



Annual Report 2025

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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This Annual Report is available at:

Market Observation Post System (MOPS): <https://mops.twse.com.tw>

Company Website: <https://www.ieiworld.com>

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V. Name of Overseas Securities Exchange and Method for Querying Overseas Securities Information: None.

VI. Company website: <https://www.ieiworld.com>

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I. Report to Shareholders

Dear Shareholders,

As we enter 2025, the global economy has transitioned from a recovery phase into a new normal of structural adjustment. Although inflationary pressures have been brought under better control, geopolitical frictions and supply chain restructuring remain sources of market uncertainty. In an increasingly competitive environment, the Company has not only worked to consolidate the market leadership of its core products, but also regards AI-driven digital transformation and ESG sustainability as dual engines propelling growth. Through innovative applications, we aim to enhance operational efficiency and achieve sustainable growth amid change, continuing to create long-term value for all shareholders.

【FY 2025 Business Report】

1.1 Operating Results

Through the collective efforts of all employees, the Company's consolidated net revenues for FY2025 amounted to NT\$6,513,043 thousand, representing a decline of 4.8% compared to the prior year. Consolidated net income after tax was NT\$822,940 thousand, with earnings per share (EPS) of NT\$4.63.

Financial Performance and Profitability Analysis

Unit: NT\$ thousands

Category		FY2024	FY2025	Change (Amount)	Change (%)
Financial Performance	Consolidated Net Revenue	6,839,832	6,513,043	-326,789	-5%
	Consolidated Gross Profit	2,413,239	2,179,495	-233,744	-10%
	Consolidated Net Income After Tax	1,559,176	822,940	-736,236	-47%
Profitability	Consolidated Return on Assets	10.69%	5.47%	-5.22%	-49%
	Consolidated Return on Equity	14.64%	7.29%	-7.35%	-50%
	Consolidated Pre-Tax Income as % of Paid-In Capital	108.66%	53.46%	-55.20%	-51%
	Consolidated Net Profit Margin	22.80%	12.64%	-10.16%	-45%
	Earnings Per Share (NT\$)	8.72	4.63	-4.09	-47%

1.2 Research and Development

The Company has continued to invest actively in product research and development. Consolidated R&D expenses for FY2025 totaled NT\$606,528 thousand. The IEI Group has diverse and specialized R&D teams across multiple domains, focusing on AIoT, edge computing, and embedded systems, with continuous innovation in industrial automation, medical computers, network communication equipment, 5G CPE, AI servers, e-paper displays, and virtualization platforms. We have launched hundreds of solutions covering smart manufacturing, intelligent transportation, healthcare, energy, and genomic computing, widely applied in AI edge computing, IoT, and smart city domains. As a leading provider of vertically integrated hardware and software, IEI will continue to drive technological innovation, meet the growing needs of global customers across various industries, and advance the boundaries of technology.

R&D Expenses as a Percentage of Net Revenue for the Past Five Fiscal Years

Unit: NT\$ thousands

Item / Fiscal Year	FY2021	FY2022	FY2023	FY2024	FY2025
R&D Expenses	496,794	554,961	548,010	565,094	606,528
Net Revenue	6,243,509	7,942,415	7,577,793	6,839,832	6,513,043
R&D Expenses as % of Net Revenue	7.96%	6.99%	7.23%	8.26%	9.31%

【FY 2026 Business Plan Overview】

1.1 Key Management Policies and Development Strategies

In response to challenges including global industrial upgrading, accelerating digital transformation, and shifts in the international environment, the Company will continue in FY2026 to concentrate on three core business directions: AI edge computing, network communication and cybersecurity, and medical electronics. Building on existing products and market foundations, the Company will deepen its deployment in high value-added applications, strengthen cybersecurity and compliance governance capabilities, improve operational efficiency and capital utilization, and steadily drive improvements in revenue quality and long-term enterprise value.

(I) Deepening AI Edge Computing and System Integration Capabilities

1. Strengthening Edge AI Platform Competitiveness

Continue to enhance the AI computing performance and system integration capabilities of edge devices, expand application deployments in smart manufacturing, smart cities, traffic management, energy management, and specialized environments, and strengthen comprehensive on-site solution capabilities and market competitiveness.

2. Advancing Modular and Platform-Based Design

Through modular product design and standardized development frameworks, shorten custom development cycles, improve the efficiency of transitioning from project to mass production and the ability to replicate outcomes, and enhance economies of scale and operational flexibility.

(II) Deepening Medical Product Business Strategy

The medical business will build on accumulated experience in promoting standard products and continue to deepen AI medical application deployments, gradually enhancing integrated solution capabilities. Through modular R&D frameworks and standardized platform foundations, the Company will optimize customized development efficiency, strengthen collaborative relationships with partners, and improve the ability to convert project outcomes into stable mass production.

1. Strengthening AI Medical Imaging and Terminal Application Integration

Continuously optimize the stability and real-time performance of edge computing platforms in medical imaging applications, and deepen the integration of products into smart operating rooms, precision diagnostics, and related medical environments.

2. Accelerating Development of Medical AIO and Mobile Diagnostic Platforms

Integrate high-definition image display, medical-grade power supply, and data connectivity capabilities to enhance overall system stability and clinical usability, and expand product applicability in smart healthcare and long-term care settings.

(III) Steady Optimization of Network Communication and Cybersecurity Business

1. Focusing on Next-Generation Communication and Cybersecurity Market Positioning

Focus on 5G and WiFi 7 related equipment applications, expand the SME firewall and security server markets, and strengthen market foundations in enterprise-grade and edge application domains.

2. Enhancing Product Differentiation and Gross Margin Structure

Through security design, system integration capabilities, and customized support services, optimize product portfolio quality and enhance market competitiveness.

(IV) Strengthening Product Governance and Management Capabilities

To enhance overall product competitiveness and market trust, the Company will continue to strengthen governance mechanisms in product security design, cybersecurity management, regulatory compliance, and supply chain risk control.

During the product design and development stage, the Company will reinforce security architecture planning and related control mechanisms to improve product stability and reliability, and continuously optimize the institutionalization of software component management and update processes to meet regulatory and cybersecurity requirements in major markets.

On the institutional and supply chain management front, the Company will continuously refine quality management systems and related compliance procedures, strengthen third-party component and supply chain risk management capabilities, and improve product traceability and delivery stability. With full lifecycle management as the core, the Company will incorporate development, validation, shipment, and after-sales maintenance under a unified governance framework, reduce long-term operational risks, and strengthen customer retention and enterprise value through comprehensive customer support and collaboration mechanisms.

(V) Improving Operational Efficiency and Enterprise Value

1. Strengthening Capital Utilization Efficiency

Through product portfolio optimization, inventory turnover management, and accounts receivable control, improve return on capital and fund utilization efficiency.

2. Improving Cross-Departmental Collaboration and Digital Operational Effectiveness

Continuously optimize cross-departmental collaboration mechanisms and process standardization. Combined with automation tools and AI applications, improve efficiency in project management, document processing, and data analysis, enhance information integration and decision support capabilities, and drive continuous improvement in operational management.

1.2 Key Production and Sales Policies

The FY2026 production and sales policy centers on ensuring supply stability, strengthening quality management, and deepening customer service.

(I) Strengthening Supply Chain Resilience and Production Capacity Scheduling

1. Strengthening Diversified Supply Sources and Alternative Component Mechanisms

Continue to deepen collaborative relationships with key component suppliers, establish alternative component evaluation and strategic safety stock systems to reduce the impact of supply fluctuations on delivery schedules and costs.

2. Flexible Production Allocation and Lead Time Management

Dynamically adjust production configurations based on market demand and project characteristics to improve project responsiveness and delivery stability.

3. Optimizing the Project-to-Mass Production Transition Mechanism

Through modular design and standardized processes, improve the ability to replicate project outcomes and achieve scalable production efficiency.

(II) Strengthening Product Quality and Compliance Management Capabilities

Continuously optimize product quality and compliance management systems, strengthen internal controls and risk awareness, adjust management mechanisms in line with international regulations and market development trends, and improve overall product stability and market adaptability.

(III) Deepening Market Development and Customer Service Capabilities

1. Elevating Vertical Market Collaboration Models

Establish long-term collaborative relationships with system integrators and strategic partners to deepen customer retention and project stability.

2. Strengthening Front-Line Customer Support and Communication Capabilities

Continuously optimize customer service and issue response mechanisms, improve support efficiency and communication quality, and strengthen customer collaboration experience and long-term trust.

3. Shifting from Product Supply to Value and Trust Building

In addition to delivering products, the Company also strengthens documentation transparency, quality consistency, and after-sales stability to enhance customers' long-term willingness to collaborate and brand trust.

【Future Outlook】

In the face of a rapidly evolving global technology and industrial landscape, the Company is transforming comprehensively from a traditional product supplier into an AI solution integrator with self-evolving capabilities, driven by three core engines to generate long-term enterprise value.

In terms of technology deepening and vertical integration, we are actively promoting supply chain resilience, cybersecurity enhancement, and architectural restructuring, transitioning from a technology model that relied on single-point breakthroughs to a system governance framework with anticipatory capabilities. Through deep integration with vertical industries such as smart manufacturing and smart cities, we are converting on-site tacit knowledge into AI judgment models with verifiable acceptance criteria, redefining the competitive ceiling of our products with precise system logic and establishing a technical moat that is difficult to replicate.

In terms of healthcare digitalization deployment, the global digital healthcare market is projected to exceed US\$479 billion by 2028, and the Company has already secured an early position in this race. We are shifting our strategic focus from 'product supply' to 'ecosystem enablement,' comprehensively deepening Edge AI medical terminal applications, accelerating commercialization of next-generation AIO medical devices and mobile diagnostic solutions, and building an integrated hardware-software smart healthcare ecosystem through strategic alliances with leading international medical software providers. We are also proactively laying the groundwork for compliance with EU MDR 2.0, US FDA, and other international medical device certifications, leveraging high regulatory compliance to help customers shorten the time to market approval and establishing long-term competitive barriers.

In terms of sustainable development and green innovation, we return to the first principles of efficiency, incorporating low-power design and environmentally friendly materials into the R&D processes across all product lines. This not only responds to the growing ESG procurement trends among global healthcare and enterprise institutions, but also makes energy-efficient design a core competitive advantage that enhances product added value, rather than a passive compliance burden.

Looking ahead, the growth of enterprise value depends on how we continuously transform technological generative capabilities into sustainable competitive advantages. The Company will leverage the mutually reinforcing flywheel effect of innovation, integration, and sustainability to advance steadily in global markets and create lasting and substantial value returns for all shareholders.

We sincerely thank all shareholders for your continued support, and look forward to witnessing the growth of IEI together with you in the future. We hope to share the fruits of our efforts and advance toward excellence with shareholders, strategic partners, and all other stakeholders.

Wishing you all good health and every success.

Chairman Chang Ming-Chih

II. Corporate Governance Report

2.1 Directors, President, Executive Vice Presidents, Vice Presidents, Managers of Each Department and Branch Offices

(I) Directors

Directors Information [Table I]

As of March 27, 2026

Title	Nationality / Place of Registration	Name	Gender / Age	Date Elected (Note 1)	Term	Date First Elected	Shares Held at Time of Election (Shares / %)	Shares Currently Held (Shares / %)	Shares Held by Spouse and Minor Children (Shares / %)	Shares Held Through Nominee (Shares / %)	Major Education and Work Experience	Current Positions Concurrently Held at the Company and Other Companies	Other Managers, Directors, or Supervisors with Spousal or Second-Degree Kinship Relationship
Chairman	R.O.C.	QNAP Systems, Inc.	-	2023.06.16	3 Yrs	2005.09.09	23,963,007 / 13.57%	13,367,140 / 7.57%	-	-	-	None	None
		Representative: Chang Ming-Chih	Male / 51-60					76,030 / 0.04%	2,284 / 0.00%	-	Department of Computer Science and Information Engineering, National Taiwan University Manager, Xuli Electronics	Chairman, BriteMED Technology Inc. Chairman, QNAP Systems, Inc. Chairman, Dazhun Investment Co., Ltd.	None
Director	R.O.C.	Jiang Jonq-Liang	Male / 61-70	2023.06.16	3 Yrs	2005.09.09	205,374 / 0.12%	205,374 / 0.12%	-	-	Arizona State Univ., Ph.D. in IE President, U-POWER (Kaohsiung)	President of the Company	None
Director	R.O.C.	Li Ying-Yin	Female / 41-50	2023.06.16	3 Yrs	2000.04.15	2,148,759 / 1.22%	2,102,759 / 1.19%	-	-	Master's Degree in Applied Chinese Language and Literature, National Taiwan Normal University	Representative, Fu Wang Lai Investment Co. Ltd.	None
Independent Director	R.O.C.	Ho In-Chyuan	Male / 61-70	2023.06.16	3 Yrs	2020.06.12	-	-	-	-	Doctoral Degree, Department of Electrical Engineering, National Cheng Kung University Vice Chairman, Vincera Management Consultants Co., Ltd.	Chairman, Accuvest Management Inc. Representative, Pin Mao Investment Co., Ltd. Legal Representative of the Corporate Director, Fiber Logic Communications, Inc. Director, Zhun Mao Venture Capital Co., Ltd. Director, Zhun Sheng Venture Capital Co., Ltd.	None
Independent Director	R.O.C.	Hsu Jia-Lien	Male / 51-60	2023.06.16	3 Yrs	2017.06.16	-	-	-	-	Ph.D. in Information Engineering, National Tsing Hua University Professor, Fu Jen Catholic University	None	None
Independent Director	R.O.C.	Lo Wen-Pao	Male / 51-60	2023.06.16	3 Yrs	2020.06.12	-	-	-	-	Department of Transportation Management, Tamkang University	Chairman and President, Castec International Corp. Representative, Seavi Investment Co., Ltd.	None

(Note 1) A total of 7 director seats were elected in the current term. Director Liou Wen-Yi, who was originally elected, resigned on November 4, 2024 for personal reasons.

(Note 2) The Chairman and the President (Chief Executive Officer) are not the same person, spouses, or first-degree relatives of each other: None.

(Table I) Major Shareholders of Institutional Director

As of March 27, 2026

Name of Institutional Shareholder	Major Shareholders of the Institution	Shareholding Ratio
QNAP Systems, Inc.	IEI Integration Corp.	20.96%
	Kuo Po-Ta	16.18%
	Chang Ming-Chih	9.49%
	QNAP Holdings Limited	8.38%
	Kuo Chun-Chi	4.23%
	Kuo Yun-Lung	1.72%
	Kuo Yun-Chaing	1.72%
	Yujia Investment Co. Ltd.	1.37%
	Hao Zhen Lai Investment Co.	1.16%
	CTBC Bank — Trust Property Account	1.16%

(Table II) Major Shareholders of Institutional Shareholders Listed in Table I

As of March 27, 2026

Name of Institutional Shareholder	Major Shareholders of the Institution	Shareholding Ratio
IEI Integration Corp.	Please refer to page 41 for the names of the top ten shareholders by shareholding percentage.	
Yujia Investment Co. Ltd.	Li Chien-Hsing	29.43%
Hao Zhen Lai Investment Co.	Kuo Wen-Chen	99.93%

Directors Information [Table II]

1. Directors' Professional Qualifications and Independent Directors' Independence Disclosure:

Conditions / Name	Professional Qualifications and Experience	Independence	Number of Other Public Companies Where Concurrently Serving as Independent Director
QNAP Systems, Inc. Representative: Chang Ming-Chih (Director)	<ul style="list-style-type: none"> Currently serves as Chairman of the Company and Chairman of QNAP Systems, Inc. Has work experience required in business, legal, financial, accounting, or company operations. No circumstances under Article 30 of the Company Act. 	Not Applicable	None
Jiang Jonq-Liang (Director)	<ul style="list-style-type: none"> Currently serves as President of the Company. Has work experience required in business, legal, financial, accounting, or company operations. No circumstances under Article 30 of the Company Act. 	Not Applicable	None
Li Ying-Yin (Director)	<ul style="list-style-type: none"> M.A., Applied Chinese Language and Culture, National Taiwan Normal University. Has work experience required in business, legal, financial, accounting, or company operations. No circumstances under Article 30 of the Company Act. 	Not Applicable	None

Conditions / Name	Professional Qualifications and Experience	Independence	Number of Other Public Companies Where Concurrently Serving as Independent Director
Ho In-Chyuan (Independent Director)	<ul style="list-style-type: none"> Ph.D., Electrical Engineering, National Cheng Kung University; currently Chairman of Hung-Chun Management Consultants Co., Ltd. and Representative of Pinmao Investment Co., Ltd. Has work experience required in business, legal, financial, accounting, or company operations. No circumstances under Article 30 of the Company Act. 	<ul style="list-style-type: none"> Met independence criteria at the time of election and throughout the term of office. The person, spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or its affiliates; do not hold shares of the Company; and do not serve as directors, supervisors, or employees of companies with specific relationships with the Company. Has not provided business, legal, financial, or accounting services to the Company or its affiliates within the past 2 years. 	None
Hsu Jia-Lien (Independent Director)	<ul style="list-style-type: none"> Ph.D., Computer Science, National Tsing Hua University; currently Professor at Fu Jen Catholic University. Serves as a lecturer at a public or private university in a department related to the Company's business, possessing the required professional knowledge background, capability, and work experience. No circumstances under Article 30 of the Company Act. 	<ul style="list-style-type: none"> Met independence criteria at the time of election and throughout the term of office. The person, spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or its affiliates; do not hold shares of the Company; and do not serve as directors, supervisors, or employees of companies with specific relationships with the Company. Has not provided business, legal, financial, or accounting services to the Company or its affiliates within the past 2 years. 	None
Lo Wen-Pao (Independent Director)	<ul style="list-style-type: none"> Currently serves as Chairman and President of Unistar Technology Co., Ltd. and Representative of Siwei Investment Co., Ltd. Has work experience required in business, legal, financial, accounting, or company operations. No circumstances under Article 30 of the Company Act. 	<ul style="list-style-type: none"> Met independence criteria at the time of election and throughout the term of office. The person, spouse, and relatives within the second degree of kinship do not serve as directors, supervisors, or employees of the Company or its affiliates; do not hold shares of the Company; and do not serve as directors, supervisors, or employees of companies with specific relationships with the Company. Has not provided business, legal, financial, or accounting services to the Company or its affiliates within the past 2 years. 	None

2. Board Diversity and Independence:

(1) Board Diversity:

The Company has established the "Corporate Governance Best Practice Principles," which set forth a diversity policy for the composition of board members covering, but not limited to, gender, age, nationality, cultural and professional background, professional skills, and industry experience. All directors (including independent directors) are selected under a candidate nomination system and undergo a rigorous selection process; candidates are submitted for election at the shareholders' meeting after being approved by the Board of Directors.

The current diversity policy for board members and its implementation are as follows:

Diversity Item / Director Name	Gender	Independent Director Tenure			Concurrently Employed by the Company	Business Judgment	Accounting & Financial Analysis	Management Ability	Crisis Management	Industry Knowledge	International Market Perspective	Leadership & Decision-Making
		< 3 Yrs	3-9 Yrs	> 9 Yrs								
Chairman Chang Ming-Chih	Male					√		√	√	√	√	√
Director Jiang Jonq-Liang	Male				√	√		√	√	√	√	√
Director Li Ying-Yin	Female					√		√	√	√	√	√
Ind. Director Ho In-Chyuan	Male	√				√	√	√	√	√	√	√
Ind. Director Hsu Jia-Lien	Male		√			√		√	√	√	√	√
Ind. Director Lo Wen-Pao	Male	√				√		√	√	√	√	√

Specific management targets for board composition diversity policy and their implementation status:

Management Target	Implementation Status
Directors concurrently serving as company managers should not exceed one-third of all director seats	Achieved (ratio: 16.67%)
At least one female director on the Board	Achieved (1 female director)
Independent directors should exceed one-third of all director seats	Achieved (independent director ratio: 50%)
More than half of independent directors should have consecutive terms not exceeding three terms	Achieved (100% with tenure under three terms)
Sufficient and diverse professional knowledge and skills	Achieved
Directors of any single gender should account for at least one-third of all director seats	Not Achieved (Male: 83%; Female: 17%)
<p>Explanation for unachieved target and future plans:</p> <p>The current Board has one female member, which does not meet the one-third threshold. The primary reason is that the Company has historically prioritized professional background, experience, and competencies in director elections, and the pool of female candidates meeting the required qualifications has been limited.</p> <p>On April 10, 2026, the Board resolved to nominate candidates for directors (including independent directors) to be submitted for election at the Annual Shareholders' Meeting on May 25, 2026. The candidate composition includes 4 male and 3 female nominees. If the election proceeds as planned, the proportion of either gender on the Board will reach or exceed one-third (Male: 57%; Female: 43%), representing a concrete plan to improve board gender diversity.</p>	

(2) Board Independence:

The current Board of Directors consists of 6 directors, including 3 independent directors. Independent directors account for 50% of all director seats. No directors have spousal or second-degree kinship relationships with each other, nor are there circumstances prescribed under Article 26-3, Paragraphs 3 and 4 of the Securities and Exchange Act.

The Board of Directors is responsible for guiding the Company's strategy, overseeing management, and being accountable to the Company and its shareholders. In all operational matters and arrangements under the corporate governance system, the Board exercises its authority in accordance with applicable laws and regulations, the Company's articles of incorporation, or resolutions of the shareholders' meeting. The Board emphasizes independent operations and transparency; all directors and independent directors are independent individuals who exercise their powers independently. The three independent directors, in accordance with applicable regulations and in conjunction with the powers of the Audit Committee, examine the Company's controls over existing or potential risks, ensure effective oversight of the implementation of internal controls, review the appointment (or dismissal) and independence of the certifying accountants, and ensure the appropriate preparation of financial statements. In addition, pursuant to the Company's "Director Election Procedures," the election of directors and independent directors adopts a candidate nomination system and single non-transferable cumulative voting, encouraging shareholders to actively participate. Shareholders holding shares above a specified number may nominate candidates; the qualifications of such candidates are reviewed in accordance with applicable laws and regulations to confirm no circumstances under Article 30 of the Company Act are present. All related acceptance procedures are carried out and announced in compliance with applicable laws and regulations to protect shareholder rights, prevent monopolization or excessive abuse of nomination rights, and maintain independence.

(II) President, Executive Vice Presidents, Vice Presidents, Managers of Each Department and Branch Offices

As of March 27, 2026

Title	Nationality	Name	Gender	Date Assumed Office	Shares Held (Shares / %)	Shares Held by Spouse & Minor Children (Shares / %)	Shares Held Through Nominee (Shares / %)	Major Education and Work Experience	Current Positions Concurrently Held at Other Companies	Managers with Spousal or Second-Degree Kinship Relationship
President	R.O.C.	Jiang Jong-Liang	Male	2005.01.01	205,374 / 0.12%	-	-	Ph.D., Arizona State University; President of IEI Integration Corp.	None	None
Vice President	R.O.C.	Chang Su-Pi	Female	2003.02.01	156,948 / 0.09%	-	-	M.S., Industrial Engineering, Yuan Ze University VP of Information Services Division and Chief Information Security Officer, IEI	Supervisor, Shengfeng Co., Ltd.	None
Vice President and Head of R&D	R.O.C.	Chan Kai-Cheng	Male	2016.08.05	13,512 / 0.01%	-	-	M.S., Electrical Engineering, National Taiwan Ocean University; VP of Medical Business Division, IEI	Corporate Director Representative, Avalue Technology Co., Ltd.	None
Vice President	R.O.C.	Tu Chun-Ying	Male	2020.11.10	75,340 / 0.04%	-	-	M.S., Engineering Science, National Cheng Kung University; VP of R&D Center and Quality Division, IEI	None	None
Vice President	R.O.C.	Kuo Chen-Shan (Note 1)	Female	2020.11.10	-	-	-	B.S., Business Administration, National Taipei University; VP of Logistics Center, IEI	None	None
Vice President	R.O.C.	Li Yao-Tsung	Male	2021.07.16	-	-	-	M.S., Computer Science, National Chung Cheng University; M.B.A. (EMBA), National Taiwan University; VP of Network Communication and Edge Computing Business Division, IEI	Corporate Director Representative, QNAP Systems, Inc.	None
CFO / Chief Accounting Officer	R.O.C.	Wei Ti-Szu	Female	2019.09.16	-	-	-	B.S., Accounting, Fu Jen Catholic University; CFO/Chief Accounting Officer and Head of Corporate Governance, IEI	None	None

(Note 1) Vice President Kuo Chen-Shan was relieved of her duties due to a job reassignment on June 11, 2025.

(Note 2) The President (Chief Executive Officer) and the Chairman are not the same person, spouses, or first-degree relatives of each other: None.

2.2. Remuneration Paid to Directors, President, and Vice Presidents in the Most Recent Fiscal Year

(I) Remuneration of Directors and Independent Directors

Unit: NT\$ thousands

Position	Name	Director's remuneration								Total of A-D and their proportion of net income after tax		Remuneration for Concurrent Employment								Total of A-G, and their proportion of net income after tax		Remuneration from Non-Subsidiary Investee Companies or the Parent Company
		Base Compensation (A)		Severance Pay and Retirement Pension (B)		Director's Compensation (C)		Expenses and Perquisites (D)				Salary, Bonuses, and other Allowances (E)		Severance Pay And Retirement Pension (F)		Employee's Compensation (G) (Proposed)						
		The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report	The Company	All Entities Included in the Financial Report			
Director	QNAP Systems, Inc. Representative: Chang Ming-Chih	-	-	-	-	1,700	1,700	-	-	1,700	1,700	1,222	3,446	108	108	3,467	-	6,600	-	6,497	11,854	None
	Jiang Jonq-Liang									0.21%	0.21%									0.79%	1.45%	
	Liou Wen-Yi (Note)																					
	Li Ying-Yin																					
Independent Director	Ho In-Chyuan	-	-	-	-	1,600	1,600	-	-	1,600	1,600	-	-	-	-	-	-	-	-	1,600	1,600	
	Hsu Jia-Lien									0.20%	0.20%									0.20%	0.20%	
	Lo Wen-Pao																					

Note: Director Liou Wen-Yi resigned on November 4, 2024.

1. Policy for independent director remuneration:

Pursuant to the Company's Articles of Incorporation, independent director remuneration is drawn at the stipulated percentage and paid annually. Compensation for services is adjusted based on each director's participation and contribution, as proposed by the Compensation Committee and submitted to the Board.

2. Other remuneration received by directors for providing services (e.g., non-employee consultant to parent company or investees): None.

Remuneration Range Table

Remuneration Range Paid to Individual Directors	Director Names			
	Total Remuneration of Items (A+B+C+D)		Total Remuneration of Items (A+B+C+D+E+F+G)	
	Company Only	All Companies (H)	Company Only	All Companies (I)
Below NT\$1,000,000	QNAP Systems Rep.: Chang Ming-Chih; Jiang Jonq-Liang; Liou Wen-Yi; Li Ying-Yin; Ho In-Chyuan; Hsu Jia-Lien; Lo Wen-Pao		QNAP Systems Rep.: Chang Ming-Chih; Liou Wen-Yi; Li Ying-Yin; Ho In-Chyuan; Hsu Jia-Lien; Lo Wen-Pao	
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)				
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)				
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)				
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)			Jiang Jonq-Liang	
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)				Jiang Jonq-Liang
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)				
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)				
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)				
NT\$100,000,000 and above				
Total	7 persons		7 persons	

(II) Remuneration of President and Vice Presidents

Unit: NT\$ thousands

Position	Name	Salary (A)		Severance Pay and Retirement Pension (B)		Bonuses and other Allowances (C)		Employee's Compensation (D) (Proposed)				Total of A-D and their proportion of net income after tax		Remuneration from Non-Subsidiary Investee Companies or the Parent Company
		The Company	All entities included in the financial report	The Company	All entities included in the financial report	The Company	All entities included in the financial report	The Company		All entities included in the financial report		The Company	All entities included in the financial report	
								Amount in cash	Amount in stock	Amount in cash	Amount in stock			
President	Jiang Jonq-Liang	8,531	11,284	533	533	1,801	2,566	9,197	-	13,685	-	20,062	28,068	None
Vice President	Chang Su-Pi													
Vice President	Chan Kai-Cheng													
Vice President	Tu Chun-Ying													
Vice President	Kuo Chen-Shan (Note)													
Vice President	Li Yao-Tsung													
												2.45%	3.43%	

(Note) Vice President Kuo Chen-Shan was relieved of her duties due to a job reassignment on June 11, 2025.

Remuneration Range Table

Remuneration Range Paid to Individual President and Vice Presidents	Names of President and Vice Presidents	
	Company Only	All Companies in Financial Statements
Below NT\$1,000,000	Chang Su-Pi; Kuo Chen-Shan	Kuo Chen-Shan
NT\$1,000,000 (incl.) ~ NT\$2,000,000 (excl.)		
NT\$2,000,000 (incl.) ~ NT\$3,500,000 (excl.)		
NT\$3,500,000 (incl.) ~ NT\$5,000,000 (excl.)	Jiang Jonq-Liang; Chan Kai-Cheng; Tu Chun-Ying	Chan Kai-Cheng; Tu Chun-Ying; Chang Su-Pi
NT\$5,000,000 (incl.) ~ NT\$10,000,000 (excl.)	Li Yao-Tsung	Li Yao-Tsung
NT\$10,000,000 (incl.) ~ NT\$15,000,000 (excl.)		Jiang Jonq-Liang
NT\$15,000,000 (incl.) ~ NT\$30,000,000 (excl.)		
NT\$30,000,000 (incl.) ~ NT\$50,000,000 (excl.)		
NT\$50,000,000 (incl.) ~ NT\$100,000,000 (excl.)		
NT\$100,000,000 and above		
Total	6 persons	6 persons

(III) Names of Managers Receiving Distributions of Employee Compensation and Distribution Details

Unit: NT\$ thousands

	Title	Name	Stock Amount (Proposed)	Cash Amount (Proposed)	Total Amount	Total Amount as % of Net Income After Tax
Managers	President	Jiang Jonq-Liang	-	14,785	14,785	(1.81%)
	Vice President	Chang Su-Pi				
	Vice President	Chan Kai-Cheng				
	Vice President	Tu Chun-Ying				
	Vice President	Kuo Chen-Shan				
	Vice President	Li Yao-Tsung				
	CFO / Chief Accounting Officer	Wei Ti-Szu				

(IV) Analysis of Total Remuneration Paid to Directors, President, and Vice Presidents as a Percentage of Net Income After Tax in the Most Recent Two Fiscal Years, and Description of Remuneration Payment Policies, Standards and Mix, the Procedure for Determining Remuneration, and the Relationship to Business Performance and Future Risks

1. Analysis of total remuneration as a percentage of net income after tax for the most recent two fiscal years:

Unit: NT\$ thousands

Fiscal Year / Title	FY2024 - Total Remuneration as % of Net Income After Tax		FY2025 - Total Remuneration as % of Net Income After Tax	
	Company Only	All Companies in Consolidated Statements	Company Only	All Companies in Consolidated Statements
Directors	0.53%	0.88%	0.99%	1.65%
President and Vice Presidents	1.35%	1.87%	2.45%	3.43%

Note: Employee compensation amounts for FY2025 included in total remuneration are proposed amounts.

2. Remuneration payment policies, standards and mix, the procedure for determining remuneration, and the relationship to business performance and future risks:

- (1) Remuneration payment policies, standards and mix:

A. Director Remuneration

Pursuant to Article 16-2 of the Company's Articles of Incorporation, director remuneration is authorized to be determined by the Board of Directors based on the degree of each director's participation in Company operations and their contribution, with reference to industry norms. If the Company records a profit for the year, up to 3% of the profit is allocated as director remuneration pursuant to Article 19 of the Articles of Incorporation. In addition, the Company conducts annual Board performance evaluations and individual director self-assessments in accordance with the "Board Performance Evaluation Measures," which are reviewed and approved by the Compensation Committee and the Board. The remuneration system is reviewed in a timely manner based on actual operating conditions and relevant regulations to ensure that director remuneration is balanced with the Company's sustainable operational outcomes.

B. Manager Remuneration

Pursuant to the "Salary Management Regulations," manager remuneration includes base salary, allowances, subsidies, bonuses, and other compensation. To incentivize employee effort, if the Company records a profit for the year, 5% to 20% of the profit is allocated as employee compensation pursuant to Article 19 of the Articles of Incorporation. Remuneration is determined based on the Company's annual business performance, financial condition, operational results, and individual performance.

The Company conducts annual performance evaluations in accordance with the "Employee Performance Management Regulations." Key performance indicators are primarily benchmarked against annual business targets, with weightings adjusted based on actual conditions. Annual performance evaluations include assessments of quantitative indicators and interviews for non-quantifiable outcomes, ensuring that business targets are met and adjustments are made as needed. Manager remuneration is linked to performance outcomes, reviewed by the Compensation Committee, and subsequently executed upon approval by the Board.

- C. The mix of remuneration paid by the Company, in accordance with the Compensation Committee's organizational rules, includes cash compensation, stock options, profit sharing and employee stock ownership, retirement and separation benefits, various allowances, and other measures with substantive incentive effects. The remuneration mix complies with the remuneration disclosure requirements for directors and managers of publicly listed companies and is consistent with applicable regulations.

(2) Procedure for determining remuneration:

The procedure for determining director and manager remuneration is based on the performance evaluation results under the Company's "Board Performance Evaluation Measures" and "Employee Performance Management Regulations," with reference to Company operating performance, future risks, development strategies, industry trends, and individual contributions to Company performance, providing reasonable remuneration. The reasonableness of director and manager performance evaluation and remuneration is regularly assessed, reviewed, and approved each year by the Compensation Committee and the Board. Remuneration policies will be reviewed in a timely manner based on the overall business environment and corporate operating strategy to balance the interests of sustainable operations and stakeholders. The FY2024 director and manager remuneration amounts have been reviewed by the Compensation Committee and submitted to the Board for resolution.

(3) Relationship to business performance and future risks:

The Company's remuneration policy takes the Company's overall operating conditions as the primary consideration and determines remuneration based on performance achievement rates and contributions, with the aim of enhancing the overall effectiveness of the Board and management. The Company benchmarks its remuneration against industry pay standards to ensure that management compensation remains competitive and attracts and retains outstanding management talent.

Through annual risk assessment and management mechanisms, the Company ensures that risks are properly managed and mitigated within the scope of responsibilities. Remuneration is linked to risk management performance and is disbursed based on various performance indicators and risk assessment results. Each year, managers lead their respective departments in conducting risk and opportunity assessments, conducting comprehensive analyses of factors including market conditions, economic trends, environmental issues, and regulatory changes, and evaluating their positive or negative impact on Company operations. Based on this, managers formulate response measures in accordance with risk levels, which serve as the basis for Company operating decisions and departmental performance indicators, ensuring a close connection between risk management and corporate operating strategy.

2.3 Corporate Governance Operations

(I) Operations of the Board of Directors

The Board of Directors convened 6 meetings in FY2025. Director attendance is as follows:

Title	Name	Actual Attendance	Attendance by Proxy	Actual Attendance Rate	Remarks
Chairman	QNAP Systems, Inc. Representative: Chang Ming-Chih	6	0	100%	
Director	Jiang Jonq-Liang	5	1	83.33%	
Director	Li Ying-Yin	6	0	100%	
Independent Director	Ho In-Chyuan	6	0	100%	
Independent Director	Hsu Jia-Lien	6	0	100%	
Independent Director	Lo Wen-Pao	6	0	100%	

Other matters to be disclosed:

1. If any of the following circumstances occur in Board operations, the Board meeting date, number, agenda item, all independent directors' opinions, and the Company's handling of independent directors' opinions shall be stated:

(1) Matters listed under Article 14-3 of the Securities and Exchange Act: No objections or reservations were expressed (see pages 37–38 for details).

(2) Other Board resolutions to which independent directors expressed objections or reservations with records or written statements, other than the foregoing: None.

2. Recusal of directors from conflict-of-interest agenda items, including the director's name, agenda item, reason for recusal, and voting participation: None.

3. Board performance evaluation for FY2025:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Method	Content	Result
Annual	January 1, 2025 to December 31, 2025	Board of Directors	Internal self-evaluation	<ul style="list-style-type: none"> • Degree of participation in Company operations; • Enhancing Board decision-making quality; • Board composition and structure; • Director election and continuing education; • Internal controls. 	Score: 4.95
		Individual Board Members	Self-evaluation	<ul style="list-style-type: none"> • Grasp of Company objectives and mission; • Awareness of director responsibilities; • Degree of participation in Company operations; • Internal relations and communications; • Expertise and continuing education; • Internal controls. 	Score: 4.90
		Audit Committee	Internal self-evaluation	<ul style="list-style-type: none"> • Degree of participation in Company operations; • Awareness of functional committee responsibilities; • Enhancing committee decision-making quality; • Committee composition and member selection; • Internal controls. 	Score: 5.0
		Compensation Committee	Internal self-evaluation	<ul style="list-style-type: none"> • Degree of participation in Company operations; • Awareness of functional committee responsibilities; • Enhancing committee decision-making quality; • Committee composition and member selection; • Internal controls. 	Score: 5.0
		Sustainability Committee	Internal self-evaluation	<ul style="list-style-type: none"> • Degree of participation in Company operations; • Awareness of functional committee responsibilities; • Enhancing committee decision-making quality; • Committee composition and member selection; • Internal controls. 	Score: 5.0

The results of the FY2025 Board performance evaluation fell between 4 (Excellent) and 5 (Outstanding). Directors largely expressed strong agreement with each evaluation indicator. The evaluation concluded that the Board and each functional committee operate well overall, meet corporate governance requirements, and effectively enhance Board functions and protect shareholder rights.

The Board secretariat reported the FY2025 evaluation results at the March 6, 2026 Board meeting and submitted the results to the Compensation Committee for reference in determining individual remuneration.

4. Goals and implementation assessment for strengthening Board functions during the current year and the most recent year:

Among the Company's 6 directors, 3 are independent directors. The Audit Committee, Compensation Committee, and Sustainability Committee have been established to strengthen Board functions. The Board meets at least once per quarter; operations have been smooth since establishment.

The Company periodically discloses director attendance and continuing education records on the Market Observation Post System (MOPS) for the investing public, ensuring timely and transparent information disclosure.

To implement corporate governance, the Company has established the "Board Meeting Rules," "Standard Operating Procedures for Handling Director Requests," and "Board Performance Evaluation Measures" in accordance with applicable regulations. After the end of each fiscal year, the Board secretariat collects information on Board activities and distributes self-evaluation questionnaires to the Board and individual directors. Upon collection, scores are compiled, an evaluation report is prepared, and the report is submitted to the Board for review and improvement to ensure and strengthen the Board's necessary functions.

(II) Operations of the Audit Committee

1. The Audit Committee convened 6 meetings in the most recent fiscal year (FY2025). The attendance of independent directors is as follows:

Title	Name	Actual Attendance	Attendance by Proxy	Actual Attendance Rate	Remarks
Independent Director	Ho In-Chyuan	6	0	100%	
Independent Director	Hsu Jia-Lien	6	0	100%	
Independent Director	Lo Wen-Pao	6	0	100%	

Other matters to be disclosed:

1. If any of the following circumstances occur in Audit Committee operations, the meeting date, number, agenda item, independent directors' objections or reservations or significant recommendations, the Audit Committee resolution, and the Company's handling of the Audit Committee's opinion shall be stated:

(1) Matters listed under Article 14-5 of the Securities and Exchange Act: No objections or reservations were expressed (see FY2025 Audit Committee Operations, pages 16–17).

(2) Other matters not approved by the Audit Committee but passed by two-thirds or more of all directors: None.

2. Recusal of independent directors from conflict-of-interest agenda items, including the director's name, agenda item, reason for recusal, and voting participation: None.

3. Communication between independent directors and the head of internal audit and the certifying accountants (including significant matters, methods, and results of communications regarding the Company's financial and business conditions):

(1) The Company has established an Audit Committee composed of all independent directors. Prior to each quarterly Board meeting, the Audit Committee holds regular meetings with the head of internal audit, covering topics such as internal controls, audit plans, and execution results. The results of all deliberations and communications are recorded in the quarterly Audit Committee minutes. Significant resolutions are regularly reported and presented to the Board. Communications have been conducted smoothly.

Communications between independent directors and the head of internal audit in FY2025:

Date	Method	Agenda	Independent Directors' Opinion
2025.12.26	Audit Committee	<ul style="list-style-type: none"> ▪ Internal audit execution report. ▪ FY2026 audit plan. ▪ Amendment to internal control system. ▪ Amendment to Appendix 1 of the "Internal Control Self-Assessment Procedures and Methods" (Internal Control Components and Evaluation Criteria). ▪ FY2025 risk appetite, risk analysis results, and risk management execution. 	Each item was put to all attending members by the chair; passed unanimously and submitted to the Board for resolution.
2025.11.05	Audit Committee	<ul style="list-style-type: none"> ▪ Internal audit execution report. 	Passed unanimously; submitted to the Board for resolution.
2025.08.08	Audit Committee	<ul style="list-style-type: none"> ▪ Internal audit execution report. ▪ Amendment to Sustainability Committee organizational rules. ▪ Amendment to Risk Management Policy and Procedures. ▪ Amendment to Integrity Management Operating Procedures and Code of Conduct. 	Passed unanimously; submitted to the Board for resolution.
2025.05.09	Audit Committee	<ul style="list-style-type: none"> ▪ Internal audit execution report. ▪ Amendment to internal control system and management regulations. 	Passed unanimously; submitted to the Board for resolution.
2025.04.11	Audit Committee	<ul style="list-style-type: none"> ▪ Internal audit execution status. 	Passed unanimously; submitted to the Board for resolution.
2025.02.25	Audit Committee	<ul style="list-style-type: none"> ▪ Internal audit execution report. ▪ FY2024 "Effectiveness Assessment of Internal Control System" and "Statement on Internal Control System." 	Passed unanimously; submitted to the Board for resolution.

(2) Each year, the certifying accountants meet with the independent directors to discuss key audit matters, profit or loss, and the financial condition for the annual financial report. The Company may also convene meetings with the accountants and relevant departments as needed based on operational conditions or at the request of independent directors.

Communications between independent directors and the certifying accountants:

Date	Key Topics	Independent Directors' Opinion
2026.03.06	<ul style="list-style-type: none"> ▪ Explanation of FY2025 financial and profit/loss position. ▪ Explanation of FY2025 key audit matters. 	No opinion.
2025.11.05	<ul style="list-style-type: none"> ▪ Explanation of FY2025 financial certification audit planning matters. 	No opinion.
2025.02.25	<ul style="list-style-type: none"> ▪ Explanation of FY2024 financial and profit/loss position. ▪ Explanation of FY2024 key audit matters. 	No opinion.

2. Key matters reviewed and work priorities of the Audit Committee in FY2025 include:

- (1) Assessment of the effectiveness of the internal control system.
- (2) Formulation or amendment of the internal control system and related procedures.
- (3) Major asset transactions.
- (4) Annual and quarterly financial reports.
- (5) Company risk management.
- (6) Assessment of the independence and suitability of the certifying accountants and their appointment remuneration.

• **Review of Financial Reports**

The Board of Directors has prepared the Company's FY2025 Business Report and financial statements. The financial statements have been audited by KPMG (Taiwan), which has issued an audit report. The aforementioned Business Report and financial statements have been reviewed by the Audit Committee and found to be in order.

• **Assessment of the Effectiveness of the Internal Control System**

The Audit Committee assessed the effectiveness of the policies and procedures of the Company's internal control system (including financial, operational, risk management, information security, outsourcing, and regulatory compliance controls), and reviewed periodic reports from the Company's internal audit department, the certifying accountants, and management. The Audit Committee concluded that the Company's risk management and internal control systems are effective, and that the Company has adopted the necessary control mechanisms to monitor and correct non-compliance.

3. FY2025 Audit Committee Meeting Operations:

Meeting Name / Date	Agenda Item	Matters Listed Under Article 14-5 of the Securities and Exchange Act	Independent Directors' Objections, Reservations, or Significant Recommendations	Audit Committee Resolution	Company's Handling of Audit Committee Opinion
3rd Term, 9th Meeting 2025.02.25	▪ Internal audit execution report.	V	None	Passed unanimously by all attending members.	Not Applicable
	▪ FY2024 Business Report and financial report.	V			
	▪ FY2024 "Effectiveness Assessment of Internal Control System" and "Statement on Internal Control System."	V			
	▪ FY2025 business plan and budget.	-			
	▪ Periodic assessment of the independence and suitability of the certifying accountants and their appointment remuneration.	V			
	▪ Appointment and remuneration of the FY2025 certifying accountants.	V			
	▪ Amendment to the Company's Articles of Incorporation.	V			
	▪ Overdue accounts receivable and other receivables (non-fund-lending in nature) as of December 31, 2024.	-			

Meeting Name / Date	Agenda Item	Matters Listed Under Article 14-5 of the Securities and Exchange Act	Independent Directors' Objections, Reservations, or Significant Recommendations	Audit Committee Resolution	Company's Handling of Audit Committee Opinion
3rd Term, 10th Meeting 2025.04.11	▪ Internal audit execution report.	√	None	Passed unanimously by all attending members.	Not Applicable
	▪ FY2025 earnings distribution.	√			
	▪ Acquisition of land in Yangmei District, Taoyuan City from a related party.	√			
3rd Term, 11th Meeting 2025.05.09	▪ Internal audit execution report.	√	None	Passed unanimously by all attending members.	Not Applicable
	▪ Q1 2025 Consolidated Financial Report.	√			
	▪ Amendment to the Company's internal control system and management regulations.	√			
3rd Term, 12th Meeting 2025.08.08	▪ Internal audit execution report.	√	None	Passed unanimously by all attending members.	Not Applicable
	▪ Q2 2025 Consolidated Financial Report.	√			
	▪ Amendment to the Company's Sustainability Committee organizational rules.	√			
	▪ Amendment to the Company's Risk Management Policy and Procedures.	√			
	▪ Amendment to the Company's Integrity Management Operating Procedures and Code of Conduct.	√			
3rd Term, 13th Meeting 2025.11.05	▪ Internal audit execution report.	√	None	Passed unanimously by all attending members.	Not Applicable
	▪ Q3 2025 Consolidated Financial Report.	√			
3rd Term, 14th Meeting 2025.12.26	▪ Internal audit execution report.	√	None	Passed unanimously by all attending members.	Not Applicable
	▪ FY2026 audit plan.	√			
	▪ Amendment to the Company's internal control system.	√			
	▪ Amendment to Appendix 1 of the "Internal Control Self-Assessment Procedures and Methods" — Internal Control Components and Evaluation Criteria.	√			
	▪ FY2025 risk appetite, risk analysis results, and risk management execution.	√			
3rd Term, 15th Meeting 2026.02.10	▪ FY2025 climate risk and opportunity identification and response measures.	√	None	Passed unanimously by all attending members.	Not Applicable
	▪ Total budget for the owner-built factory construction project at the Taoyuan Yangmei plant.	√			
3rd Term, 16th Meeting 2026.03.06	▪ Internal audit execution report.	√	None	Passed unanimously by all attending members.	Not Applicable
	▪ FY2025 Business Report and financial report.	√			
	▪ FY2025 "Effectiveness Assessment of Internal Control System" and "Statement on Internal Control System."	√			
	▪ FY2026 business plan and budget.	-			
	▪ Periodic assessment of the independence and suitability of the certifying accountants and their appointment remuneration.	√			
	▪ FY2025 earnings distribution.	√			
3rd Term, 17th Meeting 2026.04.10	▪ Internal audit execution report.	√	None	Passed unanimously by all attending members.	Not Applicable
	▪ Change of functional currency of significant subsidiary Fortunetec International Corp.	-			
	▪ Amendment to the Company's Compensation Committee organizational rules.	√			
	▪ Nomination of candidates for the election of directors (including independent directors) at the 2026 Annual Shareholders' Meeting.	-			

(III) Corporate Governance Operations and Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor

Evaluation Item	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Summary	
I. Has the Company formulated and disclosed corporate governance best practice principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?	V		The Company has formulated its "Corporate Governance Best Practice Principles" in accordance with the applicable guidelines. These were implemented following Board approval, with the same process applying to any amendments. The principles are disclosed on the Company's website and the Market Observation Post System (MOPS) for reference and compliance.	No difference.
II. Equity Structure and Shareholders' Rights				
(I) Has the Company established internal operating procedures to handle shareholder suggestions, queries, disputes, and litigation, and implemented them accordingly?	V		(I) To protect shareholders' rights and interests, the Company, in accordance with the "Corporate Governance Best Practice Principles," has designated responsible personnel to properly handle shareholder suggestions, queries, and disputes. A spokesperson and deputy spokesperson have been designated to handle shareholder communications. Matters involving legal queries, disputes, or litigation are referred to legal personnel for assistance.	No difference.
(II) Does the Company maintain a list of major shareholders who actually control the Company and the ultimate controllers of those major shareholders?	V		(II) Shareholder services are entrusted to a professional shareholder services agency. A dedicated shareholder services officer is appointed to periodically obtain the list of major shareholders who actually control the Company and the ultimate controllers of those major shareholders, enabling the Company to monitor and understand its equity structure at all times.	No difference.
(III) Has the Company established and implemented risk control and firewall mechanisms for transactions with affiliates?	V		(III) The Company has formulated "Operating Procedures for Transactions with Related Parties, Specific Companies, and Group Enterprises" as well as related internal control, internal audit management regulations, and operating systems to effectively control risks and ensure implementation.	No difference.
(IV) Has the Company established internal regulations prohibiting insiders from trading securities using material non-public information?	V		(IV) The Company's "Integrity Management Operating Procedures and Code of Conduct" expressly prohibits insider trading. The Company has also formulated "Operating Procedures for Handling Material Internal Information and Preventing Insider Trading" to strengthen the insider trading prevention mechanism. The "Corporate Governance Best Practice Principles" further stipulate that directors shall not trade the Company's shares during the blackout period of 30 days before the announcement of the annual financial report and 15 days before the announcement of each quarterly financial report. The Company notifies directors and insiders 30 and 15 days before the announcement of financial reports to comply with relevant regulations. To ensure effective implementation, the Company conducts education and awareness sessions on insider trading regulations for directors, managers, and employees at least once every six months; newly appointed directors, managers, and employees receive such sessions within 1 month of taking office. In FY2025, education and awareness sessions were conducted for current directors, managers, and employees, totaling 616 hours (1,232 person-sessions). Topics covered include: scope of material information, confidentiality firewall procedures, confidentiality requirements for external parties, principles of disclosure, implementation of the spokesperson system, records of information disclosure, responses to inaccurate media reports, reporting of abnormal situations, and internal control mechanisms for handling violations.	No difference.

Evaluation Item	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Summary	
III. Composition and Responsibilities of the Board of Directors				
(I) Has the Board formulated a diversity policy, specific management targets, and implemented them?	V		(I) The Company has formulated a diversity policy for board composition in accordance with the "Corporate Governance Best Practice Principles," covering but not limited to gender, age, nationality, cultural and professional background, professional skills, and industry experience. All directors (including independent directors) are selected under a candidate nomination system through a rigorous selection process and submitted to the shareholders' meeting for election upon Board approval. The current Board consists of 6 directors, including 1 executive director, 2 non-executive directors, and 3 independent directors, one of whom is female. Members possess extensive experience and expertise in finance, the technology industry, and management, which benefits the Company's development and operations. For details on implementation, please refer to pages 7–8.	No difference.
(II) In addition to the Compensation Committee and Audit Committee required by law, has the Company voluntarily established other types of functional committees?	V		(II) The Company resolved at the Board meeting on November 3, 2023 to establish the "Sustainability Committee" to implement and sustain the Company's actions toward sustainable development in the dimensions of environment, society, and governance, and to regularly report its strategic direction, plans, and execution to the Board.	No difference.
(III) Has the Company formulated a Board performance evaluation method and evaluation approach, conducted performance evaluations annually, submitted the results to the Board, and used the results as a reference for individual director remuneration and nomination for re-election?	V		(III) The Company has formulated "Board Performance Evaluation Measures" and conducts annual Board self-evaluations in accordance therewith. The evaluation results are reported to the Board before the end of the first quarter of the following year and serve as a reference for individual director remuneration and re-election nominations. The FY2025 Board performance evaluation results were reported to the Compensation Committee and the Board on March 6, 2026.	No difference.
(IV) Does the Company regularly assess the independence of the certifying accountants?	V		(IV) The Company regularly assesses the independence and suitability of the certifying accountants each year, which is reviewed by the Audit Committee and submitted to the Board for approval. In addition to requiring the certifying accountants to provide an "Independence Statement" and "Audit Quality Indicators (AQIs)," the evaluation is conducted using the criteria in Appendix I and the AQI indicators. The most recent assessment confirmed compliance with independence and suitability requirements, and the reliability of the issued financial reports is unimpaired. The assessment results were resolved by the Audit Committee and the Board on March 6, 2026.	No difference.
IV. Has the TWSE/TPEX listed company appointed a sufficient and appropriate number of corporate governance personnel and designated a corporate governance officer responsible for corporate governance-related affairs (including but not limited to providing directors with information needed to perform their duties, assisting directors in complying with applicable laws and regulations, handling Board and shareholders' meeting-related matters in accordance with the law, preparing minutes of Board and shareholders' meetings, etc.)?	V		The Company has designated dedicated shareholder services personnel to handle corporate governance-related affairs and has resolved at the Board level to appoint the Chief Financial Officer / Chief Accounting Officer as the corporate governance officer. The officer meets the relevant qualification requirements under applicable regulations and is responsible for supervising and planning corporate governance-related affairs, including: <ul style="list-style-type: none"> ▪ Handling Board and shareholders' meeting-related matters in accordance with the law. ▪ Preparing minutes of Board and shareholders' meetings. ▪ Assisting directors in taking office and pursuing continuing education. ▪ Providing directors with information needed to perform their duties. ▪ Assisting directors in complying with applicable laws and regulations. 	No difference.

Evaluation Item	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Therefor
	Yes	No	Summary	
			<ul style="list-style-type: none"> ▪ Reporting to the Board on the results of reviews of whether independent directors meet the relevant statutory and regulatory requirements at the time of nomination and election and throughout their term of office. ▪ Handling matters related to director changes. ▪ Other matters stipulated in the Company's articles of incorporation or contracts. ▪ Regularly reviewing and improving corporate governance implementation effectiveness in accordance with corporate governance evaluation indicators. 	
V. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), set up a dedicated stakeholder area on the Company's website, and responded appropriately to significant corporate social responsibility issues of concern to stakeholders?	V		The Company has established appropriate communication channels with various stakeholders including employees, shareholders, investors, customers, suppliers, and government agencies. The Company's website features a dedicated stakeholder area providing contact information for the spokesperson, deputy spokesperson, and various business contact points. In addition, the Company utilizes multiple channels such as questionnaire surveys, marketing events, and product briefings to gain a thorough understanding of stakeholders' concerns regarding sustainable development and corporate social responsibility, and to respond to and address such concerns appropriately.	No difference.
VI. Has the Company retained a professional shareholder services agency to handle shareholders' meeting affairs?	V		The Company has retained the Shareholder Services Division of Capital Securities Corporation to handle shareholders' meeting affairs.	No difference.
VII. Information Disclosure				
(I) Has the Company established a website to disclose financial, business, and corporate governance information?	V		(I) The Company's website (http://www.iciworld.com) regularly discloses financial, business, and corporate governance information and includes a link to the MOPS to facilitate public information retrieval.	No difference.
(II) Has the Company adopted other methods of information disclosure (e.g., establishing an English-language website, designating personnel responsible for collecting and disclosing Company information, implementing the spokesperson system, posting investor conference proceedings on the Company's website, etc.)?	V		(II) The Company has designated personnel responsible for collecting Company information and maintaining the Company's website, and regularly discloses financial and business information on the website in both Chinese and English. The Company has designated and registered a spokesperson and deputy spokesperson in accordance with regulations. Information related to investor conferences held on a non-scheduled basis is also disclosed on the MOPS in accordance with the law and updated on the Company's website in real time.	No difference.
(III) Has the Company announced and filed the annual financial report within two months after the end of the accounting year, and announced and filed the Q1, Q2, and Q3 financial reports and monthly operating results ahead of the prescribed deadline?	V		(III) The Company's FY2025 financial report was not announced and filed within two months after the end of the accounting year. However, the Q1, Q2, and Q3 financial reports were all completed and filed 45 days ahead of the statutory deadline; monthly operating results were also announced before the 10th of each month.	In consideration of the preparation and audit timeline for the financial statements, the announcement was not made ahead of schedule to ensure accuracy and completeness of information. The Company will continue to optimize its operational workflow and timeline coordination to improve the timeliness of information disclosure.

Evaluation Item	Implementation Status			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Therefor
	Yes	No	Summary	
VIII. Does the Company have other important information helpful to understanding the state of its corporate governance operations (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, continuing education of directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, purchase of liability insurance for directors and supervisors, etc.)?	V		<p>(I) Employee Relations and Care: The Company treats employees with integrity. In addition to protecting employees' lawful rights in accordance with the Labor Standards Act, the Company provides employee benefits that exceed statutory requirements, such as subsidies for gastrointestinal endoscopy and cardiac health examinations, and travel subsidies for employees and their families. The Company has also established a sound education and training system and provides courses on work-life balance and stress relief, building a relationship of mutual trust and reliance with employees.</p> <p>(II) Investor Relations: A designated spokesperson and deputy spokesperson are responsible for handling investor suggestions and queries, and investor conferences are held regularly for exchange.</p> <p>(III) Supplier Relations: The Company deepens its relationships and close collaboration with suppliers through a supply chain platform, incorporating environmental, social, and human rights issues into supplier management policies, and requiring suppliers to sign commitment letters to establish a long-term relationship of mutual cooperation and prosperity.</p> <p>(IV) Rights of Stakeholders: Stakeholders may communicate with or make suggestions to the Company through multiple channels and contact points to protect their lawful rights and interests.</p> <p>(V) Director Continuing Education: The Company has arranged for directors to participate in continuing education courses in accordance with the "Reference Guidelines for the Promotion of Continuing Education for Directors and Supervisors of TWSE/TPEx Listed Companies," and has disclosed information on director continuing education on the MOPS. Each director completed 6 hours of continuing education in FY2025.</p> <p>(VI) Implementation of Risk Management Policies and Risk Measurement Standards: The Company has established risk management policies and procedures. A Risk Management Task Force has been established under the Sustainability Committee, which regularly conducts risk identification, analysis, and assessment, and calculates risk values based on likelihood and degree of impact for tiered management. The FY2025 risk assessment results were reviewed by the Audit Committee on December 26, 2025 and submitted to the Board. Response plans have been initiated for high-risk items and are being continuously tracked for improvement.</p> <p>(VII) Implementation of Customer Policies: The Company has an appropriate number of sales management personnel and a customer service unit to provide customers with product service and answer inquiries. The Company conducts regular customer satisfaction surveys each year, and the feedback is reviewed and improved by the sales and relevant departments. The Company actively maintains stable and positive relationships with customers to achieve mutual benefit.</p> <p>(VIII) Purchase of Liability Insurance for Directors: The Company purchases liability insurance for its directors annually and reports the same to the Board.</p>	No difference.

Appendix I: Certifying Accountants' Independence and Suitability Assessment Table

Evaluation Item	Assessment Result (Yes / No)	Compliance with Independence / Suitability
1. The accountants and the Company are not related parties to each other.	Yes	Yes
2. The accountants do not have a spousal or second-degree kinship relationship with the responsible person or managers of the Company.	Yes	Yes
3. The accountants, or their spouses or minor children, do not have an investment or profit-sharing relationship with the Company.	Yes	Yes
4. The accountants, or their spouses or minor children, do not have a fund-lending relationship with the Company.	Yes	Yes
5. The accountants do not have a direct or material indirect financial interest relationship with the Company.	Yes	Yes
6. The accountants do not have financing or guarantee arrangements with the Company or its directors.	Yes	Yes
7. The accountants have not been influenced by the possibility of losing the client in a way that affects their audit of the Company.	Yes	Yes
8. The accountants do not have a close business relationship or potential employment relationship with the Company.	Yes	Yes
9. The accountants have not received contingent fees related to the audit engagement.	Yes	Yes
10. The accountants and audit team members do not currently serve, and have not served in the past two years, as directors, supervisors, managers, or in positions that have a material impact on the audit work of the Company.	Yes	Yes
11. The non-audit services provided by the accountants to the Company do not directly affect material items of the audit engagement.	Yes	Yes
12. The accountants have not promoted or acted as an intermediary for shares or other securities issued by the Company.	Yes	Yes
13. The accountants have not acted as an advocate for the Company or represented the Company in resolving disputes with third parties.	Yes	Yes
14. The accountants do not have a family relationship with the directors, supervisors, managers, or persons in positions that have a material impact on the audit of the Company.	Yes	Yes
15. No partner of the same firm who resigned within the past year serves as a director, supervisor, manager, or in a position with a material impact on the audit of the Company.	Yes	Yes
16. The accountants are not concurrently engaged in regular work for the Company with a fixed salary.	Yes	Yes
17. The accountants are not involved in management functions that participate in decision-making for the Company.	Yes	Yes
18. As of the most recent certification, the same accountants have not been engaged for seven or more consecutive years without rotation.	Yes	Yes
19. With reference to the Audit Quality Indicators (AQI) of the certifying accountants, are there any circumstances that make the accountants unsuitable for appointment by the Company?	No	Yes

(IV) Composition and Operations of the Compensation Committee

1. Compensation Committee Member Information

As of March 27, 2026

Title	Name	Professional Qualifications and Experience	Independence	Number of Other Public Companies Where Concurrently Serving as a Compensation Committee Member
Independent Director (Convener)	Ho In-Chyuan	Please refer to Directors Information [Table II], Item 1 (Directors' Professional Qualifications and Independent Directors' Independence Disclosure) on pages 6-7.		None
Independent Director	Hsu Jia-Lien			None
Independent Director	Lo Wen-Pao			None

2. Compensation Committee Operations

- (1) The Compensation Committee consists of 3 members.
- (2) Term of current members: June 16, 2023 to June 15, 2026.
- (3) The Compensation Committee convened 2 meetings in FY2025. Key matters reviewed include:
 - Distribution of director compensation and employee compensation.
 - Principles for holiday bonus payments and amounts for managers.
 - Distribution of manager employee compensation.
 - Performance evaluation and annual salary adjustment plans for directors and managers.
 - Annual work plan of the Compensation Committee.
- (4) FY2025 Compensation Committee operational information:

A. Member qualifications and attendance are as follows:

Title	Name	Actual Attendance	Attendance by Proxy	Actual Attendance Rate	Remarks
Convener	Ho In-Chyuan	2	0	100%	
Member	Hsu Jia-Lien	2	0	100%	
Member	Lo Wen-Pao	2	0	100%	

Other matters to be disclosed:

1. If the Board does not adopt or modifies the recommendations of the Compensation Committee, the Board meeting date, number, agenda item, Board resolution, and the Company's handling of the Compensation Committee's opinion shall be stated (if the remuneration approved by the Board is more favorable than recommended by the Compensation Committee, the difference and reasons shall be stated): None.
2. If any member of the Compensation Committee has objections or reservations on a resolution with a record or written statement, the meeting date, number, agenda item, all members' opinions, and the handling of members' opinions shall be stated: None.

B. Compensation Committee deliberations:

Meeting Name / Date	Key Agenda Items	Resolution	Company's Handling of Compensation Committee Opinion
5th Term, 4th Meeting 2025.02.25	<ul style="list-style-type: none"> ▪ Review of FY2024 director compensation and employee compensation distribution. ▪ Review of holiday bonus payment principles and manager payment amounts. 	Passed unanimously by all attending members.	Submitted to the Board for resolution; passed unanimously by all attending directors.
5th Term, 5th Meeting 2025.11.05	<ul style="list-style-type: none"> ▪ Review of manager FY2024 employee compensation payment amounts. ▪ Review of holiday bonus payment principles and manager payment amounts. ▪ Review of performance evaluation and FY2026 manager annual salary adjustment plan for directors and managers. ▪ Review of the Compensation Committee FY2026 work plan. 	Passed unanimously by all attending members.	Submitted to the Board for resolution; passed unanimously by all attending directors.
5th Term, 6th Meeting 2026.03.06	<ul style="list-style-type: none"> ▪ Review of FY2025 director compensation and employee compensation distribution. ▪ Review of holiday bonus payment principles and manager payment amounts. 	Passed unanimously by all attending members.	Submitted to the Board for resolution; passed unanimously by all attending directors.

(V) Implementation of Sustainable Development and Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor

Promotion Item	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor						
	Yes	No	Summary							
I. Has the Company established a governance framework for promoting sustainable development, designated a dedicated or concurrent unit for sustainable development, delegated authority from the Board to senior management, and ensured Board oversight?	V		<p>The vision and mission for the sustainable development policy positions the Board as the highest decision-making body for sustainable development-related issues. In November 2023, the Company established the "Sustainability Committee," a functional committee, to initiate ongoing and effective sustainable development actions.</p> <p>The Company's sustainability governance framework operates on three levels: The Board serves as the highest decision-making and oversight body, responsible for reviewing significant strategies and targets related to sustainable development. The Sustainability Committee oversees ESG strategy planning, cross-departmental integration, and progress management. Under the committee, five promotion task forces are responsible for the execution and delivery of specific plans in the areas of product and service innovation, environmental sustainability, supply chain sustainability, employee and social care, and corporate governance.</p> <p>A Risk Management Task Force has also been established as the execution and promotion unit for overall risk management, responsible for identifying, assessing, and monitoring various risks, and regularly reporting execution to the Sustainability Committee and the Board to ensure stable operations and achievement of sustainable development targets.</p> <p>The Sustainability Committee meets at least twice a year to review the progress of each task force's plans, and reports sustainable development results and future work plans to the Board at least once a year.</p> <p>In FY2025, two Sustainability Committee meetings were held, with 2 submissions of 6 agenda items to the Board. Topics discussed included significant sustainable development themes, plans, and execution status.</p> <table border="1" data-bbox="640 836 1606 1063"> <thead> <tr> <th>Board Reporting Date</th> <th>Key Sustainability Agenda Items</th> </tr> </thead> <tbody> <tr> <td>2025.12.26</td> <td> <ul style="list-style-type: none"> ▪ FY2025 sustainable development execution report. ▪ FY2025 risk appetite... ▪ FY2026 strategic targets... </td> </tr> <tr> <td>2025.08.08</td> <td> <ul style="list-style-type: none"> ▪ H1 FY2025 sustainable development execution report. ▪ FY2024 Sustainability Report approved. ▪ Amendment to "Sustainability Committee Organizational Rules." </td> </tr> </tbody> </table>	Board Reporting Date	Key Sustainability Agenda Items	2025.12.26	<ul style="list-style-type: none"> ▪ FY2025 sustainable development execution report. ▪ FY2025 risk appetite... ▪ FY2026 strategic targets... 	2025.08.08	<ul style="list-style-type: none"> ▪ H1 FY2025 sustainable development execution report. ▪ FY2024 Sustainability Report approved. ▪ Amendment to "Sustainability Committee Organizational Rules." 	No difference.
Board Reporting Date	Key Sustainability Agenda Items									
2025.12.26	<ul style="list-style-type: none"> ▪ FY2025 sustainable development execution report. ▪ FY2025 risk appetite... ▪ FY2026 strategic targets... 									
2025.08.08	<ul style="list-style-type: none"> ▪ H1 FY2025 sustainable development execution report. ▪ FY2024 Sustainability Report approved. ▪ Amendment to "Sustainability Committee Organizational Rules." 									
II. Has the Company conducted risk assessments of environmental, social, and corporate governance issues related to Company operations based on the materiality principle, and formulated related risk management policies or strategies?	V		<p>The Company has established an integrated risk management mechanism supervised by the Board and the Sustainability Committee, with a Risk Management Task Force responsible for conducting risk identification, analysis, assessment, and response. The risk management framework fully covers sustainability topics including economic governance, social human rights, and the environment, and is integrated into day-to-day operational decisions. In FY2025, a top-down risk inventory and identification exercise covered key topics including information security, product safety, operational risks (e.g., customer forecast inaccuracy, inventory management), talent loss and succession gaps, sustainable product development, and environmental regulation compliance, with risk values calculated based on likelihood and degree of impact for tiered management.</p> <p>In addition, the Company followed the AA1000 Stakeholder Engagement Standard and the GRI materiality principle to collect stakeholder concerns of investors, customers, employees, and suppliers through external stakeholder questionnaire surveys, and combined these with internal positive and negative impact assessments. Negative impact items with higher severity were incorporated to comprehensively assess and identify the year's significant sustainability topics.</p>	No difference.						

Promotion Item	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Summary	
			<p>FY2025 significant topics and related risk management policies:</p> <p>(1) Economic Governance:</p> <ul style="list-style-type: none"> ▪ Information Security and Product Safety: In response to rising cybersecurity regulations (e.g., CRA) and supply chain cybersecurity requirements, the Company will continue to strengthen its cybersecurity management system and product security capabilities. ▪ Operational Risk Management Measures: For high-risk items such as customer forecast inaccuracy and inventory management, immediate response measures have been initiated and forecast accuracy and inventory control mechanisms introduced. Integrity management and supply chain management have also been strengthened to reduce operational uncertainty. <p>(2) Social:</p> <p>Talent development and workforce succession are key topics. To address the risk of key talent attrition, the Company promotes succession planning, talent inventory, and training systems, and strengthens the linkage between performance and remuneration to enhance organizational resilience and long-term development momentum.</p> <p>(3) Environment:</p> <p>Topics include sustainable products, environmental regulations, and materials. The Company continues to promote green design, product carbon management, and the use of environmentally friendly materials, while strengthening regulatory compliance and supply chain management to reduce environmental impact and compliance risk.</p>	
<p>III. Environmental Issues</p> <p>(I) Has the Company established an appropriate environmental management system in accordance with the characteristics of its industry?</p>	V		<p>The Company has implemented the ISO 14001 Environmental Management System and obtained third-party certification (certificate valid until September 11, 2028). An Environmental Management Committee has been established to formulate environmental policies and targets and to promote and supervise the implementation of various environmental management measures. In FY2025, the Company continued to operate the environmental management system and regularly conducted internal audits and management reviews to ensure effective operation and continuous improvement of the environmental management system.</p>	No difference.
<p>(II) Is the Company committed to improving energy use efficiency and using renewable materials with low environmental impact?</p>	V		<p>The Company follows the principles of green design and procures environmentally friendly components. All products comply with the EU RoHS standard and the Company continuously strives to restrict hazardous substances. The Company promotes environmentally friendly product development and design, such as reducing packaging plastic, reducing the number of packaging components, and using powder coating as the primary metal surface treatment to reduce VOC emissions. The Company has formulated "Energy and Resource Use Management Procedures" and promotes resource reuse among employees, such as recycling paper for printing, reusing envelopes, and implementing paperless practices. Waste classification and resource recycling are also rigorously implemented to reduce environmental impact.</p>	No difference.
<p>(III) Has the Company assessed the potential risks and opportunities of climate change for the Company's current and future operations, and adopted relevant response measures?</p>	V		<p>Following the TCFD framework, the Company has incorporated climate change risks and opportunities into its overall governance and risk management mechanisms, with the Board bearing ultimate oversight responsibility and the Sustainability Committee and Risk Management Task Force responsible for implementation. In FY2025, climate risk and opportunity identification and assessment was completed, identifying 20 related topics covering physical risks, transition risks, and climate opportunities, which were incorporated into operational strategies and resource allocation. For high-risk items, response measures including disaster prevention and emergency response, equipment strengthening, introduction of low-carbon technology, and supply chain management have been formulated and are being continuously tracked for effectiveness to enhance corporate climate resilience.</p>	No difference.

Promotion Item	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor																					
	Yes	No	Summary																						
(IV) Has the Company compiled greenhouse gas emissions, water consumption, and total waste weight for the past two years, and formulated policies for greenhouse gas reduction, water reduction, or other waste management?	V		<p>(1) Greenhouse Gas Emissions:</p> <p>The Company is not a high-energy-consuming industry and does not operate or use facilities that generate large amounts of greenhouse gases.</p> <p>Greenhouse gas inventory and assurance for the most recent two fiscal years: Please refer to page 32 of the Annual Report.</p> <p>In addition to continuing to promote energy conservation and carbon reduction and analyzing electricity consumption, the Company has incorporated major energy-consuming equipment and sources into monitoring and management, and is planning to implement the ISO 50001 Energy Management System to track energy usage with the goal of advancing toward carbon neutrality and net zero.</p> <p>(2) Water Consumption for the most recent two fiscal years (Note: Data scope covers the parent company IEI Integration Corp.):</p> <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Total Water Consumption (metric tons)</th> <th>Water Intensity (metric tons / NT\$ million revenue)</th> </tr> </thead> <tbody> <tr> <td>FY2024</td> <td>7,714</td> <td>1.7421</td> </tr> <tr> <td>FY2025</td> <td>9,808</td> <td>2.1331</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Water consumption increased slightly in FY2025 due to expansion of factory and office areas. The Company continues to conduct water usage analysis and anomaly management, implement daily water conservation measures, and promote awareness to improve water use efficiency. <p>(3) Waste Weight for the most recent two fiscal years (Note: Data scope covers the parent company IEI Integration Corp.):</p> <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Hazardous Waste (metric tons)</th> <th>Non-Hazardous Waste (metric tons)</th> <th>Waste Intensity (metric tons / NT\$ million revenue)</th> </tr> </thead> <tbody> <tr> <td>FY2024</td> <td>1.9520</td> <td>0</td> <td>0.0004</td> </tr> <tr> <td>FY2025</td> <td>2.9480</td> <td>0</td> <td>0.0006</td> </tr> </tbody> </table> <ul style="list-style-type: none"> The Company has formulated "Waste Management Procedures." Industrial waste is stored and managed by area in accordance with regulations and processed by waste disposal companies approved by environmental authorities, with legally required reporting completed. Waste classification and recycling are encouraged for domestic waste to reduce environmental impact. The increase in waste in FY2025 was primarily due to expanded production capacity and centralized disposal of aging inventory. The Company will continue to optimize production efficiency and improve waste reduction and recycling management. 	Fiscal Year	Total Water Consumption (metric tons)	Water Intensity (metric tons / NT\$ million revenue)	FY2024	7,714	1.7421	FY2025	9,808	2.1331	Fiscal Year	Hazardous Waste (metric tons)	Non-Hazardous Waste (metric tons)	Waste Intensity (metric tons / NT\$ million revenue)	FY2024	1.9520	0	0.0004	FY2025	2.9480	0	0.0006	No difference.
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IV. Social Issues (I) Has the Company formulated relevant management policies and procedures in accordance with applicable regulations and international human rights conventions?	V		<p>The Company endorses and complies with international human rights standards, including the UN Universal Declaration of Human Rights, and has formulated the "IEI Human Rights Policy," which applies to all employees and operational activities and is regularly reviewed and updated. The Company conducts human rights risk identification and management through existing management systems, including employee grievance mechanisms, labor-management communication mechanisms, occupational safety and health management, and related personnel systems, and continues to strengthen risk assessment, improvement, and tracking to progressively improve human rights management mechanisms.</p>	No difference.																					

Promotion Item	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Therefor
	Yes	No	Summary	
			<p>The scope of human rights management covers not only employees but also major stakeholders (such as suppliers). Key human rights topics based on the nature of operations include wages and working hours, workplace safety and health, equality and non-discrimination, prohibition of forced labor and child labor, freedom of expression and association, and prevention of workplace unlawful conduct and sexual harassment.</p> <p>The Company promotes human rights protection measures through existing systems, including establishing fair employment and anti-discrimination systems, implementing working hours management, establishing occupational safety and health systems, setting up grievance channels, and regularly holding labor-management meetings.</p> <p>In terms of supply chain management, the Company requires suppliers to sign social responsibility commitment letters and implements an evaluation mechanism to ensure compliance with human rights principles including prohibition of forced labor, child labor, discrimination, and improper working conditions, and requests improvements where necessary to reduce supply chain human rights risks.</p> <p>In FY2025, human rights-related education, training, and awareness activities totaled 989 hours (296 person-sessions) to enhance employee awareness of human rights and reduce related risks. The Company will continue to strengthen human rights risk management and progressively improve related management mechanisms.</p>	
(II) Has the Company formulated and implemented reasonable employee welfare measures (including remuneration, leave, and other benefits) and appropriately reflected business performance or results in employee remuneration?	V		<p>Employee remuneration at the Company, in accordance with the "Salary Management Regulations," includes base salary, allowances, subsidies, bonuses, and compensation. The employee compensation policy is stipulated in the Company's articles of incorporation to recognize and reward employees' hard work and to reflect business results in employee remuneration. Annual performance evaluations are conducted regularly in accordance with the "Employee Performance Management Regulations" as the basis for remuneration distribution and adjustments. The Company also implements an employee stock trust program to realize the principle of employees as shareholders, unity, and shared business performance.</p> <p>The Company has formulated employee leave and basic welfare systems in accordance with the Labor Standards Act. A Welfare Committee has been established to provide employees with marriage, bereavement, and medical subsidies, and to organize tours, social events, and club competitions on a non-scheduled basis. In addition to providing labor and health insurance as required by the government, the Company also provides employees with group insurance and places great emphasis on employee health. Annual physical examinations are conducted, and subsidies for gastrointestinal endoscopy and cardiac examinations are provided, along with full subsidy for influenza vaccinations. Monthly on-site physician consultation services, weekly stress-relief massage services, and occasional life stress-relief and wellness lectures are provided to relieve employee work stress. Lactation rooms are set up for female employees' breastfeeding needs, and childcare arrangements are offered in cooperation with educational institutions.</p>	No difference.
(III) Does the Company provide a safe and healthy working environment for employees and regularly conduct safety and health education for employees?	V		<p>The Company provides a safe and healthy working environment and has obtained ISO 45001 Occupational Health and Safety Management System certification (certificate valid until August 28, 2028). Annual work environment monitoring is conducted; first aid personnel are allocated according to the number of employees; annual fire escape drills are held; and regular fire facility inspections and repairs are conducted to ensure workplace safety and appropriate response to emergencies or disasters. Annual employee health examinations and monthly on-site physician services are provided to maintain employee health. Occupational safety and health work is conducted in accordance with the Occupational Safety and Health Act to prevent occupational accidents. Various "Occupational Safety and Health Work Rules" have been formulated, covering work environment and employee personal safety regulations for employees to follow.</p>	No difference.

Promotion Item	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Therefor															
	Yes	No	Summary																
			Occupational safety-related education and training implementation for the most recent two fiscal years: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Fiscal Year</th> <th>Person-Sessions</th> <th>Training Hours</th> </tr> </thead> <tbody> <tr> <td>FY2024</td> <td>83</td> <td>189</td> </tr> <tr> <td>FY2025</td> <td>208</td> <td>547</td> </tr> </tbody> </table>	Fiscal Year	Person-Sessions	Training Hours	FY2024	83	189	FY2025	208	547							
Fiscal Year	Person-Sessions	Training Hours																	
FY2024	83	189																	
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(IV) Has the Company established effective career development and training programs for employees?	V		The Company has established an Education and Training Center with a comprehensive education and training system, formulating annual training plans and targets covering new employee orientation, professional and technical training, and management competency development. Knowledge-sharing sessions and book clubs are held on a non-scheduled basis to encourage employees to proactively share ideas and new proposals. Through continuous internal and external training courses, the Company absorbs new knowledge, improves employee quality, and enhances employee leadership capabilities. In FY2025, total hours of employee professional skills and knowledge training and development were 7,115 hours (3,578 person-sessions).	No difference.															
(V) Does the Company comply with relevant regulations and international standards regarding customer health and safety, customer privacy, marketing, and labeling of products and services, and formulate related policies and complaint procedures to protect consumer or customer rights?	V		The Company complies with relevant regulations and international standards regarding customer health and safety, customer privacy, marketing, and labeling of products and services, and has formulated related management procedures. The Company values its relationships with customers, maintains long-term cooperative relationships with most customers, and has designated personnel and an email inbox to handle customer complaints, returns, and exchanges.	No difference.															
(VI) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights, and implemented accordingly?	V		<p>Pursuant to the Company's "Supplier Control Procedures," in addition to meeting quality specification requirements in basic areas such as operational status, product manufacturing, quality, and delivery, suppliers (manufacturers) are also required to meet corporate social responsibility and environmental management criteria, which are incorporated into new supplier evaluation and periodic assessment indicators.</p> <p>Approved suppliers are required to sign relevant guarantees or commitment letters. FY2025 supplier commitment signing status:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Document</th> <th>FY2025 New Additions</th> <th>Signing Ratio as of End of FY2025</th> </tr> </thead> <tbody> <tr> <td>Hazardous Substance-Free Guarantee</td> <td>30 companies</td> <td>538 companies signed; Signing rate: 99%</td> </tr> <tr> <td>Supplier Corporate Social Responsibility Compliance Commitment</td> <td>34 companies</td> <td>534 companies signed; Signing rate: 98%</td> </tr> <tr> <td>Conflict-Free Metals Declaration</td> <td>33 companies</td> <td>539 companies signed; Signing rate: 99%</td> </tr> <tr> <td>Business Partner Security Declaration</td> <td>34 companies</td> <td>513 companies signed; Signing rate: 94%</td> </tr> </tbody> </table> <p>Qualified active suppliers are subject to periodic evaluations. If a supplier violates corporate social responsibility policies or has a significant impact on the environment or society, the Company may terminate or rescind the contract at any time.</p>	Document	FY2025 New Additions	Signing Ratio as of End of FY2025	Hazardous Substance-Free Guarantee	30 companies	538 companies signed; Signing rate: 99%	Supplier Corporate Social Responsibility Compliance Commitment	34 companies	534 companies signed; Signing rate: 98%	Conflict-Free Metals Declaration	33 companies	539 companies signed; Signing rate: 99%	Business Partner Security Declaration	34 companies	513 companies signed; Signing rate: 94%	No difference.
Document	FY2025 New Additions	Signing Ratio as of End of FY2025																	
Hazardous Substance-Free Guarantee	30 companies	538 companies signed; Signing rate: 99%																	
Supplier Corporate Social Responsibility Compliance Commitment	34 companies	534 companies signed; Signing rate: 98%																	
Conflict-Free Metals Declaration	33 companies	539 companies signed; Signing rate: 99%																	
Business Partner Security Declaration	34 companies	513 companies signed; Signing rate: 94%																	

Promotion Item	Implementation Status			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Summary	
V. Has the Company prepared a sustainability report or other report disclosing non-financial information in accordance with internationally recognized report preparation standards or guidelines? Has the report obtained assurance or verification from a third-party verification body?		V	The Company is not currently required by regulations to prepare a sustainability report. The Company has prepared its FY2024 Sustainability Report in accordance with the GRI Standards and with reference to internationally recognized guidelines; however, the report has not yet received assurance from a third-party verification body.	The report has not been externally assured or verified.
VI. If the Company has formulated its own sustainable development principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe the differences between its operations and the formulated principles: The Company has formulated its own "Sustainable Development Best Practice Principles" in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies." The Company continues to promote the principles of realizing corporate sustainable development and fostering economic, environmental, and social progress to achieve sustainable development objectives. There are no material differences between current operations and the formulated principles.				
VII. Other important information helpful to understanding the implementation of sustainable development: For other important sustainable development information, please refer to the Company's Sustainability Report or the Company's website: https://www.ieiworld.com/tw/about .				

(VI) Climate-Related Information for TWSE/TPEX Listed Companies

1. Climate-Related Information Implementation Status

Item	Implementation Status
(1) Describe the Board's and management's oversight and governance of climate-related risks and opportunities.	<ul style="list-style-type: none"> ▪ The Board serves as the highest governance body for climate management, responsible for approving relevant policies and overseeing their implementation. The Audit Committee is responsible for reviewing risk assessment results. ▪ The Sustainability Committee, established under the Board, oversees and promotes the management of climate-related risks and opportunities, reports execution status, risk assessment results, and response measures to the Board at least once a year. A Risk Management Task Force is established under the Sustainability Committee, with participation from senior executives and various departments, responsible for climate risk identification, assessment, and control to ensure that climate issues are incorporated into the Company's governance and operational decision-making mechanisms. ▪ The report on FY2025 climate risk and opportunity identification and response measures was discussed at the Sustainability Committee on February 10, 2026, reviewed by the Audit Committee, and submitted to the Board.
(2) Describe how identified climate-related risks and opportunities affect the enterprise's business, strategy, and finances (short-, medium-, and long-term).	<p>Based on its operational characteristics, supply chain, environment, and regulations, the Company identifies climate-related physical risks and transition risks and assesses their impact on business, strategy, and finances:</p> <ul style="list-style-type: none"> ▪ Short-term (1–3 years): Primarily affected by regulatory and customer requirements. The costs of climate-related disclosure, greenhouse gas inventory, and environmental regulatory compliance are rising. Extreme climate events (e.g., typhoons, flooding)

Item	Implementation Status
	<p>may cause operational disruptions, equipment repairs, and delivery delays. At the same time, improvements in energy efficiency, transport optimization, and product carbon management can reduce operating costs and strengthen customer relationships.</p> <ul style="list-style-type: none"> ▪ Medium-term (3–10 years): Technological transition and market changes are the primary factors. Investment in low-power product design, energy-saving technologies, and system integration development will increase R&D and capital expenditures. Failure to transition in a timely manner may affect market competitiveness and revenue, while low-carbon products, smart applications, and new market development can enhance product added value and operational growth momentum. ▪ Long-term (10+ years): Climate change brings sustained high temperatures and environmental changes that may increase energy and cooling costs, accelerate equipment aging, and raise maintenance expenditures, affecting the operating cost structure and asset management. The Company will enhance operational resilience and reduce long-term climate risks through green building design, introduction of renewable energy, and institutionalization of energy management.
(3) Describe the financial impacts of extreme climate events and transition actions.	<p>Extreme climate events (such as typhoons, flooding, and high temperatures) may cause operational disruptions, equipment repairs, and delivery delays, increasing costs and affecting revenues. Long-term climate change will also increase energy and maintenance expenditures. In terms of transition, compliance with greenhouse gas inventory, environmental regulations (such as RoHS and REACH), and customer low-carbon requirements will necessitate investment in product design, material substitution, and certification costs, while also driving low-carbon product development and market opportunities that enhance long-term competitiveness.</p>
(4) Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system.	<p>The processes for identifying, assessing, and managing climate risks have been incorporated into the Company's overall risk management system and implemented through the annual risk inventory, assessment, and management mechanisms.</p> <p>Each operating unit identifies climate-related risks and opportunities in accordance with the TCFD framework and analyzes and evaluates likelihood and degree of impact. The assessment results are consolidated by the Risk Management Task Force and submitted to the Sustainability Committee for discussion and resolution, then forwarded to the Audit Committee for review and submitted to the Board for reporting and oversight.</p> <p>For medium- to high-risk items, the responsible units formulate response measures, which are incorporated into operational management and continuously monitored through regular tracking and review mechanisms to ensure that climate risk management is consistent with the Company's overall risk control and strategic decision-making.</p>
(5) If scenario analysis is used to assess resilience against climate change risks, describe the scenarios, parameters, assumptions, analytical factors, and key financial impacts used.	<p>Climate risk and opportunity identification and impact analysis have been conducted in accordance with the TCFD framework; however, quantitative scenario analysis models have not yet been adopted. In the future, the Company will plan to apply climate scenario analysis methods based on operational developments and regulatory requirements to specifically measure the Company's operational resilience under multiple climate scenarios.</p>
(6) If transition plans to manage climate-related risks exist, describe the plan contents, and the indicators and targets used to identify and manage physical and transition risks.	<p>The Company has promoted multiple climate-related risk response and transition measures, including conducting greenhouse gas inventories at group operating locations with third-party verification and progressively expanding the inventory scope; continuing to introduce low-carbon product design (such as green packaging materials and low-energy technologies) and product carbon management; and promoting the establishment of energy management systems and improvement of energy use efficiency (including implementation of ISO 50001 in progress). Climate-related physical and transition risks are also incorporated into the annual risk inventory mechanism. Each department conducts identification, and scoring and tiering are performed based on likelihood and degree of impact as risk management indicators and management basis. After consolidation by the Risk Management Task Force, results are submitted to the Sustainability Committee and the Board for review and tracking.</p> <p>The Company continues to monitor climate-related regulations (such as carbon emission disclosure and environmental regulations) and supply chain requirements, incorporating them into operational management and risk control to strengthen transition response capabilities.</p>

Item	Implementation Status
(7) If internal carbon pricing is used as a planning tool, describe the basis for setting the price.	An internal carbon pricing mechanism has not yet been introduced. The Company will evaluate and plan based on policy developments and operational requirements.
(8) If climate-related targets have been set, describe the covered activities, greenhouse gas emission scopes, planned timeframes, and annual progress; if carbon offsets or renewable energy certificates (RECs) are used to achieve targets, describe the sources and quantities of carbon reduction credits offset or the number of RECs.	The Company is progressively promoting the greenhouse gas inventory system across the Group, with the target of completing system establishment and inventory reports for all Group companies by December 2026, and completing external verification by the end of 2028. The parent company, BriteMED Technology Inc., and the mainland China subsidiaries successfully implemented the ISO 14064-1 greenhouse gas inventory in 2023 and completed the first external verification in the same year. The U.S. subsidiary completed its first annual inventory and external verification in August 2025.
(9) Greenhouse gas inventory and assurance status, and reduction targets, strategies, and specific action plans.	<p>The Company is a listed company with paid-in capital of less than NT\$5 billion. In accordance with the schedule planned by the Financial Supervisory Commission, the Company is not yet required to disclose external assurance status, reduction targets, strategies, and specific action plans in the annual report at this stage.</p> <p>The Company has conducted greenhouse gas inventories in accordance with ISO 14064-1 and completed third-party verification, with the inventory scope extended to Group companies. In 2025, the Company initiated the ISO 50001 Energy Management System and is promoting the use of renewable energy including solar power to strengthen carbon reduction management capabilities.</p> <p>For the greenhouse gas inventory and assurance status for the most recent two fiscal years, please refer to Appendix 1-1 below.</p>

(Appendix 1-1) Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Fiscal Years

(Data scope: Parent company IEI Integration Corp.)

Fiscal Year	Scope 1 Emissions (metric tons CO ₂ e)	Scope 2 Emissions (metric tons CO ₂ e)	Intensity (Note 3) (metric tons CO ₂ e / NT\$million)	Scope 3 Emissions (metric tons CO ₂ e)	Assurance Body	Assurance Standard	Assurance Scope and Opinion
FY2024	151.9123	1,381.5664	0.3463	3,928.3630	TUV NORD	ISO 14064-3:2019	Reasonable assurance: Scope 1 and Scope 2 Limited assurance: Scope 3
FY2025	154.2382	1,409.9136	0.3402	4,841.1966	TUV NORD	ISO 14064-3:2019	Verification in progress

Note 1: Direct emissions (Scope 1 — direct emissions from sources owned or controlled by the Company); energy indirect emissions (Scope 2 — indirect greenhouse gas emissions from the consumption of purchased electricity, heat, or steam); and other indirect emissions (Scope 3 — emissions resulting from Company activities, not energy indirect emissions, originating from sources owned or controlled by other companies, primarily including upstream and downstream transportation, waste transportation and disposal, employee commuting and business travel, and upstream production emissions).

Note 2: Greenhouse gas inventory standard: ISO 14064-1, issued by the International Organization for Standardization (ISO).

Note 3: Calculated based on the parent company's standalone revenue (NT\$ millions).

(VII) Implementation of Integrity Management and Differences from the Integrity Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor

Evaluation Item	Implementation Status		Differences from the Integrity Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor	
	Yes	No		Summary
I. Formulation of Integrity Management Policies and Programs				
(I) Has the Company formulated an integrity management policy approved by the Board of Directors, and expressly stated the integrity management policy, practices, and the commitment of the Board and senior management to actively implementing the policy in its regulations and external documents?	V		(I) The Company has formulated the "Integrity Management Code of Conduct" and "Integrity Management Operating Procedures and Code of Conduct" and submitted them to the Board for approval. These are disclosed on the Company's website and the MOPS. The "Corporate Governance and Performance" task force, established under the Board-level Sustainability Committee, is responsible for promoting the implementation of integrity management policies and anti-misconduct programs.	No difference.
(II) Has the Company established an assessment mechanism for risks of unethical conduct, regularly analyzed and assessed business activities with higher risks of unethical conduct within the scope of operations, and formulated anti-misconduct programs accordingly, covering at least the preventive measures for each type of conduct listed in Article 7, Paragraph 2 of the "Integrity Management Best Practice Principles for TWSE/TPEX Listed Companies"?	V		(II) In addition to promoting integrity management concepts, the Company also prevents unethical business activities through the internal audit unit's inspection mechanism and the Company's grievance mechanism. The Company has also formulated relevant anti-misconduct programs covering operating procedures, codes of conduct, and education and training.	No difference.
(III) Has the Company expressly defined operating procedures, codes of conduct, disciplinary measures for violations, and a complaint system in the anti-misconduct program, implemented them effectively, and regularly reviewed and amended the program?	V		(III) To ensure the implementation of integrity management, the "Integrity Management Code of Conduct," "Integrity Management Operating Procedures and Code of Conduct," "Whistleblowing Handling Guidelines," and "Work Rules" are regularly reviewed and amended. These regulations expressly prohibit all employees from accepting rebates to prevent employees from sacrificing the Company's interests for personal gain. The Company has also established effective accounting systems and internal control systems, which are regularly reviewed by internal auditors for compliance.	No difference.
II. Implementation of Integrity Management				
(I) Does the Company assess the integrity records of counterparties and expressly stipulate integrity clauses in contracts signed with counterparties?	V		(I) Before establishing a business relationship with a counterparty, the Company assesses the counterparty's legitimacy and whether there is a record of unethical conduct, to ensure that its business practices are fair and transparent and that it does not require, offer, or receive bribes.	No difference.
(II) Has the Company established a dedicated unit under the Board of Directors to promote corporate integrity management, and regularly (at least once a year) reported its integrity management policies, anti-misconduct programs, and oversight of their implementation to the Board?	V		(II) A Corporate Governance task force has been established under the Board-level Sustainability Committee. Personnel responsible for corporate governance promote integrity management, anti-corruption, anti-bribery, and regulatory compliance matters for the Company's Group, and report execution to the Board at least once a year. The FY2025 integrity management execution was reported to the Board on December 26, 2025.	No difference.

Evaluation Item	Implementation Status			Differences from the Integrity Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Therefor
	Yes	No	Summary	
(III) Has the Company formulated policies to prevent conflicts of interest, provided appropriate channels for disclosure, and implemented them effectively?	V		(III) The Company's "Integrity Management Code of Conduct," "Integrity Management Operating Procedures and Code of Conduct," and "Work Rules" expressly stipulate procedures and practices for avoiding conflicts of interest and recusal. Employees are prohibited from accepting rebates to prevent them from sacrificing the Company's interests for personal gain. Where violations are discovered, reports may be made to independent directors or the Audit Committee, managers, human resources and audit units, direct supervisors, or other appropriate personnel.	No difference.
(IV) Has the Company established effective accounting systems and internal control systems to implement integrity management, and has the internal audit unit formulated relevant audit plans based on the results of unethical conduct risk assessments to audit compliance with anti-misconduct programs, or engaged accountants to conduct such audits?	V		(IV) To ensure the implementation of integrity management, the Company has established effective accounting systems and internal control systems, and internal auditors regularly review compliance with these systems.	No difference.
(V) Does the Company regularly conduct internal and external education and training on integrity management?	V		(V) The Company conducts internal education and training on integrity management at least once a year, and arranges external training as needed. Management also promotes measures to prevent unethical conduct and prohibit insider trading on the Company's internal website at least twice a year, with the aim of building a consistent belief among all employees and ensuring compliance with relevant laws and regulations to implement integrity management. In FY2025, internal and external education and training on topics related to integrity management were conducted, including courses on integrity management regulatory compliance, anti-corruption, anti-bribery ethics, corporate governance regulations, personal data protection and information security, and occupational safety and health, totaling 2,766 hours. The average number of hours of integrity management-related training and awareness per employee was 1.01 hours.	No difference.
III. Operations of the Company's Whistleblowing System				
(I) Has the Company established specific whistleblowing and incentive systems, convenient whistleblowing channels, and designated appropriate responsible personnel to handle reports against accused persons?	V		(I) The Company has formulated "Whistleblowing Handling Guidelines," with the human resources and audit units responsible for receiving reports. Whistleblowing mailboxes and hotlines are disclosed on the Company's website and intranet, providing internal or external stakeholders (such as employees, suppliers, and customers) with channels to submit named reports with supporting evidence regarding violations of integrity and ethics.	No difference.

Evaluation Item	Implementation Status		Differences from the Integrity Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Therefor	
	Yes	No		Summary
(II) Has the Company established standard operating procedures for investigating reported matters, follow-up measures to be taken after investigation, and related confidentiality mechanisms?	V		<p>(II) The receiving procedures and confidentiality mechanisms stipulated in the "Whistleblowing Handling Guidelines" are as follows:</p> <ol style="list-style-type: none"> 1. Receiving: The whistleblower shall provide at least the following information: <ul style="list-style-type: none"> ▪ The whistleblower's name, national ID number, and contact information (address, phone number, email). ▪ The name of the accused or other information sufficient to identify the accused. ▪ Specific evidence that can support an investigation. 2. Investigation: <p>After a report is received by the human resources and audit units, the Chairman appoints a special investigation team to conduct the investigation. The investigation team promptly proceeds to verify the relevant facts based on the report contents and, as needed, requests assistance from legal or other departments for the investigation, with no concealment permitted. Verification of reported cases is conducted by phone, in writing, or through interviews as required by the circumstances; the process and content of the verification shall be fully recorded and preserved.</p> 3. Investigation Report and Outcome Handling: <ul style="list-style-type: none"> ▪ After a case is opened, the investigation progress shall be regularly reported to the Chairman with follow-up on processing deadlines. ▪ The investigation team shall report the results of reported cases directly to the Chairman; if the reported case involves a director or senior manager, it shall be submitted to an independent director. ▪ If the investigation confirms unethical or illegal conduct, the accused shall be required to immediately cease the relevant conduct, and the Company shall impose disciplinary action in accordance with relevant regulations; where necessary, legal proceedings may be initiated to claim damages to protect the Company's reputation and interests. Upon confirmed reports, the relevant Company units shall be directed to review related internal control systems and operating procedures and to propose improvement measures to prevent recurrence. ▪ The investigation team shall report the reported matters, handling methods, and subsequent review and improvement measures to the Board. 4. Confidentiality Mechanism: <ul style="list-style-type: none"> ▪ Files concerning the identity of the whistleblower, report contents, and investigation records shall be encrypted and accessible only to authorized members of the investigation team. Such information shall not be disclosed, revealed, or made public to unnecessary third parties; where file transmission is necessary, it shall be encrypted beforehand. 	No difference.

Evaluation Item	Implementation Status			Differences from the Integrity Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Therefor
	Yes	No	Summary	
(III) Has the Company adopted measures to protect whistleblowers from improper treatment as a result of reporting?	V		(III) Pursuant to the Company's "Whistleblowing Handling Guidelines," the identity of the whistleblower and the contents of the report shall be kept confidential and protected. Personnel involved in the investigation of a reported case shall not disclose, reveal, or make public information sufficient to identify the whistleblower's identity to unnecessary third parties, and effective and appropriate protection measures shall be taken to prevent the whistleblower from being subjected to unfair treatment, retaliation, or threats. No whistleblowing cases occurred in FY2025.	No difference.
IV. Enhancing Information Disclosure Has the Company disclosed the content and promotion results of its integrity management code of conduct on its website and the MOPS?	V		The Company has disclosed the content and promotion results of its integrity management code of conduct on the Company's website and the MOPS.	No difference.
V. If the Company has formulated its own integrity management code of conduct in accordance with the "Integrity Management Best Practice Principles for TWSE/TPEX Listed Companies," please describe the differences between its operations and the formulated principles: The Company has formulated its own integrity management code of conduct in accordance with the "Integrity Management Best Practice Principles for TWSE/TPEX Listed Companies." There are no differences between current operations and the formulated principles.				
VI. Other important information helpful to understanding the Company's integrity management operations (e.g., circumstances in which the Company reviews and amends its integrity management code of conduct): <ol style="list-style-type: none"> 1. The Company complies with the Company Act, Securities and Exchange Act, Business Accounting Act, TWSE/TPEX-related regulations, and other laws and regulations governing business conduct, and continuously amends its "Integrity Management Code of Conduct" and "Integrity Management Operating Procedures and Code of Conduct" in accordance with updates to regulatory requirements. 2. The Company's "Board Meeting Rules" include a director conflict-of-interest recusal system. For agenda items in which a director or the legal entity the director represents has an interest that may be detrimental to the Company, the director may state an opinion and answer questions but may not participate in discussion or voting, shall recuse from discussion and voting, and may not act as proxy for other directors in exercising their voting rights. 3. The Company has formulated "Operating Procedures for Handling Material Internal Information and Preventing Insider Trading," which expressly prohibit directors, managers, and employees from disclosing known material internal information to others, from inquiring about or collecting material non-public internal information of the Company unrelated to their duties from persons who are aware of such information, and from disclosing material non-public internal information obtained other than in the course of performing duties to others, while strengthening insider trading prevention. 4. As of the printing date of this annual report, the Company has not received any reports of violations of the relevant codes and codes of conduct. 				

(VIII) Other Important Information to Enhance Understanding of Corporate Governance Operations: None.

(IX) Implementation of the Internal Control System

1. Statement on Internal Control System:

Please refer to the MOPS: Corporate Governance / Company Regulations / Internal Control / Statement on Internal Control System announcement.

2. Where accountants have been engaged to conduct a special review of the internal control system, the accountants' review report shall be disclosed: Not applicable.

(X) Significant Resolutions of the Shareholders' Meeting and Board of Directors in the Most Recent Fiscal Year and up to the Printing Date of This Annual Report

1. Significant resolutions and execution status of the FY2025 Annual Shareholders' Meeting:

Date	Significant Resolutions and Execution Status
2025.05.29 Annual Shareholders' Meeting	<p>1. Approved the Company's FY2024 Business Report and financial report. Execution status: Passed as proposed.</p> <p>2. Approved the Company's FY2024 earnings distribution. Execution status: Cash dividend of NT\$4.5 per share, totaling NT\$794,690,055. The ex-dividend record date was set as July 23, 2025, and distribution was completed on August 15, 2025.</p> <p>3. Approved amendment to the Company's Articles of Incorporation. Execution status: Approved by the Ministry of Economic Affairs for registration of changes on July 21, 2025, and operations are conducted in accordance with the amended Articles of Incorporation.</p>

2. Significant Board resolutions in FY2025 and up to the printing date of this annual report:

Meeting Name / Date	Significant Resolution Content	Matters Listed Under Article 14-3 of the Securities and Exchange Act	All Independent Directors' Opinions	Company's Handling of Independent Directors' Opinions
11th Term, 11th Meeting 2025.02.25	<ul style="list-style-type: none"> ▪ Matters reviewed at the 5th Term, 4th Meeting of the Compensation Committee. ▪ FY2024 employee compensation and director compensation distribution. ▪ FY2024 Business Report and financial report. ▪ FY2024 "Effectiveness Assessment of Internal Control System" and "Statement on Internal Control System." ▪ FY2025 business plan and budget. ▪ Periodic assessment of the independence and suitability of the certifying accountants. ▪ Appointment and remuneration of the FY2025 certifying accountants. ▪ Amendment to the Company's Articles of Incorporation. ▪ Determination of the scope of entry-level employees as referred to in the Articles of Incorporation. ▪ Date, time, venue, method of convening, and main agenda items of the FY2025 Annual Shareholders' Meeting. ▪ Overdue accounts receivable and other receivables (non-fund-lending in nature) as of December 31, 2024. 	V	No objections or reservations.	Not Applicable
11th Term, 12th Meeting 2025.04.11	<ul style="list-style-type: none"> ▪ FY2025 earnings distribution. ▪ Acquisition of land in Yangmei District, Taoyuan City from a related party. 	V	No objections or reservations.	Not Applicable
11th Term, 13th Meeting 2025.05.09	<ul style="list-style-type: none"> ▪ Q1 2025 Consolidated Financial Report. ▪ Amendment to the Company's internal control system and management regulations. 	V	No objections or reservations.	Not Applicable

Meeting Name / Date	Significant Resolution Content	Matters Listed Under Article 14-3 of the Securities and Exchange Act	All Independent Directors' Opinions	Company's Handling of Independent Directors' Opinions
11th Term, 14th Meeting 2025.08.08	<ul style="list-style-type: none"> ▪ Q2 2025 Consolidated Financial Report. ▪ FY2024 Sustainability Report. ▪ Amendment to the Company's Sustainability Committee organizational rules. ▪ Amendment to the Company's Risk Management Policy and Procedures. ▪ Changes to the membership of the Sustainability Committee. ▪ Amendment to the Company's Integrity Management Operating Procedures and Code of Conduct. 	V	No objections or reservations.	Not Applicable
11th Term, 15th Meeting 2025.11.05	<ul style="list-style-type: none"> ▪ Q3 2025 Consolidated Financial Report. ▪ Matters reviewed at the 5th Term, 5th Meeting of the Compensation Committee. 	V	No objections or reservations.	Not Applicable
11th Term, 16th Meeting 2025.12.26	<ul style="list-style-type: none"> ▪ FY2026 audit plan. ▪ Amendment to the Company's internal control system. ▪ Amendment to Appendix 1 of the "Internal Control Self-Assessment Procedures and Methods" — Internal Control Components and Evaluation Criteria. ▪ Formulation of the Company's "Enterprise Value Enhancement Plan." (Article 14-3: Not applicable) 	V	No objections or reservations.	Not Applicable
11th Term, 17th Meeting 2026.02.10	<ul style="list-style-type: none"> ▪ Total budget for the owner-built factory construction project at the Taoyuan Yangmei plant. 	V	No objections or reservations.	Not Applicable
11th Term, 18th Meeting 2026.03.06	<ul style="list-style-type: none"> ▪ Matters reviewed at the 5th Term, 6th Meeting of the Compensation Committee. ▪ FY2025 employee compensation and director compensation distribution. ▪ FY2025 Business Report and financial report. ▪ FY2025 "Effectiveness Assessment of Internal Control System" and "Statement on Internal Control System." ▪ FY2026 business plan and budget. ▪ Periodic assessment of the independence and suitability of the certifying accountants and their appointment remuneration. ▪ Full re-election of directors. ▪ Waiver of non-compete restrictions for newly elected directors. ▪ Date, time, venue, method of convening, and main agenda items of the FY2026 Annual Shareholders' Meeting. ▪ Matters related to receiving nominations from shareholders holding 1% or more of shares for director (including independent director) candidates. ▪ FY2025 earnings distribution. 	V	No objections or reservations.	Not Applicable
11th Term, 19th Meeting 2026.04.10	<ul style="list-style-type: none"> ▪ Change of functional currency of significant subsidiary Fortunetec International Corp. ▪ Amendment to the Company's Compensation Committee organizational rules. ▪ Nomination of candidates for the election of directors (including independent directors) at the FY2026 Annual Shareholders' Meeting. ▪ Supplementary main agenda items for the FY2026 Annual Shareholders' Meeting. 	V	No objections or reservations.	Not Applicable

(XI) Directors' Dissenting Opinions on Significant Board Resolutions in the Most Recent Fiscal Year and up to the Printing Date of This Annual Report, Where Recorded or Documented in Writing: None.

2.4 Certifying Accountant Fee Information

Unit: NT\$ thousands

Name of Accounting Firm	Name of Certifying Accountants	Audit Period	Audit Fees	Non-Audit Fees	Total	Remarks
KPMG	Han Yi-Lian Pan Chun-Ming	January 1, 2025 to December 31, 2025	4,160	20	4,180	Non-audit fees include certification for businesses concurrently engaged in taxable and exempt activities using the direct offset method for dividend income reporting.
	Liu Chung-Hui	January 1, 2025 to December 31, 2025	-	430	430	Non-audit fees include the FY2025 transfer pricing report and master file report.

- Where an accounting firm was changed and the audit fees paid in the year of change were less than the audit fees paid in the year prior to the change, the audit fee amounts before and after the change and the reasons therefor shall be disclosed: Not applicable.
- Where audit fees decreased by 10% or more compared to the prior year, the amount of decrease, percentage, and reasons shall be disclosed: Not applicable.

2.5 Accountant Change Information

- Regarding the previous certifying accountants:

Date of Change	Resolved at the Board meeting on February 25, 2025.		
Reason for Change and Explanation	In conjunction with audit standards, relevant regulations of the securities competent authority, and risk management requirements, KPMG conducted an internal personnel rotation. Effective from the Q1 2025 financial report, the Company's certifying accountants were changed from Chen Tsung-Che and Lai Li-Chen to Han Yi-Lian and Pan Chun-Ming.		
Whether the termination or non-acceptance of appointment was initiated by the client or the accountants	Situation	Party	Client
	Voluntarily terminated	Not applicable	
	No longer accepts (continues) appointment	Not applicable	
Audit reports with opinions other than unqualified opinions issued in the most recent two years and reasons therefor	None.		
Whether there were any disagreements with the issuer	Yes		Accounting principles or practices
			Financial report disclosure
			Audit scope or procedures
			Other
	No	V	
Explanation			
Other disclosure items	None.		

- Regarding the successor certifying accountants:

Name of Accounting Firm	KPMG
Names of Certifying Accountants	Han Yi-Lian; Pan Chun-Ming
Date of Appointment	Approved by Board resolution on February 25, 2025.
Prior to appointment, consultations regarding accounting treatment methods or principles for specific transactions or opinions that may be issued on financial reports, and results	No such circumstances.
Written opinion of the successor accountants on matters on which the previous accountants disagreed	No such circumstances.

- Reply from the previous certifying accountants regarding the matters in Items 1 and 2(3) of Article 10, Paragraph 6 of these Regulations: Not applicable.

2.6 The Chairman, President, or Managers Responsible for Financial or Accounting Affairs of the Company Who Have Served at the Accounting Firm of the Certifying Accountants or Its Related Enterprises within the Most Recent Year: None.

2.7 Changes in Share Transfers and Share Pledges of Directors, Managers, and Shareholders Holding More Than 10% of Shares in the Most Recent Fiscal Year and up to the Printing Date of This Annual Report

(I) Changes in Shareholdings of Directors, Managers, and Major Shareholders

Title	Name	FY2025		FY2026 (through March 27)		Remarks
		Increase (Decrease) in Shares Held	Increase (Decrease) in Pledged Shares	Increase (Decrease) in Shares Held	Increase (Decrease) in Pledged Shares	
Chairman	QNAP Systems, Inc.	-	-	-	-	
	Representative: Chang Ming-Chih	-	-	-	-	
Director and President	Jiang Jonq-Liang	-	-	-	-	
Director	Li Ying-Yin	-	-	-	-	
Independent Director	Ho In-Chyuan	-	-	-	-	
Independent Director	Hsu Jia-Lien	-	-	-	-	
Independent Director	Lo Wen-Pao	-	-	-	-	
Vice President	Chang Su-Pi	-	-	-	-	
Vice President	Chan Kai-Cheng	-	-	-	-	
Vice President	Tu Chun-Ying	-	-	-	-	
Vice President	Kuo Chen-Shan (Note)	-	-	-	-	
Vice President	Li Yao-Tsung	-	-	-	-	
CFO / Chief Accounting Officer	Wei Ti-Szu	-	-	-	-	
Major Shareholder	Kuo Po-Ta	(1,271,160)	-	-	-	

Note: Vice President Kuo Chen-Shan was relieved of her duties due to a job reassignment on June 11, 2025; share change figures are calculated through June 11, 2025.

(II) All counterparties to share transfers or share pledges are non-related parties.

2.8 Relationship Information Among the Top Ten Shareholders by Shareholding Percentage

As of March 27, 2026

Name	Shares Held by the Person		Shares Held by Spouse and Minor Children		Shares Held Through Nominee		Name and Relationship of Top Ten Shareholders Who Are Related Parties or Spouses or Relatives Within the Second Degree of Kinship		Remarks
	Shares	Ratio (%)	Shares	Ratio (%)	Shares	Ratio (%)	Name	Relationship	
Kuo Po-Ta	20,661,236	11.70%	2,954,458	1.67%	-	-	Wenxinfu Investment Co., Ltd.	Legal representative	
QNAP Systems, Inc. Representative: Chang Ming-Chih	13,367,140	7.57%	-	-	-	-	None	None	
Shengfeng Co., Ltd. Representative: Li Li-Ying	10,595,867	6.00%	-	-	-	-	Qianjinlai Investment Co., Ltd. Fu Wang Lai Investment Co. Ltd. Li Ying-Yin	Legal representative; relatives within the 2nd degree of kinship	
HSBC (Taiwan) Commercial Bank Co., Ltd. - Trust Property Account for Bit Bank Investment	8,800,000	4.98%	-	-	-	-	None	None	
Qianjinlai Investment Co., Ltd. Representative: Kuo Chun-Chi	7,061,465	4.00%	-	-	-	-	Shengfeng Co., Ltd. Fu Wang Lai Investment Co. Ltd. Li Ying- Yin	Legal representative; relatives within the 2nd degree of kinship	
Citibank Custody - Hua Nan Chien Shyang (HK) Client Account	6,001,200	3.40%	-	-	-	-	None	None	
Fu Wang Lai Investment Co. Ltd. Representative: Li Ying-Yin	5,053,421	2.86%	-	-	-	-	Shengfeng Co., Ltd. Qianjinlai Investment Co., Ltd.	Legal representative; relatives within the 2nd degree of kinship	
HSBC (Taiwan) Commercial Bank Co., Ltd. - Trust Property Account for Cambria Emerging Shareholder Yield ETF	2,622,425	1.49%	-	-	-	-	None	None	
Wenxinfu Investment Co., Ltd. Representative: Kuo Po-Ta	2,518,000	1.43%	-	-	-	-	Kuo Po-Ta	Legal representative is among the top ten shareholders	
Li Ying-Yin	2,102,759	1.19%	-	-	-	-	Qianjinlai Investment Co., Ltd. Shengfeng Co., Ltd. Fu Wang Lai Investment Co. Ltd.	Legal representative; relatives within the 2nd degree of kinship	

2.9 Aggregate Shareholding Ratio of the Company, Its Directors, Supervisors, Managers, and Entities Directly or Indirectly Controlled by the Company in the Same Investee Enterprise

As of December 31, 2025

Investee Enterprise (Note)	The Company's Investment		Investment by Directors, Supervisors, Managers, and Directly or Indirectly Controlled Entities		Aggregate Investment	
	Shares (thousands)	Shareholding Ratio (%)	Shares (thousands)	Shareholding Ratio (%)	Shares (thousands)	Shareholding Ratio (%)
BriteMED Technology Inc.	8,000	100.00	-	-	8,000	100.00
QNAP Systems, Inc.	6,944	20.96	3,634	10.97	10,578	31.93
Weiliy Industrial Network Co., Ltd.	2,797	16.36	1,483	8.67	4,280	25.03
Shengfeng Co., Ltd.	341	24.49	171	12.27	512	36.76
ICP Electronics Limited	5,000	100.00	-	-	5,000	100.00
Internet Application Technology Ltd.	11,853	100.00	-	-	11,853	100.00
Fortunetec International Corp.	-	-	500	100.00	500	100.00
Fortune Name Holdings Limited	-	-	700	100.00	700	100.00
Acquire System Inc.	-	-	199	49.71	199	49.71
Rich Excel Corporation	-	-	11,628	100.00	11,628	100.00
Equilico Inc.	-	-	6,484	100.00	6,484	100.00
Potency Inc.	-	-	5,840	100.00	5,840	100.00
Suntend LLC	-	-	-	100.00	-	100.00
IEI Technology USA Corporation	-	-	14,000	100.00	14,000	100.00
Anewtech Systems Pte. Ltd.	-	-	400	31.68	400	31.68
Armorlink SH Corp.	-	-	-	90.70	-	90.70
Ailean Technologies Corp.	-	-	-	90.70	-	90.70
ASH Energy Group Limited	-	-	-	90.70	-	90.70
IEI Technology (Shanghai) Co., Ltd.	-	-	-	90.70	-	90.70
Weibotong Technology (Shanghai) Co., Ltd.	-	-	-	90.70	-	90.70
SYNCDA International Limited.	-	-	300	90.70	300	90.70
Xingwei Computers (Kunshan) Co., Ltd.	-	-	-	49.71	-	49.71

Note: These are the Company's long-term equity investments accounted for using the equity method.

III. Capital Raising Activities

3.1 Capital and Shares

(I) Sources of Share Capital

Unit: Shares (thousands) / NT\$ thousands

Year / Month	Issue Price (NT\$)	Authorized Capital Shares	Authorized Capital Amount	Paid-In Capital Shares	Paid-In Capital Amount	Source of Capital and Amount	Payment in Property Other Than Cash	Approval Date and Document No. for Capital Increase
1997.04	10	6,000	60,000	6,000	60,000	Founding capital: 60,000	None	1997.05.12 No.86292850
1997.10	10	12,000	120,000	12,000	120,000	Cash capital increase: 60,000	None	1998.01.05 MOEA(86) No.127147
1998.06	10	19,800	198,000	19,800	198,000	Cash capital increase: 78,000	None	1998.07.10 MOEA(87) No.1117594
1998.12	10	38,000	380,000	38,000	380,000	Cash capital increase: 182,000	None	1998.12.21 MOEA(87) No.141663; FSC(87) No.94753
1999.12	10	46,000	460,000	46,000	460,000	Cash capital increase: 80,000	None	1999.12.09 MOEA(88) No.144533; FSC(88) No.95760
2000.05	10	100,000	1,000,000	67,248	672,478	Capitalization of retained earnings and capital surplus: 207,000; Employee bonus capitalization: 5,478	None	2000.05.29 MOEA(89) No.089115882; FSC(89) No.33916
2001.09	10	135,000	1,350,000	85,333	853,330	Capitalization of retained earnings and capital surplus: 168,120; Employee bonus capitalization: 12,733	None	2001.09.06 MOEA(90) No.09001354220; FSC(90) No.144668
2002.06	10	160,000	1,600,000	109,044	1,090,438	Capitalization of retained earnings: 213,333; Employee bonus capitalization: 23,775	None	2002.06.11 MOEA No.09101207040; FSC(91) No.123586
2003.11	10	180,000	1,800,000	138,835	1,388,348	Capitalization of retained earnings and capital surplus: 272,610; Employee bonus capitalization: 25,300	None	2003.11.27 MOEA No.09201322460; FSC No.0920138979
2004.12	10	190,000	1,900,000	148,494	1,484,937	Capitalization of retained earnings: 69,417; Employee bonus capitalization: 27,172	None	2004.12.08 MOEA No.09301228700
2005.11	10	200,000	2,000,000	158,718	1,587,184	Capitalization of retained earnings: 74,247; Employee bonus capitalization: 28,000	None	2005.11.18 MOEA No.09401230200
2006.11	10	206,000	2,060,000	167,200	1,672,000	Capitalization of retained earnings: 47,616; Employee bonus capitalization: 37,200	None	2006.11.23 MOEA No.09501260320
2007.11	10	270,000	2,700,000	179,342	1,793,420	Capitalization of retained earnings: 83,600; Employee bonus capitalization: 37,820	None	2007.11.15 MOEA No.09601280900
2008.10	10	270,000	2,700,000	177,652	1,776,520	Cancellation of treasury shares: 16,900	None	2008.10.01 MOEA No.09701251290
2008.11	10	270,000	2,700,000	190,332	1,903,322	Capitalization of retained earnings: 89,671; Employee bonus capitalization: 37,131	None	2008.11.19 MOEA No.09701295070
2009.03	10	270,000	2,700,000	190,272	1,902,722	Cancellation of treasury shares: 600	None	2009.03.25 MOEA No.09801055900
2009.08	10	270,000	2,700,000	201,968	2,019,681	Capitalization of retained earnings: 95,136; Employee bonus capitalization: 21,823	None	2009.08.24 MOEA No.09801189860
2009.11	10	270,000	2,700,000	203,195	2,031,946	Conversion of convertible corporate bonds into new shares: 12,265	None	2009.11.12 MOEA No.09801262270
2010.04	10	270,000	2,700,000	205,858	2,058,580	Conversion of convertible corporate bonds into new shares: 26,634	None	2010.04.20 MOEA No.09901076720
2010.05	10	270,000	2,700,000	211,473	2,114,728	Conversion of convertible corporate bonds into new shares: 56,149	None	2010.05.18 MOEA No.09901101880

Year / Month	Issue Price (NT\$)	Authorized Capital Shares	Authorized Capital Amount	Paid-In Capital Shares	Paid-In Capital Amount	Source of Capital and Amount	Payment in Property Other Than Cash	Approval Date and Document No. for Capital Increase
2010.08	10	270,000	2,700,000	211,567	2,115,667	Conversion of convertible corporate bonds into new shares: 939	None	2010.08.18 MOEA No.09901187160
2010.10	10	270,000	2,700,000	225,817	2,258,171	Conversion of convertible corporate bonds into new shares: 142,504	None	2010.11.19 MOEA No.09901254820
2011.01	10	270,000	2,700,000	226,909	2,269,089	Conversion of convertible corporate bonds into new shares: 10,918	None	2011.01.19 MOEA No.10001009880
2012.11	10	335,000	3,350,000	294,982	2,949,815	Capitalization of retained earnings: 680,727	None	2012.11.12 MOEA No.10101232980
2013.11	10	350,000	3,500,000	309,731	3,097,306	Capitalization of retained earnings: 147,491	None	2013.11.21 MOEA No.10201235910
2014.11	10	350,000	3,500,000	328,314	3,283,144	Capitalization of retained earnings: 185,839	None	2014.11.04 MOEA No.10301224820
2018.08	10	350,000	3,500,000	295,483	2,954,830	Cash capital reduction: 328,314	None	2018.08.09 MOEA No.10701094720
2019.07	10	350,000	3,500,000	177,290	1,772,898	Cash capital reduction: 1,181,932	None	2019.07.26 MOEA No.10801099470
2020.08	10	350,000	3,500,000	176,598	1,765,978	Cancellation of treasury shares: 6,920	None	2020.08.24 MOEA No.10901155970

Share Capital Source

Unit: Shares; NT\$

Class of Shares	Authorized Capital			Remarks
	Shares Outstanding	Unissued Shares	Total	
Registered Common Shares	176,597,790	173,402,210	350,000,000	All listed shares

Note: Data as of the annual report printing date of April 10, 2026.
Shelf registration system: Not applicable.

(II) Major Shareholders: Shareholders Holding 5% or More or Among the Top Ten by Shareholding Ratio

As of March 27, 2026

Name of Major Shareholder	Shares Held	Shareholding Ratio
Kuo Po-Ta	20,661,236	11.70%
QNAP Systems, Inc. Representative: Chang Ming-Chih	13,367,140	7.57%
Shengfeng Co., Ltd. Representative: Li Li-Ying	10,595,867	6.00%
HSBC (Taiwan) Commercial Bank Co., Ltd. — Trust Property Account for Bit Bank Investment	8,800,000	4.98%
Qianjinlai Investment Co., Ltd. Representative: Kuo Chun-Chi	7,061,465	4.00%
Citibank Custody — Hua Nan Chien Shyang (HK) Client Account	6,001,200	3.40%
Fu Wang Lai Investment Co. Ltd. Representative: Li Ying-Yin	5,053,421	2.86%
HSBC (Taiwan) Commercial Bank Co., Ltd. — Trust Property Account for Cambria Emerging Shareholder Yield ETF	2,622,425	1.49%
Wenxinfu Investment Co., Ltd. Representative: Kuo Po-Ta	2,518,000	1.43%
Li Ying-Yin	2,102,759	1.19%

(III) Dividend Policy and Implementation Status

1. Company Dividend Policy:

The Company is currently in a business growth phase. To meet the needs of the overall industry environment and business scale expansion, future dividend distributions take into account the Company's medium- and long-term financial capital budgeting and planning, with the goal of pursuing a balanced dividend policy and stable, sustainable operations. The Board of Directors determines dividend proposals by weighing historical distribution levels, industry benchmarks, and future operating capacity. Total shareholder dividends shall not exceed 90% of accumulated distributable earnings, of which cash dividends shall not be less than 5% of total shareholder dividends.

2. Proposed Dividend Distribution for the Current Shareholders' Meeting:

The Board of Directors has resolved the FY2025 earnings distribution as follows: a proposed cash dividend of NT\$618,092,265 is to be distributed to shareholders, at NT\$3.5 per share (calculated and rounded down to the nearest whole dollar; any fractional amount shall be credited to the Company's other income). Upon approval at this Annual Shareholders' Meeting, the Chairman is authorized to separately determine the ex-dividend record date, payment date, and related cash dividend distribution matters. In the event that the number of shares in circulation is affected by share buybacks, transfer, conversion, or cancellation of treasury shares, which in turn affects the dividend rate, the shareholders' meeting is requested to authorize the Chairman to handle all related matters at his discretion.

(IV) Effect of Proposed Stock Dividend at the Current Shareholders' Meeting on the Company's Operating Performance, Earnings Per Share, and Shareholders' Return on Investment: Not applicable.

(V) Employee and Director Compensation

1. Percentage or range of employee and director compensation as stipulated in the Articles of Incorporation:

Pursuant to the Company's Articles of Incorporation, if the Company records a profit for the year, 5% to 20% of the profit shall be allocated as employee compensation, to be distributed in shares or cash as resolved by the Board of Directors. Recipients include employees of subsidiaries meeting certain criteria as determined by the Board. From the same profit amount, the Board may resolve to allocate up to 3% as director compensation. However, if the Company still has accumulated losses, a corresponding amount shall be set aside to cover such losses first. Not less than 5% of the employee compensation amount shall be distributed to entry-level employees. The employee compensation and director compensation distribution proposal shall be reported to the shareholders' meeting.

2. Basis for estimating employee and director compensation amounts for the current period, basis for calculating shares distributed as employee compensation, and accounting treatment when actual distributions differ from estimates:

The estimated employee and director compensation amounts for FY2025 are based on pre-tax net income before deducting employee and director compensation, taking into account the distribution ratios of prior years and the percentages stipulated in the Articles of Incorporation. If the actual distribution amount in the following year differs from the estimate, the difference is treated as a change in accounting estimate and recognized in the profit or loss of the following year.

3. Board-approved compensation distributions:

(1) The Board of Directors resolved on March 6, 2026 to distribute employee compensation of NT\$54,132,809 (of which 5%, amounting to NT\$2,706,650, is allocated as entry-level employee compensation) and director compensation of NT\$3,300,000, both to be paid in cash. These amounts are consistent with the estimated amounts recognized in the annual financial statements for the current year.

(2) Amount of employee compensation proposed to be distributed in shares and its ratio to after-tax net income for the current period as reported in the standalone or individual financial statements and the total employee compensation: Not applicable.

4. Actual distribution of employee and director compensation for FY2024 (including number of shares, amounts, and share prices), and description of any differences from the recognized employee and director compensation amounts with reasons and handling:

Actual cash employee compensation distributed for that year: NT\$95,400,563; director compensation actually distributed: NT\$3,300,000. These are consistent with the estimated amounts recognized in the annual financial statements.

(VI) Share Buyback Status: None.

3.2 Corporate Bond Issuance: None.

3.3 Preferred Share Issuance: None.

3.4 Overseas Depositary Receipts (ADR/GDR) Issuance: None.

3.5 Employee Stock Warrants Issuance: None.

3.6 New Shares Issued as Restricted Employee Shares: None.

3.7 New Shares Issued for Mergers or Acquisitions of Other Companies' Shares: None.

3.8 Execution of Capital Utilization Plan: None.

IV. Business Overview

4.1. Business Description

(I) Scope of Business

1. Business activities of the Company:

- CC01010 Manufacture of power generation, transmission, and distribution machinery
- CC01080 Manufacture of electronic components
- CC01101 Manufacture of regulated radio frequency telecommunication equipment
- CC01110 Manufacture of computers and peripheral equipment
- CC01120 Manufacture and reproduction of data storage media
- I301010 Information software services
- F401010 International trade
- F401021 Import of regulated radio frequency telecommunication equipment
- CF01011 Medical device manufacturing
- F108031 Wholesale of medical devices
- F208031 Retail of medical devices
- F118010 Wholesale of information software
- F218010 Retail of information software
- I301020 Data processing services
- I301030 Electronic information supply services
- F601010 Intellectual property business
- ZZ99999 In addition to licensed businesses, any businesses not prohibited or restricted by law or regulation.

2. Principal Revenue Breakdown:

Unit: NT\$ thousands

Product Category	FY2025	
	Net Revenue	Revenue Ratio
Industrial Computer Products	4,572,510	70%
Industrial Computer Peripheral Products and Components	1,671,276	26%
Others	269,257	4%
Total	6,513,043	100%

3. Current Principal Products / Services:

The Company's principal business focuses on three core domains: AI edge computing, network communication and cybersecurity, and smart healthcare, with products spanning the following categories:

(1) AI Edge Computing and Industrial Computer Systems:

Comprising Edge AI computing servers, embedded industrial computers, and high-performance computing (HPC) platforms, applied in smart manufacturing, smart cities, transportation, and critical infrastructure.

(2) Network Communication and Cybersecurity Equipment:

Comprising 5G/SD-WAN, WiFi 7 network equipment, cybersecurity gateways, firewalls, and security servers, providing integrated solutions compliant with zero-trust architecture and international cybersecurity regulations.

(3) Medical Products and Services:

- Medical Tablets: POCm nursing cart computer series, POCi operating room workstation series, IASO medical information acquisition terminal series.

- Medical Embedded Systems: HTB multi-function intelligent AI computer series, medical information connectivity devices.
- Medical Monitors: MPOCm mobile medical monitor series.
- Medical Power Supplies: AXON multi-function medical power systems, UPS devices.
- Endoscope Image Capture Systems: Medical surgical image recording equipment with high-definition 4K input/8K output.

4. Planned New Products / Services Under Development:

Future new product development will focus on AI-ready, high-security, and high-regulatory-compliance as core principles, with key areas including:

- Continued development of high-end multi-core ARM network communication servers with BSP integration support.
- Advancing 5G lightweight RedCap new-standard CPE and independently developed WiFi 7 products.
- Strengthening AI edge computing systems with embedded image acceleration cards and AI industrial environment safety systems (AiEi).
- Digital medical imaging all-in-one machines: 23.5" and 27" POCr 4K digital medical imaging AIO.
- AI edge computing systems: AI edge computing computers with embedded image acceleration cards.
- Medical digital imaging AI computing workstations: Medical-grade high-reliability AI computing workstations.
- Medical-grade motherboards: Medical-grade low-profile mini-ITX motherboards.
- Medical cart power supplies: Power supply equipment dedicated to medical carts.

(II) Industry Overview

1. Current Status and Development of the Industry

- **IPC / Edge AI Computing Industry**

Entering 2026, the global edge computing market continues to grow at high speed. According to forecasts, the market is projected to expand at a CAGR of 34.5% from 2025 to 2037, with the market size expected to exceed US\$983.3 billion by 2037. The widespread application of Industry 4.0, generative AI, and deep learning has made "Edge AI" a core trend. Demand for edge hardware equipped with AI acceleration chips (such as NPUs and ASICs) has surged to support low-latency applications including real-time image analysis, autonomous driving, and smart factories.

- **Network Communication and Cybersecurity Industry**

In 2026, the network communication market benefits from the maturation of the 5G RedCap ecosystem and the proliferation of Wi-Fi 7. The global cybersecurity market is projected to maintain a CAGR of 13.8% through 2030. As generative AI elevates cybersecurity threats, hardware-level security protection (such as HSM and TPM) and zero-trust architectures have become standard requirements.

- **Smart Healthcare Industry**

The global healthcare IT and smart healthcare industry is expanding rapidly, driven primarily by three major trends:

- **AI and Medical Imaging Driving Explosive Growth:** The global digital healthcare market is projected to exceed US\$479 billion by 2028, with an estimated value of US\$491.6 billion in 2026 (CAGR 21.6%). AI technologies (image recognition, clinical decision support, edge computing) have become the core of healthcare IT.
- **Aging Population and Mature Telemedicine:** The rise in the elderly population is driving growth in chronic disease management, long-term care ICT, telemedicine workstations, and mobile diagnostic device markets.
- **Tightening Regulations and Cybersecurity as Key Competitive Moats:** Heightened requirements from EU MDR, AI Act, and US FDA for AI medical devices are raising development and market entry barriers, giving

manufacturers with complete regulatory validation processes and medical device and cybersecurity certification experience a stronger competitive advantage.

2. Upstream, Midstream, and Downstream Relationships in the Industry

(1) Network Communication and Edge Computing Product Chain

With the rapid development of artificial intelligence, edge computing, and next-generation communication technologies (5G, Wi-Fi 7), the industry supply chain has transformed from a traditional hardware-oriented model to an integrated ecosystem combining computing capabilities, communication technologies, and information security. The chain is divided into three major tiers: upstream core technologies, midstream system integration, and downstream application services, each mutually interdependent and collectively driving digital transformation and intelligent application development.

• **Upstream: Core Technologies and Key Components**

The upstream primarily covers high-performance computing chips, communication technologies, and semiconductor-related industries, providing the foundation for midstream equipment and solution development. Key areas include:

- a. AI and High-Performance Computing Chips: Including NPUs, GPUs, ASICs, and multi-core processors, supporting edge computing and real-time data processing requirements.
- b. High-Speed Computing and Semiconductor Technologies: Including PCIe high-speed transmission interfaces, memory (DRAM/SSD), and related testing technologies to improve system performance and stability.
- c. Wireless Communication Technologies: Covering 5G (including RedCap), Wi-Fi 7, and low earth orbit satellite communications to support high-bandwidth and low-latency data transmission.
- d. Core Cybersecurity Technologies: Including hardware root of trust, security chips (TPM, HSM), and zero-trust architecture to ensure system operational security.

• **Midstream: Equipment and System Integration Solutions**

The midstream is primarily responsible for transforming upstream core technologies into specific products and integrated solutions, which represents the Company's primary business scope. Key development directions include:

- a. Edge Computing and Embedded Systems: Providing edge AI systems supporting diverse computing platforms, applied in industrial automation and smart environments, with integration of remote management and virtualization technologies to improve system management efficiency.
- b. Network Communication and Cybersecurity Equipment: Covering 5G and Wi-Fi 7 network equipment, network gateways, and security servers, combined with cybersecurity protection mechanisms to meet increasingly demanding cybersecurity requirements.
- c. Smart Healthcare Solutions: Providing medical computers, medical workstations, and medical IoT systems supporting healthcare information integration and telemedicine applications.
- d. Vertical Industry-Specific Equipment: Developing rugged products meeting various harsh environmental requirements, applied in industrial, transportation, and other specialized environments.
- e. Green and Energy-Efficient Products: Developing low-power displays and related management systems to comply with energy conservation and carbon reduction and sustainable development trends.

• **Downstream: Industry Applications and Services**

The downstream covers various end-application markets, deploying midstream equipment and systems in real-world environments to form diverse smart applications. Key application areas include:

- a. Smart Manufacturing: Using AI and automation technologies to improve production efficiency and quality management.
- b. Smart Cities and Transportation: Applied in traffic management, environmental monitoring, and public safety to improve urban governance efficiency.
- c. Smart Healthcare: Combining AI with medical devices to develop assisted diagnostics, patient monitoring, and telemedicine services.

- d. Critical Infrastructure: Applied in energy, transportation, and industrial control systems to strengthen operational stability and cybersecurity protection.
- e. Smart Retail and Digital Services: Using digital displays and cloud management technologies to improve information delivery efficiency and user experience.

The continued expansion of downstream applications is driving demand for high-performance computing, low-latency communications, and cybersecurity protection, further propelling the upgrade of the overall industry chain.

(2) Smart Healthcare Industry Chain

- Upstream: Components, AI Models, and Foundational Technologies

Including: medical-grade motherboards, edge AI chips, image capture cards, 4K/8K medical display panels, AI engines, image recognition models, and telemedicine platforms. This tier is significantly affected by AI chip supply and demand, geopolitical factors (US-China restrictions), and regulations; insufficient AI computing chip capacity creates cost and lead time uncertainties.

- Midstream: Medical Computer / AI Medical Device Manufacturers (IEI Integration Corp.)

Products include: medical AIO, nursing cart platforms, endoscope image capture equipment, operating room AI edge computing hosts, mobile ultrasound, medical-grade power supplies, and IoT gateways. Role focus: providing high-value-added equipment combining "AI computing × medical certification × system integration"; partnering with ISVs (medical software vendors) to provide complete hardware-software integrated solutions; possessing ODM/OEM capabilities for rapid response to hospital requirements in various countries.

- Downstream: Medical Institutions, Long-Term Care Units, System Integrators (SIs)

Including: medical centers, regional hospitals, operating room system integrators, telemedicine platform providers, and long-term and home care units. Market demand characteristics: require high stability, high medical standards, and high security; gradually shifting from "hardware procurement" to "solution procurement"; require compatibility with EMR/PACS/HIS systems.

3. Product Development Trends and Competitive Landscape

Product Development Trends:

(1) Growth of AI- and Edge Computing-Driven Smart Products

The world is entering a new AI-driven era. The edge computing market is projected to expand rapidly at a CAGR of 34.5% from 2025 to 2037, reaching a scale of US\$983.3 billion. The proliferation of Industry 4.0, generative AI, and deep learning applications has made AI acceleration capabilities (NPU, VPU, ASIC) and low-latency real-time processing capabilities core drivers of product development. Healthcare, manufacturing, transportation, and smart city sectors are simultaneously adopting edge AI, and demand continues to rise.

(2) 5G RedCap, Wi-Fi 7, and Cybersecurity-Driven Network Communication Upgrades

From 2026 onward, the global network communication market benefits from the maturation of the 5G RedCap ecosystem and the proliferation of Wi-Fi 7. Private networks, edge security protection (SASE), and hardware-level security (HSM/TPM) have become standard. Generative AI introduces new cybersecurity threats, making zero-trust architecture and hardware security encryption key factors in enterprise adoption.

(3) Medical Application Devices Moving Toward AI-Ready and High Resolution

Medical imaging (endoscopy, ultrasound, X-ray) is broadly incorporating AI-assisted diagnostics, driving increased demand for AI image computing platforms, medical IPCs, and mobile medical devices. Next-generation medical devices need to have: high-performance GPU/VPU; multi-image input integration capability; low-latency image capture and transmission; and high-level cybersecurity and medical certification (such as EN/UL60601, MDR, FDA). At the same time, 4K/8K high-resolution imaging has become the mainstream trend in endoscopic surgery and precision-guided procedures.

(4) Rapid Proliferation of Mobile and Portable Devices

Mobile diagnostic carts, handheld ultrasound, and mobile emergency devices are adopting high-endurance power supplies and wireless image transmission, extending medical device demand from fixed to mobile configurations and enhancing scenario flexibility.

(5) ESG and Low-Power Design Becoming New Procurement Standards

Large medical institutions and enterprise customers are requiring:

- Low-power AI platforms
- Recyclable materials
- Product lifecycle management (LCM) tracking
- Progressively incorporating these into procurement decisions and driving manufacturers to introduce energy-efficient and traceable technologies.

Competitive Landscape:

(1) Industrial Computer / Edge AI Market Competition

The industrial computer industry has transformed from traditional hardware-oriented to AI edge servers, 5G private network equipment, and AIoT integrated platforms. Key competitive dimensions include:

- Hardware-software integration capabilities
- AI cybersecurity protection; flexible multi-country supply
- Localization services
- AI acceleration chip support capabilities (NPU/ASIC).

Competitors are also actively developing positions in AIoT and smart manufacturing, gradually forming differentiated competition.

(2) Medical IoT / IPC Manufacturer Competition

Large professional medical device manufacturers possess:

- Comprehensive medical certifications (EN/UL60601, MDR, FDA)
- ODM customization capabilities
- Global shipping flexibility.

The competitive focus centers on AI computing performance, cybersecurity strength, speed of regulatory approval, and depth of medical system integration.

(3) AI Medical Imaging Startup Companies

Their advantage lies in the speed of algorithm and software innovation, but they relatively lack medical hardware and regulatory experience. Their collaboration model with traditional medical device manufacturers tends toward complementarity.

(4) Network Communication and Cybersecurity Product Competition

The market continues to evolve toward AI-driven network security and 5G private networks, with hardware manufacturers broadly introducing:

- AI security engines
- RedCap embedded devices
- Remote management (IRM)
- Virtualization platforms (IVEC).

The competitive focus has shifted from hardware specifications to platform-oriented capabilities, cybersecurity capabilities, and overall solution depth.

(III) Technology and Research & Development Overview

1. R&D Expenditures in the Most Recent Fiscal Year and up to the Printing Date of This Annual Report

R&D expenditures invested in FY2025 amounted to NT\$606,528 thousand, representing 9.31% of annual net revenue.

2. Successfully Developed Technologies or Products

- Cutting-Edge Semiconductor Testing Equipment: Successfully developed a semiconductor testing platform supporting PCIe Gen5 and Gen6 specifications for DRAM and SSD production testing, which has been adopted by leading US and Japanese semiconductor manufacturers.

- Low-Carbon Smart Display Solutions: Completed development of a 31.5-inch color e-paper display and an e-paper content management system (CMS), featuring extremely low power consumption and no blue light.
- Edge AI Virtualization and High-Performance Computing Platform: Completed development of virtualization platform deployment AI agent technology, launching a compact high-performance edge AI computing system supporting Intel® Core™ Ultra, AMD EPYC, ARM, and NVIDIA® Jetson.
- Industrial-Grade Computing Resilience Technology: Developed the iRM remote management system, integrating redundancy management and out-of-band remote system recovery functions, supporting central monitoring and rapid OS failure recovery in CIM environments.
- Vertical Industry Rugged Technology: Completed development of maritime-dedicated computers and monitors certified by DNV, and stainless steel food processing industrial systems meeting IP69K protection standards.
- Next-Generation Smart Medical IoT: Collaborated with global healthcare industry leaders to develop next-generation hospital IoT and patient monitoring systems, integrating high-performance computing, medical-grade safety standards, and real-time data transmission technologies.
- High-Performance Medical AI Image Computing and Edge Diagnostic Platform: Focusing on diverse AI-assisted analysis technologies to provide real-time processing and interpretation of clinical medical images.
- Next-Generation Medical-Grade Embedded AI Operating Room Computing Computer: Designed specifically for smart operating rooms, integrating multi-channel high-resolution image capture and AI real-time algorithms to support surgical navigation and automated clinical recording.
- Modular Next-Generation High-Resolution Mobile Ultrasound System: Enhanced system configuration flexibility combined with high-definition imaging technology to meet clinical and mobile healthcare needs.
- Expandable Smart Medical Ophthalmology-Specific Computing Host: High-performance architecture developed for ophthalmological image processing, featuring flexible hardware upgrades and software compatibility.
- Portable AI Medical Image Processing and Real-Time Display Terminal Device: Integrating lightweight design and AI algorithms to achieve real-time optimization and display of images in mobile diagnostics.
- Low-Power Mobile Medical IoT (IoT) Communication Gateway: Optimized data transmission for remote and mobile medical devices, ensuring high connectivity resilience in low-power environments.
- Medical-Grade High-Performance Modular Power Supply and Intelligent Management System: Achieving stable power supply for medical carts with asset monitoring and power distribution managed through a software platform.
- Next-Generation Medical Electronic Video Laryngoscope System: Combining high-resolution digital imaging technology to improve the accuracy and safety of clinical intubation diagnostics.

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

1. Network Communication and Edge Computing Products and Services

- **Long-Term Business Development Plan:**

Consolidate the edge AI computing market position and continue advancing toward high-end computing platforms. Collaborate with mainstream chip manufacturers to define a new product portfolio integrating cybersecurity, wireless communications, and high-speed storage.

- **Short-Term Business Development Plan:**

Leverage the established ARM/Android BSP team to expand projects, focusing on emerging markets for OT cybersecurity requirements and transportation system security projects; strengthen local operations in European and US locations and provide differentiated services through hardware-software integration (IRM/IVEC).

2. Medical Products and Services

- **Long-Term Business Development Plan:**

(1) Upgrade from hardware supplier to AI-ready platform and solution provider: Build an AI medical ecosystem architecture across product lines, integrating AIO, image capture, power supply, and gateways onto a single platform.

- (2) Establish the core platform for next-generation smart operating rooms and smart imaging: Deepen the technological leadership in multi-channel high-resolution image capture, 8K data stream processing, and low-latency Edge AI computing.
- (3) Develop emerging markets for mobile diagnostics and telemedicine equipment: Develop next-generation mobile ultrasound, mobile imaging workstations, medical vehicle-mounted power supplies, and mobile cloud AI solutions.
- (4) Build global medical regulatory assets and brand competitive moats: Accumulate FDA/MDR certification categories over the long term; expand the proportion of medical device tender market in European, Japanese, and US markets.
- (5) Promote ESG and green medical device development: Introduce low-power, high-recyclability design; become a sustainable supplier meeting the procurement standards of large European and US healthcare systems.

- **Short-Term Business Development Plan:**

- (1) Expand commercialization and rapid deployment of AI medical devices: Accelerate deployment of AI endoscope image capture platforms, AI edge computing hosts, and medical AIO products in North American and Asia-Pacific markets; shorten time-to-market through modular R&D frameworks.
- (2) Strengthen global supply chain resilience and cross-border production capacity allocation: Promote diversified supply chain strategies, strategic buffer stock, and alternative component design; expand production capacity in Taiwan and non-China regions (such as Southeast Asia).
- (3) Accelerate medical device regulatory approvals to improve tender competitiveness: Prioritize investment in EU MDR 2.0, US FDA, and IEC 62443 cybersecurity certifications; establish a Design-for-Compliance development process.
- (4) Deepen vertical market strategies: Target smart operating rooms, critical care, and long-term care IoT applications, increasing market penetration through SI (system integrator) partnerships.
- (5) Continuously strengthen cybersecurity and medical compliance capabilities: Introduce "Security by Design" processes, SBOM controls, and vulnerability scanning to improve device ASP (average selling price).

(V) Intellectual Property Management

1. Intellectual Property Management Plan Aligned with Operational Strategy

Intellectual property is an important asset supporting the Company's core technology development and operational competitiveness. In accordance with the Company's medium- and long-term operational strategy, the Company has established an intellectual property management system aligned with operational objectives in key areas including AI edge computing, network communication and cybersecurity, and smart healthcare. With patents at the core, combined with integrated management of trademarks, copyrights, and trade secrets, the Company has formed a comprehensive intellectual property protection system to support product differentiation and market expansion through intellectual property deployment, enhancing the Company's overall competitiveness.

The Company has formulated and implemented an intellectual property management system, including the "Intellectual Property Management Regulations," "Patent Management Regulations," "Trademark Management Regulations," "Trade Secret Confidentiality Regulations," "Technology Contract Management Regulations," and "Contract Management Regulations," which clearly govern the application, maintenance, utilization, and ownership of intellectual property, and cover matters including dispute handling and technology contract support, to ensure the protection of rights and risk control in R&D results and commercial cooperation processes.

2. Intellectual Property Management Mechanisms and Resource Investment

The Company continuously promotes and strengthens full lifecycle management of intellectual property, covering patent deployment, rights maintenance, and utilization of results, and monitors industry technology and patent trends through external professional agencies to reduce infringement risks. The R&D unit allocates relevant expenses to support patent applications and maintenance, and has established incentive mechanisms to encourage innovative R&D, strengthening the continuous output and management effectiveness of intellectual property.

3. FY2025 Execution Status

The Company continues to deepen its focus in the medical imaging technology field, committed to building a proprietary patent system with core competitiveness. Current patent deployment focuses on image processing technologies for endoscope image capture systems. In response to the rapidly advancing trend of single-use medical devices in the medical industry, the Company is also conducting technology R&D for single-use endoscope device use cases, covering technical aspects including image signal capture, image quality optimization algorithms, and multi-format output. The Company continues to strengthen image capture, processing, and output quality through independent R&D for medical surgical image recording equipment supporting high-definition 4K input and 8K output, providing precise and reliable visual support for operating rooms and forming a differentiated technological barrier.

In addition to imaging technologies, the Company is also actively building patent protection for uninterruptible power supply (UPS) systems and new electric fascial knives required in medical settings. The electric fascial knife product was honored with the 2026 Taiwan Excellence Award, demonstrating the Company's product market competitiveness and innovation value.

In FY2025, the Medical Business Division was awarded a total of 12 patents, fully reflecting the Company's sustained investment and technological accumulation in the field of medical device R&D, laying a solid intellectual property foundation for future product development. As of the end of FY2025, the number of valid patents held has continued to grow steadily. Looking ahead, the Company will continue to strengthen R&D investment, extend patent deployment to edge computing device domains, deepen hardware-software integration capabilities, and actively assess technology licensing cooperation opportunities, using a comprehensive intellectual property portfolio to consolidate and enhance the Company's long-term competitive advantages and market position.

The Company reports its intellectual property management plan and execution status to the Board of Directors at least once a year. The FY2025 execution status is expected to be reported to the Board meeting on May 8, 2026.

4.2 Market and Sales Overview

(I) Market Analysis

1. Principal Product Sales Regions:

Unit: NT\$ thousands

Region	FY2025	
	Amount	Percentage
Asia (including Taiwan)	3,795,954	58.29%
Americas	2,047,345	31.43%
Europe	630,484	9.68%
Other	39,260	0.60%
Total	6,513,043	100%

2. Market Share of Principal Products:

IEI Integration Corp. is a global supplier of industrial computers. Industrial computers are characterized by high-mix, low-volume production, and no definitive global statistics are currently available to indicate IEI's precise market share in the industrial computer market. However, in the medical AIO, AI edge computing, and cybersecurity application markets, IEI has successfully penetrated key customers in Asia-Pacific, Europe, and North America, and holds a stable market share and visibility in certain high-end and project-based market segments.

3. Future Supply and Demand Conditions and Growth Prospects:

Entering 2026, the demand for AI computing driven by cloud services continues to intensify, and dependence on edge computing deepens in the industrial automation and transportation sectors. At the same time, data transmission security requirements are driving upgrades of industrial network communication infrastructure.

In healthcare, with global aging and increased investment in digital health (projected to exceed US\$300 billion after 2025), demand for AI-assisted diagnostics and telemedicine equipment continues to rise. The global digital healthcare market, driven by AI technology innovation and aging population demand, is projected to exceed US\$479 billion by 2028.

4. Competitive Advantages:

IEI has long cultivated its core R&D capabilities and has built a comprehensive R&D team encompassing hardware design, software development, system verification, and rapid prototyping, using an integrated IT infrastructure platform as the hub for R&D and product development, forming the Company's most critical competitive advantage.

In hardware R&D, the Company continues to introduce new technologies and development platforms. In recent years, it has particularly emphasized the development of engineering design analysis and simulation capabilities, progressively incorporating systematic Signal Integrity (SI) and Power Integrity (PI) analysis processes to effectively improve circuit design quality, cost control, and product development efficiency. Through the introduction of structural mechanics and thermal simulation analysis tools, reliability and durability verification is conducted in the early design phase, helping to shorten development cycles and improve product stability. In R&D quality control, the Company also continuously invests in high-frequency signal measurement equipment and cultivates RF technology specialists to conduct refined design for component interference, circuit layout, and high-frequency signal characteristics, ensuring product quality consistency and long-term stability.

In software and platform capabilities, IEI has continuously strengthened software R&D capabilities in recent years, rebuilding a scaled ARM/Android BSP development team and combining device centralized management, system integration, and virtualization as key technologies to effectively improve product added value and system integration depth. Related products and solutions have been progressively brought to market as system platforms mature, securing project cooperation and technical validation opportunities with major international semiconductor manufacturers in Taiwan and Japan, further strengthening the Company's visibility and technical credibility in high-end application markets.

In the network communication and cybersecurity market, IEI's cybersecurity equipment platform is developing toward both high-end platforms and ARM platforms, combining ARM BSP software capabilities with a newly built x86 server platform hardware R&D team, and has established clear competitive positioning in vertical application areas including 5G CPE, OT cybersecurity equipment, rail transportation, and content delivery networks (CDN). Through hardware-software integration, deepened cybersecurity mechanisms, and platform-oriented design capabilities, the Company is able to meet next-generation network communication and edge cybersecurity application needs and improve overall solution competitiveness.

In the medical product domain, IEI has comprehensive advantages in R&D, manufacturing, and market positioning. The Company has invested in medical AI computing technologies and can achieve high integration with clinical application scenarios, and has long cultivated Electronic Medical Records (EMR) and Picture Archiving and Communication Systems (PACS) technologies, providing computing and data processing solutions for medical environments. In product strategy, the Company possesses high modularity and customization capabilities, enabling it to provide fully customized or semi-customized medical devices in accordance with different regional regulations and clinical requirements, and has a complete product line including medical motherboards, displays, and human-machine interfaces (HMI), enhancing product portfolio flexibility.

In addition, IEI has established a stable distributor and service network in Europe, the US, and Asia-Pacific, and deepens European market operations through its German subsidiary, improving local technical support and customer service quality, which helps consolidate brand trust and long-term customer relationships, forming a stable and sustainable market competitive advantage.

5. Favorable and Unfavorable Factors for Development Prospects and Response Strategies:

IEI belongs to the industrial computer segment of the information industry, which is a technology- and capital-intensive sector. Its products are characterized by high-mix, low-volume production, and continuously updated functions and specifications, requiring constant responsiveness to market demands and demonstrating flexibility and adaptability to maintain competitiveness. The favorable and unfavorable factors for the Company's operations and future development, along with corresponding response strategies, are described as follows:

Favorable Factors:

IEI Integration Corp. belongs to the Industrial Computer (IPC) segment within the information industry, which is a highly technology-intensive and capital-intensive sector. Its products are characterized by low-volume, high-mix production, a high degree of customization, and rapid updates to functions and specifications, requiring constant responsiveness to changes in end-market demand and demonstrating a high degree of R&D flexibility and rapid response capabilities in order to maintain long-term competitiveness. Within this industry environment, the following factors are favorable to the Company's operational development and medium- to long-term growth momentum:

(1) Strong Demand for AI Edge Computing and 5G Private Networks

With the rapid proliferation of artificial intelligence, Industry 4.0, and real-time data analytics applications, edge computing has become the core of industrial digital transformation. The global edge computing market is maintaining high-speed growth with a projected CAGR of 34.5%, with the market size expected to exceed US\$983.3 billion by 2037. As 5G private networks, RedCap, and low-latency applications gradually mature, demand for high-reliability edge computing and network communication equipment in industrial automation, cybersecurity, and critical infrastructure is stimulated, benefiting the development of the Company's IPC, Edge AI, and cybersecurity platform products.

(2) Medical AI Diagnostics and Digital Healthcare Applications Entering Growth Phase

The global digital healthcare market maintains steady growth benefiting from aging trends and increased efficiency in healthcare resource allocation, with a market CAGR of approximately 21.6%. Among these, AI-assisted diagnostics, medical image analysis, and telemedicine systems are gradually becoming mainstream applications, creating a positive development environment for industrial computer and medical device manufacturers with medical computing capabilities, system integration, and medical certification experience, benefiting the expansion of the Company's healthcare-related product lines.

(3) Global Supply Chain Restructuring Enhancing Visibility of Taiwan Manufacturing

In recent years, geopolitical and supply chain restructuring trends have been evident, and international customers' requirements for supply stability, quality control, and regulatory compliance have increased, making Taiwan manufacturing one of the important options for international tenders and critical product supply. The Company's integrated R&D and manufacturing capabilities in Taiwan help improve its competitive position in international projects and customer cooperation.

(4) Tightening Regulations Forming Industry Entry Barriers

As industry applications deepen, relevant regulations and cybersecurity standards are becoming increasingly strict, including EU Medical Device Regulation (MDR), AI Act, and industrial cybersecurity standard IEC 62443, all of which raise the barriers for product development and market entry. Manufacturers with complete regulatory validation processes and medical device and cybersecurity certification experience will have stronger competitive advantages, contributing to increased market concentration and consolidation of the Company's long-term competitiveness.

(5) ESG Development Trends Driving Green Product Demand

As ESG awareness increases, large medical institutions and enterprise customers are progressively incorporating low-power design, recyclable materials, and product lifecycle management into procurement evaluation criteria. This trend helps drive demand for energy-efficient and sustainably designed industrial computers and system products, benefiting the Company's continued deepening of green product and sustainable manufacturing positioning.

Unfavorable Factors and Response Measures:

(1) Impact of Tariff Wars and Trade Barriers

The global trade environment in recent years has been affected by tariff policies and trade barriers, which may increase product import and export costs and affect supply chain flexibility and delivery scheduling.

- Response measures:

The Company has continued to strengthen its US local warehousing and logistics infrastructure to shorten delivery times and reduce cross-border trade uncertainty; at the same time, the Company is actively enhancing production capacity allocation in Southeast Asia, and through diversification of production locations, reducing the impact of policy changes in any single market or region on operations.

(2) Supply Chain Instability and Labor Shortage Risks

The global supply chain is still affected by raw material supply fluctuations, labor shortages, and rising production costs, which may put pressure on production efficiency and delivery schedules.

- Response measures:

The Company has introduced digital supply chain management and manufacturing systems, including iHMS and MES platforms, to strengthen production process transparency and real-time management capabilities; it is also continuing to promote automated manufacturing processes to improve production efficiency and reduce reliance on single supply sources and labor allocation.

(3) Intense Market Competition and Pricing Pressure

Industry competition is intensifying, and customers' price sensitivity is increasing, which may put pressure on product gross margins.

- Response measures:

The Company is actively transforming from a purely hardware supply model to an "AI solutions" orientation, developing specialized products with high added value and high entry barriers, such as AI endoscopes and AI ultrasound computing platforms. Through hardware-software integration and application domain deepening, the Company effectively differentiates its market positioning and reduces the impact of price competition on gross margins.

(4) Global Supply Chain Risks and Geopolitical Variables

Geopolitical conflicts, international policy adjustments, and logistics risks may create uncertain impacts on supply stability and cost structure.

- Response measures:

The Company continues to promote a diversified supply chain layout to avoid over-reliance on single suppliers, and improves the security of key material supply through strategic inventory management. The Company is also actively planning and expanding overseas production bases outside China to diversify geopolitical and regional risks.

(5) Medical Regulatory Changes and Rising Compliance Costs

The medical industry is affected by continuously updated global regulations, with compliance requirements becoming increasingly strict. Product certification timelines and regulatory compliance costs may increase accordingly.

- Response measures:

The Company has established a dedicated medical regulatory and quality management team, and has introduced the "Design for Compliance" concept during product R&D and design phases to proactively comply with the latest regulations and standards requirements in various countries, in order to accelerate international certification application processes, shorten product time-to-market, and enhance market competitiveness.

(II) Key Uses and Production Processes of Principal Products

1. Key Uses of Principal Products:

(1) Network Communication and Edge Computing Products

- Edge AI and HPC Computing Servers: Providing AI edge devices ranging from NPU/GPU energy-efficient configurations to multi-GPU Intel Xeon/AMD EPYC high-performance computing platforms, used in smart factories and smart buildings for complex LLM (large language model) inference and real-time image analysis.
- Semiconductor Testing and R&D Platforms: Applied in R&D validation and mass production testing of PCIe Gen6 high-speed memory (DRAM/SSD), meeting semiconductor manufacturers' stringent requirements for high-bandwidth computing and high-stability testing.
- Green Energy-Efficient E-Paper Display Systems: Applied in smart city exhibitions and educational environments, advertising displays, and medical bedside cards. Digital management is achieved through CMS systems, enabling real-time information updates at extremely low power consumption to support enterprise sustainability practices.

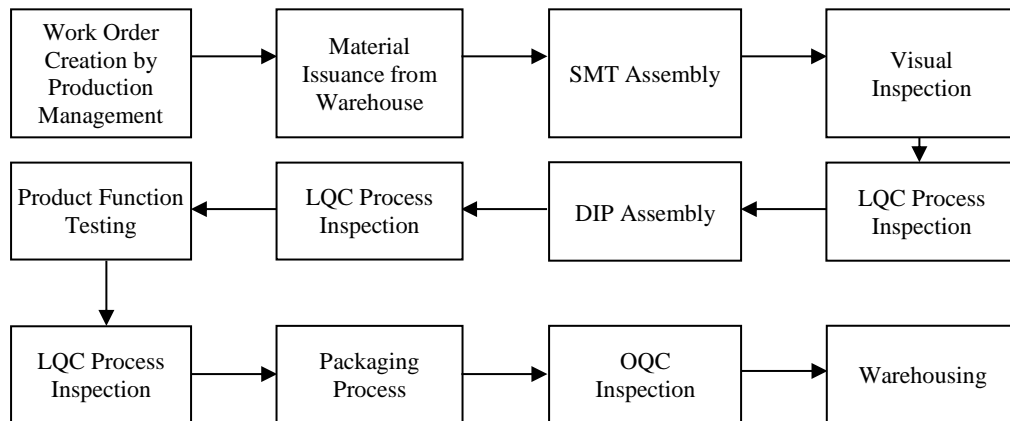
- Security Governance Embedded Platforms: Specifically designed for critical infrastructure requiring compliance with NIS2 and CRA regulations, ensuring system operational resilience against network threats through "Secure-by-Design."
- Edge AI Resilient Computing Platform Solutions: Used in smart manufacturing and critical infrastructure; equipped with iRM remote management and system redundancy technology to ensure rapid system recovery from attacks or failures and maintain 24/7 continuous production line operations.
- Rugged Vertical Industry Systems: Applied in maritime transportation (DNV certified), food processing (IP69K protection), and harsh industrial environments to ensure high equipment reliability in extreme environments.

(2) Medical Products and Services

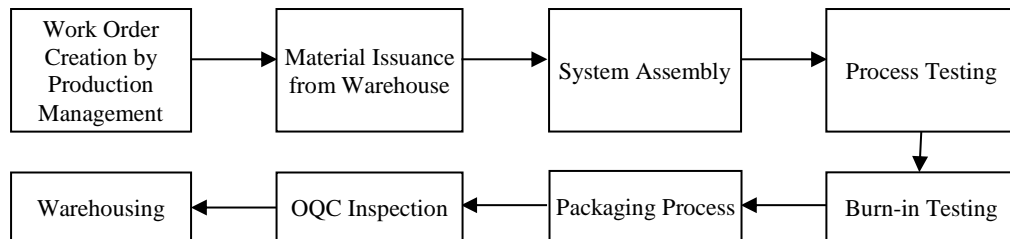
- Smart Nursing Systems: Including medical AIO computing platforms and nursing carts, used for nursing information management and physiological information gateway transmission.
- High-End Image Diagnostics: Providing dedicated computing hosts and display equipment applied in endoscopy, ultrasound, and operating room image navigation, equipped with AI algorithms to improve clinical diagnostic accuracy.
- Smart Medical IoT and Monitoring Systems: Dedicated to patient physiological information monitoring in hospital operating rooms and ICUs; combined with high-reliability embedded platforms, ensuring uninterrupted medical IoT data transmission and improving medical staff efficiency.

2. Production Processes:

(1) Motherboards and Interface Cards



(2) Industrial Computers



(III) Supply Status of Principal Raw Materials

The Company's principal raw materials are IC semiconductors, power supply units, printed circuit boards, and LCD panels/touch modules. Each principal raw material procurement source has both primary and secondary suppliers, combined with quality-approved spot market suppliers and other multiple supply channels to diversify the risk of procurement concentration or material shortage. Moreover, the Company's principal suppliers have

long-standing business relationships with the Company; in special circumstances, they are fully able to cooperate, maintaining long-term and stable cooperative relationships with each other. In addition, IEI continues to actively invest resources to promote the following initiatives to stabilize supply and meet customer delivery requirements:

- **Developing New-Generation Products:** Proactively responding to product line adjustments by semiconductor suppliers to ensure technology continuity and reduce the risk of old-generation product discontinuation.
- **Strengthening Supply Flexibility and Alternative Component Validation:** Accelerating the introduction of new suppliers on both sides of the Taiwan Strait and promoting the certification of multiple alternative components with the same specifications to break dependence on single suppliers and effectively fill long and short material gaps.
- **Deepening Forecasting Mechanisms and Long-Term Buffer Stock:** Establishing good communication with manufacturers and distributors, providing long-term batch material (including alternative components) forecasts to suppliers for buffer stock preparation to reduce material shortage risks.
- **Real-Time Spot Market Monitoring:** Establishing a real-time notification mechanism with distributors and spot market suppliers to quickly obtain released spot materials during market fluctuations, reducing the risk of procuring at premium prices, and dynamically adjusting procurement configurations to maintain production resilience.

(IV) Suppliers or Customers Accounting for 10% or More of Total Purchases or Sales in Either of the Most Recent Two Fiscal Years

1. Major suppliers accounting for 10% or more of total purchases in either of the most recent two fiscal years:

Unit: NT\$ thousands

Name	FY2024			FY2025		
	Amount	% of Annual Net Purchases	Relationship with the Company	Amount	% of Annual Net Purchases	Relationship with the Company
Supplier A	322,426	8%	None	438,239	10%	None
Others	3,873,475	92%		4,142,042	90%	
Net Purchases	4,195,901	100%		4,580,281	100%	

2. Major customers accounting for 10% or more of total sales in either of the most recent two fiscal years:

Unit: NT\$ thousands

Name	FY2024			FY2025		
	Amount	% of Annual Net Sales	Relationship with the Company	Amount	% of Annual Net Sales	Relationship with the Company
Customer A	769,972	11%	None	471,004	7%	None
Customer B	693,312	10%	None	586,673	9%	None
Customer C	638,871	9%	None	825,950	13%	None
Customer D	601,829	9%	None	841,698	13%	None
Others	4,135,848	61%		3,787,718	58%	
Net Sales	6,839,832	100%		6,513,043	100%	

4.3 Employee Data for the Most Recent Two Fiscal Years and up to the Annual Report Printing Date

As of December 31, 2025

Category		FY2024	FY2025
Number of Employees	Direct Labor	228	347
	Indirect Labor	960	916
	Total	1,188	1,263
Average Age		38	38
Average Years of Service		8 years 7 months	8 years
Educational Background	Doctoral Degree	0.3%	0.2%
	Master's Degree	10.3%	11.6%
	Bachelor's Degree / College	58.6%	61.2%
	Senior High School	20.4%	15.7%
	Below Senior High School	10.4%	11.3%

4.4 Environmental Expenditure Information

- (I) Total amount of losses and penalties incurred due to environmental pollution in the most recent fiscal year and up to the annual report printing date: None.
- (II) Future response measures: Not applicable.

4.5 Labor Relations

(I) Employee Welfare Measures and Implementation:

The Company has established a Welfare Committee in accordance with applicable regulations, sets aside employee welfare funds in accordance with relevant rules, and has planned a variety of employee welfare measures. In addition to providing marriage, bereavement, and medical subsidies to employees, the Company also regularly holds employee tours, year-end banquets, and club competitions to promote interaction among colleagues and enhance team cohesion, fostering a friendly and caring workplace environment.

In terms of employee protection, in addition to providing labor insurance and national health insurance as required by law, the Company also provides employees with group insurance to offer more comprehensive coverage and reduce the risks employees may face due to accidents or illness.

The Company also places great emphasis on employee health management and workplace health promotion. Annual employee health examinations are conducted regularly, and subsidies for personal health examinations and influenza vaccinations are provided. In addition, monthly on-site physician health consultation services are arranged, providing health consultation and workplace health guidance, along with weekly stress-relief massage services to help employees relieve work stress and promote physical and mental health and work-life balance.

Going forward, the Company will continue to strengthen employee welfare and health promotion measures to create a safe, healthy, and supportive work environment, thereby enhancing employee well-being and the Company's sustainable development.

(II) Employee Training, Education, and Implementation:

The Company has established an Education and Training Center with a comprehensive talent development and education and training system. Through a systematic training mechanism, the Company assists employees in continuously improving their professional and management capabilities. Training content covers new employee orientation, professional and technical training, and management competency development for supervisors, with corresponding courses planned based on different positions and levels to strengthen employees' professional skills and organizational management capabilities. The Company also actively promotes internal knowledge-sharing and book club activities, encouraging colleagues to exchange work experience, share professional knowledge, and

proactively propose innovative ideas and improvement suggestions, fostering an organizational culture of continuous learning and knowledge sharing. In addition, through internal and external education and training courses, the Company continuously introduces new knowledge and industry trends to help employees broaden their horizons and enhance their overall professional quality, while cultivating employees' leadership and teamwork capabilities to support the Company's long-term development and sustainable talent cultivation.

(III) Retirement System and Implementation:

1. Old-System Retirement Benefits:

The Company has formulated retirement regulations. In accordance with these regulations, retirement benefits for formally employed employees are calculated based on years of service: two base units are granted for each full year of service; for service exceeding fifteen years (thirty base units), one base unit is granted for each additional full year, up to a maximum of forty-five base units. Periods of less than six months are counted as half a year; periods of six months or more are counted as a full year. The standard for each base unit is the average wage for the six months prior to the approved retirement date. The Company has established a Labor Retirement Reserve Fund Supervisory Committee to manage the appropriation and withdrawal of retirement reserve funds.

2. New-System Retirement Benefits:

Effective July 1, 2005, in response to the implementation of the new labor pension system, the Company established a labor pension contribution unit and contributes labor pension funds monthly for employees who have elected the new system, at a rate of 6% of their declared contribution wages. Upon reaching retirement eligibility, employees receive retirement benefits calculated in accordance with the law based on their years of service under both the old and new systems.

(IV) Labor-Management Agreement Status:

The Company has valued labor-management relations since its founding, treating employees as an important asset of the Company. Regular quarterly labor-management meetings are held to establish smooth communication channels, enabling both labor and management to operate harmoniously under mutual respect for labor-management ethics. Significant matters are also communicated through the Company's internal website, email, or meetings, allowing every colleague to clearly understand the Company's operational policies.

(V) Workplace Environment and Employee Personal Safety Protection Measures:

The Company follows relevant provisions of the Occupational Safety and Health Act to promote the occupational safety and health management system, implement occupational safety and health management, and prevent occupational accidents, thereby protecting the safety and health of employees. The Company has also formulated occupational safety and health work rules, establishing relevant regulations for workplace environment safety and personnel operational safety for employees to follow and implement, in order to maintain workplace safety and operational environment stability.

In terms of emergency response and safety management, the Company allocates and trains first aid personnel in proportion to the number of employees to enhance the ability to handle emergency incidents; annual fire escape drills are held regularly, and fire safety equipment is regularly inspected, maintained, and repaired to ensure workplace safety and enable timely and appropriate responses in the event of emergency incidents or disasters.

In addition, the Company places great importance on employee health management. Annual employee health examinations are conducted regularly, and monthly on-site physician health consultation services are arranged to provide health consultation and workplace health guidance, in order to continuously improve the level of employee health management and workplace safety.

(VI) Workplace Equality and Diversity:

The Company is committed to a diverse and inclusive workplace, ensuring that every employee is treated fairly in recruitment, appointment, wages, benefits, training opportunities, work assignments, promotions, rewards and penalties, dismissals, and other matters. Personnel are selected based on competency and suitability for the position, without discrimination or differential treatment in employment conditions based on race, class, language, ideology, religion, political affiliation, place of origin, birthplace, gender, sexual orientation, age, marital status, physical appearance, features, physical or mental disability, zodiac sign, blood type, or previous trade union membership. As of the end of FY2025, foreign employees accounted for 5.0% of total employees, female workers accounted for 34.8% of total employees, and persons with disabilities were employed at or above the statutory quota.

To create a workplace environment free from discrimination, bullying, harassment, defamation, infringement, and violence, the Company has formulated relevant policies and conducts regular education and training to enhance every employee's awareness of gender equality and inclusiveness. Grievance channels and a handling committee have also been established to ensure that every instance of unfair treatment is promptly addressed.

To date, the Company has had no incidents of gender or racial discrimination or violations of human rights.

(VII) Losses from Labor Disputes in the Most Recent Fiscal Year and up to the Annual Report Printing Date

Penalty Date	Penalty Reference No.	Provision Violated	Nature of Violation	Penalty Content	Response Measures
2025.08.28	New Taipei City Government Labor Inspection Ref. No. 11446886371	Occupational Safety and Health Act, Article 22, Paragraph 1	Failure to assign nursing personnel for health services	Fine of NT\$40,000 and order to rectify within a prescribed period	Recruitment of an occupational health nurse was completed; the nurse assumed the position in January 2026, bringing the Company into compliance.
2025.08.28	New Taipei City Government Labor Inspection Ref. No. 1144688637	Occupational Safety and Health Act, Article 23, Paragraph 1	Failure to appoint an occupational safety (health) management specialist as required	Fine of NT\$40,000 and order to rectify within a prescribed period	Recruitment for the dedicated occupational safety and health personnel position is ongoing. Prior to the position being filled, relevant duties are being carried out by designated personnel and supervisors in related roles to ensure operational safety and regulatory compliance.

4.6 Information Security Management

(I) Information Security Risk Management Framework, Information Security Policies, Specific Management Programs, and Resources Invested in Information Security Management

1. Information Security Risk Management Framework and Policies

To strengthen corporate governance and ensure sustainable business operations, IEI Integration Corp. established an Information Security Management Committee in November 2014 (ROC Year 103), supervised by the President, who oversees the Company's overall information security governance and management affairs. The Information Security Management Committee is composed of heads of principal business units and is responsible for promoting the Information Security Management System (ISMS), establishing and maintaining a management system compliant with the ISO/IEC 27001 international standard, covering operations including information security policy formulation, risk assessment, management planning, implementation, review, and continuous improvement, to ensure the effectiveness of the information security management system.

The Company systematically manages information security risks through the ISMS framework to reduce the impact of intentional or unintentional internal and external threats, and to ensure the confidentiality, integrity, and availability of Company and customer information. To strengthen information security intelligence sharing and enhance information security incident reporting and response capabilities, IEI became a member of the Taiwan Computer Emergency Response Team / Coordination Center (TWCERT/CC) in November 2020. Furthermore, to demonstrate its commitment to product security, the Company officially became a member of the international information security response organization FIRST in October 2024, engaging in threat intelligence exchange and cooperation with the international information security community.

The Information Security Management Committee convenes at least one information security management review meeting per year to regularly report on the implementation effectiveness of information security management, significant information security issues, and future improvement directions, and to review information security policies and related management measures, to ensure compliance with government laws and regulations, relevant regulations, and the concerns of internal and external stakeholders, and to continuously strengthen the Company's overall information security governance mechanism.

To effectively implement information security management, IEI has established a Computer Security Incident Response Team (CSIRT) covering Taiwan and overseas subsidiaries, which holds regular meetings every one to two weeks. Following the Plan-Do-Check-Act (PDCA) management cycle mechanism, the CSIRT continuously reviews information security intelligence, information security risks, and management effectiveness, and regularly reports implementation to the Information Security Management Committee.

2. Specific Management Programs

(1) Network Security:

To reduce the risk of network attacks and malware propagation, the Company continuously strengthens network firewalls and network access control mechanisms to prevent virus transmission across computers and between facilities, and has introduced Network Detection and Response (NDR) mechanisms. Through network traffic analysis and anomaly behavior detection, the Company enhances its ability to identify and respond to potential threats in real time.

Multi-Factor Authentication (MFA) has also been introduced, using mobile SMS, phone notifications, or mobile applications as a second layer of identity verification to strengthen account access control and improve information security for remote and work-from-home scenarios. Core servers and systems have been migrated to professional IDC computer rooms, and through professional management and monitoring mechanisms, system stability, availability, and overall security are improved to ensure operational continuity.

(2) Device Security:

The Company has introduced Endpoint Detection and Response (EDR) and antivirus mechanisms to strengthen detection and protection against malware and abnormal behaviors, and has established equipment scanning and portable device (such as USB) control mechanisms at facility entry points to reduce the risk of malware intrusion through external devices.

Through device domain management and access control, only authorized users are permitted to access Company devices, and software installation is managed. Phishing email and malicious website detection and proactive isolation mechanisms have also been introduced to reduce the impact of social engineering attacks on operations.

(3) Application Security:

The Company has formulated and implemented management processes related to application development and operations, and continuously strengthens application security control mechanisms. In terms of account management, Multi-Factor Authentication (MFA) has been introduced to prevent unauthorized account access, and account authorization permissions are regularly reviewed and adjusted.

Regular system backup and off-site disaster recovery switching drills are conducted to enhance system recovery capabilities. For application system security, vulnerability scanning and risk assessment tools have been introduced to identify potential vulnerabilities through automated analysis, and remediation and improvements are carried out based on risk assessment results to reduce the risk of application systems being attacked.

(4) Supply Chain Security:

The Company conducts information security risk assessments of the supply chain, requiring business partners to maintain appropriate information security management and protection measures, and regularly communicates the Company's latest information security policies and related precautions. Through self-assessment and management mechanisms, the impact of supply chain information security risks on Company operations is reduced.

(5) Personnel Education, Training, and Awareness:

To enhance overall information security protection effectiveness, the Company continuously strengthens employees' awareness of social engineering and phishing email attacks, regularly conducts information security education, training, and awareness activities, and executes phishing email drills and tests to strengthen employees' ability to identify and respond to information security risks, and to implement company-wide information security awareness.

3. Resources Invested in Information Security Management

FY2025 Information Security Implementation Results:

(1) Policies:

In FY2025, the Company continued to comply with and operate in accordance with the ISO/IEC 27001:2022 Information Security Management System, with the Information Security Management Committee overseeing institutional governance, combined with the Computer Security Incident Response Team (CSIRT) carrying out information security incident monitoring, reporting, and response operations. Information

security policies and related management measures are regularly reviewed and optimized to ensure the effectiveness and continuous improvement of the information security management system.

To strengthen the commitment to product security, the existing Product Security Incident Response Team (PSIRT) continued its operations and refinement in FY2025, responsible for receiving, confirming, investigating, coordinating internally, and publicly disclosing product vulnerabilities, while providing mitigation measures and remediation recommendations where feasible. The PSIRT continues to operate in accordance with international information security response processes and maintains FIRST membership. Additionally, in FY2025, the Company participated in the "Product Information Security Vulnerability Bug Bounty Program" organized by the Institute for Information Industry as a Blue Team member, promoting information security intelligence exchange through a collaborative model involving government, industry, academia, and research.

Furthermore, the security vulnerability reward program continued its operations in FY2025, strengthening product security and protecting user data and system integrity. A total of 69 reward payments were issued in FY2025.

(2) Certifications:

The Company's Information Security Management System complies with the ISO/IEC 27001:2022 international standard. In FY2025, the system continued its operations and successfully passed the annual certification audit by the external certification body SGS to ensure the effectiveness and compliance of the management system. The certificate is valid until May 2026.

(3) Training and Awareness:

In FY2025, the completion rate for annual employee information security education and training reached 100%, and the completion rate for new employee information security education and training also reached 100%. A total of 11 phishing email social engineering drills were conducted, and 27 information security awareness messages were published to enhance information security awareness among all employees.

(4) Incidents and Violations:

The proportion of employees subject to disciplinary action for non-compliance with information security policies or confidential information protection regulations in FY2025 was 0%.

(II) Losses from Significant Information Security Incidents in the Most Recent Fiscal Year and up to the Annual Report Printing Date, Possible Impact, and Response Measures: None.

4.7 Material Contracts: None.

V. Financial Condition and Financial Performance Review, Analysis, and Risk Matters

5.1 Financial Condition

Financial Condition Comparative Analysis

Unit: NT\$ thousands

Item / Fiscal Year	FY2024	FY2025	Change	
			Amount	(%)
Current Assets	10,688,751	9,653,287	(1,035,464)	(10)
Non-Current Assets	4,293,574	5,464,629	1,171,055	27
Total Assets	14,982,325	15,117,916	135,591	1
Current Liabilities	2,647,807	2,591,917	(55,890)	(2)
Non-Current Liabilities	1,130,502	1,146,545	16,043	1
Total Liabilities	3,778,309	3,738,462	(39,847)	(1)
Share Capital	1,765,978	1,765,978	-	-
Capital Surplus	837,554	1,134,964	297,410	36
Retained Earnings	8,741,253	8,765,866	24,613	0
Other Equity — Other	(300,475)	(476,503)	(176,028)	59
Treasury Shares	-	-	-	-
Non-Controlling Interests	159,706	189,149	29,443	18
Total Equity	11,204,016	11,379,454	175,438	2

Items with changes of 20% or more and amounts of NT\$10 million or more between the most recent two fiscal years:

1. Non-Current Assets: Increase in hardware and software capital expenditures and increase in financial asset investments such as bonds.
2. Capital Surplus: Increase in changes in equity of associates recognized under the equity method.
3. Other Equity - Other: Primarily due to changes in translation differences from the conversion of financial statements of foreign operations, and an increase in unrealized losses on financial assets measured at fair value through other comprehensive income.

5.2 Financial Performance

Financial Performance Comparative Analysis

Unit: NT\$ thousands

Item / Fiscal Year	FY2024	FY2025	Change	
			Amount	(%)
Net Revenue	6,839,832	6,513,043	(326,789)	(5)
Gross Profit	2,413,239	2,179,495	(233,744)	(10)
Operating Expenses	1,546,415	1,609,043	62,628	4
Operating Income	866,824	570,452	(296,372)	(34)
Non-Operating Income and Expenses	1,052,160	373,602	(678,558)	(64)
Pre-Tax Net Income	1,918,984	944,054	(974,930)	(51)
Income Tax Expense	359,808	121,114	(238,694)	(66)
Net Income After Tax	1,559,176	822,940	(736,236)	(47)

Items with changes of 20% or more and amounts of NT\$10 million or more between the most recent two fiscal years:

1. Operating Income: Primarily due to a decrease in net revenue leading to lower gross profit and profit.
2. Non-Operating Income and Expenses: Primarily due to increased foreign exchange losses from fluctuations in foreign currency exchange rates and a decrease in gains on disposal of investments.
3. Pre-Tax Net Income: Primarily due to decreased profits resulting from lower net revenue and increased foreign exchange losses from the appreciation of the New Taiwan Dollar.
4. Income Tax Expense: Primarily due to a decrease in current period income tax expense resulting from lower profits.

5.3 Cash Flow

(I) Analysis of Cash Flow Changes in the Most Recent Fiscal Year:

Item / Fiscal Year	FY2024	FY2025	Change (%)
Cash Flow Ratio (%)	27.78	33.97	22
Cash Flow Adequacy Ratio (%)	111.47	88.53	(21)
Cash Reinvestment Ratio (%)	0.90	0.64	(28)
Analysis of Changes:			
1. Cash Flow Ratio increased: Primarily due to a decrease in financial assets and recovery of amounts receivable from related parties, which increased cash inflows from operating activities, combined with repayment of current liabilities.			
2. Cash Flow Adequacy Ratio decreased: Due to acquisition of property, plant, and equipment and advance procurement of raw materials in response to rising prices, leading to increased capital expenditures and inventory.			
3. Cash Reinvestment Ratio decreased: Primarily due to acquisition of property, plant, and equipment and an increase in long-term investments.			

(II) Future One-Year Cash Liquidity Analysis:

The Company anticipates continued stable business growth over the next year, with corresponding cash flows to be generated from operating profits. There is no expectation of cash shortages.

5.4 Impact of Significant Capital Expenditures in the Most Recent Fiscal Year on Financial and Business Operations: None.

5.5 Investment Policy in the Most Recent Fiscal Year, Principal Reasons for Profits or Losses, Improvement Plans, and Investment Plans for the Next Year:

The Company's long-term equity investments are evaluated in accordance with the "Procedures for Acquisition and Disposal of Assets," with a focus on long-term strategic objectives. In FY2025, the Company's total profit from long-term equity investments accounted for under the equity method amounted to NT\$317,132 thousand, an increase of NT\$47,594 thousand compared to the prior year. Going forward, the Company will continue to adhere to the principle of long-term strategic investment and will continue to prudently evaluate investment plans.

5.6 Risk Analysis and Assessment in the Most Recent Fiscal Year and up to the Annual Report Printing Date

(I) Impact of Interest Rate Fluctuations, Exchange Rate Fluctuations, and Inflation on the Company's Profit and Loss, and Future Response Measures:

1. Interest Rate Fluctuations:

The Company has ample proprietary funds. Interest expenses in FY2025 amounted to NT\$1,192 thousand, representing 0.02% of net revenue. Therefore, interest rate fluctuations have not had a material impact on the Company's cost of funds.

2. Exchange Rate Fluctuations:

Foreign exchange gains/losses in FY2025 amounted to a loss of NT\$237,108 thousand, representing

approximately 3.64% of net revenue. The Company continuously monitors exchange rate movements and will, based on funding requirements and existing foreign currency positions, make appropriate adjustments to foreign currency positions to reduce the impact of exchange rate fluctuations on the Company.

3. Inflation:

The Company has not been materially affected by inflation. The Company continuously monitors market price fluctuations and maintains good interactive relationships with suppliers and customers. Going forward, the Company will continue to monitor inflation in its cost control and pricing, and make appropriate adjustments to avoid any adverse impact of inflation on the Company's operations.

(II) Policies, Principal Reasons for Profits or Losses, and Future Response Measures Regarding High-Risk or High-Leverage Investments, Lending of Funds to Others, Endorsements and Guarantees, and Derivative Financial Instrument Transactions:

1. As of the annual report printing date, the Company has not engaged in any high-risk, high-leverage investments, endorsements, or guarantees.
2. Lending of Funds to Others: Conducted in accordance with the Company's "Procedures for Lending of Funds and Endorsements/Guarantees."
3. Derivative Financial Instrument Transactions: As of the annual report printing date in FY2025, the Company has not engaged in any derivative financial instrument transactions. The Company's principles for derivative financial instrument transactions are to hedge risks arising from fluctuations in exchange rates, interest rates, or asset prices that affect business operating profits, conducted in accordance with the Company's "Procedures for Acquisition and Disposal of Assets."
4. The Company has formulated the "Procedures for Acquisition and Disposal of Assets" and the "Procedures for Lending of Funds and Endorsements/Guarantees" in accordance with applicable laws and regulations, both approved by resolution of the shareholders' meeting, to serve as the regulatory framework for the Company's engagement in the above activities.

(III) Future R&D Plans and Planned R&D Expenditure:

1. Future R&D plans include the following:
 - Multi-processor media transmission servers.
 - Solid-state and hybrid network storage platforms.
 - Equipment and solutions related to Industry 4.0, factory automation, and industrial IoT connectivity.
 - Stainless steel Silver Shield series tablets, monitors, and controllers certified to IP69K and explosion-proof standards, targeting the Oil & Gas and Food & Beverage vertical markets.
 - Information management and solutions for energy, water, and environmental monitoring.
 - AiEi AI Industrial Environment Safety System.
 - Digital medical imaging workstations: 27.5" and 31.5" touch-screen medical tablets.
 - AI compact edge computing systems: Utilizing artificial intelligence technology to maintain patient safety.
 - Endoscope image capture systems: Medical surgical image recording equipment supporting high-definition 4K input and 8K output.
2. Planned R&D expenditure: Including R&D personnel, R&D project expenditures, equipment, and tooling costs. Planned R&D expenditure for FY2026 is estimated at 8%–10% of annual net revenue.

(IV) Impact of and Response Measures to Important Domestic and International Policy and Regulatory Changes on the Company's Financial and Business Operations:

No important domestic or international policy or regulatory changes in the most recent fiscal year have had a material impact on the Company. Going forward, the Company will continue to closely monitor important domestic and international policy and regulatory changes, and will promptly adjust the corresponding financial and business strategies to address challenges arising from such changes and to protect the Company's financial interests and business stability.

(V) Impact of and Response Measures to Technological Changes (Including Information Security Risks) and Industry Changes on the Company's Financial and Business Operations:

In recent years, the rapid proliferation of AI and edge computing has driven industrial computers, medical imaging,

and network communication equipment toward high-performance, low-latency, and intelligent development. At the same time, rising global cybersecurity threats and new regulations such as NIS2 and CRA are requiring devices to possess greater cybersecurity resilience.

The accelerating evolution of semiconductor interface technologies (such as PCIe Gen6 and DDR5) is driving demand for high-bandwidth testing platforms. Geopolitical tensions and trade barriers are making supply chain decentralization a trend, with enterprises shifting to multi-country manufacturing to reduce risks. The medical market is moving toward AI clinical assistance, smart nursing, and mobile healthcare; ESG considerations are making low-power consumption and product lifecycle management (LCM) procurement requirements.

Technology upgrades and regulatory strengthening are increasing the Company's R&D and compliance expenditures; supply chain fluctuations and tariff measures may raise material costs and affect gross margins. Customer demand is gradually shifting from hardware procurement to AI solution integration, accelerating the transformation of the Company's product portfolio.

Geopolitical and logistics uncertainties may affect production and delivery schedules, and the Company needs to invest capital expenditures in Southeast Asia and overseas production bases to reduce single-region risks. Medical products face longer time-to-market due to increased regulatory review, affecting the timing of new product revenue contributions.

- Response Measures:

1. Strengthening Global Supply Chain and Production Flexibility

Reduce cross-border risks through US and European local logistics configurations and increase Southeast Asia production capacity; strengthen strategic procurement to ensure stable supply of critical components.

2. Enhancing Product Differentiation and AI Solution Orientation

Accelerate the transformation from hardware supply to AI edge computing and specialized medical AI platform provider; increase product added value through hardware-software integration to reduce the impact of price competition.

3. Introducing Cybersecurity and Regulatory Compliance Capabilities

Incorporate Secure-by-Design and NIS2/CRA requirements into product design; establish a dedicated medical regulatory team and adopt Design for Compliance to accelerate international certification and shorten time-to-market.

4. Continuing R&D Investment to Strengthen Core Competitiveness

Focus on Edge AI, HPC, high-resolution medical imaging, and iRM remote management domains, and deepen collaboration with chip and medical system partners to shorten development times and enhance innovation speed.

5. Promoting ESG and Low-Power Product Lines

Develop e-paper, low-power edge devices, and recyclable materials product portfolios to respond to global sustainable procurement trends and increase market adoption rates.

(VI) Impact of and Response Measures to Changes in Corporate Image on Corporate Crisis Management:

The Company's business philosophy is centered on sustainable enterprise operations and the establishment of long-term partnerships with customers and the social community. Regular shareholders' meetings and investor conferences are held to improve financial transparency regarding the Company's operating conditions. To date, no operational crises arising from changes in the Company's corporate image have occurred.

(VII) Expected Benefits, Possible Risks, and Response Measures for Mergers and Acquisitions: None.

(VIII) Expected Benefits, Possible Risks, and Response Measures for Expansion of Facilities: None.

(IX) Risks and Response Measures Arising from Concentration of Purchases or Sales:

The Company's customer categories are widely distributed across diverse vertical application markets including industrial control, point-of-sale systems, gaming machine equipment, embedded systems, and medical devices, and the Company is actively expanding into emerging application areas such as smart manufacturing, smart cities, and network communication and cybersecurity. The customer structure is diversified and stable, with no excessive customer concentration.

In terms of supply chain management, the Company adopts a diversified procurement strategy utilizing both primary and secondary suppliers, and has introduced a digital supply chain management system to strengthen real-

time inventory control and cross-regional scheduling capabilities, enhancing supply chain transparency and responsiveness. At the same time, the Company continuously maintains long-term cooperative relationships with major upstream suppliers, and through strategic procurement and localization strategies, effectively responds to changes in the international situation and supply chain fluctuation risks to ensure the stable supply of critical materials required for production.

The Company is positioned as an integrated system solution provider and places great importance on establishing long-term cooperative relationships with customers. Whether for distribution channels or ODM customers, the Company provides comprehensive support covering product design, manufacturing, material supply, inventory and price management, product lifecycle maintenance, and after-sales service, combined with hardware-software integration and cybersecurity technologies to enhance the overall service added value and customer stickiness.

In summary, the Company maintains a diversified and stable structure on both the procurement and sales sides, and through a sound supply chain management and customer service mechanism, effectively reduces the impact of market fluctuations. There is no risk of concentration in purchases or sales.

(X) Impact and Risk of Large-Scale Share Transfers or Changes in Directors, Supervisors, or Shareholders Holding More Than 10% of Shares on the Company: None.

(XI) Impact, Risk, and Response Measures for Changes in Management Control on the Company: None.

(XII) Litigation or Non-Litigation Matters: None.

(XIII) Other Important Risks and Response Measures: None.

5.7 Other Important Matters: None.

VI. Special Notes

6.1 Affiliated Enterprise Information

(I) Consolidated Business Report of Affiliated Enterprises:

Please refer to the new Market Observation Post System (MOPS): Electronic Document Downloads / Affiliated Enterprise Three-Report Area.

(II) Consolidated Financial Statements of Affiliated Enterprises:

The companies required to be included in the preparation of the affiliated enterprise consolidated financial report are identical to those required to be included in the preparation of the parent-subsidary consolidated financial report under IFRS 10 as recognized by the Financial Supervisory Commission. The relevant information required to be disclosed in the affiliated enterprise consolidated financial report has already been disclosed in the aforementioned parent-subsidary consolidated financial report; accordingly, a separate affiliated enterprise consolidated financial report has not been prepared.

(III) Affiliated Enterprise Report:

The Company is not a subsidiary of any other company; therefore, preparation of an affiliated enterprise report is not required.

6.2 Status of Private Placement of Securities in the Most Recent Fiscal Year and up to the Annual Report Printing Date: None.

6.3 Other Necessary Supplementary Information: None.

VII. Events Occurring in the Most Recent Fiscal Year and up to the Annual Report Printing Date that Have Had a Material Impact on Shareholders' Rights and Interests or Securities Prices as Prescribed under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act: None.