VI. If there is a transformation plan in response to the management of climate-related risks, the content of the plan and the indicators and targets used to identify and manage physical risks and transformation risks shall be specified.	VI. The Company has no transformation plan in response to climate-related risks at present.		

Item	Implementation status
VII. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be specified.	VII. The Company has not adopted an internal carbon pricing policy.
VIII. If climate-related goals are set, the activities covered, the scope of GHG emissions, the planned period, and the progress of each year shall be specified; if carbon offsets or renewable energy certificates (RECs) were used to achieve the goals, the source and quantity of carbon reduction credits or quantity of RECs used for exchange shall be specified.	VIII. The Company has not yet used carbon offsets or renewable energy certificates (RECs) as tools for carbon reduction planning. With respect to greenhouse gas emission management, the Company conducts planning and control in accordance with the timeline set out in the "Sustainability Development Roadmap for TWSE/TPEX Listed Companies" issued by the Financial Supervisory Commission. To optimize energy use efficiency and implement energy saving and carbon reduction, the Company, guided by its original intention to reduce environmental impact and build climate resilience, has established short-, medium-, and long-term sustainability management goals. By promoting action plans year by year and regularly reviewing implementation results, the Company has set a short-term target of an average annual carbon reduction of 3%; in the long term, it will closely follow government policies, strive for excellence in energy transition efficiency, and continue to deepen its environmental protection initiatives.
IX. GHG inventory and assurance status, as well as reduction targets, strategies, and substantial action plans.	IX. The Company is a company with a paid-in capital of less than NT\$5 billion. In response to the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" promoted by the FSC, the Company discloses its GHG inventory and assurance information in stages. The parent company shall complete the inventory in 2026 and complete the verification in 2028. The subsidiaries in the consolidated financial statements shall complete the inventory in 2027 and complete the verification in 2029. To demonstrate its commitment to sustainability governance, the parent company plans to complete internal inventory and external verification in advance in 2026, and to implement a mechanism for quarterly monitoring and reporting to the Board of Directors. In addition, the Company has designated 2022 as the base year for carbon emissions and set an average annual carbon reduction target of 3% as a performance indicator.

(VI) Enforcement of business integrity, deviation and causes of deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies

Enforcement of Business Integrity

Scope of assessment	Implementation Status			The deviation and causes of Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
I. Enactment of ethical management policy and program				
(I) Has the company established a set of board-approved business integrity policy, and stated in its Memorandum or external correspondence about the policies and practices it implements to maintain business integrity? Are the board of directors and the senior management committed to fulfilling this commitment?	V		(I) The Company’s Board of Directors passed the “Ethical Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”. The Board members and senior management all promise to uphold and practice ethical management, and fulfill the liability and obligation as a good administrator in internal management and business activities.	No material deviation was found.
(II) Has the company developed systematic practices for assessing integrity risks? Does the company perform regular analyses and assessments on business activities that are prone to higher risk of dishonesty, and implement preventions against dishonest conducts that include at least the measures mentioned in Paragraph 2, Article 7 of “Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies”?	V		(II) In order to strictly prevent any conduct against ethical management, the Company established the “Ethical Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”, which expressly state that when performing business, the Company’s personnel are not allowed to offer or accept bribes or accept gifts that exceed normal social etiquette standards, and shall designate a unit responsible for supervising and executing the related operations.	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
(III) Has the company defined and enforced operating procedures, behavioral guidelines, penalties and grievance systems as part of its preventive measures against dishonest conducts? Are the above measures reviewed and revised on a regular basis?	V		(III) The Company established the “Ethical Management Best Practice Principles” and “Procedures for Ethical Management and Guidelines for Conduct”. Where any violation of laws or ethical management policy and rules is proven, the Company will apply its reward and punishment management regulations immediately. Meanwhile, the Company also established the “Procedures for Grievance, Whistleblowing, and Participation in Management” to provide multiple grievance channels, and keeps whistleblowers’ identities and reports in confidence.	No material deviation was found.
<p>II. Implementation of ethical management</p> <p>(I) Has the Company assessed a trading counterpart’s ethical management record, and expressly states the ethical management clause in the contract to be signed with the trading counterpart?</p>	V		(I) Before engaging in any business transactions, the Company demands that it should be necessary to consider the legality of suppliers and other business trading counterparts and whether they have any unethical management records, in order to avoid trading with those with unethical management records. When executing any contract, the Company demands that a stakeholder who has business transactions with the Company should execute the “Letter of Undertaking of Integrity”.	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Summary	
(II) Does the company have a unit that enforces business integrity directly under the board of directors? Does this unit report its progress (regarding implementation of business integrity policy and prevention against dishonest conducts) to the board of directors on a regular basis (at least once a year)?	V		(II) The Company has designated the Administration Division to serve as the unit dedicated to promoting corporate ethical management and reporting execution progress to the Board of Directors once per year. Execution progress in 2025 was reported to the Board of Directors on January 30, 2026.	No material deviation was found.
(III) Has the Company defined any policy against conflict of interest, provides adequate channel thereof, and fulfills the same precisely?	V		(III) In addition to the “Ethical Management Best Practice Principles”, the Company also established the ethical code, such as “Procedure for Ethical Management Free From Unjust Enrichment”, to expressly defines the conflict-of-interest prevention policy and channel. Meanwhile, the Company provides an external grievance channel on its official website, in order to maintain the Company’s goodwill and interest.	No material deviation was found.
(IV) Has the company implemented an effective accounting policy and internal control system to maintain business integrity? Has an internal or external audit unit been assigned to devise audit plans based on the outcome of integrity risk assessment, and to audit employees’ compliance with various preventions against dishonest conduct?	V		(IV) The Company established its accounting system and internal control system pursuant to related laws and regulations. The internal auditors audit the compliance thereof regularly. As a result, none of the employees or management have been found violating ethical management requirements.	No material deviation was found.

Scope of assessment	Implementation Status			The deviation and causes of Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies																				
	Yes	No	Summary																					
(V) Has the Company organized internal/external education training program for ethical management periodically?	V		<p>(V) The Company organizes internal training courses for employees on a regular basis each year and conducts testing and evaluation accordingly. Implementation results in 2025:</p> <table border="1"> <thead> <tr> <th>Name of training</th> <th>Personnel to be trained</th> <th>Number of completed trainings</th> <th>Training hours</th> <th>Completion rate</th> </tr> </thead> <tbody> <tr> <td>Education and training for new recruits</td> <td>25</td> <td>25</td> <td>79</td> <td>100%</td> </tr> <tr> <td>Online Course on Preventing Insider Trading</td> <td>140</td> <td>135</td> <td>136</td> <td>96.4%</td> </tr> <tr> <td>Online Course on Ethical Business Practices and Anti-Corruption Awareness</td> <td>196</td> <td>190</td> <td>190</td> <td>96.9%</td> </tr> </tbody> </table>	Name of training	Personnel to be trained	Number of completed trainings	Training hours	Completion rate	Education and training for new recruits	25	25	79	100%	Online Course on Preventing Insider Trading	140	135	136	96.4%	Online Course on Ethical Business Practices and Anti-Corruption Awareness	196	190	190	96.9%	No material deviation was found.
Name of training	Personnel to be trained	Number of completed trainings	Training hours	Completion rate																				
Education and training for new recruits	25	25	79	100%																				
Online Course on Preventing Insider Trading	140	135	136	96.4%																				
Online Course on Ethical Business Practices and Anti-Corruption Awareness	196	190	190	96.9%																				

Scope of assessment	Implementation Status			The deviation and causes of Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
<p>III. Status of the Company's complaint system</p> <p>(I) Has the Company defined a specific complaints and rewards system, and established some convenient complaint channel, and assigned competent dedicated personnel to deal with the situation?</p> <p>(II) Has the company implemented any standard procedures for handling reported misconducts, and subsequent actions and confidentiality measures to be undertaken upon completion of an investigation?</p>	V		<p>(I) The Company expressly sets forth grievance channels and the reward and punishment system in the "Procedures for Grievance, Whistleblowing, and Participation in Management", in order to set up a fair and unimpeded tangible opinion mailbox, opinion mailbox on the employee portal site, hotline and email box, and expand the communication channels. RBA management representatives are responsible for the investigation and resolution on behalf of the Company.</p> <p>(II) The Company has established the "Procedures for Grievance, Whistleblowing, and Participation in Management", in order to expressly state the grievance channels, grievance procedures, and time required, and also state that the significant violations or disputes which cannot be resolved amicably should be referred to the "Grievance Evaluation Committee" for resolution. In the meantime, the whistleblower's identity and report will be kept in confidence strictly.</p>	<p>No material deviation was found.</p> <p>No material deviation was found.</p>

Scope of assessment	Implementation Status			The deviation and causes of Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
(III) Has the Company adopted any measures to prevent the complainants from being abused after filing complaints?	V		(III) The Company's "Procedures for Grievance, Whistleblowing, and Participation in Management" expressly states that no discrimination, threat, or other unfavorable treatment may be imposed with respect to the complainant, burden of proof, and investigation personnel. The job duty to be performed by the complainant shall remain unaffected by the grievance. The complainant should not need to worry about attacks or retaliation. Adequate channels shall be in place, so that employees or suppliers may file grievances or feedback in their own names, or anonymously, when finding any defects in management or suffering inadequate punishment, discrimination, or infringement.	No material deviation was found.
IV. Enhancing Information Disclosure Has the Company has disclosed the Ethical Management Principles and effect of implementation thereof on its website and Market Observation Post System?	V		Information about the ethical management policy is disclosed on the Company's website at (www.minaik.com.tw).	No material deviation was found.
V. If the Company has established ethical management principles based on "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", please describe any discrepancy between the principles and their implementation: The Company has established its "Ethical Corporate Management Best Practice Principles." There is no significant difference between the Company's ethical corporate management operations and the Ethical Corporate Management Best Practice Principles.				

Scope of assessment	Implementation Status			The deviation and causes of Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies
	Yes	No	Summary	
<p>VI. Other information material to the understanding of ethical management operation: (e.g. discussion of an amendment to the ethical management best practice principles defined by the Bank)</p> <p>The Company has established the “Ethical Management Best Practice Principles” and the employees’ ethical codes. All of the Company’s colleagues and managers, and the Board members shall comply with the Principles and related procedures, uphold the ethical management, execute the “Letter of Undertaking of Integrity” with the Company’s trading counterparts, care about stakeholders’ needs, and win recognition from customers and suppliers, in order to ensure sustainable business.</p> <p>The actual implementation in 2025 is as follows:</p> <ol style="list-style-type: none"> <li>1. Amendment of management regulations: None.</li> <li>2. Based on our assessment of the implementation of ethical business practices this year, and in comparison with the relevant provisions of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” there were no significant differences.</li> <li>3. The Company organizes internal training courses for employees on a regular basis each year and conducts testing and evaluation accordingly.</li> <li>4. The Company’s website has an email box for complaints (esg@minaik.com.tw) and a telephone number (02)8200-6310. An audit of the period from January to December 2025 found no instances of internal or external whistleblowing reports related to the Company’s violation of ethical business practices, nor any complaints of dishonesty or unethical conduct.</li> <li>5. Upon the onboarding of new employees, the Company’s relevant ethical conduct and integrity regulations and required behaviors are explained during the new employee orientation briefing. All new colleagues sign an “Integrity and Anti-Corruption Commitment,” and the signing rate reached 100% in 2025.</li> <li>6. Prior to engaging in any business transactions, the Company requires a review of the legality and integrity of suppliers and other business partners to ensure they have no record of dishonest conduct. The Company avoids conducting business with any party known to have such a record. Furthermore, all stakeholders entering into contracts with the Company are required to sign an “Integrity Commitment Letter”.</li> <li>7. Employment terms incorporate a requirement for employees to comply with the Company’s integrity management policy.</li> </ol>				

(VII) Other important information about implementation of corporate governance:

1. The Company established the Remuneration Committee on November 18, 2011. The Committee acts professionally and objectively, exercises its powers pursuant to laws, and proposes recommendations to the Board of Directors as the reference for determination of salary and performance appraisal.
2. The Company established the Audit Committee on June 18, 2014. The Committee acts professionally and objectively, exercises its powers pursuant to laws, and proposed recommendations to the Board of Directors as the reference for decision making.
3. The Company appointed the chief corporate governance officer to take charge of the corporate governance practices on March 22, 2023.
4. The Company established the “Risk Management Policy and Procedures” on May 10, 2024, to achieve the goal of sustainable development.
5. The Company established the “Sustainable Development Committee Charter” on August 9, 2024 to implement corporate governance.
6. The Company established the “Procedures for the Preparation and Verification of the Sustainability Report” on August 8, 2025 to promote corporate sustainability.
7. The Company’s members shall comply with laws and the Company’s internal rules to practice the ethical management.

(VIII) Implementation of internal control system

1. Declaration of Internal Control System

Please refer to the MOPS - Corporate Governance - Internal Control Section - Statement of Internal Control for details

2. If the internal control system has been reviewed by an external auditor, the result of such review must be disclosed: None.

(IX) Shareholders' meeting(s) and significant board resolutions during the most recent year and up to the date of publication of this annual report

1. Major Resolutions of the 2025 Annual General Meeting, and Execution Status Thereof:

Motion	Resolution	Implementation Status
Acknowledgment of the 2024 business report and financial statements.	The voting results on the motion showed that the number of votes in favor accounted for 88.35% of the votes by the total shareholders at the meeting. Therefore, the motion was passed as proposed by the Board of Directors.	The public announcement and filing of the financial statements have been completed as required.
Ratification of 2024 Earnings Distribution Plan.	The voting results on the motion showed that the number of votes in favor accounted for 88.41% of the votes by the total shareholders at the meeting. Therefore, the motion was passed as proposed by the Board of Directors.	Already executed the earnings distribution per the resolution of the shareholders' meeting and through statutory procedures as follows: 1. Record date of cash dividends: July 22, 2025 2. Date of payment of cash dividends: August 7, 2025
Passed the amendments to certain provisions of the "Articles of Incorporation."	The voting results on the motion showed that the number of votes in favor accounted for 88.54% of the votes by the total shareholders at the meeting. Therefore, the motion was passed as proposed by the Board of Directors.	Already executed the related business per the amended articles.

2. Significant Board of Directors' Resolutions During the Most Recent Year and up to the Date of Publication of the Annual Report

Date	Major resolutions
<p>1<sup>st</sup> meeting of board of directors in 2025 2025.01.20</p>	<p>Report Matters:</p> <ol style="list-style-type: none"> <li>1. Report on promotion of the implementation of corporate ethical management.</li> <li>2. 2024 information security risk management report.</li> <li>3. 2024 Manager sustainability development goals achievement report.</li> <li>4. Quarterly report on GHG inventory and verification schedule plans and implementation progress.</li> </ol> <p>Discussion Matters:</p> <ol style="list-style-type: none"> <li>1. Passed the Company's 2025 business plan.</li> <li>2. Passed the proposal for significant amounts overdue for over three months that are not loans as of December 31, 2024.</li> <li>3. Passed the proposal for the amount of purchases/sales with related parties in 2025.</li> <li>4. Passed the amendments to certain provisions of the Company's "Risk Management Policies and Procedures".</li> <li>5. Passed the payment of the 2024 year-end bonus to managers.</li> </ol>
<p>2<sup>nd</sup> meeting of board of directors in 2025 2025.03.12</p>	<p>Report Matters:</p> <ol style="list-style-type: none"> <li>1. Report on the Board of Directors' performance evaluation result.</li> <li>2. Report on promotion of the 2024 risk management.</li> <li>3. Quarterly report on GHG inventory and verification schedule plans and implementation progress.</li> </ol> <p>Discussion Matters:</p> <ol style="list-style-type: none"> <li>1. Passed the distribution of 2024 remuneration to employees and directors.</li> <li>2. Passed the Company's 2024 business report, parent company only financial statements, and consolidated financial statements.</li> <li>3. Passed the Company's 2024 earnings distribution plan.</li> <li>4. Passed the proposal for the amount of purchases/sales with related parties in 2024.</li> <li>5. Passed the Amendments to certain provisions of the "Articles of Incorporation".</li> <li>6. Passed the appointment of and remuneration to external auditors for 2025 and the general principles for enactment of the Company's pre-approved non-assurance service policy.</li> <li>7. Passed the amendments to the Company's "Internal Control System" and "Internal Audit System".</li> <li>8. Passed the Company's 2024 "Declaration for Statement of Internal Control System".</li> </ol>

Date	Major resolutions
	9. Passed the 2024 report on the promotion of sustainable development. 10. Passed the convention of the Company's 2025 annual general meeting.
3 <sup>rd</sup> meeting of board of directors in 2025 2025.05.09	Report Matters: Quarterly report on GHG inventory and verification schedule plans and implementation progress. Discussion Matters: 1. Passed the Company's 2025 Q1 consolidated financial statements. 2. Passed the proposal for significant amounts overdue for over three months that are not loans as of March 31, 2025. 3. Passed the proposal for the distribution of the remuneration of directors of investees appointed by the Company.
4 <sup>th</sup> meeting of board of directors in 2025 2025.08.08	Report Matters: 1. Report on acquisition of certain shares of the investee, MIN AIK PRECISION INDUSTRIAL CO., LTD. 2. Quarterly report on GHG inventory and verification schedule plans and implementation progress. Discussion Matters: 1. Passed the Company's 2025 Q2 consolidated financial statements. 2. Passed the proposal for significant amounts overdue for over three months that are not loans as of June 30, 2025. 3. Passed loan funds to subsidiary MATC TECHNOLOGY MALAYSIA SDN. BHD. USD 5 million. 4. Passed the proposal for the "Procedures for the Preparation and Verification of the Sustainability Report." 5. Passed the Company's 2024 Sustainability Report.
5 <sup>th</sup> meeting of board of directors in 2025 2025.11.07	Report Matters: 1. Report on acquisition of certain shares of the investee, MIN AIK PRECISION INDUSTRIAL CO., LTD. 2. Report on renewal of the Company's "Liability Insurance for Directors, Supervisors, and Key Staff". 3. Report on Professional qualifications and independence report of independent directors. 4. Quarterly report on GHG inventory and verification schedule plans and implementation progress. Discussion Matters: 1. Passed the Company's 2025 Q3 consolidated financial statements. 2. Passed the proposal for significant amounts overdue for over three months that are not loans as of September 30, 2025. 3. Passed the amendments to the Company's "Internal Control System" and "Internal Audit System".

Date	Major resolutions
	4. Passed the Company’s “2026 Audit Plan”. 5. Passed the amendment to “ Regulations of Employee Stock Ownership Trust”. 6. Passed the Company’s application for facility with banks and renewal.
1 <sup>st</sup> meeting of board of directors in 2026 2026.01.30	Report Matters: 1. Report on promotion of the 2025 implementation of corporate ethical management. 2. 2025 information security risk management report. 3. Quarterly report on GHG inventory and verification schedule plans and implementation progress. Discussion Matters: 1. Passed the Company’s 2026 business plan. 2. Passed the proposal for significant amounts overdue for over three months that are not loans as of December 31, 2025. 3. Passed the amendments to the Company’s “Internal Control System” and “Internal Audit System”. 4. Passed the proposal for the amount of purchases/sales with related parties in 2026. 5. Passed the payment of the 2025 year-end bonus to managers. 6. Passed the proposal for staff promotion.
2 <sup>nd</sup> meeting of board of directors in 2026 2026.03.11	Report Matters: 1. Report on the Board of Directors’ performance evaluation result. 2. Report on promotion of the 2025 risk management. 3. Quarterly report on GHG inventory and verification schedule plans and implementation progress. Discussion Matters: 1. Passed the Company’s 2025 business report, parent company only financial statements, and consolidated financial statements. 2. Passed the Company’s 2025 deficit compensation . 3. Passed the payment of cash from capital surplus. 4. Passed the proposal for the amount of purchases/sales with related parties in 2025. 5. Passed the appointment of and remuneration to external auditors for 2026 and the general principles for enactment of the Company’s pre-approved non-assurance service policy. 6. Passed the Company’s 2025 “Declaration for Statement of Internal Control System”. 7. Passed the Amendments to certain provisions of the ” Articles of Incorporation”.

Date	Major resolutions
	8. Passed the proposal for the scope of “entry-level employees.” 9. Passed the re-election of all directors. 10. Passed the removal of non-competition restrictions imposed on new directors and their representatives. 11. Passed the convention of the Company’s 2026 annual general meeting.
3 <sup>rd</sup> meeting of board of directors in 2026 2026.05.07	Report Matters: Quarterly report on GHG inventory and verification schedule plans and implementation progress. Discussion Matters: 1. Passed the Company’s 2026 Q1 consolidated financial statements. 2. Passed the proposal for significant amounts overdue for over three months that are not loans as of March 31, 2026. 3. Passed the proposal for the distribution of the remuneration of directors of investees appointed by the Company. 4. Passed the 2025 report on the promotion of sustainable development. 5. Passed the Name List of Director Candidates.

(X) The main contents of important resolutions passed by the Board of Directors regarding in which directors have voiced differing opinions on the record or in writing, during the most recent year and up to the date of publication of this Annual Report:None.

IV. Professional Fees to CPAs

(I) Professional Fees to External Auditors

1. Professional Fees to CPAs

Unit: NT\$ thousand

Accounting firm name	Names of CPAs	Audit period	Audit Fee	Non-audit Fee					Total	Remarks
				Designing regulations	Business registration	Human resources	Others (Note)	Subtotal		
KPMG International	Tsai Meng-Chuan Cheng An-Chih	2025	6,150	0	0	0	762	762	6,912	The non-audit fees consist of the transfer pricing report, NT\$380 thousand, the Group's global files, NT\$255 thousand, and others, NT\$127 thousand.

2. If the Company meets any of the following circumstances, it shall disclose the following information separately:

- (1) In the case of any change of the CPA firm that results in the reduction of the audit fee from the previous year, please disclose the audit fee before and after the change and the cause of such change: None.
- (2) If the audit fee is reduced by more than 10% from the previous year, please disclose the amount of reduction, percentage, and cause thereof: None.

V. Information of Independent Auditor replacement:

(I) Information relating to the former CPA

Date of reappointment	Since 2025 Q1							
Reason for reappointment	Due to internal job duty adjustment, the external auditors responsible for certifying the Company’s financial statements were changed.							
Was the termination of audit services initiated by the principal or by the CPA	Contracting Party		Certified Public Accountant	Principal				
	Conditions		Not applicable	Not applicable				
	Service terminated by		Not applicable	Not applicable				
	Service no longer accepted (continued) by		Not applicable	Not applicable				
Reasons for issuing opinions other than unqualified opinions in the recent two years	None							
Disagree With the Issuer?	Yes	Accounting principles or practices	Nature	Not applicable	Method of processing	Not applicable	Resolution	Not applicable
		Disclosure of financial report						
		Scope or steps of audit						
		Others						
	None	V						
Other disclosures (Matters that shall be disclosed in Subparagraphs (6).1.4-(6)1.7 of Article 10 of the Regulations.)	None							

(II) Information relating to the succeeding CPA:

CPA Office	KPMG International
Names of CPAs	Tsai Meng-Chuan, CPA Cheng An-Chih, CPA
Date of appointment	Due to the internal job duty adjustment, the Firm has replaced the external auditors since 2025 Q1.
Inquiries and replies relating to the accounting practices or accounting principles of certain transactions, or any audit opinions the auditors were likely to issue on the financial reports prior to appointment	None
Written disagreements from the succeeding auditor against the opinions made by the former CPA	None

(III) The former CPA's response to the matters referred to in Subparagraphs 6(1) and (2)3 of Article 10 of the Regulations: None.

VI. Disclosure of any of the Company's Chairman, president, or managers responsible for financial or accounting affairs being employed by the external auditor's firm or any of its affiliated company in the most recent year: None.

VII. During the most recent year and up to the date of publication of the annual report, facts of equity transfer and change in equity pledge about the director, managerial office, or shareholders having held the equity exceeding 10%:

(I) Changes of the Equity of Directors, Managers, and Major Shareholders

Unit: shares

Title	Name	2025		Until May 7, 2026	
		Increase (decrease) in shares held	Increase (decrease) in Shares Pledged	Increase (decrease) in shares held	Increase (decrease) in shares pledged
Chairman / CEO	Chia Kin Heng	2,000	(1,000,000)	0	0
Director	Hui Yi Investment & Consulting Company	0	0	0	0
Representative of Director	Chien Hung Yu (Note1)	0	0	0	0
Representative of Director	Yang Chun Yi (Note2)	0	0	0	0
Independent Director	Chen Yung Lin	0	0	0	0
Independent Director	Li Chih Feng	0	0	0	0
Independent Director	Lu Yeh Senms	0	0	0	0
Independent Director	Chan Chin Ping	0	0	0	0
Chief Operating Officer	Yang Hung Jen	17,000	0	0	0
Deputy Chief Operating Officer	Sung Tsan Yung	0	0	0	0
NPI Director	Tsai Chen Shan	0	0	0	0
RD Director	Lin Ying Huang	0	0	0	0
China Plant, Managing Director	Wang Yao Hung	0	0	0	0
Sales Division, Director	Lee Lung Fang (Note3)	-	-	0	0
Financial Management Division, Director	Sun Te Wen	127,000	0	0	0
Accounting Director	Chen Yu Jhen	0	0	0	0

Note1 : Re-designated on December 4, 2025.

Note2 : Dismissed on December 4, 2025.

Note3 : newly appointed on February 1, 2026.

(II) The counterpart of transfer of shares by directors, managers, and shareholders having held equity exceeding 10% is a related party: None.

(III) The counterpart of pledge of shares by directors, managers, and shareholders having held equity exceeding 10% is a related party: None.

VIII. Information of stakeholders, spouse, and relative within the second degree of kinship of the top-10 shareholders:

Baseline date: April 19 , 2026 ; Unit: Shares; %

Name	Shares held in own name		Shares Currently Held by Spouse & Minors		Shares held in the name of a third party		If there is relationship, such as a related party, spouse, or relative within the second degree of kinship, among the top ten shareholders, please disclose the designation or name and relationship. (Note)		Remarks
	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Name	Relationship	
Barclays Capital Securities Limited--Barclays Capital Securities Limited SBL/PB	2,225,800	1.62	0	0	0	0	None	None	
Yuanta Commercial Bank is entrusted with custody of Koh Soe Khon's investment account	2,000,000	1.45	0	0	0	0	None	None	
LI CHUN FEN	1,898,000	1.38	0	0	0	0	None	None	
CHIA KIN HENG	1,702,000	1.24	276,000	0.20	0	0	None	None	
LIN GAO HUANG	1,500,000	1.09	0	0	0	0	None	None	
CTBC trust property account of MIN AIK Employee Stock Ownership Association	1,452,389	1.06	0	0	0	0	None	None	
Taipei Fubon Commercial Bank is entrusted by Hongyu Social Welfare Charity Trust Fund Trust Property Account	1,291,760	0.94	0	0	0	0	None	None	
CHEN WEI REN	1,141,000	0.83	0	0	0	0	None	None	
SHIH CHIA CHOU	1,129,000	0.82	0	0	0	0	None	None	
J.P.Morgan Securities plc	1,112,672	0.81	0	0	0	0	None	None	

Note: Relations among said shareholders (including juristic-person and natural-person shareholders) shall be disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

IX. Number of shares held by the Company, and the Company's directors, supervisors, and managers, and the entities directly or indirectly controlled by the Company in a single investee, and consolidated shareholding percentage of the above categories:

May 7, 2026 ; Unit: thousand shares; %

Invested enterprise	Held by the Company		Held by Directors, Supervisors, Managers, and Directly/Indirectly Controlled Businesses		Comprehensive Investment	
	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding	Number of shares	Ratio of shareholding
MAP TECHNOLOGY HOLDINGS PTE. LTD.	66,913	46.60	2,198	1.53	69,111	48.13
MIN AIK PRECISION INDUSTRIAL CO., LTD.	29,904	38.84	222	0.29	30,126	39.13
29,904	38.84	222	0.29	30,126	39.13	27.60

## Ch3. Capital Overview

### I. Capital and Shares

#### (I) Source of Capital

##### 1. Capital Share Formation Process

Unit: Share; NT\$

Date	Issue price	Registered Capital		Paid-in Capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of Capital	Assets except cash is offset against share payments	Others
2013/04	10	400,000,000	4,000,000,000	172,799,421	1,727,994,210	Conversion of convertible corporate bonds to capital increase by NT\$52,439,560.	None	Note 1 Note 2
2013/07	10	400,000,000	4,000,000,000	173,857,399	1,738,573,990	Conversion of convertible corporate bonds to capital increase by NT\$10,579,780	None	Note 1 Note 3
2013/10	10	400,000,000	4,000,000,000	174,201,987	1,742,019,870	Conversion of convertible corporate bonds to capital increase by NT\$3,445,880	None	Note 1 Note 4
2017/08	10	400,000,000	4,000,000,000	139,361,590	1,393,615,900	Capital reduction by NT\$348,403,970 upon refund of stock payment.	None	Note 5 Note 6
2020/04	10	400,000,000	4,000,000,000	137,563,190	1,375,631,900	Capital reduction by NT\$17,984,000 upon cancellation of repurchased shares of the Company.	None	Note 7

Note 1: Approval letter under Jin-Guan-Zheng-Fa-Zi No. 1000039647 dated September 1, 2011.

Note 2: Approval letter under Jin-Shou-Shang-Zi No. 10201062620 dated April 9, 2013.

Note 3: Approval letter under Jin-Shou-Shang-Zi No. 10201137130 dated July 15, 2013

Note 4: Approval letter under Jin-Shou-Shang-Zi No. 10201210990 dated October 15, 2013

Note 5: Approval letter under Jin-Guan-Zheng-Fa-Zi No. 1060027768 dated August 2, 2017

Note 6: Approval letter under Jin-Shou-Shang-Zi No. 10601125380 dated August 31, 2017

Note 7: Approval letter under Jin-Shou-Shang-Zi No. 10901058540 dated April 14, 2020.

##### 2. Share Type

Unit: shares

	Outstanding shares	Un-issued shares	Total	
Common stock	137,563,190	262,436,810	400,000,000	TWSE-listed Stocks

- (II) List of Major Shareholders: Name, shares held, and shareholding of any shareholder who owns 5% or more of the outstanding shares, or the proportion of the outstanding ranking top 10.

April 19 , 2026 ; Unit: Shares

Names of major shareholders	Shares	Number of shares held	Ratio of shareholding (%)
Barclays Capital Securities Limited--Barclays Capital Securities Limited SBL/PB		2,225,800	1.62
Yuanta Commercial Bank is entrusted with custody of Koh Soe Khon's investment account		2,000,000	1.45
LI CHUN FEN		1,898,000	1.38
CHIA KIN HENG		1,702,000	1.24
LIN GAO HUANG		1,500,000	1.09
CTBC trust property account of MIN AIK Employee Stock Ownership Association		1,452,389	1.06
Taipei Fubon Commercial Bank is entrusted by Hongyu Social Welfare Charity Trust Fund Trust Property Account		1,291,760	0.94
CHEN WEI REN		1,141,000	0.83
SHIH CHIA CHOU		1,129,000	0.82
J.P.Morgan Securities plc		1,112,672	0.81

### (III) Dividend Policy and Implementation

#### 1. Dividend Policy

If the Company retains earnings upon final account of any fiscal year, it shall first make up any accumulated losses (including adjustment of undistributed earnings), and then make a contribution of 10% as the legal reserve, unless the legal reserve has reached the amount of the Company's paid-in capital. If necessary, the Company shall contribute or reverse the special reserve pursuant to laws or the competent authority's requirements. The surplus, if any, plus the undistributed earnings at the beginning of the year (including adjustment of undistributed earnings), shall be distributed per the earnings distribution plan proposed by the Board of Directors as resolved by a shareholders' meeting.

In order to pursue long-term shareholders' interests and stable business performance goals, the Company adopts the balanced dividend policy. Specifically, the distributed earnings shall be no less than 50% of the distributable earnings in the current year, and the cash dividends shall be no less than 10% of the total dividends, provided that no earnings shall be distributed if the distributable earnings are less than NT\$0.5 per share in the current year.

2. The Dividends Proposed to be Distributed at the Shareholders' Meeting:

MIN AIK TECHNOLOGY CO., LTD.  
Deficit Compensation Statement  
2025

	Unit: NT\$
Undistributed earnings, beginning	\$14,837,290
Current changes in remeasurements of the defined benefit plan	7,015,665
Current net losses after tax	(53,879,720)
Deficit to be compensated	(32,026,765)
Deficit to be compensated by special reserve	32,026,765
Undistributed earnings, ending (deficit to be compensated)	0

- (1) The 2026 annual general meeting proposed to distribute the cash to shareholders with the capital surplus generated from the income derived from the issuance of new shares at a premium, NT\$27,512,638 at NT\$0.2 per share.
- (2) In the event that the payout rate is changed due to amendments made by the competent authority or the Company's repurchase or transfer of treasury stocks or any other factors that affect the quantity of the Company's outstanding shares, the Chairman of Board shall be authorized by a shareholders' meeting to make adjustments therefor.

3. Please disclose if the dividend policy will be changed significantly: N/A.

(IV) Impact to Business Performance and EPS Resulting from the Proposal of Stock Dividend Distribution Made at the Recent Shareholders' Meeting: Not applicable.

(V) Employee & Director remuneration:

1. Percentages or Ranges With Respect to Remuneration to Employees and Directors, as Set Forth in the Company's Articles of Incorporation:

If the Company retains earnings (i.e., those before the income before tax earned for the current year less the remuneration to employees and remuneration to directors) at the end of the fiscal year, it is required to allocate 1% thereof as the remuneration to employees and no more than 3% thereof as the remuneration to directors. However, when the Company still has accumulated losses (including adjustment of undistributed earnings), an amount equivalent to said losses shall be reserved to make up for the loss in advance.

The remuneration to employees referred to in the preceding paragraph may be paid in the form of stock or in cash. The recipients entitled to receive the remuneration include the employees of the Company's associates meeting certain specific requirements set forth by the Board of Directors. The remuneration to directors referred to in the preceding paragraph may be paid in cash only.

The matters referred to in the preceding two paragraphs shall be resolved by the Board of Directors, and reported to a shareholders' meeting.

If the Company makes a profit in a year, it shall allocate 1% of the profit as remuneration to the entry-level employees. However, if the Company has accumulated losses (including adjustment of the amount of undistributed earnings), the amount of loss make-up shall be reserved in advance.

The remuneration to the entry-level employees mentioned in the preceding paragraph may be paid in the form of stock or cash.

2. The basis for estimating the amounts of employee, director, and supervisor compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period: Stated as the income of 2026.

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

(1) Remuneration to Employees and Directors in Cash or in Shares:

Due to losses in 2025, no remuneration of employees or Directors was distributed; there is no difference with the estimated amount in the year of recognition.

- (2) The amount of remuneration to employees in shares, and the size of that amount as a percentage of the sum of the net income stated in the parent company only financial reports or individual financial reports for the current period, and the total remuneration to employees: None.

4. Actual Payment of Remuneration to Employees, Directors, and Supervisors in the Previous Year

Item \ Year	Last year (2025)			
	Actual Payment Resolved by the Shareholders' Meeting	Proposed Payment Approved by the Board of Directors	Difference	Reason of the difference
Remuneration to Employees in Cash	4,767,049	4,767,049	No Difference	-
Remuneration to Employees in Shares				
(1) Number of shares	0	0	No Difference	-
(2) Amount	0	0	No Difference	-
(3) Percentage of the Number of Outstanding Shares at the End of the Year	0	0	No Difference	-
Director remuneration	1,589,016	1,589,016	No Difference	-

(VI) Share repurchases

1. The Company's Buyback of its Shares (already executed):

May 7, 2026

Serial number of the term of buyback	5 <sup>th</sup>
Purpose of Buyback	Transfer of Shares to Employees
Period of buyback	2017.01.23-2017.03.17
Buyback price range	NT\$28-40
Category and quantity of buyback	Original Ordinary Shares: 2,248,000 shares Ordinary Shares Upon Cash Capital Reduction: 1,798,400 shares
Amount of buyback	NT\$81,342,624
Quantity of buyback to the scheduled quantity of buyback (%)	64.23%
Quantity of shares having been canceled and transferred	1,798,400 shares
Cumulative quantity of the issued shares held by the Company.	0
Cumulative quantity of the issued shares held by the Company to the total quantity of shares issued by the Company (%)	0

2. The Company's Buyback of its Shares (under execution): None.

II. Issuance of Corporate Bonds: None.

III. Preferred shares: None.

IV. Global Depository Receipts: None.

V. Employee Stock Warrants: None.

VI. Restricted Stock Awards (RSAs): None.

VII. New Shares Issued for the Acquisition or Transfer of Other Shares: None.

VIII. Implementation of the Capital Utilization Plans: None.

## Ch4. Overview of Operations

### I. The content of business

#### (I) The scope of business

##### 1. The Company's Principal Business Lines:

- (1) Import and export (except the business subject to special approval).
- (2) Agent for quotations and tender submission of products on behalf of relevant manufacturers at home and abroad.
- (3) Manufacturing and trading of precision plastic molds.
- (4) R&D, manufacturing, processing, and trading of plastic parts for cameras, plastic parts for cars and motorcycles, assembly of precision electronic parts, parts for HDD, parts for DVD drive, and optical parts.
- (5) Measuring instrument manufacturing.
- (6) Medical devices manufacturing, wholesale of medical apparatus, and retail sale of medical apparatus.
- (7) Information Software Services, Electronic Information Supply Services.
- (8) Rental and Leasing.
- (9) Intellectual Property Rights.
- (10) All business items that are not prohibited or restricted by law, except those that are subject to special approval.

##### 2. Proportion

Main Products	2025	
	Sales value (NT\$ thousand)	Percentage
Voice Coil Motor (VCM)	1,846,644	48.36%
COVER	766,212	20.07%
External Hard Drive (EHD)	314,061	8.22%
HDD	205,217	5.37%
OPTICS	47,864	1.25%
Others	638,636	16.73%
Total	3,818,634	100.00%

##### 3. Current Main Products

- (1) Voice Coil Motor (VCM).
- (2) COVER.
- (3) External Hard Drive (EHD).
- (4) HDD.
- (5) OPTICS.
- (6) Medical device components.

##### 4. New Products Planned to be Developed

- (1) Develop HDD in response to market trends.
- (2) Development and manufacturing of 3C product parts.
- (3) New specifications of high-speed interface single or multiple External Hard Drive (EHD).

## (II) Industry Overview:

### 1. Status and Development of the Industry

Since 2010, the HDD industry has gone through some significant transitions. After Toshiba's merger with Fujitsu in 2010, Seagate and WD also completed the merger with Samsung and HGST at the end of 2011 and at the beginning of March 2012, respectively. Therefore, after 2012, the global HDD industry has been led by the three major suppliers, WD, Seagate, and Toshiba. The industrial characteristics, "Winner Takes All", become more obvious.

According to the Forbes, the global HDD shipment has attained 124.3 million units in 2025, increasing by 0.2% from 2024. In terms of the market share, WD secured the global market share, 42.3%, the first place in the world. Its annual shipment attains 52.6 million units. Seagate and Toshiba secured 40.8% and 16.9% market shares, the second place and third place in the world, respectively.

According to statistics published by Global Information, Inc., the global hard disk drive market was valued at USD 48.83 billion in 2025 and is projected to reach USD 51.82 billion in 2026, and further increase to USD 69.74 billion by 2031. The compound annual growth rate (CAGR) for the period from 2026 to 2031 is projected to be 6.12%. Hard disk drives currently remain at the core of hyperscale storage strategies, primarily driven by their cost advantage per terabyte of storage, the roadmap toward capacities exceeding 100TB enabled by heat-assisted magnetic recording (HAMR) technology, and the rapid growth of cold data generated by artificial intelligence. As cloud service providers allocate approximately 15% to 20% of the record-high USD 315.0 billion capital expenditure budget in 2025 to storage infrastructure, nearline enterprise deployments continue to expand.

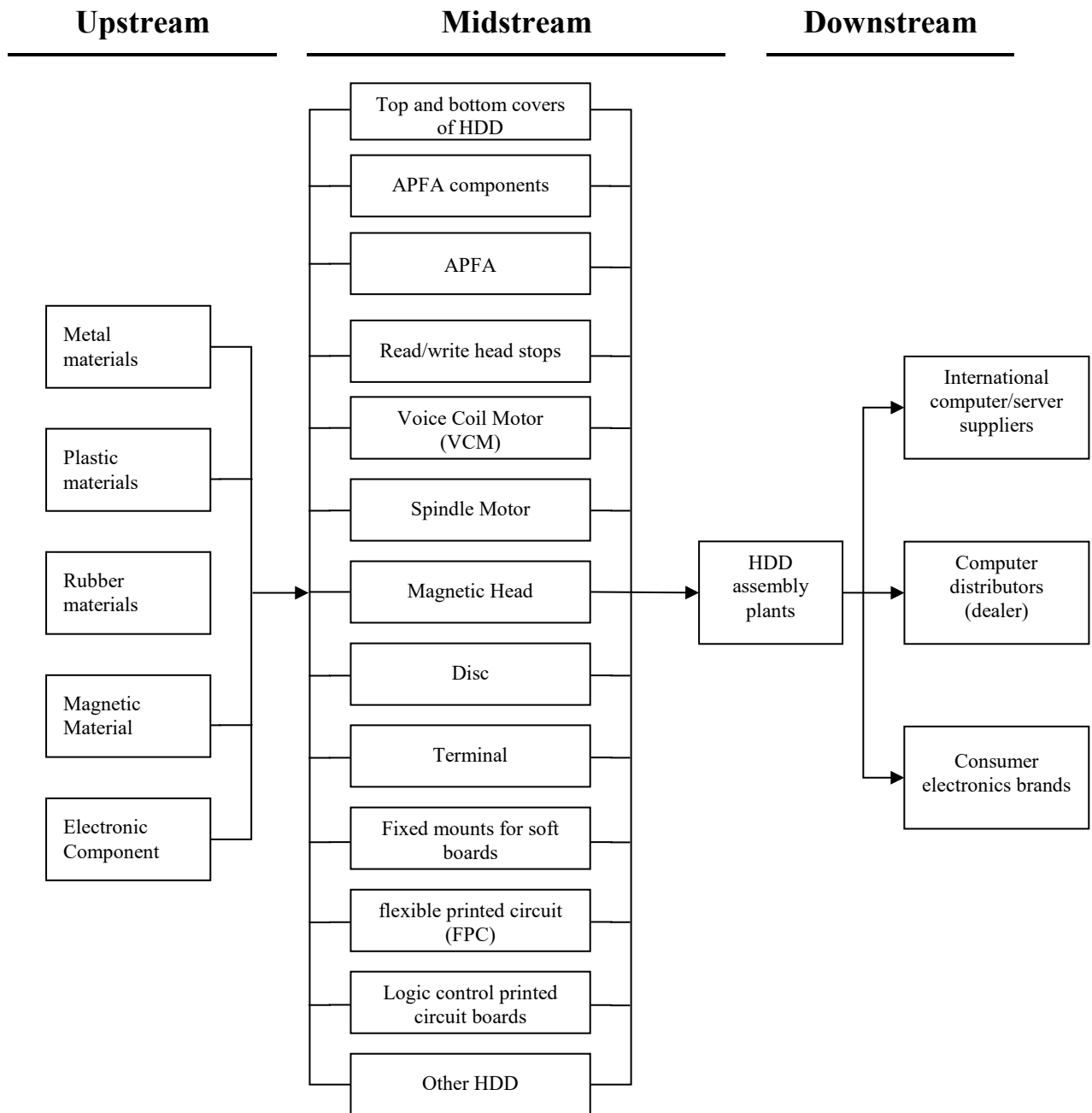
### Analysis on Leading HDD Suppliers' Market Shares From 2023 to 2025

Unit: Million units

Supplier	2023		2024		2025	
	Shipment	%	Shipment	%	Shipment	%
WD	45.5	37.0	50.5	41.0	52.6	42.3
Seagate	52.6	42.8	49.7	40.0	50.7	40.8
Toshiba	24.8	20.2	23.8	19.0	21.0	16.9
Total	122.9		124.0		124.3	
Growth %	-28.6		0.9		0.2	

Source of Data: Publications made by WD and Seagate, and statistics of Forbes、Global Information, Inc.

2. Correlation of the Upstream, Midstream, and Downstream Segments of the Industry:



## 2. Industrial Development Trends and Competition

### (1) Hard Disk Drive (HDD) Development Trends

With the growing adoption of generative AI applications, data center demand for storage capacity has shifted from pure performance considerations toward a balance between computing density and massive-scale storage. The vast volume of raw data and backups generated during AI model training, namely “cold data,” has enabled HDDs to maintain their core position in the hyperscale cloud services market by virtue of their superior cost-per-TB advantage. Beginning in 2025, HAMR (heat-assisted magnetic recording) technology has officially become the mainstream solution for driving capacity breakthroughs beyond 30TB and even above 40TB.

#### ① Generational Shift in Core Storage Technologies: From PMR to HAMR

As conventional perpendicular magnetic recording (PMR) and shingled magnetic recording (SMR) technologies approach their physical limits, with areal density reaching approximately 1.1 Tb/in<sup>2</sup>, the HDD industry is undergoing its most significant technological transition since 2005:

##### A. Full commercialization of HAMR technology:

HAMR technology integrates a near-field transducer (NFT) and a micro laser diode into the read/write head, heating the disk surface to approximately 450°C at the moment of writing to temporarily reduce the coercivity of the magnetic media and facilitate data writing.

##### a. Material innovation:

Disk substrates have shifted to FePt (iron-platinum alloy) grains. This material offers exceptionally high thermal stability at elevated temperatures and can support smaller magnetic domains, enabling areal density to exceed 4 Tb/in<sup>2</sup> in 2026 and allowing single-drive capacity to officially surpass the 40TB threshold.

##### b. Laser lifespan and reliability:

Current technology has overcome the wear issue of laser components under frequent heating and cooling cycles. The mean time between failures (MTBF) has reached 2.5 million hours, on par with conventional enterprise-grade hard disk drives.

##### B. Continuation and diversification of MAMR (microwave-assisted magnetic recording):

During the transitional stage in the early phase of HAMR mass production, certain manufacturers, such as Toshiba, have adopted MAMR technology. This technology uses a spin torque oscillator (STO) to generate an electromagnetic field to assist the writing process. Although its potential density ceiling is slightly lower than that of HAMR, it offers short-term advantages in power consumption control and compatibility with existing production lines, making it a cost-effective option for products in the 26TB to 30TB range.

② Architectural Revolution in Access Performance: Multi-Actuator (MACH.2) Technology

To address the performance bottleneck in which capacity has grown significantly while IOPS performance has remained stagnant, namely the imbalance in the IOPS-per-TB ratio, high-capacity hard disk drives have fully adopted the multi-actuator technology architecture:

A. Parallel processing:

Through two independently operated actuator assemblies, the hard disk drive can execute two command streams simultaneously, thereby directly doubling random access performance and sustained throughput.

B. Adoption of the NVMe interface protocol:

To fully realize the performance benefits of multi-actuator technology, HDDs have begun to move away from legacy interfaces and transition to support the NVMe over PCIe protocol. This not only simplifies the back-end architecture shared with SSDs in data centers, but also significantly reduces command latency.

③ Hard Disk Drive Packaging Technologies: Helium Sealing and Increased Platter Count

A. Helium filling technology 10.0:

At present, high-end hard disk drives with capacities of 24TB and above have fully adopted helium-sealed designs. As helium has only one-seventh the density of air, it can significantly reduce airflow turbulence and frictional resistance generated during high-speed platter rotation.

B. Ultra-thin platters and multi-platter architecture:

Through more stable fluid dynamic bearings (FDB) and precision sealing technology, the number of platters within a single 3.5-inch hard disk drive has successfully increased from nine to eleven, or even twelve, thereby maximizing physical storage capacity without changing the external form factor.

④ Green Data Center Trends: Energy Efficiency and the Circular Economy

Another core focus of technology development lies in reducing total cost of ownership (TCO):

A. Dynamic power management:

By introducing more granular power-saving modes (Power Choice), hard disk drives can switch between power states at the millisecond level, which is critical for reducing power consumption during idle intervals in AI training workloads.

B. Magnet recycling technology:

In light of the geopolitical risks affecting rare earth resources, hard disk drive manufacturers have also begun to develop closed-loop

recycling processes to recover neodymium magnets from used hard disk drives for reuse in new drive production. This has now become a key ESG criterion for inclusion in the procurement lists of large multinational enterprises.

(2) Product Competition

The Group engages in production of multiple HDDs. Therefore, the product competition varies depending on the product types. The following is the summarization regarding the market competition of the Group’s main product, VCM:

The main competitors in the field of VCM, which accounts for 48.36% of the Group’s operating revenue, include MMI, TDK, and SHINETSU. They are all Japan-based and Singapore-based manufacturers. The production costs spent by Japan-based manufacturers are higher. After the end customers accelerated consolidation of the supply chain, one of the Japan-based manufacturers, TDK, withdrew from the market gradually. Most of the other manufacturers set up factories in Southeast Asia. Though they pay low wages, most of them adopt semi-automated production; therefore, their quality is unstable and mass production capacity is limited as well.

(III) Technology, Research and Development

1. R&D Expenses

Unit: NT\$ thousand

Item \ Year	2024	2025	March 31, 2026
R&D expenses	128,454	114,615	29,129
Net Turnover	3,508,217	3,818,634	1,080,252
R&D Expenses as a Percentage of Net Turnover	3.66%	3.00%	2.70%

Note: Consolidated financial reports certified (reviewed) by the external auditors.

2. Technology or Product Developed Successfully in the Most Recent Year

Year	R&D Results
2025	1. Smart production of medical devices (I)
	2. Develop thin 0.47-inch dual -axis galvanometer and 0.8-inch dual-axis galvanometer for DLP projectors to increase resolution.
Until May 7, 2026	1. Development of smart manufacturing and low-carbon processes for AI server manufacturing
	2. Develop ultra-thin 0.39-inch dual -axis galvanometer.

#### (IV) Long and Short-term business development plan

##### 1. Short-term Plan

In order to provide services to existing customers nearby and develop potential customers, the Company continues to practice globalization, set up overseas production and service locations per the market demand and customers' needs, and also implement 6 Sigma and automation technology to improve its productivity and product quality, save costs, expand product market share, and improve its profitability. Also, the Company strengthens improvement of other niche markets through strategic alliances with strategic partners and mergers and acquisition.

##### 2. Long-term Plan

(1) For Production: Integrate the Group's resources and strengthen the cross-border strategic alliance proactively, in order to create the advantages of production division.

(2) For R&D: Grow the R&D of HDD, develop other storage media technologies, and improve the existing technology level and achieve the goal of technology diversity through technology exchanges with strategic partners.

(3) For Marketing:

① Solidify and improve business transactions with existing customers, create its own integrated advantages for "omnibearing HDD R&D and manufacturing" in the field of storage, and develop potential customers proactively.

② Create Other "Niche Markets": Improve technology and marketing service abilities through technology diversity and strategic partnerships. According to the planning, the current proportion of HDD and non-HDD business, 3:1, will be adjusted by increasing the proportion of non-HDD, such as expansion of medical parts injection, projector optical galvanometer modules, and automation business.

③ Promote the professional OEM of electronic and mechanical products, in order to become a world-class professional electronic/mechanical OEM manufacturer (CEMM House).

(4) For QA, Environmental Protection, and Labor:

Practice QA, product toxic substance control, environmental protection, industrial safety and hygiene, GHG control, medical device quality control, and labor protection policies, such as ISO 9001, QC 080000, ISO 14001, OHSAS 18000, ISO 14064, ISO 13485, QMS and RBA Code of Conduct, in order to create high-quality products, fulfill social responsibility, and improve corporate identity and international competitiveness.

(5) Scale of operation:

① Adjust production capacity and global business scale resiliently, in response to the industrial development and customers' needs.

② Uphold the management philosophy about "sustainable business", continue to research and develop products in a diversified manner, and orient the development toward the business group, to practice the management of various business entities.

II. An analysis of the market as well as the production and marketing situation

(I) Market Analysis

1. Territories in Which the Main Products are Sold

Unit: NT\$ thousand

Area \ Amount	2024		2025	
	Sales	%	Sales	%
Asia	3,361,408	95.82	3,553,143	93.05
America	127,661	3.63	233,398	6.11
Europe	19,148	0.55	32,093	0.84
Total	3,508,217	100.00	3,818,634	100.00

2. Market share

In terms of the Group's 2025 consolidated operating revenue, the shipments of the main product, VCM, accounting for 48.36% of the Company's operating revenue, was about 17.50 million units this year. Based on the statistical data gathered by major HDD manufacturers, if any, the global market share of the Company's main product, VCM, is about 14%.

Global Market Shares by Main Products of MIN AIK in 2024 and 2025

Unit: Million Units

Product	2024	2025
	Voice Coil Motor (VCM)	Voice Coil Motor (VCM)
MIN AIK Shipments	17.2	17.5
Global HDD Shipments	124.0	124.3
MIN AIK Market Share	14.0%	14.0%

Source of Data: Publications made by WD and Seagate, as compiled by MIN AIK TECHNOLOGY CO., LTD.

3. Future Market Demand and Supply, and Market's Growth Potential

(1) Future Market Supply and Demand

According to the statistics gathered by the research institute, Forbes, the global HDD shipment has attained 124.3 million units in 2025, a increase by 0.2% from 2024. According to the analysis of the research institution, "Global Information, Inc. (GII)": The global hard-disk drive (HDD) market is expected to reach USD 69.74 billion by 2031, and the compound annual growth rate is 6.12% from 2026 to 2031. The main driving force of the market is the popularity of smart phones and the increasing adoption of smart and network technologies. The future outlook of the global hard-disk drive market is promising, as it contains opportunities in mobile, consumer, desktop, enterprise and nearline application fields. Although the expansion of global Flash memory production capacity and the growth of market

demand for SSD, the traditional HDD market has been eroded gradually. The annual demand has been declining year by year since 2015. However, the shipment of hard-disk drives with high capacity for enterprises still accounts for more than 55%. From a market trend perspective, the increased demand for servers in 2025 drove the hard disk drive market, and this demand is expected to continue in the coming years.

## (2) Future Growth Potential and Development Trends of the Industry

In addition to PCs, servers, workstations, and consumer electronics applications, the diversification of digital information and expansion of the demand for the cloud, data center, and big data give HDD a role to play in the high-reliability, low-cost, and large-capacity storage devices.

### ① Applications in PC-related Fields

According to the statistics and forecast made by the market survey institution, Omdia, in January 2026, the global PC shipment in 2025 was about 280 million units, grew by 9.2% compared to 2024.

### ② CE Products and Cloud Storage-related Fields

Personal digital products, digital home appliances, consumer electronics, the cloud, data centers, and big data storage demand derived in response to the progress of the times and modern people's diversified choices, such as access to the Internet, leisure and entertainment, audio, video, and home appliances have grown stably in recent years. Meanwhile, most of them also identify HDD as important equipment.

### ③ Monitoring System

As the concern about daily life security is increasing, improvement to video surveillance systems is the priority of public and private sectors. More and more enterprises and consumers have started to adopt high-resolution digital imaging solutions and cameras that may respond immediately. Additionally, as more and more related laws and regulations are implemented, enterprises will be able to store more image data for a longer period. Video surveillance becomes another important field with business growth potential.

## 4. Competitive Niche

### (1) Automation Process Production

MIN AIK has self-production capabilities in molding, forming, and assembly, as well as automated machines. With automated process production, the Company's production capacity, quality, and production efficiency are controlled and improved effectively, and the goals for effective reduction of management and manufacturing costs may be achieved at the same time. Compared to others who have low labor costs in human resources in Southeast Asia, the Company is considered one of the competitors in a labor-intensive industry. Accordingly, the Company's two-pronged strategy appears to be more competitive than others.

(2) Complete QA System and Strict QC

The Company uses its best effort to improve the quality, toxic substance control, environmental health and safety, GHG control, labor interest, and ethical code. It has also complied with ISO 9001, QC 080000, ISO 14001, ISO 45001, ISO 14064, ISO 13485, and QMS, as well as the RBA Code of Conduct, and also implemented the same comprehensively. Meanwhile, the Company has also exercised strict control over the improvement of production efficiency, defective rate, and corrective action. Therefore, the Company continues to be selected by various major HDD manufacturers as the best quality and excellent supplier.

(3) Price and Production Capacity With Competitiveness

MIN AIK promotes the process automation and internationalization of production locations proactively to establish economies of scale and reduce labor and transportation costs. Meanwhile, due to the implementation of E-office and ERP material demand systems, the Company can control the management, sale, and production costs effectively. Therefore, the unit price of the Company's main products should be more competitive than that of competitors.

(4) R&D Capability

- ① Improve the design capabilities and shorten the time spent in development through extensive technology exchange, and complete the product development precisely and quickly.
- ② The Company improves the technical level of R&D personnel voluntarily and also works with domestic and foreign experts and consultants on technology and to apply for patented technologies.
- ③ Participate in customers' R&D throughout the whole process.

(5) New Product R&D Schedule

MIN AIK can provide customers with real-time engineering and technical services, and help customers shorten the time spent in R&D of new products to help customers launch new products shortly as possible as it can.

(6) High Resilience

The Company continues to verify the market trends and customers' needs, and also analyzing and adjusting every detail about the design, shipment, and launch of products, in order to seize the market opportunity at first and respond to the increasingly competitive market.

(7) Diversified Development

The Company's products are more diversified than those of competitors. In addition to the VCM which the Company has developed thoroughly, it also has developed other HDD, such as Cover, Ramp/Latch, Bracket, Air Spoiler, and Shipping Comb, per existing customers' needs. The Company also expands its production capacity to strive for the orders placed by other major HDD manufacturers. Meanwhile, the Company also uses its best effort to work on the development and manufacturing of automated machines and new specifications of high-speed interface single or

multiple External Hard Drives (EHDs) for the time being. MIN AIK also uses its best effort to launch into other potential industries via investment.

(8) The Company maintains fair and reciprocal partnerships with customers.

In consideration of the short life cycle of products and strict requirements for expertise and speed in the HDD market, launching into the market is not an easy job for any manufacturers other than existing leading manufacturers. The Company has experience in manufacturing of HDDs for many years and therefore, has already established a stable and reciprocal partnership with customers.

5. Analysis on Positive and Negative Factors for Future Development and Responsive Measures

Opportunities:

(1) High Threshold for New Competitors

In consideration of the characteristics of the HDD industry, such as “Winner Takes All”, technology-intensive, short life cycle of products, and high pressure from innovation, the HDD market appears to be a more closed market than other industrial markets and requires a higher technical threshold. In order to ensure the maximization of speed and efficiency, and to seize technological and market opportunities, the relationship between manufacturers in the upstream and downstream segments of the HDD industry is very close. Therefore, it is not easy for competitors outside the industry to launch into the market successfully.

(2) Special Niche in Management, Production, and Quality

The Company owns a complete management system and excellent technological talents that favor the Company’s long-term management and development of technology. Meanwhile, the Company is very experienced in factory management and has advantages in vertical integration. Therefore, the Company is able to precisely control the mold design, development and production, operating environment in the clean room, or other production processes. Further, in order to pursue the commitment for quality and environment, the Company has also complied with ISO 9001, QC 080000, ISO 14001, ISO 45001, ISO 14064, ISO 13485, and QMS, as well as the RBA Code of Conduct, and also implemented the same comprehensively. Therefore, the Company’s product quality remains stable, and the Company receives recognition from major customers each year.

(3) The Company’s branches launch into the markets thoroughly to verify the market demand and marketing channels completely.

More than 90% of the Company’s products are marketed overseas. In order to expand the Company’s overseas markets and provide customers with real-time services, the Company has set up subsidiaries in the United States and Singapore, and factories in Malaysia and China, to help the Company verify the market trends and industrial information from time to time. As controlling channels means seizing business opportunities, sound channels becomes an important niche for the Company’s future development.

- (4) The Company maintains permanent and fair partnerships with world-class manufacturers.

The Company's major customers are mostly world-class manufacturers with sound financial positions and management status. Additionally, as the Company has developed the HDD market for so many years, it continues to receive consistent recognition and reliance from customers in terms of product R&D, quality, and service.

- (5) Solid R&D Capability

In order to grow R&D technology further, the Company not only recruits elites in the industry, but also keeps ensuring the continuous improvement of R&D technology based on plans, such as internal technology transfer, internal/external education and training, and exchange of technology with academic groups. Meanwhile, in order to seize the opportunities for design, MIN AIK provides customers with rapid R&D support with no time difference, as aided by engineers in the USA and Taiwan 24 hours a day.

- (6) The Company mitigates the potential risk over concentration on any single industry by investing in industries other than the HDD industry, improves the Group's development of new technologies through long-term investment in other industries and strategic alliances, and diversifies the Group's business.

### Threats

- (1) Lack of Professional Talents for HDD Products and Insufficient Domestic Labor

Considering that Taiwan lacks professional talents in the HDD industry, and it is difficult to recruit basic human resources, the Company uses its best effort to plan human resources and train talents, and also set up factories overseas in response to any changes in the industry.

#### Response measures:

- ① Since the Company was incorporated, it has been dedicated to improving the automated production and process to increase the unit output and quality, and also increasing automated machines and equipment to mitigate the reliance on manpower.
- ② The Company recruits foreign workers to help production in Taiwan and establishes production locations overseas to solve the problem of shortage of labor in the short run, and help improve product quality and cut production costs in the long run.
- ③ The Company strengthens the orientation training and in-service training to improve personnel's literacy, and uses its best effort to plan human resources and improve employee welfare, in order to mitigate the labor turnover rate effectively.
- ④ The Company sets up subsidiaries overseas to increase production capacity and resilience of human resources allocation.

- (2) The Company's concentration of industry appears to be high and thereby increases its operational risk.

The Company's HDD generates an operating revenue accounting for about 70% of the Company's total operating revenue. Therefore, any excessive or unbalanced changes in the supply and demand of the industry might produce pressure on the Company's operations.

Response measures:

The Company is developing towards a professional electronic/mechanical OEM (CEMM). In order to make the Company's products more diversified, the Company is using its best effort to research and develop multiple key technologies, products, and processes, including the development and manufacturing of automated machines, new specifications of high-speed interface single or multiple External Hard Drives (EHDs), precision stamping of metal parts, and improvement of plastic industry technology (bi-injection forming), etc. Further, the Company might also consider making the Group's products more diversified through strategic mergers and acquisitions at home and abroad.

- (3) The Company mitigates the potential risk over the Company's concentration of one single industry by investing in potential industries other than the HDD industry. However, the uncertainty in launching into a field of technology that the Company is not familiar with, and low shareholding ratio makes it impossible for the Company to control and direct the management of the investees, thus increasing investment risk.

Response measures:

- ① Strengthen the pre-evaluation and analysis of the investment in new fields/new technologies to mitigate the investment risk.
- ② Establish strategic alliances with investees to increase participation in new technologies, so as to diversify the Company's technology and mitigate the investment risk at the same time.
- ③ The Company irregularly evaluates changes in the environment of the industries in which the investees are engaged in, and also obtains their business reports, as the basis for evaluation on following investment projects.

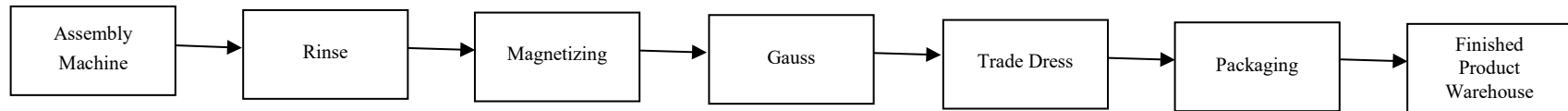
(II) Usage and manufacturing processes for the company's main products

Purpose of Voice Coil Motor:

It primarily functions as a motor to drive the magnetic head and also the radial movement of the magnetic head, so that the magnetic head can change its track on the disk conveniently to read and write data.

Production Process of Voice Coil Motor:

Production Process of WD VCM



(III) Supply situation for the company's major raw materials

Major Raw Materials	Supplier	Remarks on the Supply
Large Magnets	NINGBO YUNSHENG、TDK(SG)	The status of supply appears to be fair.
Stamping Parts	MAP、FUDEN	The status of supply appears to be fair.
Metal Coil Materials	HOSHIN KENZI、CHIA FAR	The status of supply appears to be fair.
Plastic Pellets	IG TECH、NOK PRECISION	The status of supply appears to be fair.
Transmission Lines and Cables	Jem	The status of supply appears to be fair.
Printed Circuited Board (PCB)	PROMISE Technology	The status of supply appears to be fair.
Metal Processing	AXA	The status of supply appears to be fair.
Plastic Injection	INJECTION、SMILDEN BIOTECHNOLOGY CO., LTD.	The status of supply appears to be fair.
Integrated circuit	Prohubs International Corp.、Sertek Inc.,、Avnet, Inc、Arrow Electronics	The status of supply appears to be fair.

(IV) List of Main Suppliers/Buyers

1. Name of Suppliers Representing More Than 10% of Total Purchases in Any of the Most Recent Two Years:

Unit: NT\$ thousand; %

Item	2024				2025				2026 Q1			
	Name	Amount	Ratio of Annual Net Purchase (%)	Relationship with the issuer	Name	Amount	Ratio of Annual Net Purchase (%)	Relationship with the issuer	Name	Amount	Ratio of Net Purchase (%)	Relationship with the issuer
1	NINGBO YUNSHENG	589,709	25.79	None	NINGBO YUNSHENG	809,205	30.29	None	NINGBO YUNSHENG	272,715	36.41	None
2	MAP	425,203	18.60	Affiliated	MAP	516,682	19.34	Affiliated	MAP	128,502	17.16	Affiliated
	Others	1,271,563	55.61		Others	1,345,835	50.37		Others	347,727	46.43	
	Net purchases	2,286,475	100.00		Net purchases	2,671,722	100.00		Net purchases	748,944	100.00	

NINGBO YUNSHENG: It is the supplier of raw materials of MAM VCM products, large magnets. As a result of the increase in POs in 2025, the purchase amount increased relatively.

MAP: It is the supplier of HDD spare parts. As a result of the increase in end customers' demand in 2025, the purchase amount increased relatively.

2. Name of Trade Partners Representing More Than 10% of Total Sales in Any of the Most Recent Two Years:

Unit: NT\$ thousand; %

Item	2024				2025				2026 Q1			
	Name	Amount	Ratio of Annual Net Sales (%)	Relationship with the issuer	Name	Amount	Ratio of Annual Net Sales (%)	Relationship with the issuer	Name	Amount	Ratio of Net Sale (%)	Relationship with the issuer
1	WDC	1,301,481	37.10	None	WDC (LCB)	1,798,788	47.11	None	WDC (LCB)	526,528	48.70	None
2	WDC (LCB)	1,157,200	32.99	None	WDC	1,070,011	28.02	None	WDC	304,408	28.15	None
3	WD SG	337,899	9.63	None	WD SG	284,525	7.45	None	WDCA	64,450	5.96	None
	Others	711,637	20.28		Others	665,310	17.42		Others	185,866	17.19	
	Net Sales	3,508,217	100.00		Net Sales	3,818,634	100.00		Net Sales	1,081,252	100.00	

III. Overview of Employees in the Most Recent Two Years and Up to the Date of Publication of the Annual Report

Year		2024	2025	Until May 7, 2026
Number of employees	Direct Employees	758	964	1020
	Indirect Employees	412	402	385
Total		1,170	1,366	1,405
Avg. Age		35.63	35.63	36.36
Average years of services		7.27	7.57	7.94
Highest educational attainment	Ph.D.	0%	0%	0%
	Master	1.39%	2.06%	1.62%
	Bachelor	35.95%	42.98%	38.94%
	High School	49.22%	44.14%	45.50%
	Below High School	13.44%	10.83%	13.94%

#### IV. Disbursements for environmental protection

Describe any losses suffered by the Company in the most recent two fiscal years and up to the date of publication of the Annual Report due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental protection inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclose an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

The Company is engaged in a low-pollution industry, No losses or major disposal due to environmental pollution occurred in the most recent year. Due to changes in environmental protection laws, the expenditures spent in eco-friendly waste lubricating oil and waste solvents stated by the Company regularly each year totals about NT\$150,000 per year.

#### V. Industrial Relations

(I) The Company's employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests in the most recent year up to the date of publication of the Annual Report:

##### 1. Benefit Policy:

(1) The Company's welfare policy consists of sound internal and external education and training for employees, performance bonuses, employees' enrollment to the labor and national health insurance programs, and contribution to the pension fund according to laws, regular employees' health checkups, and provision of diversified meals to employees.

(2) The Company established the Employee Welfare Committee (recorded with the government) to take charge of planning and implementation of various employee welfare programs, including monthly birthday party (birthday gift voucher and cakes), three major festival gift vouchers, Labor Day gift vouchers, wedding gifts, childbirth gift money, funeral consolation, consolation for hospitalization due to injury and sickness, regular annual employee travel, special merchant discounts, and other related welfare policies.

2. Continuing Education: Provide employees with information and resources regarding in-service training, including labor associations' education and training, and professional training consultancy companies, in order to encourage employees to develop expertise or management ability required by their career development.

3. Training: The Company values the training and development of colleagues. In order to provide a working environment that provides continuing education and development, the Company adopted the Regulations Governing Employees' Education and Training to implement various training programs systematically. The Company also provides a series of professional, general education management, and self-development courses for current employees performing different functions, and also implements in-service training with respect to new

employees, hoping to create a fair environment providing continuing education to make employees' personal growth in line with the Company's development closely.

4. Retirement: The Company adopted its employee retirement regulations and also established the "Labor Pension Fund Supervisory Committee" in accordance with the "Labor Standards Act" and "Labor Pension Act". The Company contributes the labor pension fund to the labor retirement pension account maintained at the Bank of Taiwan on a monthly basis, and also contributes 6% of the pension fund to the personal labor pension fund account of employees who are applicable to the "Labor Pension Act" on a monthly basis. The Company's robust financial system ensures the steady contribution and payment of the pension fund to colleagues, in order to help colleagues who serve the Company prepare for long-term planning and commit to their work.
5. Status of Labor-management Agreements and Measures for Preserving Employees' Rights and Interests:
  - (1) In order to coordinate labor-management relations, urge labor-management cooperation, and improve work efficiency, the Company convenes labor-management meetings regularly in accordance with the Labor Standards Act, to maintain the unimpeded two-way communication management and exchange.
  - (2) The Company sets up the fair and unimpeded tangible opinion mailbox and online opinion mailbox on the employee portal site, and expanded the communication channels, in order to listen to and solve the opinions and ideas provided by employees, and to practice the labor-management coordination mechanism thoroughly.
  - (3) The Company also complies with the Act of Gender Equality in Employment and established the harassment prevention policy, and grievance, reward, and punishment regulations. Meanwhile, the Company's management regulations also provide requirements regarding approval of employees' applications for menstrual leave, family care leave, parental leave without pay, paternity leave, and breastfeeding leave, etc., in order to protect employees' interests and rights.
6. To improve labor safety and health facilities and the working environment, effectively reduce the incidence of occupational accidents, and safeguard workers' safety and health, the relevant measures are as follows:
  - (1) The Company adopts and implements various management regulations and enforcement rules. The Company received ISO 45001 occupational safety and health management certification in 2008, valid period: 2023/08/10 - 2026/08/09.
  - (2) Fire safety training sessions and disaster evacuation drills are conducted annually.
  - (3) To continuously reduce workplace risks, the Company has engaged occupational physicians and nursing personnel since 2019 to implement employee health protection programs, safeguard employees' physical and mental health, and create a friendly working environment.

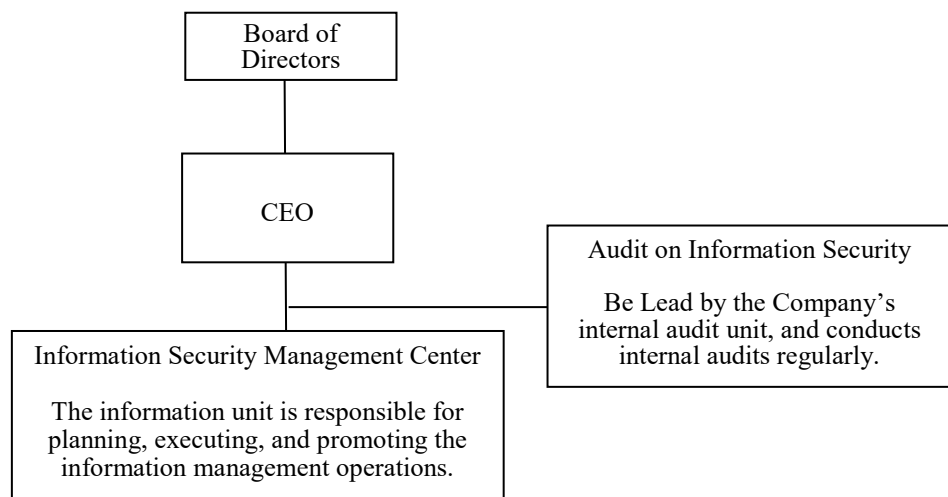
- (4) In July 2025, the Company held an online walking event to encourage employees to take 7,500 steps per day to help improve their health. By building strong physical fitness and putting energy conservation and carbon reduction into practice through walking, employees were encouraged to embody environmental protection concepts and work together to create a low-carbon and sustainable future. A total of 101 employees participated, with cumulative steps reaching 62,185,843 and an estimated total distance of 40,421 kilometers.
- (5) In August 2025, the Company held a health seminar and invited a lecturer to deliver a session developed based on the classification and distribution of employees' BMI in 2025. The seminar focused on the health impacts of obesity, as well as the posture, duration, and benefits of super slow jogging.
- (II) Losses arising as a result of employment disputes in the most recent year up till the publication date of this Annual Report (including violations against the Labor Standards Act found during a labor inspection; explain the date of penalty, reference number, the laws violated, the violating action, and the nature of penalty). Please quantify the estimated losses and state any response actions, and state reasons if losses cannot be reasonably estimated:

The Company always identifies employees as the most important asset of the Company, and also values the labor conditions and employee benefits very much. Meanwhile, the Company uses its best effort to create a fair working environment and provide unimpeded labor-management communication channels. Therefore, the Company didn't suffer any losses from labor-management disputes within the most recent five years. The Company will continue to develop toward this direction to maintain a harmonious relationship between labor and the management, so that the Company will not suffer any labor disputes in the future, nor will it suffer losses therefor.

VI. Information Security Management:

(I) Information Security Risk Management Framework

The Company's information security unit is the Information Department, which is responsible for planning, implementing, and promoting information security management matters, and the audit department conducts internal audits regularly.



## (II) Information Security Policy

The Policy is adopted in order to improve information security management, ensure confidentiality, completeness, and availability of information, reliability of information equipment and network systems, and employees' awareness of information security, and protect related information services from any interruption, destruction, or intrusion.

1. Set up information security management and protection.
2. Improve network safety management.
3. Practice system access controls.
4. Comply with system development and maintenance security management.
5. Promote tangible and environmental safety management.
6. Ensure business continuity planning and management.
7. Upgrade information security education and training.
8. Perform information security audit operations satisfactorily.

## (III) Manage programs and invested resources specifically.

### 1. Account and Access Management:

- (1) In May 2025, the deployment of a new NAS was completed, and hierarchical review of account permissions for shared folders was carried out.
- (2) In December 2025, internet access permissions for employees who resigned or were transferred were subject to immediate control and adjustment.

### 2. System and Data Protection:

- (1) In October 2025, the Company renewed its antivirus software for another three years, added an EDR management console, and upgraded the version to update malware definitions.
- (2) Important data were backed up daily or weekly in accordance with regulations in 2025, and restoration testing was successfully completed in November.

### 3. Information Security Protection and Technical Control Measures:

- (1) Employees receive individual spam quarantine lists at 3:00 a.m. every morning as spam filtering reports.
- (2) Endpoint protection on the antivirus management console is updated every six hours.
- (3) System vulnerability scanning and patching are performed at 9:00 a.m. every morning.

4. Regular information security review and report:
    - (1) In April 2025, KPMG conducted the 2025 information environment and cybersecurity audit, and no defects were found.
    - (2) In May and October 2025, the internal audit department conducted security control procedures for files and equipment, as well as cybersecurity inspections.
  5. Cybersecurity awareness and training for employees:
    - (1) In November 2025, one dedicated information security personnel completed the ISC2-CC information security certification course and obtained the certificate.
    - (2) In December 2025, two dedicated cybersecurity personnel registered for the “2026 Cybersecurity Audio-Visual Course for Information Security Personnel of Listed Companies,” organized by the Taiwan Stock Exchange.
    - (3) In October 2025, we completed the development of information security awareness training courses on the internal corporate e-learning platform. A total of 130 personnel completed the training, achieving a completion rate of 92%.
    - (4) Attended and observed the CYBERSEC Taiwan Cybersecurity Conference in April held at the Taipei Nangang Exhibition Center.
    - (5) The Company will conduct irregular software inspections and advocacy to strengthen employee’ awareness of cybersecurity risks.
  6. Implementation of cybersecurity protection measures: We have installed firewalls, Intrusion Detection Systems (IDS), Intrusion Prevention Systems (IPS), and other network security equipment to defend against cyber threats. Regularly perform vulnerability inspections to identify and strengthen vulnerabilities.
  7. Risk assessment of information system: Risk related to business requirements, such as NDAs, privacy and confidentiality agreements, data protection, are identified and assessed. Based on the results of the risk assessment, security controls are adjusted accordingly to ensure the security of business operations.
  8. The Company held four information security meetings in 2025.
- (IV) List any losses suffered by the Company in the most recent year and up to the date of publication of the Annual Report due to significant cyber security incidents, and potential effects to be caused and responsive measures to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:
- In the most recent three years, no information security incidents or related losses were found.

VII. Important contracts and commitments: None.

## Ch5. Review and analysis of financial status and financial performance and risk management

### I. Comparison and Analysis on Financial Position

Unit: NT\$ thousand

Title	2024		2025		Difference	
	Amount	%	Amount	%	Amount	%
Current assets	2,834,935	62.90	2,970,765	65.93	135,830	4.79
Investments under equity method	815,935	18.10	769,410	17.08	(46,525)	(5.70)
Property, plant and equipment	646,015	14.33	600,049	13.32	(45,966)	(7.12)
Other assets	209,911	4.66	165,767	3.68	(44,144)	(21.03)
Total assets	4,506,796	100.00	4,505,991	100.00	(805)	(0.02)
Current liabilities	1,382,460	30.68	1,495,630	33.19	113,170	8.19
Non-current liabilities	415,758	9.23	353,108	7.84	(62,650)	(15.07)
Total Liabilities	1,798,218	39.90	1,848,738	41.03	50,520	2.81
Capital stock	1,375,632	30.52	1,375,632	30.53	0	0
Capital surplus	1,432,333	31.78	1,432,333	31.79	0	0
Retained earnings	605,301	13.43	510,290	11.32	(95,011)	(15.70)
Other equity	(709,764)	(15.75)	(665,515)	(14.77)	44,249	6.23
Non-controlled interests	5,076	0.11	4,513	0.10	(563)	(11.09)
Total equity	2,708,578	60.10	2,657,253	58.97	(51,325)	(1.89)

In the event of changes by more than 20% and amount thereof attaining NT\$10,000 thousand, the analysis is described as following:

The decrease in other assets in the current period from the previous period is a result of the decrease in right-of-use assets.

II. Comparative and Analysis of Financial Performance:

(I) Comparative and Analysis of Financial Performance

Unit: NT\$ thousand

Item \ Year	2024	2025	Change in amount	Change in proportion (%)
	Amount	Amount		
Operating income	3,508,217	3,818,634	310,417	8.85
Operating cost	3,050,237	3,348,845	298,608	9.79
Gross operating profit	457,980	469,789	11,809	2.58
Operating expenses	448,902	443,011	(5,891)	(1.31)
Operating Profit (loss)	9,078	26,778	17,700	194.98
Non-operating income and expenses	68,316	(68,352)	(136,668)	(200.05)
Net profit (loss) before tax	77,394	(41,574)	(118,968)	(153.72)
Less: Income Tax Expenses	13,513	2,526	(10,987)	(81.31)
Net profit (loss) this term	63,881	(44,100)	(107,981)	(169.03)
Other comprehensive income	159,696	40,922	(118,774)	(74.38)
Total comprehensive income (loss) this term	223,577	(3,178)	(226,755)	(101.42)
Net profit attributable to the owner of the parent	62,442	(53,880)	(116,322)	(186.29)

In the event of changes by more than 20% and amount thereof attaining NT\$10,000 thousand, the analysis is described as following:

1. The increase in the operating profit is primarily a result of the increase in the gross operating profit.
2. The decrease in the net non-operating revenue is a result of the decrease in the investment gains recognized due to the profits of affiliates of the Company.
3. The decrease in the net profit before and after tax from the previous period is a result of the decrease in non-operating income and expenses.
4. The decrease in the income tax expenses is a result of the decrease in the net profit before tax in the current period.
5. The decrease in other comprehensive income and total comprehensive income is a result of the decrease on the cumulative translation adjustment of foreign currency financial statements resulting from fluctuations in foreign exchange rate.
6. The decrease in net profit attributable to the owner of the parent is a result of the decrease in the profit after tax in the current period.

- (II) Sales volume forecast for the next year and the basis thereof, and the effect upon the Company's business and finances, as well as the plans to be taken in response:

The global HDD shipment amounted to about 124 million units in 2025, increasing by 0.2% from the previous year. Meanwhile, after taking into consideration multiple variables, such as changes in consumer preferences, low inventory strategies adopted by the three major HDD manufacturers, and changes in cloud storage demand, the Company found that the significant increase in storage data volume and hard disk capacity has mitigated the trend that the hard disk market was declining year by year. The global HDD shipment in 2026 is expected to increase by about 0.5% from 2025. Total shipments of the Company are expected to remain stable upon integration of the organization's resources and diversification of products. The Company proposes the business plan in reference to the related analysis and report on the industry of computers, consumer electronics, and hard disks, as well as the expected shipments to customers, and also conducts evaluation and planning based on the past operating revenue growth rate, market share, and overseas subsidiaries' achievement of production capacity scale. Notwithstanding, the volatility in the foreign exchange rate for USD and price of raw materials and supplies still remain as one of the focuses to be observed in the current year.

### III. Review and Analysis on Cash Flows

#### (I) Liquidity Analysis in the Most Recent Two Years

Unit: NT\$ thousand

Cash balance at beginning (1)	Net cash flow from operating activities for the year (2)	Net Cash Flow From Investing and Financing Activities for the Year (3)	Foreign Exchange Effects (4)	Expected Cash Surplus (1)+(2)+(3)+(4)	Responsive Measures Against Cash Deficit	
					Investment Plan	Wealth Management Plan
760,126	151,970	(264,450)	9,608	657,254	-	-

1. Cash flow from operating activities: The net cash inflow, NT\$151,970 thousand, was primarily a result of the decrease in inventory this year.
  2. Investing activities: The net cash outflow, NT\$36,608 thousand, was primarily a result of purchase machines and equipment.
  3. Financing activities: The net cash outflow, NT\$227,842 thousand, was a result of the distribution of cash dividends and repayment of bank loans.
- (II) Corrective Measures Against Insufficient Liquidity: The Company has no insufficient liquidity problem.

(III) Cash Liquidity Analysis for the Next Year

Unit: NT\$ thousand

Cash balance at beginning (1)	Projected cash inflow in current period (2)	Projected cash outflow in current period (3)	Projected Amount of Cash Surplus (deficit) (1)+(2)-(3)	Estimated Responsive Measures Against Cash Deficit	
				Investment plan	Wealth management plan
657,254	4,572,744	4,474,619	755,379	-	-

1. Analysis on Changes of Cash Flow in 2026

- (1) Operating activities: Net cash inflow from operating activities for the year is estimated as NT\$239,754 thousand.
- (2) Investing activities: The Company plans to expand its factory premises and purchase machines and equipment next year. The cash outflow will be about NT\$62,483 thousand.
- (3) Financing activities: The Company plans to repay the bank loans and pay cash dividends next year. The cash outflow will be about NT\$79,146 thousand.
- (4) In conclusion, cash surplus is estimated as NT\$755,379 thousand for the year.

2. Estimated Responsive Measures Against Cash Deficit: The Company has no cash deficit problem.

IV. Impact posed to the business and finance by major capital expenditures in the most recent year

(I) Material Capital Expenditure Utilization Status and Source of Capital:

Unit: NT\$ thousand

Projects	Actual or Expected Source of Capital	Actual or Expected Date of Completion	Total Capital Required	Actual or Scheduled Capital Utilization	
				2025	2026
Purchase of Production Equipment	Own Capital	2026 Q4	62,483	0	62,483

(II) Effect Expected to be Produced

The production equipment was purchased in order to maintain the production capacity of data storage OEM and update the equipment required for strict quality, and also to construct basic production capacity for the Company's development target for diversified business and technology upgrading.

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

(I) The Investment Policy for the Most Recent Year: The Company's investments are handled in accordance with the "Procedure for Acquisition or Disposal of Assets". The investment income is evaluated upon approval of the Board of Directors.

(II) Investment Analysis Statement

1. Under the Equity Method:

Unit: NT\$ thousand

Item	Carrying Amount of Long-term Investment Until December 31, 2025	Policy	Major Causes for Profit or Loss	Improvement Plan	Other Future Investment Plans
MAP TECHNOLOGY HOLDINGS PTE. LTD.	0	Singapore Holdings Company	-	-	-
MIN AIK PRECISION INDUSTRIAL CO., LTD.	769,410	Electronic components manufacturing	Earnings decreased this year as a result of the decrease in operating revenue related to automation and foreign exchange loss.	-	-
ABLYTEK CO., LTD.	0	R&D, manufacturing, and sale of monocrystalline/multi-crystalline standard module VIPVs, solar roof modules, and solar curved modules.	-	-	-

2. Other Financial Assets as Equity Instruments:

Unit: NT\$ thousand

Item	Carrying amount of long-term investment until December 31, 2025	Policy	Major causes for profit or loss	Improvement plan	Other future investment plans
HDDisk Filx	0	Diversified business	-	-	-
LIGHT BLUE OPTICS LTD.	0	Diversified business	-	-	-
ARCHERS INC.	0	Diversified business	-	-	-
TASCENT, INC.	0	Diversified business	-	-	-

3. Investment Plans for Next Year: None.

## VI. Risk analysis and evaluation

(I) The impact of changes in interest rates, exchange rates, and inflation on the company's profit/loss and future countermeasures:

1. The Company's interest rate risk primarily arises from the loans for purchase of materials from operating activities. In this regard, bank loans are considered as financing instruments and the interest rate range is agreed to mitigate the interest rate risk.
2. Impacts of foreign exchange rate fluctuation to the Company's income, and future responsive measures: The Company's collection and payment is primarily denominated in USD. Some natural hedging effect produced by offset of regular purchase and sale items with each other can help mitigate the impact posed by foreign exchange rate fluctuation to the operating income. The Company will continue to monitor the changes in the foreign exchange rate to help take adequate hedging measures to mitigate the foreign exchange rate risk.
3. Impacts of inflation to the Company's income, and future responsive measures: No significant impact has been caused by inflation to the Company in 2025.

(II) The main causes for profits or losses for engaging in high-risk, high-leverage investments, loaning funds to others, endorsement/ guarantees and derivatives trading policies, and the future countermeasures:

In order to manage financial risk, the Company never engages in any high-risk and high-leverage investments. In order to control risk over certain transactions, the Company has adopted internal management regulations and operating procedure, including the "Procedure for Making of Endorsements/Guarantees", "Procedure for Loaning to Others", and "Procedure for Acquisition or Disposal of Assets" pursuant to laws and regulations.

(III) Future R & D plans and the budgets on R & D

In 2026, the Company plans to orient research toward the development and application of technology of 2.5-inch and 3.5-inch HDD (such as VCM and read/write head stops, etc.) and Mac/ Windows peripheral Thunderbolt 3 interfaces, USB3.2/USB4.0 interfaces, Thunderbolt 5 + USB4 interface single or multiple hard disks/SSD EHD products, application of galvanometers to enhance the resolution of DLP projectors (including ultra-small 0.16-inch and 0.39-inch dual-axis galvanometer), laser spot removers (applied to reduce the spot produced by laser projection light sources) and contact lens precision molds, automated equipment, and smart manufacturing. The investment in R&D expenses is equivalent to those in the same period of last year, estimated to be 4~5% of the net turnover, as the basis for the Company's R&D of new products.

(IV) Financial impacts and response measures in the event of changes in local and foreign regulations:

The Company's operations comply with all relevant domestic/foreign laws and regulations. Meanwhile, the Company continues to take note of the development trend of domestic/foreign policies and changes in laws and regulations, in order to help adjust the Company's related operating policies. By the date of publication of the Annual Report, no impact was posed to the Company's finances and business due to changes in domestic/foreign important policies and laws.

- (V) Impact posed to the Company's business and finance, and response measures, in the event of technological changes (including cyber security risks) or industrial changes:

The Company continues to note the development potential of the industry which it is engaged in, and response measures to be taken against the impact posed to its business and finances. Meanwhile, the Company mitigates the operational risk through diversification of technology and strategic alliances.

- (VI) Major impact on the company brought by company image change of and remedial actions:

The Company always complies with laws and regulations and fulfills its social responsibility. There is no related coverage on the Company's bad corporate identity. Since the Company was listed on the TWSE upon approval in 2002, the investors have required stricter information disclosure. Therefore, the Company established the spokesperson system and information disclosure operations pursuant to laws.

- (VII) Potential effects and risks associated with mergers and acquisitions and response measures: Not applicable.

- (VIII) Potential effects and risks associated with expansion in plant capacity and remedial action: Not applicable.

- (IX) Potential effects and risks associated with the concentration of purchases or sales:

**Purchase:** The upstream key raw materials are concentrated in a few suppliers.

VCM is the Company's main product. The Company doesn't engage in the production of the major raw materials thereof, large magnets and upper and lower boards, for the time being. If the main raw materials are in short supply, the cost of materials will increase, and the Company's mass production scale will be affected too.

Response measures:

1. The Company establishes strategic alliances or executes supply contracts with key component suppliers, in order to stabilize the source of raw material supply and increasing its production capacity.
2. Currently, the Company has two suppliers to ensure the supply of various raw materials.

**Sales:** The Company's concentration of industry appears to be high and thereby increases its operational risk.

The Company's HDDs generate operating revenue accounting for about 70% of the Company's total operating revenue. Therefore, any excessive or unbalanced changes in the supply and demand of the industry might produce pressure on the Company's operations.

Response measures:

The Company is using its best effort to develop the business towards EMS, optical components design and manufacturing, and medical equipment/consumables. In order to diversify the Company's products further, multiple products and processes are also under R&D, including medical automated machine development, 3D printers, design and manufacture of optical galvanometers applied to laser TVs and projectors etc.

- (X) Impact and risks brought by significant shareholdings transfer by the Directors, Supervisors, or shareholders with more than 10% ownership, and the remedial actions: Not applicable.
- (XI) Impacts, risks and response measures associated with a change to the management of the financial holding company: Not applicable.
- (XII) Litigious and Non-litigious Matters: If there has been any material impact upon shareholders' equity or prices for the Company's securities as a result of any litigation, non-litigious proceedings, or administrative disputes involving any of the Company's directors, supervisors, president, de facto responsible person, or major shareholders with a stake of more than 10%, and the matter was finalized or remained pending, please disclose the facts in dispute, amount in dispute, commencement date, main parties involved, and current status of the case up to the date of publication of the Annual Report: None.
- (XIII) Other material risks and corresponding measures: None.

VII. Other Major Events: None.

## **Ch 6. Special Disclosure**

### **I. Information on Affiliates**

Please refer to the MOPS - Basic Information - E-Book - Affiliated Enterprises-Three Statements Disclosure Section

### **II. Private placement of securities in the most recent year and up to the date of publication of the Annual Report: None.**

### **III. Other important supplementary information: None.**

**Ch 7. Events occurred in the most recent 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.**

**MIN AIK TECHNOLOGY CO., LTD.**

**Chairman: Chia Kin Heng**