



# LEADTREND TECHNOLOGY CORP.

## 2025 Annual Report

The annual report is available at  
Market Observation Post System: <https://mops.twse.com.tw> and  
Corporate website: <https://www.leadtrend.com.tw>

Published on April 15, 2026

### Notice to Readers

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

### **Company Spokesperson and Deputy Spokesperson**

Spokesman: Shu-Wei Yu

Title: Accounting Supervisor

Tel: (03)554-3588

Email: [ir@leadtrend.com.tw](mailto:ir@leadtrend.com.tw)

Deputy Spokesman: Jia-Fen Lee

Title: Special Assistant to the President

Tel: (03)554-3588

Email: [ir@leadtrend.com.tw](mailto:ir@leadtrend.com.tw)

### **Address and Telephone Number of the Company's Headquarters and Plant**

Address: 4F.-1, No.1, Taiyuan 2nd St., Zhubei City, Hsinchu County 302, Taiwan, R.O.C.

TEL: (03)554-3588

### **Stock Transfer Handling Agency**

Name: Capital Securities Corporation

Address: B2, No.97, Section 2, Dunhua South Road, Daan District, Taipei City

Website: [www.capital.com.tw](http://www.capital.com.tw)

Tel: (02)2702-3999

### **Name of the CPA and CPA Firm Auditing the Financial Statements in the Most Recent Year**

Accounting Firm: Deloitte & Touche

Name of CPAs: Ya-Yun Chang and Ming-Hui Chen

Address: 6F, Allied Association Industries No. 2, Zhanye 1st Rd., Hsinchu  
Science Park East Dist., Hsinchu, Taiwan (R.O.C.)

Website: [www.deloitte.com.tw](http://www.deloitte.com.tw)

TEL: (03)578-0899

**Overseas Securities Exchange: Not applicable**

### **Company Website**

<https://www.leadtrend.com.tw>

# Table of Contents

<b>Chapter 1. Letter to Shareholders .....</b>	<b>1</b>
<b>Chapter 2. Corporate Governance Report .....</b>	<b>6</b>
2.1 Information about Directors, President, Vice President and Management Team .....	6
2.2 Remuneration of Directors and Management Team in the Most Recent Year .....	15
2.3 Implementation of Corporate Governance.....	19
2.4 Information Regarding the Professional Fees of CPAs .....	74
2.5 Replacement of CPA .....	75
2.6 The Chairman, President, or Chief Financial or Accounting Manager Who Has Worked in the Accounting Firm or its Affiliates in the Most Recent Year .....	75
2.7 Share transfer by Directors, Managerial Officers and Shareholders Holding More Than 10% Equity, and Changes to Share Pledging by Them in the Past Year Up to the Date of Report.....	76
2.8 Information on Shareholders Among the Top 10 by Proportion of Shareholding Who Are Related Parties to One Another or Spouse, Kindred Within the Second Degree of Kinship.....	76
2.9 Quantity of Shareholdings of the Same Investee by the Company, and Directors, Managerial Officers, and Direct or Indirect Subsidiaries in Proportion to the Combined Holdings of all, and Combined to Calculate the Proportion of Overall Shareholding .....	77
<b>Chapter 3. Capital Overview.....</b>	<b>78</b>
3.1 Capital and Shares .....	78
3.2 Issuance of Corporate Bonds .....	84
3.3 Status of Preferred Stocks.....	84
3.4 Status of Global Depository Receipts .....	84
3.5 Status of Employee Warrants .....	84
3.6 Status of Issuance of New Restricted Employee Shares.....	84
3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions.....	90
3.8 Status of Implementation of Capital Allocation Plans .....	90
<b>Chapter 4. Operations Overview.....</b>	<b>91</b>
4.1 Business Overview .....	91
4.2 Market, Production and Sales Overview.....	108
4.3 Human Resources in the Last Two Years .....	116
4.4 Disbursements for Environmental Protection.....	116

4.5 Labor Relations .....	117
4.6 Cyber Security Management .....	122
4.7 Important Contracts .....	127
<b>Chapter 5. Review of Financial Conditions, Operating Results, and Risk Management .....</b>	<b>128</b>
5.1 Financial Status .....	128
5.2 Financial Performance .....	129
5.3 Cash Flows .....	130
5.4 Major Capital Expenditure Items on Financial Performance in Businesses Over the Past Year .....	130
5.5 Recent Reinvestment Policy, Major Reasons for Profits or Losses, Improvement Plan and Investment Plan for the Following Year .....	130
5.6 Analysis and Assessment of Risks in the Most Recent Year to the Day this Report Was Printed .....	131
5.7 Other Important Matters.....	138
<b>Chapter 6. Special Disclosure.....</b>	<b>139</b>
6.1 Summary of Affiliated Companies .....	139
6.2 Privately Offered Securities in the Most Recent Year as of the Publication Date of the Annual Report .....	140
6.3 Other Necessary Supplement.....	140
6.4 Any Events and as of the Date of this Annual Report that Had Significant Impacts on Shareholders' Rights or Security Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Act.....	140

## **Chapter 1. Letter to Shareholders**

In 2025, the ACDC power management integrated circuit (IC) industry was significantly impacted by the US–China trade war, tariff uncertainties, and geopolitical tensions. Taiwanese manufacturers benefited from order diversions driven by the “China+1” trend. However, to counter these challenges, Chinese manufacturers initiated a series of price wars in the mature process technology sector, significantly affecting the areas in which we operate. Although Leadtrend adopted a strategy focused on enhancing product value and differentiation—deepening its involvement in mid-to-high-end applications through one-stop services and collaborating closely with clients on development to build trust—revenue declined by 7.24% in 2025 compared to the previous year. This decrease was due to intensified competition in the end market and headwinds such as the appreciation of the New Taiwan Dollar in the second quarter. Looking ahead, the Company plans to continue launching products that meet market demand for low-power, high-performance, and high-power-density solutions while optimizing its cost structure and expanding the mix of high-margin products to navigate the volatile macroeconomic environment.

### **2025 Business Performance Outcomes**

#### **(1) Results of the Implementation of the Operational Plan**

The semiconductor market is rebounding, driven by the development of AI applications. Alongside ongoing energy efficiency regulations across various sectors and the rapid evolution of industry standards, the power management IC market in which Leadtrend operates presents a structural opportunity characterized by specification upgrades that enhance solution value. First, the EU’s external power supply energy efficiency regulations have come into effect. These are expected to drive customer demand for highly integrated, low-standby-power and high-efficiency products. This shifts the strategic focus of power management ICs away from cost-based competition toward providing more comprehensive system solutions and design support. Second, the USB-C fast charging market is shifting from increasing power to optimizing efficiency and thermal management, thereby raising the technical barriers for integrated technologies such as conversion efficiency, protection mechanisms, and system integration.

In response to these trends, Leadtrend continued to pursue a development strategy focused on total solutions and highly integrated products in 2025. By enhancing the comprehensiveness of our medium- to high-power AC-DC control solutions and advancing our integrated design and application reference

solutions, we aim to help our customers shorten their development timelines and improve their products' competitiveness. This approach will increase the value of our product portfolio, expand our market penetration, and strengthen our long-term partnerships across the laptop, TV, monitor, networking, smart home appliances, e-bike, industrial PC (IPC), lighting, and other power supply application markets.

## **(2) An Analysis of Financial Revenue, Expenditure, and Profitability**

Leadtrend's consolidated financial performance for the fiscal year 2025 is summarized as follows: annual revenue reached NT\$1,349 million, representing a 7.24% decrease compared to the previous year. Gross profit amounted to NT\$458 million, accounting for 34.0% of revenue, which is a 17.02% decline from the previous year. Operating income was reported at NT\$16 million, or 1.22% of revenue, a decrease of 80.68% from the previous year. Net income was recorded at NT\$31 million, resulting in earnings per share (EPS) of NT\$0.50 and a return on shareholders' equity of 1.74%.

## **(3) Status of Research and Development**

Leadtrend's R&D strategy shows a high level of continuity. It focuses on the mass production of medium- and high-power digital control ICs in 2025, with the goal of progressing toward the development of ultra-energy-efficient, high-end drive topology control and forward-looking, emerging applications in 2026.

### **2025 R&D Achievements**

#### **1. Medium-to high-power Digital Combo ICs**

Successfully mass-produced PFC+LLC digital control combo ICs. Utilizing proprietary noise-free technology and high efficiency, these ICs effectively streamline system components and have been widely adopted in large-screen TVs and networking products.

#### **2. High-Performance PFC Controller ICs**

We have launched digital interleaved PFC controllers and low total harmonic distortion (THD) critical conduction mode boost PFC controllers. Thanks to our advanced power factor correction technology, these products have been mass-produced and adopted by several leading power supply manufacturers, demonstrating our technical expertise in medium- to high -power supply architectures.

#### **3. Emerging Field of Low-Earth Orbit (LEO) Satellites**

The Company has completed the verification of key technologies and successfully integrated them into satellite power systems, meeting the

stringent requirements for high reliability and lightweight design in LEO satellite equipment. This achievement has enabled the Company to successfully expand into new application markets.

## 2026 R&D Outlook

### 1. High-End Drive and Topology Control Strategy

Accelerate the commercialization of high-power-density SiC MOSFET solutions. For medium-to high-power applications, complete the planning and development of a series of high-frequency drive and control ICs that support mainstream topologies such as LLC, AHB, and PFC.

### 2. Promotion of Zero Standby Power (ZSP) Technology

Building on the success of NB Total Solutions, we will expand the application of IEC 62301 ZSP technology across additional product lines, enabling our customers to meet stringent global energy efficiency regulations.

### 3. R&D of Next-Generation Medium- to High-Power Digital LLC and CCM PFC Control ICs

Focusing on the server and industrial power supply markets, we are investing in the research and development of next-generation standalone digital LLC control ICs to achieve a faster dynamic response and enhanced system stability, thereby establishing significant technical barriers to entry.

As of the end of 2025, Leadtrend had filed a total of 760 patent applications worldwide, with 578 patents granted—including 221 in Taiwan, 169 in mainland China, 186 in the United States, and two in Japan. In addition to continuously strengthening its intellectual property barriers, the team frequently publishes research findings in leading international power electronics journals, such as the IEEE JESTPE. This approach enhances Leadtrend's global brand visibility and professional standing through industry-academia collaboration.

Leadtrend's research and development efforts across all product lines have consistently pursued the vision of “**Green your power and Green the World**” by advancing product technology. The Company actively integrates digital and analog mixed-signal technologies alongside hardware and software development in its research initiatives. Product development is achieved through collaboration with brands and manufacturers within the power design sector, while ongoing project research on emerging technologies is conducted in partnership with relevant industry stakeholders, government entities, and academic institutions. This collaborative approach facilitates annual enhancements in power system conversion efficiency, underscoring that green innovation has consistently served as a fundamental guiding principle for Leadtrend.

## **Summary of the 2026 Business Plan**

### **(1) Business Plan**

Leadtrend adheres to core principles of innovation, service, quality, and collaboration, providing customers with prompt and comprehensive support. The Company's long-term development strategy emphasizes a strong focus on Taiwan, a deep engagement with the Chinese market, and an aspiration to connect with international brands worldwide.

### **(2) Expected Sales Volume and Its Underpinnings**

In 2025, the global semiconductor market maintained strong growth, driven by demand for AI, cloud data centers, and high-performance computing. This reflects a rebound in demand for end-user electronic systems overall, as well as the continued adoption of new applications. In the power management IC market, where Leadtrend operates, growth is driven not only by expansion in the overall semiconductor market but also by evolving specifications, regulations, and system upgrades. This market exhibits growth characteristics driven by structural upgrades. As this trend evolves, market competition is shifting its focus from simple power increases to requirements such as efficiency, thermal management, integration, and interoperability. This shift will benefit Leadtrend by expanding its serviceable addressable market (SAM) and enhancing its product portfolio value. The outlook for future operational growth is optimistic, and the sales in 2026 are projected to increase significantly compared to the previous year.

### **(3) Important Policies Regarding Production and Sales**

Leadtrend is recognized as Taiwan's most comprehensive medium- to high-power ACDC total solution integrated circuit design company. Leveraging Taiwan's unique semiconductor division of labor capabilities, the Company offers flexible customization options. It maintains strong relationships with, and close manufacturing partnerships with local foundries, as well as packaging and testing facilities, to ensure production capacity and meet customer delivery schedules. However, geopolitical factors, logistics challenges, and fluctuations in energy and material costs may still impact the supply side. Additionally, as may the concentration of resources in certain manufacturing processes and packaging formats. In the event of a rapid reversal in demand, there may still be temporary fluctuations in delivery times and prices. Therefore, Leadtrend will continue to adopt a cautiously optimistic approach to market assessments and production capacity planning, making timely adjustments based on customer adoption progress, supply chain conditions, and market changes.

**The future development strategy of the Company, along with the influence of the external competitive environment, regulatory framework, and overall business landscape, will be examined.**

Leadtrend is firmly committed to developing innovative product technologies, maintaining sound corporate governance, fulfilling its corporate social responsibilities, and pursuing sustainable development. Through continuous innovation, we strive to deliver high-performance power management IC products that help our customers comply with the latest international regulations, reduce their energy consumption, and protect the planet. Despite facing rapid changes in the business environment and intense competition, Leadtrend continues to develop new technologies and product roadmaps that align with future market trends. We seek growth opportunities by creating diverse and specialized products, continuously innovating and enhancing our technical capabilities, and working toward increased profitability to create greater value for our customers and shareholders.

The Board of Directors remains committed to maintaining the trust and long-term support of our shareholders. The Board will oversee the management team and collaborate diligently with all employees to actively pursue the Company's growth and development, thereby expressing our gratitude to shareholders for their confidence and encouragement. We would like to extend our sincere wishes for your good health and overall well-being. Thank you.

Chairman: Yu-kun Kao

Manager: Heng-Chung Chi

Accounting Manager: Shu-Wei Yu

# Chapter 2. Corporate Governance Report

## 2.1 Information about Directors, President, Vice President and Management Team

### 2.1.1 Directors

#### (1) Information of Directors

March 30, 2026 Unit: Shares

Title	Nationality/Place of Registration	Name	Gender /Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shares held by spouses and minor children		Shares held in the name of others		Education/Work Experience	Other positions with the Company and other companies	If spouse or second-degree family members also serve as manager			Note
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Chairman	R.O.C.	Yu-Kun Kao	Male 61~70	05/29/2025	3	10/26/2015	96,202	0.16%	99,652	0.16%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>Master of Management, National Cheng-chi University</li> <li>Vice President of Product Development Department of Leader Electronics Inc.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman of Leadtrend Technology Corp.</li> </ul>	-	-	-	-
Director	R.O.C.	Power Investments Limited Representative Name : Heng-Chung Chi	Male 51~60	05/29/2025	3	05/29/2025	4,880,227	8.08%	4,977,635	8.03%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>Master of Electrical engineering, Yuanzhi University</li> <li>Monolithic Power Systems Senior business manager</li> </ul>	<ul style="list-style-type: none"> <li>President of Leadtrend Technology Corp.</li> </ul>	-	-	-	-
Director	R.O.C.	Power Investments Limited Representative Name : Ming-Nan Chuang	Male 51~60	05/29/2025	3	06/23/2006	4,880,227	8.08%	4,977,635	8.03%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>Master of Electrical Engineering, Tsinghua University</li> <li>Research and Development Manager, Analog Integrations Corp.</li> </ul>	<ul style="list-style-type: none"> <li>Senior Vice President of Leadtrend Technology Corp.</li> </ul>	-	-	-	-
Independent Director	R.O.C.	Ding- Jen Liu	Male 61~70	05/29/2025	3	06/28/2013	0	0.00%	0	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>PhD Program, Institute of Electrical Engineering, State University of New York, Stony Brook (PhD candidate)</li> <li>Institute of Electronics Jiaotong University Master Degree</li> <li>Department of Electronic Physics, Jiaotong University Bachelor Degree</li> <li>Director of Mediatek Technology</li> <li>Executive Vice President of Mediatek Technology</li> <li>Manager of IC Design Department of UMC Electronics Memory Products Business Division, Communication Products Business Division, and Multimedia R&amp;D Team</li> <li>Legal director representative of Egis Technology Inc.</li> </ul>	<ul style="list-style-type: none"> <li>Senior consultant of Vincera Capital</li> <li>Representative of corporate directors of Algotek, Inc.</li> <li>Representative of corporate directors of Alcor Micro, Corp.</li> <li>Supervisor of H&amp;J Management Corp.</li> <li>Director of Chenyuan Investment Co., Ltd.</li> </ul>	-	-	-	-

Title	Nationality/Place of Registration	Name	Gender /Age	Date Elected	Term	Date First Elected	Shareholding When Elected		Current Shareholding		Shares held by spouses and minor children		Shares held in the name of others		Education/Work Experience	Other positions with the Company and other companies	If spouse or second-degree family members also serve as manager			Note
							Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
Independent Director	R.O.C.	Chien-Kuo Yang	Male 61~70	05/29/2025	3	06/28/2013	0	0.00%	0	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>• Bachelor of International Trade, Tamkang University</li> <li>• Partner of Ernst &amp; Young</li> <li>• Director of Spirox Corporation</li> <li>• Supervisor of Spirox Corporation</li> <li>• Independent Director of Spirox Corporation</li> <li>• Independent Director of M31 Technology Corporation</li> <li>• Supervisor of YoungTek Electronics Corp.</li> </ul>	<ul style="list-style-type: none"> <li>• Chairman of Diwan &amp; Company</li> <li>• Chairman of Diwan International Management Consulting Inc.</li> <li>• Independent Director of Andes Technology Corp.</li> <li>• Chairman of Tien Da Investment Co., Ltd.</li> <li>• Independent Director of Macronix International Co., Ltd.</li> <li>• Independent Director of YoungTek Electronics Corp.</li> </ul>	-	-	-	-
Independent Director	R.O.C.	Chih-Chun Tsai	Male 61~70	05/29/2025	3	06/09/2022	0	0.00%	0	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>• M.S., Computer Science, Utah State University</li> <li>• National Chiao Tung University, Bachelor of Computer Science.</li> <li>• Senior Director, Asia/Pacific Business, Taiwan Semiconductor Manufacturing Company Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Director of Coretech Optical Co., Ltd.</li> <li>• Chairman of Hua Jieh Investment Co., Ltd.</li> <li>• Director of Egis Technology Inc.</li> <li>• Independent Director of Daxin Materials Corp.</li> <li>• Representative of corporate directors of Lionic Corp.</li> </ul>	-	-	-	-
Independent Director	R.O.C.	Hsiang-Ju Liao	Female 61~70	05/29/2025	3	05/29/2025	0	0.00%	0	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>• Master, National Tsing-Hua University</li> <li>• Deputy Manager, United Microelectronics Corp.</li> <li>• Director, Davicom Semiconductor Inc.</li> <li>• Vice President, Powervision Inc.</li> <li>• Managing Partner, Paralink Asset Management Corp.</li> <li>• Managing Director-Investment, H&amp;Q Asia Pacific</li> <li>• Managing Partner, Riselink</li> <li>• Co-founder, NTHU Garage</li> <li>• Director of JelloX Biotech Inc.</li> <li>• Supervisor of Alliance Capital Managing Corp.</li> </ul>	<ul style="list-style-type: none"> <li>• Independent Director of Novatek Microelectronics Corp.</li> <li>• Director of Azion Corp.</li> <li>• Chairman of TEN Incubation Corp.</li> <li>• Chairman of TEN Angel Investment Corp.</li> <li>• Chairman of Cornerstone Venture Capital Corp.</li> <li>• Director and Vice President of TsingHua Culture Media Co., Ltd.</li> <li>• Director of TsingHua Investment Corp.</li> <li>• Director of TsingHua Management Consultant Corp.</li> <li>• Director of iMT Co., Ltd.</li> <li>• Director of MedFluid Co., Ltd.</li> <li>• Supervisor of Buynearby Co., Ltd.</li> <li>• Supervisor of Xcelerator</li> <li>• Supervisor of Across Films Company</li> <li>• Supervisor of Adamas Technology Co., Ltd.</li> </ul>	-	-	-	-

Note: Mr. Kao Yu-Kun was re-elected as a director in his individual capacity during the full re-election on May 29, 2025.

(2) Major Shareholders of Corporate Shareholders

March 30, 2026

Name of Corporate Shareholder	Major shareholders of corporate shareholders	Shareholding Ratio
Power Investments Limited	Tongfa International Investment Co. LTD.	100%

(3) Major Shareholders of Major Shareholders that are Corporations

March 30, 2026

Name of Corporate	Major Shareholders of Corporate Shareholders	Shareholding Ratio
Tongfa International Investment Co. LTD.	Ding-lun, Lee	96%

(4) Disclosure of the Professional Qualifications of Directors and the Independent of Independence Directors :

Name	Professional qualification and Work Experience	Independence Situation	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Yu-Kun Kao	<ul style="list-style-type: none"> <li>Individuals possessing expertise in business strategy, marketing, and industries related to electronics.</li> <li>The individual has not violated Article 30 of the Companies Act.</li> </ul>	N.A.	0
Representative from Power Investments Limited: Heng-Chung Chi	<ul style="list-style-type: none"> <li>Individuals possessing expertise in business strategy, marketing, and industries related to electronics.</li> <li>The individual has not violated Article 30 of the Companies Act</li> </ul>		0
Representative from Power Investments Limited: Ming-Nan Chuang	<ul style="list-style-type: none"> <li>Individuals possessing pertinent industry experience in the fields of engineering technology, organizational leadership, industrial development, and the application of technology</li> <li>The individual has not violated Article 30 of the Companies Act</li> </ul>		0
Independent Director Ding-Ren Liu (Convener of the Audit Committee)	<ul style="list-style-type: none"> <li>Individuals possess expertise in financial accounting and strategic management, are knowledgeable about the industry value chain, and have experience across multiple industries.</li> <li>The individual has not violated Article 30 of the Companies Act</li> </ul>	<p>The individual has satisfied the criteria for the independence assessment.</p> <p>During the two years before being elected or during the term of office, an independent director of a public company may not have been or be any of the following:</p> <ol style="list-style-type: none"> <li>An employee of the Company or any of its affiliates.</li> <li>A director or supervisor of the Company or any of its affiliates.</li> <li>A natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the Company or ranking in the top 10 in holdings.</li> <li>A spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of a managerial officer under subparagraph 1 or any of the persons in the preceding two subparagraphs.</li> <li>A director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the Company under Article 27, paragraph 1 or 2 of the Company Act.</li> <li>If a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person: a director, supervisor, or employee of that other company.</li> <li>If the Chairman, President or person holding an equivalent position of the Company and a person in any of those positions at another company or institution are the same person or are spouses: a director (or governor), supervisor, or employee of that other company or institution.</li> <li>A director, supervisor, officer, or shareholder holding five percent or more of the shares, of a specified company or institution that has a financial or business relationship with the Company.</li> <li>A professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the Company or any affiliate of the Company, or that provides commercial, legal, financial, accounting or related services to the Company or any affiliate of the Company for which the provider in the past 2 years has received cumulative compensation exceeding NT\$500,000, or a spouse thereof.</li> <li>The presence of a spouse or a second-degree kinship relationship with other directors.</li> </ol>	0
Independent Director Chien-Kuo Yang	<ul style="list-style-type: none"> <li>The individual possesses expertise in financial accounting, corporate sustainability management, and has experience in industries related to electronics.</li> <li>The individual has not violated Article 30 of the Companies Act</li> </ul>		3
Independent Director Chih-Chun Tsai (Convener of the Remuneration Committee)	<ul style="list-style-type: none"> <li>Individuals possessing expertise in engineering technology, organizational leadership, and industries related to electronics.</li> <li>The individual has not violated Article 30 of the Companies Act</li> </ul>		1
Independent Director Hsiang-Ju Liao	<ul style="list-style-type: none"> <li>Individuals possessing expertise in engineering technology, organizational leadership, investment management expertise, and industries related to electronics.</li> <li>The individual has Board of Directors not violated Article 30 of the Companies Act</li> </ul>		1

## (5) Diversification and Independence of the Board

### (A) Diversification of the Board

The Company reinforces the regulations governing the functions of the Board of Directors in accordance with the established "Corporate Governance Best Practice Principles." The composition of Board members should prioritize diversity, and appropriate diversity policies should be developed based on the Company's operations, business model, and developmental needs. These policies should encompass, but are not limited to, standards in the following two major criteria:

- (a) Basic conditions and values: include gender, age, nationality, culture, and other relevant factors.
- (b) Professional knowledge and skills: encompass backgrounds in law, accounting, finance, marketing, technology, and relevant industry experience.

Board members must have the necessary knowledge, skills, and qualities to fulfill their duties. For effective corporate governance, the Board should collectively possess:

- Operational decision-making judgment
- Accounting and financial analysis skills
- Management expertise
- Crisis management abilities
- Industry knowledge
- International market perspective
- Leadership
- Decision-making abilities

(c) A summary of the specific management goals and attainment status of the Company's Board Diversity Policy is as follows :

- The Company aims to have at least three independent directors, four of the seven directors on the 9th Board of Directors are independent.
- The Company aims to have at least one director of a different gender. Currently, one of the seven directors on the 9th Board of Directors is female.
- The Company aims for at least half of its independent directors to serve no more than three consecutive terms. Currently, two of the four independent directors on the 9th Board of Directors meet this criterion.
- Regarding professional expertise and skills, the Company aims for its Board members to encompass a diverse range of competencies, including finance or accounting, legal affairs, business management, and industry knowledge.

The current composition of the Board already fulfills these professional qualifications.

Project	Percentage Description
Distribution of directors with employee status	3(43%)
Proportion of independent Directors	4(57%)
Directors of different genders	Females (14%); Males (86%)
Industry experience/specialization	Business Management (100%); Leadership Decision Making (100%); Industrial Technology (100%); Financial Accounting (100%)
Distribution of length of tenure of independent Directors	1 term (25%); 2 terms (25%); 5 terms (50%)
Age distribution of Directors	51-60 years old (29%); 61-70 years old (71%)

### (B) Circumstances Surrounding the Diversity Policy for Members of the 9th Board of Directors of the Company

Name	Basic Conditions						Professional knowledge		Industrial experience								
	Nationality	Gender	A Concurrent Employee of the Company	Age		Continuous term of Independent Director		CPAs and Attorneys etc.	Experience in the Integrated Circuit (IC) Design Industry	Operational decision-making skills	Accounting and Financial analysis expertise	Business management capabilities	Crisis management proficiency	Industry knowledge	International market perspective	Leadership skills	Decision-making abilities
				51 To 60	61 to 70	Under 3 years	3 to 9 years										
Yu-Kun Kao	R.O.C	Males	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Representative from Power Investments Limited: Heng-Chung Chi	R.O.C	Males	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Representative from Power Investments Limited: Ming-Nan Chuang	R.O.C	Males	✓	✓				✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director Ding-Ren Liu	R.O.C	Males		✓		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director Chien-Kuo Yang	R.O.C	Males		✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director Chih-Chun Tsai	R.O.C	Males		✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Director Hsiang-Ju Liao	R.O.C	Females		✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

### (C) Board Independence

#### Board Structure :

The Company has established a director selection system, ensuring that the election process for all directors is open and fair, in accordance with the Company's "Articles of Incorporation," "Rules for Election of Directors," "Corporate Governance Best Practice Principles," "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and "Article 14-2 of the Securities and Exchange Act." The current composition of the Board consists of 4 independent directors (57%) and 3 non-independent directors (43%), which comply with the provisions of Article 26-3, paragraphs 3 and 4 of the Securities and Exchange Act.

The Board of Directors has independence :

The Board of Directors guides the organization's strategic direction, oversees

management, and ensures accountability to shareholders. It operates within the corporate governance framework, complying with laws, the articles of incorporation, and shareholder resolutions.

The Board prioritizes independent operation and transparency, with directors and independent directors acting autonomously. The four independent directors meet legal requirements and, together with the Audit Committee, assess existing and potential risks to ensure effective oversight of internal controls, accountant appointments, and the accuracy of financial statements. The Company's "Rules for Election of Directors" include a cumulative voting system and provisions for candidate nominations. Shareholders holding a minimum number of shares may propose candidates. The review of candidate eligibility and verification of compliance with the provisions of Article 30 of the Company Act are conducted in accordance with the law and publicly announced to safeguard shareholder rights, prevent the monopolization or excessive abuse of nomination rights, and maintain independence.

(D) Succession Planning and the Functioning of Board Members

- (a) In accordance with Article 4 of the "Regulations Governing the Board of Directors of TWSE/TPEX Listed Companies and the Exercise of Their Powers," starting in 2024, the Board of Directors of a listed company must include at least one director of a different gender, and more than half of the independent directors shall not serve more than three consecutive terms.

During the Annual General Meeting on May 29, 2025, the Company conducted a full re-election of its Board of Directors. Among the seven newly appointed directors was one female director, and more than half of the independent directors have served fewer than three consecutive terms.

(b) The continuing education status of the directors in 2025 is as follows:

Title	Name	Organizer	Course title	Date of course	Hours	Total hours for the year
Chairman	Yu-Kun Kao	Taiwan Corporate Governance Association	Trends and Risk Management of Generative AI	05/29/2025	3	6
			Sustainability, Risk, and Information Security Issues in the AI Era	08/07/2025	3	
Representative of Corporate Director	Heng-Chung Chi (Note)	Taiwan Corporate Governance Association	Trends and Risk Management of Generative AI	05/29/2025	3	12
			Sustainability, Risk, and Information Security Issues in the AI Era	08/07/2025	3	
		Securities & Futures Institute	2025 Briefing Session on Legal Compliance for Insider Equity Transactions	07/25/2025	3	
			2025 Awareness Session on the Prevention of Insider Trading	10/03/2025	3	
Representative of Corporate Director	Ming-Nan Chuang	Taiwan Corporate Governance Association	Trends and Risk Management of Generative AI	05/29/2025	3	6
			Sustainability, Risk, and Information Security Issues in the AI Era	08/07/2025	3	
Independent Director	Ding-Ren Liu	Taiwan Corporate Governance Association	Trends and Risk Management of Generative AI	05/29/2025	3	6
			Sustainability, Risk, and Information Security Issues in the AI Era	08/07/2025	3	
Independent Director	Chien-Kuo Yang	Taiwan Corporate Governance Association	Trends and Risk Management of Generative AI	05/29/2025	3	6
			Sustainability, Risk, and Information Security Issues in the AI Era	08/07/2025	3	
Independent Director	Chih-Chun Tsai	Taiwan Corporate Governance Association	Trends and Risk Management of Generative AI	05/29/2025	3	6
			Sustainability, Risk, and Information Security Issues in the AI Era	08/07/2025	3	
Independent Director	Hsiang-Ju Liao	Taiwan Corporate Governance Association	Trends and Risk Management of Generative AI	05/29/2025	3	6
			Sustainability, Risk, and Information Security Issues in the AI Era	08/07/2025	3	

Note : Mr. Heng-Chung Chi, the representative of the corporate director, is a newly appointed director and has fulfilled the guideline of completing at least 12 hours of continuing education during the year of his appointment.

2.1.2 President, Vice President and Management Team

March 30, 2026 Unit: Shares

Title	Nationality	Name	Gender	Date Elected	Current Shareholding		Shares held by spouses and minor children		Shares held in the name of others		Education/Work Experience	Other positions with the Company and other companies	If spouse or second-degree family members also serve as manager			Note
					Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Title	Name	Relationship	
President	R.O.C.	Heng-Chung Chi	Male	09/01/2022	92,577	0.15%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>• Master of Electrical engineering, Yuanzhi University</li> <li>• Monolithic Power Systems Senior Business Manager</li> </ul>	None	-	-	-	-
Senior Vice President	R.O.C.	Ming-Nan Chuang	Male	10/01/2003	45,123	0.07%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>• Master of Electrical Engineering, National Tsinghua University</li> <li>• Research and Development Manager, Analog Integrations Corp.</li> </ul>	None	-	-	-	-
Assistant Vice President	R.O.C.	Jiong-Feng Zhou	Male	05/20/2003	31,015	0.05%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>• Joint Engineering Department of Electronic Engineering</li> <li>• AnaChip Corp.Senior CAD Manager</li> </ul>	Supervisor of Leadtrend Technology (ShenZhen) Co. Ltd.	-	-	-	-
Financial and Accounting Supervisor	R.O.C.	Shu-Wei Yu	Females	06/13/2024	3,000	0.00%	0	0.00%	0	0.00%	<ul style="list-style-type: none"> <li>• Department of Accounting, National Cheng Kung University.</li> <li>• Accounting Department Manager of Taiwan Mask Corporation</li> <li>• Financial &amp; Accounting Manager of Favite, Inc.</li> </ul>	None	-	-	-	-

Note: Refers to those holding office as of the publication date of the annual report

## 2.2 Remuneration of Directors and Management Team in the Most Recent Year

### 2.2.1 Remuneration of Directors and Management Team

#### (1) Remuneration for General and Independent Directors

December 31, 2025 : Unit: NT\$ thousands; %

Title	Name	Directors' Remuneration								Amount and Ratio of Total Remuneration (A+B+C+D) to Net Income (NT\$thousand / %)		Relevant Remuneration Received by Directors Who are Also Employees						Amount and Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (NT\$ thousand / %)		Remuneration Paid to Directors from Non-consolidated Affiliates or Parent Company		
		Remuneration (A)		Retirement pension (B)		Director's remuneration (C)		Operational execution costs (D)				Salary, Bonuses, And Allowances (E)(Note1)		Severance Pay(F)		Employee Compensation(G) (Note2)						
		The Company	Companies in the Consolidated financial statements	The Company	Companies in the Consolidated financial statements	The Company	Companies in the Consolidated financial statements	The Company	Companies in the Consolidated financial statements	The Company	Companies in the Consolidated financial statements	The Company	Companies in the Consolidated financial statements	Cash amount	Stock amount	Cash amount	Stock amount	The Company	Companies in the Consolidated financial statements			
General Directors	Representative from Power Investments Limited: Yu-Kun Kao (Note2)	150	150	-	-	259	259	115	115	524 1.71%	524 1.71%	15,390	15,390	171	171	-	-	-	-	16,085 52.58%	16,085 52.58%	0
	Representative from Power Investments Limited: Ming-Nan Chuang																					
	Representative from Power Investments Limited: Wen-Chi Huang (Note2)																					
	Representative from Power Investments Limited: Heng-Chung Chi (Note2)																					
	Yu-Kun Kao (Note2)																					
Independent Directors	Chong-Yu Wu (Note2)	3,360	3,360	-	-	259	259	115	115	3,734 12.20%	3,734 12.20%	-	-	-	-	-	-	-	-	3,734 12.20%	3,734 12.20%	
	Ding-Jen Liu																					
	Chien-Kuo Yang																					
	Chih-Chun Tsai																					
	Hsiang-Ju Liao (Note2)																					

1. Please state clearly the remuneration policy, system, standard and structure of independent directors, and the relationship between the remuneration and the amount of remuneration based on the responsibilities, risks, date of investment and other factors:

The remuneration structure of the Company's directors includes fixed monthly remuneration and directors' remuneration as prescribed by the Articles of Association. Fixed monthly remuneration is reviewed annually by the Remuneration Committee, and any change to it shall be submitted to the Board for resolution. The total remuneration of independent directors and non-concurrent managers shall be adjusted based on the Company's business performance in accordance with the provisions of the Articles of Association, based on the involvement and value of their contribution to the Company's operation, as well as the industry level and the limit of not more than 2%, and distributed based on the days of service of each director proportionally.

2. Other than as disclosed in the above table, remuneration received by directors in the recent years for services offered (if acting as consultant to the parent company/all companies in the financial reports/non-employees of the reinvestment business): None.

Note 1: The term refers to the in-kind provision, such as salary, job bonus, severance pay, various bonuses, incentive payments, carriage expenses, special expenses, various allowances, dormitory, car allocation and so on, which the director concurrently receives in the recent years. In addition, the salary expenses recognized in accordance with IFRS2 "Share Based Payment", including the acquisition of stock warrants of employees, the restriction of employee rights of new shares and participation in cash capital increase subscription shares, shall also be included in the remuneration.

Note 2: The term of the 8th Board of Directors expired on June 8, 2025. A full re-election was held at the Shareholders' Meeting on May 29, 2025. On the same day, Mr. Kao Yu-Kun (Director), Ms. Liao Xiang-Ru (Independent Director), and Mr. Chi Heng-Chung (Representative of Power Investments Limited) were newly elected. Concurrently, Mr. Kao Yu-Kun (Representative of Power Investments Limited), Ms. Huang Wen-Chi (Representative of Power Investments Limited), and Mr. Wu Chung-Yu (Independent Director) retired from their positions.

Note3: The distribution of compensation for directors and employees for 2025 was approved by the Board of Directors on March 5, 2026, and is scheduled to be reported at the Shareholders' Meeting on May 28, 2026.

Note4: The information presented in the table above illustrates the compensation received during their respective terms of office.

## Range of Remuneration

Range of Remuneration Paid to Each Director of the Company	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Below NT\$1,000,000	Representative from Power Investments Limited: Yu-Kun Kao Representative from Power Investments Limited: Heng-Chung, Chi Representative from Power Investments Limited: Ming-Nan Chuang Representative from Power Investments Limited: Wen-Chi Huang Yu-Kun Kao Chong-Yu Wu Ding-Jen Liu Chien-Kuo Yang Chih-Chun Tsai Hsiang-Ju Liao	Representative from Power Investments Limited: Yu-Kun Kao Representative from Power Investments Limited: Heng-Chung, Chi Representative from Power Investments Limited: Ming-Nan Chuang Representative from Power Investments Limited: Wen-Chi Huang Yu-Kun Kao Chong-Yu Wu Ding-Jen Liu Chien-Kuo Yang Chih-Chun Tsai Hsiang-Ju Liao	Representative from Power Investments Limited: Wen-Chi Huang Chong-Yu Wu Ding-Jen Liu Chien-Kuo Yang Chih-Chun Tsai Hsiang-Ju Liao	Representative from Power Investments Limited: Wen-Chi Huang Chong-Yu Wu Ding-Jen Liu Chien-Kuo Yang Chih-Chun Tsai Hsiang-Ju Liao
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	-	-	-	-
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	-	-	-	-
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	-	-	Representative from Power Investments Limited: Heng-Chung Chi	Representative from Power Investments Limited: Heng-Chung Chi
NT\$5,000,000 ~ NT\$9,999,999	-	-	Representative from Power Investments Limited: Yu-Kun Kao Representative from Power Investments Limited: Ming-Nan Chuang Yu-Kun Kao	Representative from Power Investments Limited: Yu-Kun Kao Representative from Power Investments Limited: Ming-Nan Chuang Yu-Kun Kao
NT\$10,000,000 ~ NT\$14,999,999	-	-	-	-
NT\$15,000,000 ~ NT\$29,999,999	-	-	-	-
NT\$30,000,000 ~ NT\$49,999,999	-	-	-	-
NT\$50,000,000 ~ NT\$99,999,999	-	-	-	-
More than NT\$100,000,000	-	-	-	-
Total	A total of 10 persons	A total of 10 persons	A total of 10 persons	A total of 10 persons

## (2) Remunerations Paid to President and Vice Presidents in the Recent Year

December 31, 2025, Unit: NT\$ thousand

Title	Name	Salary(A)		Severance Pay (B)		Bonuses and allowances (C)		Employee compensation (D) (Note 2)				Sum up of 4 items (A+B+C+D) and its ratio to Net Income (%)		Compensation paid to directors from an invested company other than the Company's subsidiary or from the parent company
		The Company	Companies in the Consolidated financial statements	The Company	Companies in the Consolidated financial statements	The Company	Companies in the Consolidated financial statements	The Company		Companies in the Consolidated financial statements		The Company	Companies in the Consolidated financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Heng- Chung Chi													
Senior Vice President	Ming-Nan Chuang	11,785	11,785	270	270	1,404	1,404	-	-	-	-	13,459	13,459	-
Senior Vice President	Chuei-Hua Chiou (Note2)											43.99%	43.99%	

Note1: Refers to the President and Vice President received in the recent years, including salary, job bonus, severance pay, various bonuses, incentive payments, carriage expenses, special expenses, various allowances, dormitory, car and etc. In addition, the salary expenses recognized in accordance with IFRS2 "Share Based Payment", including the acquisition of stock warrants of employees, the restriction of employee rights of new shares and participation in cash capital increase subscription shares, shall also be included in the remuneration.

Note2: Mr. Chuei-Hua Chiou resigned from his position as Senior Vice President on July 1, 2025, and transitioned to the role of Project Director in the President's Office. The information disclosed in the table above reflects the remuneration received during his tenure in that capacity.

Note3: The distribution of compensation for employees for 2025 was approved by the Board of Directors on March 5, 2026, and is scheduled to be reported at the Shareholders' Meeting on May 28, 2026.

### Range of Remuneration

Range of Remuneration Paid to the President and Vice Presidents of the Company	Name of Presidents and Vice Presidents	
	The Company	Companies in the Consolidated financial statements
Below NT\$1,000,000	-	-
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Chuei-Hua Chiou	Chuei-Hua Chiou
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	-	-
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	-	-
NT\$5,000,000 ~ NT\$9,999,999	Heng-Chung Chi Ming-Nan Chuang	Heng-Chung Chi Ming-Nan Chuang
NT\$10,000,000 ~ NT\$14,999,999	-	-
NT\$15,000,000 ~ NT\$29,999,999	-	-
NT\$30,000,000 ~ NT\$49,999,999	-	-
NT\$50,000,000 ~ NT\$99,999,999	-	-
More than NT\$100,000,000	-	-
Total	A total of 3 persons	A total of 3 persons

### (3) Name of Executives to Whom Distributing Employee Remuneration, and Distribution

December 31, 2025, Unit: NT\$ thousand

	Title	Name	Stock amount	Cash amount (Note)	Grand Total	Percentage of total to net profit after tax (%)
Executive	President	Heng-Chung Chi	-	-	-	-
	Senior Vice President	Ming-Nan Chuang				
	Senior Vice President	Chuei-Hua Chiou (Note2)				
	Assistant Vice President	Jiong-Feng Zhou				
	Financial and accounting supervisor	Shu-Wei Yu				

Note1: The distribution of compensation for employees for 2025 was approved by the Board of Directors on March 5, 2026, and is scheduled to be reported at the Shareholders' Meeting on May 28, 2026.

Note2: Mr. Chuei-Hua Chiou resigned from his position as Senior Vice President on July 1, 2025, and transitioned to the role of Project Director in the President's Office. The information disclosed in the table above reflects the remuneration received during his tenure in that capacity.

2.2.2 Comparative analysis of the total remuneration paid to the Company's Directors, President, and Vice Presidents by the Company and all companies included in the consolidated financial statements for the most recent two fiscal years as a percentage of net income after tax from the parent company only or individual financial reports, and an explanation of the policies, standards, and composition of the remuneration, the procedures for determining remuneration, and their correlation with business performance and future risks.

(1) Analysis of the total remuneration paid to the Company's Directors, President, and Vice Presidents as a percentage of net income after tax from the parent company only financial reports for the most recent two fiscal years:

Unit: NT\$ thousand ; %

Item	2025		2024	
	The Company	Companies in the consolidated financial statements	The Company	Companies in the consolidated financial statements
Net profit after tax on parent company only financial reporting	30,593	30,593	111,889	111,889
Proportion of compensation allocated to Directors (Inclusive for employees occupying managerial positions)	64.78	64.78	15.18	15.18
Proportion of compensation for the President and Vice Presidents	43.99	43.99	20.41	20.41

Note: The Company's remuneration policy has remained consistent over the past two fiscal years. The total remuneration paid to Directors, the President, and Vice Presidents as a percentage of net income was higher in 2025 than in 2024, primarily due to the decrease in profit in 2025 compared to the previous year.

(2) The Correlation between Remuneration Policies, Standards, Composition, and Procedures with Business Performance and Future Risks

(A) Director remuneration policy

The compensation of directors of the Company shall be increased in accordance with Article 20 of the Articles of Association. If the Company has profits in the year (the so-called profit condition refers to the profit before pre-tax deduction of the compensation of employees and directors), it shall set aside no less than 10% for the compensation of employees and no more than 2% for the compensation of directors. However, if the Company has accumulated losses (including adjustment of undistributed surplus amount), it shall reserve the compensatory amount in advance. Article 17 of the Articles of Association of the Company also provides that the remuneration of the chairman and the director shall be determined by the Board of Directors based on their involvement in the Company's operation and value of their contribution to the Company's operation, as well as the industry level. Directors' remuneration in the preceding paragraph shall be paid in cash only.

(B) Manager remuneration policy

The remuneration standard of the Company's managers depends on the individual performance and contribution to the overall operation of the Company, and the principle is determined by taking into consideration the level of market peers. It will be implemented after being reviewed by the Remuneration Committee and approved by the Board of Directors.

(C) The relationship between business performance and prospective risks

The compensation determination procedure set by the Company for directors and managers shall be based on the performance evaluation methods of the board of directors and employee performance evaluation of the Company. In addition to taking into account the Company's operating performance, future risks, development strategies and industrial trends, reasonable compensation shall be given to individuals for their contributions to the Company's performance. The Company will also review the compensation allocation policy in due course, taking into account the overall environment and business strategy, with a view to balancing the interests of the Company's sustainability with those of stakeholders.

## **2.3 Implementation of Corporate Governance**

### **2.3.1 The Functioning of the Board of Directors:**

- (1) The Company conducted a full re-election of directors at the Annual General Meeting on June 9, 2022. The term of the 8th Board of Directors commenced upon re-election (from June 9, 2022, to June 8, 2025). In 2025, a total of 3 meetings were held, with an average attendance rate of 100% for all directors. At

least one independent director attended every Board meeting in person. The attendance status is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Chairman	Representative from Power Investments Limited: Yu-Kun Kao	3	0	100	
Director	Representative from Power Investments Limited: Ming-Nan Chuang	3	0	100	
Director	Representative from Power Investments Limited: Wen-Chi Huang	3	0	100	
Independent Director	Chong-Yu Wu	3	0	100	
Independent Director	Ding-Jen Liu	3	0	100	
Independent Director	Chien-Kuo Yang	3	0	100	
Independent Director	Chih-Chun Tsai	3	0	100	

(2) The Company conducted a full re-election of directors at the Annual General Meeting on May 29, 2025. The term of the 9th Board of Directors commenced upon re-election (from May 29, 2025, to May 28, 2028). In 2025, a total of 6 meetings were held, with an average attendance rate of 95% for all directors. At least one independent director attended every Board meeting in person. The attendance status is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Chairman	Yu-Kun Kao	6	0	100	
Director	Representative from Power Investments Limited: Heng-Chung, Chi	6	0	100	
Director	Representative from Power Investments Limited: Ming-Nan Chuang	6	0	100	
Independent Director	Ding-Jen Liu	6	0	100	
Independent Director	Chien-Kuo Yang	6	0	100	
Independent Director	Chih-Chun Tsai	4	2	67	
Independent Director	Hsiang-Ju Liao	6	0	100	

(3) Other items to be documented

If any of the following circumstances occur during the operations of the Board of Directors, the date and session of the Board meeting, the content of the proposal, the opinions of all independent directors, and the Company's response to the independent directors' opinions shall be specified:

(A) Matters specified in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee; therefore, the provisions of Article 14-3 of the Securities and Exchange Act are not applicable. For relevant information, please refer to the operations of the Audit Committee on page 24 of this Annual Report.

(B) In addition to the aforementioned matters, any other resolutions of the Board of Directors to which an independent director has expressed a dissenting or qualified opinion that has been recorded or stated in writing: None.

(4) The implementation of recusal procedures for Board members in matters involving conflicts of interest should clearly specify the names of the directors, the content of the proposals, the reasons for the required recusal, and the circumstances surrounding their participation in the voting process:

Date of meeting	Content of proposal	The independent directors have reservations or objections	Voting situation
02/20/2025 22nd meeting of the 8th term	<ul style="list-style-type: none"> <li>●The Company's employee and director compensation distribution plan for 2024</li> <li>●Regulations governing the payment of performance bonuses to the Chairman</li> <li>●Proposal regarding the remuneration of the Company's newly elected (non-executive) directors</li> </ul>	No	<ul style="list-style-type: none"> <li>●Mr. Ming-Nan Chuang (Representative of Power Investments Limited and concurrently Senior Vice President of the Company), recused himself from the discussion and voting due to a conflict of interest.</li> <li>●Chairman Mr. Yu-Kun Kao, and Mr. Ming-Nan Chuang (Representative of Power Investments Limited and concurrently Senior Vice President of the Company), recused themselves from the discussion and voting due to conflicts of interest and the confidentiality of remuneration matters.</li> <li>●Ms. Wen-Chi Huang (Representative of Power Investments Limited) recused herself from the discussion and voting due to a conflict of interest.</li> </ul>
06/12/2025 2nd meeting of the 9th term	<ul style="list-style-type: none"> <li>●The 2025 salary adjustment plan for the Company's managers and audit supervisors.</li> </ul>	No	<ul style="list-style-type: none"> <li>●Mr. Heng-Chung Chi(Representative of Power Investments Limited and concurrently President of the Company) and Mr. Ming-Nan Chuang (Representative of Power Investments Limited and concurrently Senior Vice President of the Company), recused themselves from the discussion and voting due to conflicts of interest and the confidentiality of remuneration matters.</li> </ul>

Date of meeting	Content of proposal	The independent directors have reservations or objections	Voting situation
10/09/2025 4th meeting of the 9th term	●The list of eligible employees for the 2025 restricted stocks for employees, the number of shares to be granted, and the determination of the record date for the capital increase.	No	●Mr. Heng-Chung Chi(Representative of Power Investments Limited and concurrently President of the Company) and Mr. Ming-Nan Chuang (Representative of Power Investments Limited and concurrently Senior Vice President of the Company), recused themselves from the discussion and voting due to conflicts of interest and the confidentiality of remuneration matters.

(5) Evaluation and Implementation of the Board:

The Company officially established the "Board of Directors Performance Evaluation Regulations" in December 2017. At the beginning of each year, regular performance evaluations of the Board of Directors are conducted. A questionnaire-based evaluation system, including self-evaluations and peer evaluations, has been implemented to summarize and review performance. This encourages self-discipline among Board members and enhances the sound operation and functionality of the Board. The relevant results of the self-assessments are reported to the Board of Directors and disclosed in the Company's Annual Report and on the corporate website.

The Company completed the Board performance evaluation in early 2026, and the results were reported to the Board of Directors on March 5, 2026. The overall scores for the Board of Directors, individual Board members (self-evaluations and peer evaluations), and functional committees ranged from 4.90 (Excellent) to 5.00 (Outstanding), indicating that the Board and the functional committees are operating effectively. In addition to being reported to the Board for review and improvement, the evaluation results serve as a reference for selecting or nominating directors. Furthermore, the performance evaluation results of individual directors serve as a basis for determining their individual remuneration. The execution status is as follows:

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation content	Result
Performed once a year	01/01/2025~12/31/2025	Board of Directors	Board Self-Evaluation	<ul style="list-style-type: none"> <li>●The performance evaluation encompasses five primary aspects:</li> <li>(1) Involvement in the operation of the Company</li> <li>(2) Enhancement of the quality of Board decisions</li> <li>(3) Composition and structure of the Board of Directors.</li> <li>(4) Directors' election and continuing education</li> <li>(5) Internal control.</li> </ul>	4.91
Performed once a year	01/01/2025~12/31/2025	Individual Board Members	Board Member Self-Evaluation	<ul style="list-style-type: none"> <li>●The performance evaluation encompasses six primary aspects:</li> <li>(1) Understanding of the Company's objectives and tasks</li> <li>(2) Awareness of directors' responsibilities</li> <li>(3) Involvement in the operation of the Company</li> <li>(4) Internal relationship management and communication</li> <li>(5) Professional and continuing education</li> <li>(6) Internal control</li> </ul>	4.99
Performed once a year	01/01/2025~12/31/2025	Individual Board Members	Peer Evaluation of Individual Directors	<ul style="list-style-type: none"> <li>●The performance evaluation encompasses six primary aspects:</li> <li>(1) Understanding of the Company's objectives and tasks</li> <li>(2) Awareness of directors' responsibilities</li> <li>(3) Involvement in the operation of the Company</li> <li>(4) Internal relationship management and communication</li> <li>(5) Professional and continuing education</li> <li>(6) Internal control</li> </ul>	4.97
Performed once a year	01/01/2025~12/31/2025	Audit Committee	Internal Self-Evaluation of the Audit Committee	<ul style="list-style-type: none"> <li>●The performance evaluation encompasses five primary aspects:</li> <li>(1) Involvement in the Company's operation</li> <li>(2) Awareness of the Audit Committee's responsibilities</li> <li>(3) Enhancement of the quality of the Audit Committee's decision making</li> <li>(4) Composition and election of Audit Committee members</li> <li>(5) Internal control</li> </ul>	4.95
Performed once a year	01/01/2025~12/31/2025	Remuneration Committee	Internal Self-Evaluation of the Remuneration Committee	<ul style="list-style-type: none"> <li>●The performance evaluation encompasses five primary aspects:</li> <li>(1) Involvement in the Company's operation</li> <li>(2) Awareness of the Remuneration Committee's responsibilities</li> <li>(3) Enhancement of the quality of the Remuneration Committee's decision making</li> <li>(4) Composition and election of Remuneration Committee members</li> <li>(5) Internal control</li> </ul>	4.90
Performed once a year	01/01/2025~12/31/2025	Sustainable Development Committee	Internal Self-Evaluation of the Sustainable Development Committee	<ul style="list-style-type: none"> <li>●The performance evaluation encompasses six primary aspects:</li> <li>(1) Involvement in the Company's operation</li> <li>(2) Awareness of the Sustainable Development Committee's responsibilities</li> <li>(3) Enhancement of the quality of the Sustainable Development Committee's decision making</li> <li>(4) Composition and election of Sustainable Development Committee members</li> <li>(5) Internal control</li> <li>(6) Other</li> </ul>	5.00

(6) The objectives aimed at reinforcing the functions of the Board of Directors in recent years, including the establishment of an Audit Committee and the enhancement of information transparency, as well as an evaluation of their implementation.

(A) In order to enhance the supervisory responsibilities of the Board of Directors and to strengthen its management mechanisms, the Company established the "Audit Committee" on June 21, 2016. This initiative aims to facilitate the effective implementation of the Company's internal control systems, ensure compliance with relevant laws and regulations, and manage both existing and potential risks faced by the Company.

(B) In order to support the Board of Directors in the formulation and periodic review of policies and systems pertaining to the performance evaluation and compensation of directors and managers, the Company established the Remuneration Committee on December 22, 2011. This initiative aims to motivate and retain talent while rationalizing the Company's compensation system to safeguard the rights and interests of shareholders.

(C) To achieve sustainable development goals and establish a robust governance framework, the Company, in accordance with Paragraph 3, Article 27 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and Paragraph 1, Article 9 of the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," established the Sustainable Development Committee on August 1, 2024 and formulated its organizational charter. This initiative aims to implement a sustainable governance mechanism and strengthen the Board of Directors' oversight responsibilities regarding Environmental, Social, and Governance (ESG) issues.

### 2.3.2 The Functioning of the Audit Committee

#### (1) Annual Priorities of the Audit Committee

The Audit Committee of the Company is composed of four independent directors and convenes at least on a quarterly basis. This Committee is tasked with ensuring the accurate presentation of the Company's financial reports, overseeing the selection and dismissal of CPAs, assessing their independence and performance, and ensuring the effective implementation of the Company's internal controls. Additionally, the Committee is responsible for ensuring the Company's compliance with applicable laws and regulations, as well as for the oversight and management of any existing or potential risks faced by the Company. The primary duties and responsibilities of the CPAs are summarized as follows:

(A) Establish or amend the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.

(B) Assessment of the effectiveness of the internal control system.

(C) Establish or amend procedures for the acquisition or disposal of assets,

derivative transactions, lending of funds to others, endorsement or guarantee of others in accordance with Article 36-1 of the Securities and Exchange Act.

- (D) Review of matters involving directors' own interests.
- (E) Audit significant asset or derivative transactions.
- (F) Audit significant loans, endorsements or guarantees of funds.
- (G) Audit the raising, issuance or private placement of equity securities.
- (H) Audit the appointment, dismissal or compensation of the CPA.
- (I) Audit the appointment or removal the supervisor of finance, accounting or internal Audit.
- (J) The annual financial statement (signed or stamped by the Chairman, manager, and accounting supervisor) and any quarterly financial statement are subject to approval by the CPA.
- (K) Other significant matters stipulated by the Company or competent authorities.

(2) Operations of the Audit Committee

(A) The Company conducted a full re-election of directors at the Annual General Meeting on June 9, 2022. The term of the 3rd Audit Committee commenced upon re-election (from June 9, 2022, to June 8, 2025). In 2025, a total of 3 meetings were held. The attendance status is as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Remark
Convener	Chien-Kuo Yang	3	0	100	
Member	Ding-Jen Liu	3	0	100	
Member	Chong-Yu Wu	3	0	100	
Member	Chih-Chun Tsai	3	0	100	

(B) The Company conducted a full re-election of directors at the Annual General Meeting on May 29, 2025. The term of the 4th Audit Committee commenced upon re-election (from May 29, 2025, to May 28, 2028). In 2025, a total of 5 meetings were held. The attendance status is as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Remark
Convener	Ding-Jen Liu	5	0	100	
Member	Chien-Kuo Yang	5	0	100	
Member	Chih-Chun Tsai	3	2	60	
Member	Hsiang-Ju Liao	5	0	100	

(3) Additional items to be documented

(A) In the event that any of the following circumstances pertain to the functioning of the Audit Committee, it is imperative to provide a detailed account of the

date and duration of the Audit Committee meeting, the specifics of the motion presented, any dissenting opinions, reservations, or significant proposals put forth by the independent directors, the outcomes of the Audit Committee's resolutions, and the Company's response to the opinions expressed by the Audit Committee.

(a) The issues addressed in Article 14-5 of the Securities and Exchange Act:

Date of meeting	Content of motion and follow-up	Resolution results	The Company's handling of the opinions of the Audit Committee
02/20/2025 21st meeting of the 3rd term	<ul style="list-style-type: none"> <li>●The Company's parent company only and consolidated financial statements for 2024.</li> <li>●The issuance of new shares of the Company with restricted stocks for employees for the year 2025.</li> <li>●The amendment of the Company's internal control system and the implementation plan for internal auditing.</li> <li>●The "Assessment of the Effectiveness of the Internal Control System" and the "Statement of Internal Control System" for the year 2024.</li> <li>●The evaluation of the independence and suitability of the Company's CPAs, as well as their appointment for 2025.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
04/10/2025 22nd meeting of the 3rd term	<ul style="list-style-type: none"> <li>●The 2024 Annual Business Report of the Company.</li> <li>●The distribution of retained earnings and cash distribution from capital surplus for 2024.</li> <li>●The issuance of new shares through the capitalization of the annual surplus for 2024.</li> <li>●Amendments to Specific Provisions of the Company's Articles of Association.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
05/08/2025 23rd meeting of the 3rd term	<ul style="list-style-type: none"> <li>●The consolidated financial statements of the Company for the first quarter of 2025.</li> <li>●Proposed Revisions to the 2025 Audit Plan.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
06/12/2025 1st meeting n of the 4th term	<ul style="list-style-type: none"> <li>●Establish the Company's risk management policies and procedures.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
08/07/2025 2nd meeting of the 4th term	<ul style="list-style-type: none"> <li>●The consolidated financial statements of the Company for the second quarter of 2025.</li> <li>●Revise the Company's 2025 Operating Plan.</li> <li>●The amendment to the Company's regulations on the issuance of new shares with restricted employee rights for 2025.</li> <li>●Develop the Company's risk appetite framework.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
10/09/2025 3rd meeting of the 4th term	<ul style="list-style-type: none"> <li>●Proposal for the Appointment of the Company's Internal Audit Manager.</li> <li>●Proposed Amendments to Certain Provisions of the Company's "Regulations Governing the Proceedings of the Audit Committee.</li> <li>●Proposed amendments to certain provisions of the Company's "Procedures for Handling Material Inside Information".</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
11/06/2025 4th meeting of the 4th term	<ul style="list-style-type: none"> <li>●The consolidated financial statements of the Company for the third quarter of 2025.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.

Date of meeting	Content of motion and follow-up	Resolution results	The Company's handling of the opinions of the Audit Committee
12/19/2025 5th meeting of the 4th term	<ul style="list-style-type: none"> <li>●The Company's Operating Plan for 2026.</li> <li>●Submit the 2026 Audit Plan.</li> <li>●Proposed Amendments to Certain Provisions of the Company's Internal Control System.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.

(b) Resolutions that have not received approval from the Audit Committee and have not been agreed upon by two-thirds or more of all directors, with the exception of the matters referenced in the preceding paragraph, are as follows: None.

(B) The conditions under which an independent director may recuse themselves from a motion in which they have a vested interest shall be delineated. This description will include the name of the independent director, the content of the motion, the rationale for recusal, and the specific circumstances under which the independent director may engage in the voting process: None.

(C) Communication between the independent directors, the head of internal audit, and the CPAs, including the significant matters, methods, and results concerning the Company's financial and business conditions:

(a) The independent directors receive reports from the head of internal audit regarding the status of the Company's auditing operations during Audit Committee meetings, during which they provide timely guidance and recommendations. In the intervals between meetings, communication is maintained through telephone or email correspondence, which has proven effective in overseeing the implementation of the Company's internal controls. This approach facilitates the supervision of the effective execution of the Company's internal control measures.

The communication between the independent directors and the head of internal audit regarding the implementation and effectiveness of audit operations has been in good standing. The table below delineates the summary of key communication matters for 2025:

Date	Primary components of communication	Recommendations of Independent Directors
02/20/2025	Progress report on audit items and revision of internal standards for the fourth quarter of 2024.	The Independent Directors have no comments or recommendations
04/10/2025	The audit status of the items for the period from January to February of 2025 was assessed as normal.	The Independent Directors have no comments or recommendations
05/08/2025	Progress report on audit items and revision of internal standards for the first quarter of 2025.	The Independent Directors have no comments or recommendations
06/12/2025	The audit status of the items for the period of April 2025 was assessed as normal.	The Independent Directors have no comments or recommendations

Date	Primary components of communication	Recommendations of Independent Directors
08/07/2025	The audit status of the items for the period from the second quarter of 2025 was assessed as normal.	The Independent Directors have no comments or recommendations
10/09/2025	The audit status of the items for the period from July to August of 2025 was assessed as normal.	The Independent Directors have no comments or recommendations
11/06/2025	1. The audit status of the items for the period from the third quarter of 2025 was assessed as normal. 2. The phase I self-assessment report for 2025.	The Independent Directors have no comments or recommendations
12/19/2025	The audit status of the items for the period from October to November 2025 was assessed as normal.	The Independent Directors have no comments or recommendations

(B) Arrangements have been made for independent directors to meet privately with the CPAs at least twice a year to discuss matters related to the Company's financial statements. A summary of the communications between the independent directors and the CPAs for the 2025 fiscal year is as follows:

Date	Primary components of communication	Recommendations of Independent Director
02/20/2025	1. Audit findings for parent company only and consolidated financial statements for the year 2024. 2. An examination of management's judgments and accounting estimates. 3. Significant risks and essential evaluations. 4. Audit quality indicator report (AQI report). 5. Declaration of independence statement.	The Independent Directors have no comments or recommendations
05/08/2025	1. Results of the review of the consolidated financial statements for the first quarter of 2025. 2. Statement of independence. 3. Overview of updates to standards and regulations.	The Independent Directors have no comments or recommendations
08/07/2025	1. Results of the review of the consolidated financial statements for the second quarter of 2025. 2. Statement of independence. 3. Overview of standards and regulations to be applied in the future.	The Independent Directors have no comments or recommendations
11/06/2025	1. Results of the review of the consolidated financial statements for the third quarter of 2025. 2. Statement of independence. 3. Audit plan for the 2025 consolidated financial statements 4. Key audit matters. 5. Overview of standards and regulations to be applied in the future.	The Independent Directors have no comments or recommendations

### 2.3.3 Corporate Governance Implementation Status and Deviations from the “Corporate Governance Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Explanation	
1. Does the Company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”?	✓		Our organization has developed the "Corporate Governance Practice Code" in alignment with the Corporate Governance Best Practice Principles for companies listed on the TWSE and TPEX. This code has received approval from the Board of Directors and is publicly accessible on the MOPS as well as our company website.	None
2. Shareholding structure & shareholders' rights of the Company. (1) Whether the Company has defined some internal operating procedure to deal with suggestions, questions, disputes and legal actions from shareholders, and implemented the procedure? (2) Whether the Company controls the list of major shareholders and the controlling parties of such shareholders? (3) Whether the Company establishes or implements some risk control and firewall mechanisms between the Company and its affiliate? (4) Whether the Company has established internal policies that prevent insiders from trading securities based on non-public information?	✓  ✓  ✓ ✓		(1) The Company has implemented a spokesperson system to handle shareholder suggestions and disputes, and will seek legal counsel as necessary.  (2) In compliance with Article 25 of the Securities and Exchange Act, the Company files monthly reports on changes in shareholdings by insiders—specifically directors, managers, and major shareholders holding more than the 10% of the shares—on a monthly basis. Additionally, the Company obtains the shareholder register from the stock transfer agency on the book closure date to ascertain the list of major shareholders and their ultimate controllers.  (3) The Company has established "Operating Procedures for Transactions with Group Enterprises, Specific Companies, and Related Parties" and has instituted internal control and audit systems, along with relevant management regulations and operational frameworks, to effectively manage risks and implement firewall mechanisms.  (4) On November 10, 2022, the Board of Directors approved revisions to the "Procedures for Prevention of Insider Trading," which explicitly prohibit directors from trading their stocks during the closed period—defined as thirty days prior to the announcement of the annual financial report and fifteen days prior to the announcement of each quarterly financial report. Directors are reminded via email prior to the commencement of the closed period to prevent the risk of inadvertent violations of these regulations. Additionally, the Company conducts annual education and training and issues internal communications from time to time in accordance with directives from regulatory authorities to minimize insider trading violations. The “Procedures for Prevention of Insider Trading” and the status of its implementation are publicly accessible on the Company's website.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Explanation	
<p>3. Composition and Responsibilities of the Board of Directors.</p> <p>(1) Whether the Board of Directors has diversified policies regulated and implemented substantively according to the composition of the members?</p> <p>(2) Whether the Company, in addition to establishing the Remuneration Committee and Audit Committee, pursuant to laws, is willing to establish any other functional committees voluntarily?</p> <p>(3) Does the Company established the Regulations Governing the Board Performance Evaluation and its evaluation methods, and does the Company perform a regular performance evaluation each year and submit the results of performance evaluations to the Board of Directors and use them as reference in determining compensation for individual directors, their nomination, and additional office terms?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(1) Article 20 of the Company's "Corporate Governance Best Practice Principles" has established a Board diversity policy. The nomination and selection of the Company's Board members comply with the provisions of the Articles of Incorporation and adopt a candidate nomination system. In addition to evaluating the educational and professional qualifications of each candidate, the Company also takes into account the opinions of stakeholders and adheres to the "Procedures for Election of Directors" and the "Corporate Governance Best Practice Principles" to ensure the diversity and independence of the Board members. For the specific management objectives, achievement status and distribution of the Company's Board diversity police, please refer to pages 10 to 13 of this Annual Report.</p> <p>(2) To achieve sustainable development goals and establish a robust governance framework, the Company, in accordance with Paragraph 3, Article 27 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and Paragraph 1, Article 9 of the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," resolved at the Board of Directors meeting on August 1, 2024, to establish the "Sustainability Development Committee" and approved its organizational charter. For its operational status, please refer to page 40 of this Annual Report.</p> <p>(3) To implement corporate governance, enhance the functions of the Board of Directors, and strengthen operational efficiency, the Company has established the "Regulations Governing the Board Performance Evaluation." An internal performance evaluation of the Board of Directors, individual Board members, and functional committees is conducted at least once a year. The performance evaluation report serves as a reference for the selection or nomination of directors; furthermore, the performance evaluation results of individual directors serve as a reference for determining their individual remuneration. Additionally, an evaluation conducted by an external independent professional institution or a team of external experts and scholars is executed at least once every three years. For the implementation status of the Board performance evaluation, please refer to pages 22 to 23 of this Annual Report and the disclosures on the Company's website.</p> <p>The remuneration of the Company's directors is allocated in accordance with Article 20 of the Articles of Incorporation. If the Company makes a profit during the year (defined as profit before tax, prior to the deduction of employee and director remuneration), it shall allocate no less than 10% as employee remuneration and no more than 2% as director remuneration. However, if the Company has accumulated deficits (including adjustments to unappropriated retained earnings), an amount shall be reserved in advance to cover</p>	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Explanation	
(4) Whether the Company assesses the independence of the external auditor periodically?	✓		these deficits. The aforementioned director remuneration shall be paid in cash only. Furthermore, Article 17 of the Articles of Incorporation stipulates that the remuneration of the Chairman and directors is authorized to be determined by the Board of Directors, based on their degree of participation in and value of contribution to the Company's operations, while also taking industry standards into consideration. (4) The Company evaluates the professionalism and independence of the CPAs on an annual basis (annually). The results of the most recent annual assessment were submitted to and approved by the Audit Committee on March 5, 2026, and the appointment was subsequently approved by the Board of Directors. For the procedures and specific criteria used by the Board to assess the independence of the accountants, please refer to Remark1 on page 35 of this Annual Report.	
4. Do TWSE/TPEX Listed Companies appoint competent and appropriate corporate governance personnel and corporate governance officer to be in charge of corporate governance affairs (including but not limited to furnishing information required for business execution by directors, assisting directors' compliance of law, handling matters related to Board meetings and shareholders' meetings according to law, and recording minutes of Board meetings and shareholders' meetings)?	✓		The scope of responsibilities of the Company's Corporate Governance Officer includes the following: (1) Managing affairs related to Board and shareholder meetings. (2) Preparing minutes for Board and shareholder meetings. (3) Assisting directors with their appointments and ongoing professional development. (4) Providing directors with essential information for the execution of business activities. (5) Aiding directors in ensuring compliance with applicable laws and regulations. (6) Addressing other matters as outlined in the Company's articles of incorporation or contractual agreements. For the status of continuing education in 2025, please refer to Remark2 on page 36 of this Annual Report.	None
5. Does the Company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers and suppliers), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		Our organization, grounded in a commitment to respecting the rights and interests of stakeholders, systematically identifies its stakeholders, comprehends their legitimate expectations and needs, and responds appropriately to significant corporate social responsibility issues of concern. Each department is tasked with stakeholder communication and is required to report periodically to the Board of Directors from time to time. The Company's stakeholders include employees, customers, suppliers/contractors, agents, investors/shareholders, and government agencies. The Company's website features a dedicated 'Social Responsibility and Stakeholder Engagement' section, which discloses issues of concern to stakeholders and provides contact information for appropriate responses. The communication status with various stakeholders was reported to the Board of Directors on December 19, 2025. The key issues of concern to stakeholders for the year 2025 are disclosed on the Company's website.	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Explanation	
6. Does the Company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company has engaged the services of a professional stock affairs agency, specifically the Stock Affairs Department of Capital Securities Corporation, to manage its various stock-related activities. Additionally, the Company has instituted the "Stock Affairs Management Regulations" to regulate pertinent matters.	None
7. Information Disclosure (1) Whether the Company has established a website that discloses financial, business, and corporate governance-related information? (2) Whether there are other means for disclosure adopted by the Company (e.g. set up an English website, with the personnel dedicated to gathering and disclosing relevant information, properly implement the spokesperson system, and post the meetings minutes with institutional investors on the Company website, et al.)? (3) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the first, second, and third quarter financial statements as well as the operating status of each month before the prescribed deadline?	✓ ✓ ✓		(1) The Company has regularly and timely filed various financial and business information on the Market Observation Post System (MOPS) in accordance with regulations. The Company has established its own website to serve as a resource for shareholders and the general public. (2) The Company has consistently demonstrated a commitment to the timely disclosure of information, maintaining both Chinese and English websites, with designated personnel responsible for the collection and dissemination of company information. Furthermore, a comprehensive spokesperson system has been established, and recordings or materials from investor conferences are uploaded to the Company's website to enhance the protection of investors' interests. (3) The Company's annual financial reports, quarterly financial reports (Q1, Q2, and Q3), and monthly operational results have consistently been announced ahead of the regulatory deadlines.	None
8. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	✓		(1) For the implementation of employee rights, employee care, investor relations, supplier relations, and stakeholder rights, please refer to the "Labor Relations" section on page 117 of this Annual Report and the "Social Responsibility and Stakeholders" section on the Company's website. (2) The Company actively encourages directors to pursue continuing education. For information on directors' training, please refer to page 13 of this Annual Report, under the section "Succession Planning and the Functioning of Board Members." (3) To establish a robust risk management system and ensure steady progress toward sustainable development goals, the Company formulated the "Risk Management Policy and Procedures" in accordance with the "Risk Management Best Practice Principles for TWSE/TPEX Listed Companies." This policy was approved by the Board of Directors on June 12, 2025, serving as the highest guiding principle for risk management across all	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Explanation	
			<p>units. The operational status of risk management was reported to the Board of Directors on December 19, 2025. The "Risk Management Policy and Procedures," the 2025 operational status, and the risk assessment items for the 2026 ESG material topics are disclosed on the Company's website.</p> <p>(4) For the implementation of the customer policy, please refer to the "Market, Production, and Sales Overview" section on page 108 of this Annual Report.</p> <p>(5) To strengthen corporate governance mechanisms, the Board of Directors resolved on March 5, 2026, to continue purchasing liability insurance for directors with a coverage amount of US\$8 million. The insurance period is from April 1, 2026, to April 1, 2027.</p>	
<p>9. Please specify the status of correction based on the corporate governance assessment report released by the Corporate Governance Center of TWSE in the most recent year, and the priority corrective actions and measures against the remaining deficiencies:</p> <p>(1) In compliance with the regulations set forth by the Taiwan Stock Exchange (TWSE), our company will finalize the corporate governance evaluation for the year 2025 by the conclusion of January 2026. To enhance corporate governance, the following improvements will be implemented in 2025:</p> <p>(1.1) Indicator 2.8  Indicator: Do more than half of the Company's independent directors serve no more than three consecutive terms?  Improvement Status: During the full re-election of directors at the 2025 Annual General Meeting, more than half of the Company's independent directors served no more than three consecutive terms.</p> <p>(1.2) Indicator 2.22  Indicator: Does the Company have the Audit Committee or a Board-level functional committee (e.g., Risk Management Committee) oversee risk management, establish risk management policies and procedures approved by the Board of Directors, disclose the risk management organizational structure, risk management procedures, and their operations, and report to the Board of Directors at least once a year?  Improvement Status: The Board of Directors approved the risk management policies and procedures on June 12, 2025. The Audit Committee (consisting of 4 independent directors) serves as the supervisory unit for risk management, and its operational status is disclosed on the Company's website.</p> <p>(1.3) Indicator 3.20  Indicator: Did the Company hold (or was invited to hold) at least two institutional investor conferences, disclose the complete video/audio links of at least two conferences, and ensure an interval of more than three months between the first and last conferences during the evaluated year?  Improvement Status: The Company was invited to attend two institutional investor conferences in 2025. The complete video/audio links for both conferences have been uploaded, and the interval between the two conferences was more than three months.</p> <p>(1.4) Indicator 4.1  Indicator: Has the Company established a dedicated (or part-time) unit to promote sustainable development, conducted risk assessments on environmental, social, or corporate governance issues related to company operations based on the materiality principle, formulated relevant risk management policies or strategies, and had the Board of Directors oversee the promotion of sustainable development and disclose it on the Company website and in the Annual Report?  Improvement Status: The Company established the Sustainability Development Committee on August 1, 2024, to promote various goals. The implementation status has been fully disclosed on the Company's website and in the Annual Report.</p>				

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Explanation	
(1.5) Indicator 4.2 Indicator: Has the Company established a dedicated (or concurrent) unit to promote ethical corporate management, responsible for formulating and supervising the implementation of ethical management policies and prevention programs? Are the operations and implementation status described on the Company's website and in the Annual Report, and reported to the Board at least once a year? Improvement Status: The Company has formulated "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Procedures for Handling Whistleblowing of Unethical Conduct." The Chairman's Office serves as the dedicated unit, and the President's Office as the executive unit. Starting from 2025, the President's Office reports annually to the Sustainable Development Committee, which then reports to the Board at least once a year. On December 19, 2025, the Sustainable Development Committee reported the ethical management implementation status to the Board, and these details are disclosed on the Company's website.				
(1.6) Indicator 4.4 Indicator: Did the Company's sustainability report refer to the SASB standards to disclose relevant ESG information? Improvement Status: The Company's 2024 Sustainability Report referred to the SASB standards to disclose relevant ESG information.				
(1.7) Indicator 4.7 Indicator: Has the Company uploaded an English version of its sustainability report to the Market Observation Post System (MOPS) and the Company website? Improvement Status: The Company prepared an English version of its sustainability report and successfully uploaded it to the MOPS and the Company's website on December 17, 2025.				
(1.8) Indicator 4.24 Indicator: Has the sustainability report prepared by the Company been reported to and approved by the Board of Directors? Improvement Status: The Company's 2024 Sustainability Report was approved by a resolution of the Board of Directors on August 7, 2025.				
(1.9) Indicator 4.27 Indicator: Does the Company disclose the categories and annual emissions of Greenhouse Gas (GHG) Scope 3 for the past year? Improvement Status: The Company's GHG Scope 3 categories and annual emissions for the past year have been disclosed on the Company's website.				
(2) After the announcement of the annual evaluation results, our company will evaluate potential improvement plans for areas that did not receive favorable scores, with the aim of enhancing corporate governance and safeguarding shareholder rights. The priority areas and measures for enhancement in 2026 concerning the items that did not receive a score in the 2025 corporate governance evaluation are outlined as follows: (2.1) Indicator E-11 (4.18): Did the Company refer to the framework of International Financial Reporting Standard S2 (IFRS S2) to disclose information related to the Company's governance, strategy, risk management, and metrics and targets regarding climate-related risks and opportunities? (2.2) Indicator G-10 (1.17): Does the Company not have a single institutional entity and its subsidiaries occupying one-third or more of the Board of Directors' seats?				

Remark1:

Specific evaluation standards for the independence of CPAs Ya-Yun Chang and Ming-Hui Chen

	Evaluation item	Evaluation results	Whether it meets the criteria for independence.
1.	Whether the accountant has a direct or materially indirect financial interest in the Company.	No	Yes
2.	Whether the accountant has participated in financing or guaranteeing activities with the Company or its directors.	No	Yes
3.	Whether the accountant has a close business relationship with the Company and a potential employment relationship.	No	Yes
4.	Whether the accountant and the members of the audit team are currently serving, or have served in the past two years, as directors, managers, or in positions of significant influence over the audit of the Company.	No	Yes
5.	Whether the accountants have provided any non-audit services to the Company that could directly impact the audits.	No	Yes
6.	Whether the accountant has acted as an intermediary in the Company's stock or other securities issued by the Company.	No	Yes
7.	Whether the accountant has acted as the Company's representative or defended the Company in coordinating conflicts with third parties.	No	Yes
8.	It is important to determine whether the accountant has any relationships with the Company's directors, managers, or other individuals who have significant influence over the audit.	No	Yes

The Company regularly obtains the independence statement issued by the CPAs along with the 13 Audit Quality Indicators (AQIs) provided by Deloitte & Touche each year. We evaluate the audit quality of both the accounting firm and the audit team in accordance with the 'Guidelines for Audit Committees to Interpret Audit Quality Indicators (AQIs)' issued by the competent authority.

Evaluation Results:

The Company conducted the evaluation in accordance with the aforementioned independence criteria and the 13 AQIs provided by the CPAs. It was confirmed that the CPAs had no financial interests or business relationships with the Company, aside from fees associated with audit and tax-related services. Based on the AQI information, it was established that the audit experience and training hours of the CPAs and the firm exceeded the industry average. Following the evaluation, the appointed CPAs were found to have no conflicts with any of the aforementioned independence assessment items and met the standards for independence and suitability.

Remark2: Training for Corporate Governance Executives in 2025.

Corporate Governance Executive	Organized by	Course Name	Date of Further Study	Hours of training	Total hours of training in the year
Shu-Wei Yu	Taiwan Corporate Governance Association	Trends and Risk Management of Generative AI	05/29/2025	3	12
	Taiwan Corporate Governance Association	Sustainability, Risk, and Information Security Issues in the AI Era	08/07/2025	3	
	Accounting Research and Development Foundation in Taiwan	Key Points and Practical Case Studies on the Management, Internal Control, and Internal Audit of Sustainability Information	09/12/2025	6	

2.3.4 The Composition, Duties, and Operations of the Remuneration Committee.

The Company officially established the Remuneration Committee on December 22, 2011. Acting in a professional and objective capacity, the Committee assists the Board of Directors in evaluating the policies and systems for the remuneration of the Company's directors and managers. The Remuneration Committee meets at least twice a year and may convene at any time as necessary to provide recommendations to the Board of Directors for its reference in decision-making.

(1) Composition of the Remuneration Committee:

The Company's Remuneration Committee consists of four members, all of whom are independent directors with voting rights.

Please refer to the Company's website for the Articles of Association of the Remuneration Committee.

April 15, 2026

Identities		Conditions	Professional qualifications and experience	Independence	A member of the Remuneration Committee who also serves as a Remuneration Committee member for other IPO companies
Name					
Independent Director (Convener)	Chih-Chun Tsai	Disclosure of Directors' Professional Qualifications and Information on the Independence of Independent Directors (Please refer to page 9 of this Annual Report)			1
Independent Director	Ding-Jen Liu				0
Independent Director	Chien-Kuo Yang				2
Independent Director	Hsiang-Ju Liao				0

(2) Responsibilities of the Remuneration Committee:

(A) Terms of Reference

- (a) Regularly review the Company's remuneration regulations and propose amendments.
- (b) Establish and periodically review the annual and long-term performance targets, as well as the policies, systems, standards, and structures of remuneration for the Company's directors and managers.
- (c) Periodically assess the achievement of performance targets by the Company's directors and managers and determine the content and amount of their individual remuneration.

(B) The Remuneration Committee shall perform its duties in accordance with the following criteria.

- (a) Ensure that the Company's remuneration arrangements comply with relevant laws and are sufficient to attract outstanding talent.
- (b) The performance evaluation and remuneration of directors and managers shall refer to typical pay levels in the industry, taking into account the time invested, responsibilities assigned, achievement of personal goals, performance in other positions, and remuneration for equivalent positions in recent years. Furthermore, it shall evaluate the reasonableness of the correlation between individual performance, the Company's operating performance, and future risks based on the achievement of short-term and long-term business goals and the Company's financial status.
- (c) Directors and managers should not be incentivized to engage in behavior that exceeds the Company's risk appetite in pursuit of remuneration.
- (d) The percentage of bonuses for directors and senior managers based on short-term performance, as well as the timing of payment for portions of variable remuneration, should be determined after considering industry characteristics and the nature of the Company's business.
- (e) Members of this Committee shall recuse themselves from discussions and voting on their own individual remuneration.

(3) The operation of the Remuneration Committee:

- (A) On June 9, 2022, the Company's Board of Directors resolved to appoint Independent Directors Mr. Ding-Jen Liu, Mr. Chong-Yu Wu, Mr. Chien-Kuo Yang, and Mr. Chih-Chun Tsai as members of the 5th Remuneration Committee. The term of office is the same as that of the 8th Board of Directors (from June 9, 2022, to June 8, 2025). In 2025, a total of 1 meeting was held. The attendance status is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Convener	Ding-Jen Liu	1	0	100	
Member	Chong-Yu Wu	1	0	100	
Member	Chien-Kuo Yang	1	0	100	
Member	Chih-Chun Tsai	1	0	100	

(B) In conjunction with the full re-election of directors at the Annual General Meeting on May 29, 2025, the Board of Directors resolved on the same day to appoint Independent Directors Mr. Ding-Jen Liu, Mr. Chien-Kuo Yang, Mr. Chih-Chun Tsai, and Ms. Hsiang-Ju Liao as members of the 6th Remuneration Committee. The term of office is consistent with that of the 9th Board of Directors (from May 29, 2025, to May 28, 2028). In 2025, a total of 3 meetings were held. The attendance status is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Convener	Chih-Chun Tsai	1	2	33	
Member	Ding-Jen Liu	3	0	100	
Member	Chien-Kuo Yang	3	0	100	
Member	Hsiang-Ju Liao	3	0	100	

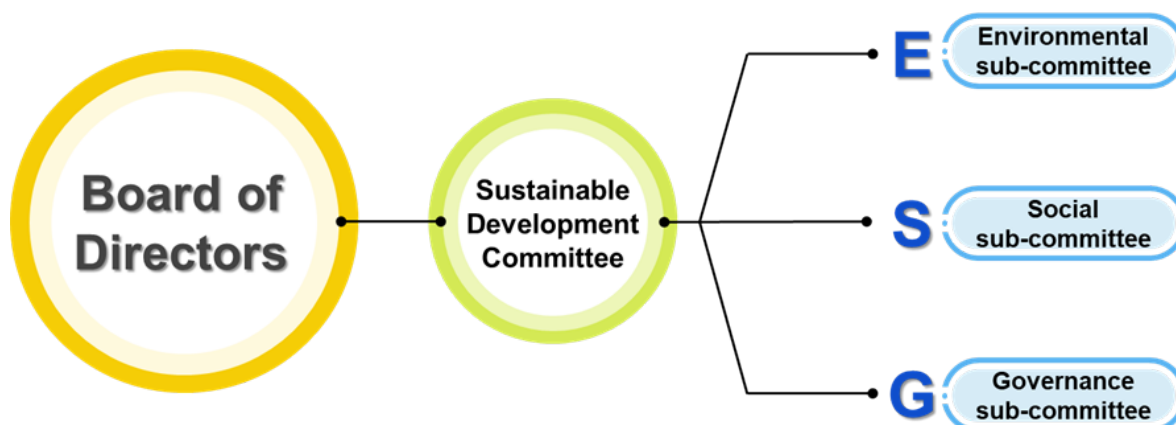
(C) Other items to be recorded:

- (a) If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it shall specify the date and duration of the meeting, the content of the motion, the outcome of the resolution, and the Company's response to the Remuneration Committee's opinion. (e.g., if the remuneration approved by the Board is superior to the Committee's recommendation, the circumstances and reasons for the discrepancy must be stated): None.
- (b) If any members of the Remuneration Committee have objections or reservations, and if these are documented or expressed in writing, the following information shall be recorded: the date and duration of the Remuneration Committee meeting, the content of the motion, the opinions of all members, and the disposition of those opinions: None

(D) The deliberations and resolutions of the Remuneration Committee, as well as the Company's approach to addressing the opinions of its members:

Date of meeting	Content of the motion and follow-up	Resolution results	The company's handling of the opinions of the Remuneration Committee
02/20/2025 11th meeting of the 5th term	<ul style="list-style-type: none"> <li>● Proposal for the allocation of employee and director compensation for Fiscal Year 2024.</li> <li>● Proposal regarding the results of the performance evaluations of the Board of Directors and functional committees for Fiscal Year 2024.</li> <li>● Proposal regarding the compensation for the Company's new (external) director.</li> <li>● Proposal regarding the guidelines for the payment of performance bonuses to the Company's Chairman.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
06/12/2025 1st meeting of the 6th term	<ul style="list-style-type: none"> <li>● The Company's 2025 salary adjustment plan for managers.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
08/07/2025 2nd meeting of the 6th term	<ul style="list-style-type: none"> <li>● Proposal regarding the fixed monthly salary for the ninth term of independent directors.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.
10/09/2025 3rd meeting of the 6th term	<ul style="list-style-type: none"> <li>● Proposal regarding the issuance of restricted stock in 2025 and the list of managers eligible to receive such stock, along with the number of shares granted to each.</li> <li>● Proposal regarding the appointment and compensation of the Company's Head of Internal Audit.</li> </ul>	Approved unanimously by all members present.	Submitted to the Board and unanimously approved by all directors present.

## 2.3.5 The composition, duties, and operations of the Sustainable Development Committee:



### (1) Appointment and Operation of the Sustainable Development Committee

(A) There are five members on the Company's Sustainable Development Committee.

(B) Attendance of Committee Members:

(a) On August 1, 2024, the Board of Directors resolved to appoint five members—Chairman Yu-Kun Kao, President Heng-Chung Chi, Director Ming-Nan Zhuang, Ms. Jing-Yun Li, and Ms. Shu-Wei Yu—to the 1st Sustainability Development Committee. The term of office for the current members is from August 1, 2024, to June 8, 2025, which is consistent with the term of the 8th Board of Directors. In 2025, a total of 1 meeting was held. The attendance status is as follows:

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Convener	Yu-Kun Kao	1	0	100	
Member	Heng-Chung Chi	1	0	100	
Member	Ming-Nan Chuang	1	0	100	
Member	Jing-Yun Li	1	0	100	
Member	Shu-Wei Yu	1	0	100	

(b) In conjunction with the full re-election of directors at the Annual General Meeting on May 29, 2025, the Board of Directors resolved to appoint five members—Chairman Yu-Kun Kao, Director Heng-Chung Chi, Director Ming-Nan Zhuang, Ms. Shu-Wei Yu, and Ms. Jia-Fen Li—to the 2nd Sustainability Development Committee. The term of office for the current members is from May 29, 2025, to May 28, 2028, which is consistent with the term of the 9th Board of Directors. In 2025, a total of 2 meetings were held. The attendance status is as follows :

Title	Name	Attendance in Person	Attendance by Proxy	Attendance Rate (%)	Remark
Convener	Yu-Kun Kao	2	0	100	
Member	Heng- Chung, Chi	2	0	100	
Member	Ming-Nan Chuang	2	0	100	
Member	Shu-Wei Yu	2	0	100	
Member	Jia-Fen Li	2	0	100	

(2) The Terms of Reference for the Sustainable Development Committee:

- (a) Formulate, promote, and strengthen the Company's sustainable development policies, annual plans, and strategies.
- (b) Review, monitor, and assess the implementation and effectiveness of sustainable development initiatives
- (c) Supervise the disclosure of sustainability information and review the sustainability report.
- (d) To oversee the implementation of the Company's Code of Conduct for Sustainable Development and any other sustainability-related initiatives approved by the Board of Directors.

(3) Discussion Items and Resolution Outcomes of the Sustainable Development Committee and the Company's Management of Members' Feedback:

Date of meeting	Content of the Motion and Follow-up	Resolution Results	The Company's Handling of the Opinions of the Sustainable Development Committee
07/30/2025 1st meeting of the 2nd term.	<ul style="list-style-type: none"> <li>●2024 Sustainability Report Project</li> <li>●2026 Sustainability Report Key Themes Project</li> </ul>	<ul style="list-style-type: none"> <li>●After the Chair consulted the members present, the draft 2024 Sustainability Report, as amended, was approved without objection. The Committee passed the motion without objection.</li> </ul>	<ul style="list-style-type: none"> <li>●The Board of Directors, after the Chairman consulted with the attending directors, unanimously approved the amended draft of the 2024 Sustainability Report.</li> <li>●All the motions listed on the left have been proposed to the Board of Directors and have been resolved to be passed.</li> </ul>
12/17/2025 2nd meeting of the 2nd term.	<ul style="list-style-type: none"> <li>●2026 Sustainability Strategy Roadmap</li> </ul>	<ul style="list-style-type: none"> <li>After the Chair consulted the members present, the revised 2026 Sustainability Strategy Roadmap was approved unanimously.</li> </ul>	<ul style="list-style-type: none"> <li>All the motions listed on the left have been proposed to the Board of Directors and have been resolved to be passed.</li> </ul>

2.3.6 The implementation of sustainable development and the differentiation of best practice principles for sustainable development among TWSE/TPEX listed companies are presented, along with the rationale for this differentiation :

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
1. Has the Company established a governance structure to promote sustainable development and created a dedicated part-time unit for this purpose, which is authorized by the Board of Directors and managed by senior management, with oversight from the Board of Directors?	✓		To achieve the sustainable development goals of Leadtrend Technology and establish a robust governance framework, the Company, in accordance with Paragraph 3, Article 27 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and Paragraph 1, Article 9 of the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," resolved at the Board of Directors meeting on August 1, 2024, to establish the "Sustainability Development Committee" and formulate its organizational charter. The Chairman serves as the convener of the Committee. The Sustainability Development Committee has established three working groups under it: Environmental, Social, and Governance. Group leaders are appointed to coordinate the promotion of key sustainability issues within their respective groups, convene committee meetings, and compile and prepare the sustainability report. This aims to implement a sustainable governance mechanism and strengthen the Board of Directors' oversight responsibilities regarding Environmental, Social, and Governance (ESG) issues. The Sustainability Development Committee regularly reports its implementation results to the Board of Directors annually. The execution status and results of the 2025 ESG goals were reported to the Board of Directors on June 12, 2025, and December 19, 2025, respectively. Additionally, the 2026 sustainability strategic Roadmap was approved by the Board of Directors on December 19, 2025, serving as the guiding principle for all departments in executing sustainability initiatives.	None.
2. Does the Company conduct risk assessments of environmental, social, and corporate governance issues related to its operations in accordance with the materiality principle, and does it formulate relevant risk management policies or strategies?	✓		(a) To establish a sound risk management system, ensure steady business operations, and advance towards the goal of corporate sustainable development, the Company formulated the "Risk Management Policy and Procedures" in accordance with the relevant provisions of the "Risk Management Best-Practice Principles for TWSE/TPEX Listed Companies." This policy was approved by the Board of Directors on June 12, 2025, and serves as the highest guiding principle for risk management across all departments. (b) The Company's risk assessment covers the offices in Zhubei, Banqiao, and Tainan, Taiwan. The Board of Directors is the highest governance body for risk management. The Audit Committee, which is subordinate to the Board, serves as the supervisory unit for risk management. The President's Office is appointed as the promoting and executing unit for risk management and regularly reports the execution status to the Board of Directors annually. The Company's "Risk Management Policy and Procedures," the operational status for 2025, and the risk assessment items for the 2026 ESG material topics are disclosed on the Company's website.	None

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
<p>3. Environmental Issues</p> <p>(a) Has the Company implemented an appropriate environmental management system that aligns with the specific characteristics of its industry?</p>	✓		<p>(a) Leadtrend driven by innovative technology, is committed to the continuous development of energy-saving products. Our core mission is to reduce energy consumption and safeguard the sustainable development of our planet. To fulfill this vision, we have established the following Environmental Policy and pledge our full commitment to its implementation.</p> <ol style="list-style-type: none"> <li>1. Compliance with government environmental regulations and customer requirements regarding environmentally controlled substances.</li> <li>2. Actively develop green products and enhance energy efficiency.</li> <li>3. Strengthen employees' environmental awareness through internal promotion and participation in external public welfare activities.</li> <li>4. Promote energy conservation, waste reduction, and pollution prevention through continuous improvement.</li> <li>5. Prioritize cooperation with environmentally conscious suppliers and conduct regular audits to verify their compliance with relevant environmental laws.</li> </ol> <p>Regarding system promotion, the Company complies with relevant environmental laws and regulations, implements energy use management, waste classification and legal disposal, and pollution prevention measures, while continuously improving resource efficiency and environmental risk management. The Company also utilizes internal audit and management review mechanisms to periodically assess the execution of the environmental management system to ensure the effective implementation of relevant measures.</p> <p>The Company has obtained ISO 9001:2015 Quality Management System certification and ISO 14001:2015 Environmental Management System certification, both issued by SGS. The current certifications are valid from March 1, 2023, to February 18, 2026, and February 15, 2024, to February 14, 2026, respectively. Furthermore, we have established an appropriate environmental management system tailored to our industry characteristics. The Company has secured re-certification for 2026, with the updated validity periods as follows: ISO 9001:2015 until February 18, 2029 and ISO 14001:2015 until February 14, 2029.</p> <p>Relevant environmental management policies and their implementation status are disclosed on the Company's website.</p>	None
<p>(b) Is the Company dedicated to enhancing energy efficiency and utilizing recycled materials that minimize environmental impact?</p>	✓		<p>(b) As a professional IC design company focused on IC research and design, the Company has no production lines and is classified as a non-polluting industry. Adhering to the philosophy of "Green Power," Leadtrend focuses on the development of medium-to-high power management ICs. We uphold four major indicators for new product development: supporting higher wattage, developing ICs with lower standby power consumption, achieving higher average efficiency,</p>	

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
(c) Has the Company evaluated the potential risks and opportunities associated with climate change for the enterprise, both currently and in the future, and implemented appropriate countermeasures?	✓		<p>and reducing the requirement for peripheral components. By integrating innovative service quality with energy-saving and carbon reduction goals, we continue to assist customers in developing more efficient power-saving products. Although achieving absolute net-zero emissions remains a challenge, Leadtrend is dedicated to helping customers effectively reduce carbon emissions through design upgrades and technical innovation.</p> <p>(c) The Company has established the Sustainability Development Committee as a functional committee subordinate to the Board of Directors, responsible for assisting the Board in overseeing the promotion of sustainable development strategies and the deliberation of material topics. The Committee has established three working groups: Environmental (E), Social (S), and Governance (G), with group leaders designated to coordinate the promotion of key sustainability issues within their respective scopes. Specifically, the Environmental Group is tasked with coordinating the governance and execution of climate-change-related initiatives, including greenhouse gas (GHG) inventory, carbon emission data disclosure, reduction target management, and annual verification operations. All achievements and significant progress regarding climate change are compiled by the Environmental Group, submitted to the Sustainability Development Committee, and reported to the Board of Directors on a regular basis to strengthen the oversight mechanism over climate-related issues. Based on the TCFD (Task Force on Climate-related Financial Disclosures) framework, the Company identifies and compiles relevant transition risks, physical risks, and potential opportunities to serve as the basis for sustainability strategies and management planning. For the implementation status of climate-related information, please refer to Table 1 pages 55-59 of this Annual Report.</p>	
(d) Has the Company compiled statistics on greenhouse gas emissions, water consumption, and total waste weight over the past two years? Additionally, has it formulated policies for reducing greenhouse gas emissions, conserving water, or managing waste more effectively?	✓		<p>(d) The Company specializes in power management analog design and outsources processing, without operating a wafer fabrication facility.</p> <p>(1)Greenhouse Gas (GHG) Emissions: The Company has been conducting voluntary inventories since 2018. For GHG emission data over the past two years, please refer to Table 1-1 and Table 1-2 on pages 60–62 of this Annual Report.</p> <p>(2)Water Consumption: The Company has no water requirements for manufacturing processes; water usage is primarily for general domestic purposes.</p> <p>(A) The water consumption for the most recent two years is disclosed as follows:</p>	

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons																												
	Yes	No	Description																													
			<table border="1"> <thead> <tr> <th colspan="3">Water Consumption (degrees)</th> </tr> <tr> <th>Year</th> <th>Water Consumption</th> <th>Water Consumption (cubic meters) / Person / Month</th> </tr> </thead> <tbody> <tr> <td>2025</td> <td>4,283.47</td> <td>2.15</td> </tr> <tr> <td>2024</td> <td>4,483.84</td> <td>2.20</td> </tr> </tbody> </table> <p>(B) Water reduction targets, implementation measures, and achievement status</p> <p>①2025 Achievement status: Compared to the baseline year of 2024, the average monthly water consumption per capita decreased by 2.2%. This was primarily due to the adjustment of water fixtures at the Zhubei office, which effectively reduced water wastage.</p> <p>②Reduction targets: Using 2025 as the baseline year, the target for 2026 is to decrease the average monthly water consumption per capita by 0.5%, which is equivalent to saving approximately 20 cubic meters of water throughout the year.</p> <p>③Implementation measures:</p> <ul style="list-style-type: none"> <li>●Promote the proper use of water resources among employees to cultivate water conservation awareness.</li> <li>●Install water-saving devices.</li> <li>●Adopt water-saving toilets and install dual-flush mechanisms.</li> </ul> <p>(3) Waste: The Company's industrial waste primarily includes D-2527 (other mixed hardware scrap treated by physical processes) and E-0217 (waste electronic components, scraps, and defective products).</p> <p>(A) The waste generated in the most recent two years is disclosed as follows:</p> <table border="1"> <thead> <tr> <th colspan="4">Total waste (tons)</th> </tr> <tr> <th>Year</th> <th>Deleterious</th> <th>Non-hazardous</th> <th>Total weight</th> </tr> </thead> <tbody> <tr> <td>2025</td> <td>0.48</td> <td>0.25</td> <td>0.73</td> </tr> <tr> <td>2024</td> <td>0.94</td> <td>1.15</td> <td>2.09</td> </tr> </tbody> </table> <p>[Note 1] The Company has no manufacturing processes and does not generate hazardous waste during daily operations. The annual mixed hardware scrap from IC scraps is entrusted to waste management companies licensed by the Environmental Protection Bureau for regular clearance, treatment, and</p>	Water Consumption (degrees)			Year	Water Consumption	Water Consumption (cubic meters) / Person / Month	2025	4,283.47	2.15	2024	4,483.84	2.20	Total waste (tons)				Year	Deleterious	Non-hazardous	Total weight	2025	0.48	0.25	0.73	2024	0.94	1.15	2.09	
Water Consumption (degrees)																																
Year	Water Consumption	Water Consumption (cubic meters) / Person / Month																														
2025	4,283.47	2.15																														
2024	4,483.84	2.20																														
Total waste (tons)																																
Year	Deleterious	Non-hazardous	Total weight																													
2025	0.48	0.25	0.73																													
2024	0.94	1.15	2.09																													

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
			<p>regulatory reporting. The scrapped waste is handled using physical treatment methods, which effectively sort the waste and enhance resource reuse. Compared to chemical treatment methods, physical treatment is more environmentally friendly and reduces carbon emissions.</p> <p>[Note 2] The discrepancy in the total weight of hazardous and non-hazardous industrial waste for 2023 and 2024 compared to the figures disclosed in the 2024 Sustainability Report is due to the misclassification of D-2527 (other mixed hardware scrap treated by physical processes) as hazardous industrial waste in the 2024 Sustainability Report.</p> <p>(B) Waste Reduction Targets, Implementation Measures, and Achievement Status</p> <p>① 2025 Achievement Status: Compared to the baseline year of 2024, total waste was reduced by 1.37 metric tons. This was primarily due to the reduction in single-use paper cups and the transition to energy-efficient lighting fixtures, which decreased the waste generated from tube replacements.</p> <p>② Reduction Targets: Through source management, the Company has set a target to "reduce single-use items" for 2026.</p> <p>③ Implementation Measures:</p> <ul style="list-style-type: none"> <li>● Promote the use of electronic forms and reuse scrap paper for non-essential documents to reduce paper and electricity consumption by photocopiers.</li> <li>● Encourage employees to bring their own reusable tableware to reduce the use of disposable utensils.</li> <li>● Provide mugs for clients to avoid generating single-use paper cup waste.</li> <li>● Remove individual trash cans from employee workstations to reduce the overall volume of waste.</li> <li>● Assign dedicated personnel to enforce waste sorting, enhance resource reuse, and prevent secondary pollution.</li> </ul>	
<p>4.Social Issues</p> <p>(a) Has the Company established appropriate management policies and procedures in compliance with applicable laws, regulations, and international human rights treaties?</p>	✓		<p>(a) To fulfill its corporate social responsibility and safeguard the basic human rights of employees and stakeholders, the Company complies with relevant domestic labor regulations and the internationally recognized principles of fundamental labor rights, such as the "Universal Declaration of Human Rights." The Company strictly prohibits all forms of discrimination, forbids the use of child labor, and respects employees' right to freedom of association. Furthermore, the Company is committed to providing a safe and healthy working environment and preventing accidents to minimize the risk of occupational hazards, thereby ensuring</p>	None

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons																		
	Yes	No	Description																			
			<p>employee safety and promoting physical and mental well-being. The Company has designated the Administrative Resource Division as the primary department responsible for human rights management. Our Human Rights Policy is outlined below, with specific implementation measures and status disclosed on the Company's website. This policy applies to all managers, employees, and stakeholders—including customers, suppliers, agents, and contractors—as we strive to eliminate any human rights violations.</p> <table border="1"> <thead> <tr> <th colspan="2">Human Rights Management Policy</th> </tr> </thead> <tbody> <tr> <td>1. Anti-Discrimination</td> <td>Any form of discrimination against employees based on race, region, social class, religion, physical disability, gender, marital status, political opinion, or age is strictly prohibited.</td> </tr> <tr> <td>2. Working Hours, Wages, and Benefits</td> <td>All employment terms, including working hours, overtime hours, minimum wage, overtime pay, and other legally required benefits, comply with government regulations.</td> </tr> <tr> <td>3. Freedom of Employment</td> <td>Employees shall adhere to the terms agreed upon in their employment contracts in accordance with regulations and retain the freedom to terminate their employment contracts.</td> </tr> <tr> <td>4. Child Labor and Underage Workers</td> <td>The employment of child labor and underage workers is prohibited. The Company supports the elimination of inappropriate or illegal business transactions related to child and underage labor.</td> </tr> <tr> <td>5. humane treatment</td> <td>The Company is committed to treating employees humanely and eradicating any form of violence or harassment in the workplace.</td> </tr> <tr> <td>6. Freedom of Association</td> <td>All employees enjoy the legal right to form, participate in, or decline to join associations and collective bargaining. We are committed to creating an environment where employees can freely express, share, and offer suggestions.</td> </tr> <tr> <td>7. Workplace Health and Safety</td> <td>The Company is dedicated to providing a clean, healthy, and safe working environment for all employees. To provide better protection, we comply with relevant regulatory requirements to mitigate health and safety risks, pursuing a goal of zero occupational injuries and accidents.</td> </tr> <tr> <td>8. Ethics</td> <td>All members are required to adhere to business ethics, which include prohibiting improper benefits, anti-corruption, avoiding conflicts of interest, and protecting intellectual property rights.</td> </tr> </tbody> </table>	Human Rights Management Policy		1. Anti-Discrimination	Any form of discrimination against employees based on race, region, social class, religion, physical disability, gender, marital status, political opinion, or age is strictly prohibited.	2. Working Hours, Wages, and Benefits	All employment terms, including working hours, overtime hours, minimum wage, overtime pay, and other legally required benefits, comply with government regulations.	3. Freedom of Employment	Employees shall adhere to the terms agreed upon in their employment contracts in accordance with regulations and retain the freedom to terminate their employment contracts.	4. Child Labor and Underage Workers	The employment of child labor and underage workers is prohibited. The Company supports the elimination of inappropriate or illegal business transactions related to child and underage labor.	5. humane treatment	The Company is committed to treating employees humanely and eradicating any form of violence or harassment in the workplace.	6. Freedom of Association	All employees enjoy the legal right to form, participate in, or decline to join associations and collective bargaining. We are committed to creating an environment where employees can freely express, share, and offer suggestions.	7. Workplace Health and Safety	The Company is dedicated to providing a clean, healthy, and safe working environment for all employees. To provide better protection, we comply with relevant regulatory requirements to mitigate health and safety risks, pursuing a goal of zero occupational injuries and accidents.	8. Ethics	All members are required to adhere to business ethics, which include prohibiting improper benefits, anti-corruption, avoiding conflicts of interest, and protecting intellectual property rights.	
Human Rights Management Policy																						
1. Anti-Discrimination	Any form of discrimination against employees based on race, region, social class, religion, physical disability, gender, marital status, political opinion, or age is strictly prohibited.																					
2. Working Hours, Wages, and Benefits	All employment terms, including working hours, overtime hours, minimum wage, overtime pay, and other legally required benefits, comply with government regulations.																					
3. Freedom of Employment	Employees shall adhere to the terms agreed upon in their employment contracts in accordance with regulations and retain the freedom to terminate their employment contracts.																					
4. Child Labor and Underage Workers	The employment of child labor and underage workers is prohibited. The Company supports the elimination of inappropriate or illegal business transactions related to child and underage labor.																					
5. humane treatment	The Company is committed to treating employees humanely and eradicating any form of violence or harassment in the workplace.																					
6. Freedom of Association	All employees enjoy the legal right to form, participate in, or decline to join associations and collective bargaining. We are committed to creating an environment where employees can freely express, share, and offer suggestions.																					
7. Workplace Health and Safety	The Company is dedicated to providing a clean, healthy, and safe working environment for all employees. To provide better protection, we comply with relevant regulatory requirements to mitigate health and safety risks, pursuing a goal of zero occupational injuries and accidents.																					
8. Ethics	All members are required to adhere to business ethics, which include prohibiting improper benefits, anti-corruption, avoiding conflicts of interest, and protecting intellectual property rights.																					

Promoting Item	Implementation Status		Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons						
	Yes	No								
			<p>A summary of the specific implementation measures is as follows:</p> <table border="1"> <thead> <tr> <th colspan="2">Specific Implementation Measures</th> </tr> </thead> <tbody> <tr> <td>Employee Benefits</td> <td> <p>To foster a positive and harmonious working environment, the Company actively provides diverse employee welfare measures in addition to the various benefits required by the government.</p> <p>1. Rules and Regulations All matters concerning promotion, rewards and penalties, performance appraisal, attendance, leave, and salary systems are clearly outlined in the management regulations. These regulations are formulated in accordance with the standards of the Labor Standards Act and are updated simultaneously with regulatory changes to ensure the welfare of our employees.</p> <p>2. Insurance System In addition to statutory Labor Insurance, National Health Insurance, and Labor Pension contributions, the Company provides supplemental group insurance for employees, covering life insurance, accident insurance, hospitalization medical insurance, fixed-rate surgical benefits, and cancer insurance. Employees traveling abroad for business are provided with additional travel accident insurance.</p> <p>3. Welfare System (1) Competitive salary levels superior to industry peers      (2) Annual regular salary adjustments and promotion reviews (3) Long-service awards for senior employees (4) Emphasis on talent training and development (5) Substantial bonuses for innovative proposals (6) Exclusive employee recreation center (7) Annual health examinations (8) Other benefits</p> </td> </tr> <tr> <td>Education and Training</td> <td> <p>To adapt to rapid changes in industrial technology, ensure the development of employee talent and careers, and achieve corporate operational goals, employee learning and development are designated as key priorities in human resource management. Building upon the Company's business philosophy, we use core and managerial competencies as a foundation, integrated with professional competency training blueprints.</p> </td> </tr> </tbody> </table>	Specific Implementation Measures		Employee Benefits	<p>To foster a positive and harmonious working environment, the Company actively provides diverse employee welfare measures in addition to the various benefits required by the government.</p> <p>1. Rules and Regulations All matters concerning promotion, rewards and penalties, performance appraisal, attendance, leave, and salary systems are clearly outlined in the management regulations. These regulations are formulated in accordance with the standards of the Labor Standards Act and are updated simultaneously with regulatory changes to ensure the welfare of our employees.</p> <p>2. Insurance System In addition to statutory Labor Insurance, National Health Insurance, and Labor Pension contributions, the Company provides supplemental group insurance for employees, covering life insurance, accident insurance, hospitalization medical insurance, fixed-rate surgical benefits, and cancer insurance. Employees traveling abroad for business are provided with additional travel accident insurance.</p> <p>3. Welfare System (1) Competitive salary levels superior to industry peers      (2) Annual regular salary adjustments and promotion reviews (3) Long-service awards for senior employees (4) Emphasis on talent training and development (5) Substantial bonuses for innovative proposals (6) Exclusive employee recreation center (7) Annual health examinations (8) Other benefits</p>	Education and Training	<p>To adapt to rapid changes in industrial technology, ensure the development of employee talent and careers, and achieve corporate operational goals, employee learning and development are designated as key priorities in human resource management. Building upon the Company's business philosophy, we use core and managerial competencies as a foundation, integrated with professional competency training blueprints.</p>	
Specific Implementation Measures										
Employee Benefits	<p>To foster a positive and harmonious working environment, the Company actively provides diverse employee welfare measures in addition to the various benefits required by the government.</p> <p>1. Rules and Regulations All matters concerning promotion, rewards and penalties, performance appraisal, attendance, leave, and salary systems are clearly outlined in the management regulations. These regulations are formulated in accordance with the standards of the Labor Standards Act and are updated simultaneously with regulatory changes to ensure the welfare of our employees.</p> <p>2. Insurance System In addition to statutory Labor Insurance, National Health Insurance, and Labor Pension contributions, the Company provides supplemental group insurance for employees, covering life insurance, accident insurance, hospitalization medical insurance, fixed-rate surgical benefits, and cancer insurance. Employees traveling abroad for business are provided with additional travel accident insurance.</p> <p>3. Welfare System (1) Competitive salary levels superior to industry peers      (2) Annual regular salary adjustments and promotion reviews (3) Long-service awards for senior employees (4) Emphasis on talent training and development (5) Substantial bonuses for innovative proposals (6) Exclusive employee recreation center (7) Annual health examinations (8) Other benefits</p>									
Education and Training	<p>To adapt to rapid changes in industrial technology, ensure the development of employee talent and careers, and achieve corporate operational goals, employee learning and development are designated as key priorities in human resource management. Building upon the Company's business philosophy, we use core and managerial competencies as a foundation, integrated with professional competency training blueprints.</p>									

Promoting Item	Implementation Status		Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons								
	Yes	No										
			<p style="text-align: center;"><b>Specific Implementation Measures</b></p> <table border="1"> <tr> <td>Education and Training</td> <td>This is further supported by diverse training methods to promote various training activities and talent cultivation programs. Furthermore, the "Education and Training Management Measures" have been established. In addition to planned orientation for new employees, professional training, and competency training, employees are encouraged to participate in external professional courses, ensuring that every colleague has access to abundant training resources.</td> </tr> <tr> <td>Labor-Management Meeting</td> <td>To encourage diverse communication, the Company regularly holds general employee meetings to communicate the corporate vision and strategies, build consensus, and foster an active and altruistic corporate culture as we move toward common goals. Furthermore, through regularly scheduled labor-management meetings, the Company listens to employees' thoughts and provides appropriate responses, ensuring that the opinions of every department are fully expressed and heard. This alignment of philosophy and action between employees and the management team ensures transparent and barrier-free communication.</td> </tr> <tr> <td>Measures to Prevent Sexual Harassment</td> <td>The Company has established the "Measures for Prevention, Complaint, and Disciplinary Action against Sexual Harassment in the Workplace," taking appropriate preventive, corrective, disciplinary, and handling measures regarding sexual harassment incidents. Any form of sexual harassment, gender discrimination, violence, or threatening and intimidating behavior is strictly prohibited to build a gender-equal and friendly workplace.</td> </tr> <tr> <td>Report an issue</td> <td>The Company has established formal whistleblowing channels to facilitate the reporting of any illegal acts, human rights violations, or breaches of the Code of Conduct and Ethical Corporate Management Best Practice Principles. Based on the content of the reports and complaints, the Company will promptly investigate the violations and take necessary actions.</td> </tr> </table> <p>2025 Implementation Status:            (1) Human rights-related complaints/whistleblowing cases: 0 cases accepted.            (2) Sexual harassment prevention training: 132 participants completed and passed the training, with a total of 31.18 reading hours.</p>	Education and Training	This is further supported by diverse training methods to promote various training activities and talent cultivation programs. Furthermore, the "Education and Training Management Measures" have been established. In addition to planned orientation for new employees, professional training, and competency training, employees are encouraged to participate in external professional courses, ensuring that every colleague has access to abundant training resources.	Labor-Management Meeting	To encourage diverse communication, the Company regularly holds general employee meetings to communicate the corporate vision and strategies, build consensus, and foster an active and altruistic corporate culture as we move toward common goals. Furthermore, through regularly scheduled labor-management meetings, the Company listens to employees' thoughts and provides appropriate responses, ensuring that the opinions of every department are fully expressed and heard. This alignment of philosophy and action between employees and the management team ensures transparent and barrier-free communication.	Measures to Prevent Sexual Harassment	The Company has established the "Measures for Prevention, Complaint, and Disciplinary Action against Sexual Harassment in the Workplace," taking appropriate preventive, corrective, disciplinary, and handling measures regarding sexual harassment incidents. Any form of sexual harassment, gender discrimination, violence, or threatening and intimidating behavior is strictly prohibited to build a gender-equal and friendly workplace.	Report an issue	The Company has established formal whistleblowing channels to facilitate the reporting of any illegal acts, human rights violations, or breaches of the Code of Conduct and Ethical Corporate Management Best Practice Principles. Based on the content of the reports and complaints, the Company will promptly investigate the violations and take necessary actions.	
Education and Training	This is further supported by diverse training methods to promote various training activities and talent cultivation programs. Furthermore, the "Education and Training Management Measures" have been established. In addition to planned orientation for new employees, professional training, and competency training, employees are encouraged to participate in external professional courses, ensuring that every colleague has access to abundant training resources.											
Labor-Management Meeting	To encourage diverse communication, the Company regularly holds general employee meetings to communicate the corporate vision and strategies, build consensus, and foster an active and altruistic corporate culture as we move toward common goals. Furthermore, through regularly scheduled labor-management meetings, the Company listens to employees' thoughts and provides appropriate responses, ensuring that the opinions of every department are fully expressed and heard. This alignment of philosophy and action between employees and the management team ensures transparent and barrier-free communication.											
Measures to Prevent Sexual Harassment	The Company has established the "Measures for Prevention, Complaint, and Disciplinary Action against Sexual Harassment in the Workplace," taking appropriate preventive, corrective, disciplinary, and handling measures regarding sexual harassment incidents. Any form of sexual harassment, gender discrimination, violence, or threatening and intimidating behavior is strictly prohibited to build a gender-equal and friendly workplace.											
Report an issue	The Company has established formal whistleblowing channels to facilitate the reporting of any illegal acts, human rights violations, or breaches of the Code of Conduct and Ethical Corporate Management Best Practice Principles. Based on the content of the reports and complaints, the Company will promptly investigate the violations and take necessary actions.											

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Description	
(b) Has the Company developed and implemented reasonable employee benefit measures, including salaries, vacation time, and other benefits, etc.) and appropriately aligned employee compensation with operating performance or results?	✓		<p>(b) The Company's governance and operational management policies focus not only on achieving substantial operational results but also on fully integrating sustainability indicators into management metrics, departmental goals, and individual performance, with the mission of practicing corporate social responsibility. Beyond striving for corporate profitability, it is paramount that every level of the organization, from top management to all employees, excels in every step toward environmental friendliness, nature-centricity, and the promotion of social interests. The Company has established a rational salary and remuneration policy along with performance incentive measures that clearly define compensation, reward, and penalty standards.</p> <p>A. Operating Performance Reflected in Employee Remuneration Policy:</p> <p>(1) Employee Remuneration: According to Article 20 of the Company's Articles of Incorporation: "If the Company makes a profit during the year (defined as profit before tax, prior to the deduction of employee and director remuneration), no less than 10% shall be allocated as employee remuneration. Of the total amount of employee remuneration, no less than 40% shall be distributed to entry-level employees."</p> <p>(2) Incentives and Profit-Sharing Bonuses:</p> <p>①Performance Appraisal: Bonuses are determined based on performance appraisals conducted for the current year. The appraisal content is divided into quantitative work goals and qualitative competency behaviors. A portion of the work goals is integrated with ESG items, and bonuses are approved based on individual performance.</p> <p>②Profit-Sharing System: A bonus system was introduced in 2021 to allow employees to share in the Company's results and effectively motivate them. The system measures quarterly Earnings Per Share (EPS) and key performance indicators (KPIs) to distribute profit-sharing bonuses.</p> <p>(3) Issuance of Restrictive Stock Awards (RSAs): After being granted RSAs, employees must meet "individual performance" requirements, specifically achieving a rating of "Meets Expectations" or above (performance appraisal score <math>\geq</math> 5.8) in the most recent appraisal prior to the vesting date. Furthermore, employees must remain employed at the Company upon the expiration of the vesting period to receive the shares according to the schedule and vesting proportions. ◦</p> <p>B. For the implementation of employee welfare measures, workplace diversity, and gender equality policies, please refer to Section 5, "Labor Relations," on page 117 of this Annual Report.</p>	

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons																																										
	Yes	No	Description																																											
(c) Does the Company provide a safe and healthy working environment for its employees and implement regular safety and health education programs?	✓		<p>(c) The Company is committed to safeguarding the safety and health of its employees and all workers, actively preventing the occurrence of occupational hazards. In accordance with the "Occupational Safety and Health Management Measures," we have established an Occupational Safety and Health Committee to enhance the overall standard of safety and health management. To build a healthy and safe workplace and achieve the goal of zero occupational accidents, the Company reinforces employees' self-protection awareness and reduces occupational hazard risks through systematic safety education and training.</p> <p>The 2025 training records for Occupational Safety and Health via the Company's Learning Management System (LMS) are summarized below:</p> <table border="1"> <thead> <tr> <th>Employee Category</th> <th>Training Category</th> <th>2025 Training Courses</th> <th>Course Hours</th> <th>Number of Participants</th> <th>Total Training Hours</th> </tr> </thead> <tbody> <tr> <td>New Employees</td> <td>General Training</td> <td>Occupational Safety and Health Courses</td> <td>3</td> <td>31</td> <td>93</td> </tr> <tr> <td>In-House Fire Safety Teams</td> <td>General Training</td> <td>2025 H1 Fire Safety Team Training</td> <td>4</td> <td>2</td> <td>8</td> </tr> <tr> <td>In-House Fire Safety Teams</td> <td>General Training</td> <td>2025 H2 Fire Safety Team Training</td> <td>4</td> <td>2</td> <td>8</td> </tr> <tr> <td>Occupational Safety and Health Managers</td> <td>Basic Training</td> <td>Level A Occupational Safety and Health Supervisor Training</td> <td>36</td> <td>1</td> <td>36</td> </tr> <tr> <td>First Aid Personnel</td> <td>Basic Training</td> <td>First Aid Personnel Training Course</td> <td>17</td> <td>1</td> <td>17</td> </tr> <tr> <td colspan="3">Total</td> <td>64</td> <td>37</td> <td>162</td> </tr> </tbody> </table>	Employee Category	Training Category	2025 Training Courses	Course Hours	Number of Participants	Total Training Hours	New Employees	General Training	Occupational Safety and Health Courses	3	31	93	In-House Fire Safety Teams	General Training	2025 H1 Fire Safety Team Training	4	2	8	In-House Fire Safety Teams	General Training	2025 H2 Fire Safety Team Training	4	2	8	Occupational Safety and Health Managers	Basic Training	Level A Occupational Safety and Health Supervisor Training	36	1	36	First Aid Personnel	Basic Training	First Aid Personnel Training Course	17	1	17	Total			64	37	162	
Employee Category	Training Category	2025 Training Courses	Course Hours	Number of Participants	Total Training Hours																																									
New Employees	General Training	Occupational Safety and Health Courses	3	31	93																																									
In-House Fire Safety Teams	General Training	2025 H1 Fire Safety Team Training	4	2	8																																									
In-House Fire Safety Teams	General Training	2025 H2 Fire Safety Team Training	4	2	8																																									
Occupational Safety and Health Managers	Basic Training	Level A Occupational Safety and Health Supervisor Training	36	1	36																																									
First Aid Personnel	Basic Training	First Aid Personnel Training Course	17	1	17																																									
Total			64	37	162																																									
(d) Has the Company established an effective career development and training program for its employees?	✓		(d) The Company also links individual employee development with performance management, encouraging employees to proactively discuss their Individual Development Plans with their supervisors. An overview of 2025 employee training and course categories is disclosed on the Company's website.																																											
(e) Does the Company comply with relevant laws, regulations, and international standards concerning customer health and safety, customer privacy, and the marketing and labeling of products and	✓		(e) Although the Company's products are not directly supplied to end consumers, we provide power management information to customers who incorporate our products into their assemblies to facilitate their communication with end users. A dedicated customer service unit																																											

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
services? Additionally, has it established policies and grievance procedures to protect the rights and interests of consumers or customers?			<p>is in place to handle related matters.</p> <p>①Customer Health and Safety: To safeguard the health and safety of consumers using electronic products, our products comply with international standards (such as IEC 62368-1) and national standards (GB 4943.1). We have obtained certifications including CCC and CB to ensure that all electronic components meet safety regulations.</p> <p>②Personal Data Protection: The Company highly values personal privacy. On December 23, 2014, the Board of Directors resolved to adopt the "Personal Data Protection and Management Policy" to regulate the collection, processing, and utilization of personal data, protecting individual rights and promoting reasonable data use. The scope of this policy covers the personal data of all natural persons across the Company, its subsidiaries, operational sites, customers, and suppliers. All employees are responsible for complying with these regulations when handling personal data. The Human Resources Department updates these policies based on operational status and legal changes, conducts training, and requires employees to sign confidentiality pledges. The implementation status for 2025 is disclosed on the Company's website</p> <p>③Marketing and Labeling: All products manufactured by the Company comply with the RoHS Directive (2011/65/EU) standards.</p> <p>④Customer Complaint Handling: The Company has established the "Customer Complaint and Grievance Handling Procedures." Through the RMA system, a "Customer Grievance Form" is generated to ensure effective processing and control of data. We conduct project reviews with relevant units for root cause analysis, corrective actions, and preventive measures. After confirming the effectiveness of these improvements and ensuring customer satisfaction, the case is officially closed.</p>	
(f) Has the Company established a supplier management policy that mandates suppliers to adhere to relevant regulations concerning issues such as environmental protection, occupational safety and health, and labor human rights? Additionally, what are the circumstances surrounding its implementation?	✓		<p>(f) The Company regularly audits its suppliers and assists them in improving production processes that may jeopardize the environment. The management policy of the Company is as follows:</p> <p>(1) Environmental Protection: Encourage suppliers to progressively adopt green energy and low-carbon manufacturing processes to improve the environmental performance of the supply chain.</p> <p>Suppliers are required to adhere to Leadtrend Technology's Hazardous Substances Control List and sign the "No Hazardous Substances Guarantee" to ensure that their products and processes comply with RoHS, REACH, and other relevant environmental</p>	

Promoting Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Description	
			<p>regulations.</p> <p>(2) Occupational Safety and Health: Enforcement of occupational safety and health-related requirements, including the provision of health and safety counseling and the establishment of safety protocols. Suppliers are required to establish procedures for assessing occupational safety and health (OSH) impacts and risks, and to maintain regular statistics and records that demonstrate OSH performance.</p> <p>(3) Labor human rights: Conducting regular labor human rights assessments through questionnaires to evaluate suppliers' compliance levels and offering guidance to those who do not meet the established standards. Suppliers are required to establish policies concerning labor rights, ensuring that they do not engage in child labor, do not employ forced labor, and provide a fair working environment.</p> <p>(4) Sustainable Development: Encourage suppliers to establish carbon footprint reduction targets and promote sustainable business practices. Encourage suppliers to utilize recycled packaging materials or reclaimed materials and to submit relevant usage data.</p> <p>(5) Specific implementation: The Company has implemented a comprehensive supplier evaluation process that requires suppliers to sign the "Code of Conduct for Suppliers" and obtain ISO 9001 quality management system certification. Additionally, suppliers must undergo audits—covering environmental protection, occupational safety and health, as well as labor and human rights—inspections, and trial production to be classified as qualified suppliers. For more information on sustainable supply chain management, please visit our website.</p>	
5. Does the Company prepare reports that disclose non-financial information, such as a sustainability report, in accordance with internationally recognized standards or guidelines? Has the Company obtained third-party attestation or assurance on the previously disclosed reports?	✓		The Company's 2024 Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards 2021, the Task Force on Climate-related Financial Disclosures (TCFD) recommendations by the Financial Stability Board (FSB), the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies," the Sustainability Accounting Standards Board (SASB) Standards, and the United Nations Sustainable Development Goals (SDGs). Complete index tables for GRI and SASB are included. Regarding the external assurance of this report, the Company will gradually complete the verification process by third-party assurance providers in accordance with regulatory timelines.	None.

Promoting Item	Implementation Status			Description	Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No			
<p>6. If a company has its own code of conduct for sustainable development that aligns with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe the differences between its operations and the established code.</p> <p>In accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," the Company's Board of Directors resolved to establish the "Sustainable Development Committee" on August 1, 2024. The "Charter of the Sustainable Development Committee" was also formulated in compliance with relevant laws. There are no significant discrepancies between the actual operations of the committee and its designated Charter.</p>					
<p>7. Other important information that can aid in understanding the implementation of sustainable development promotion.</p> <p>Although the Company's primary operations are based in Zhubei, Banqiao, and Tainan, we firmly believe that our commitment to environmental sustainability and Corporate Social Responsibility (CSR) should transcend geographical boundaries. Since 2021, the Company has launched numerous environmental and public welfare initiatives. These include promoting environmental friendliness and ecological conservation in harmony with local cultures, as well as providing scholarships to support underprivileged students in their education. We also encourage employees and their families to participate in beach clean-ups to combat marine pollution. These activities have generated significant positive feedback for the Company and its staff, empowering every employee to fulfill their social responsibility and collaborate toward a better life for all. The details of our environmental and public welfare operations, along with other sustainability initiatives, are disclosed on the Company's website and in our Sustainability Report.</p>					

Table 1: Implementations of Climate-Related Information

Item	Execution situation																											
<p>1. Describe how the Board of Directors and management oversee and govern climate-related risks and opportunities.</p>	<p>The Company has established the Sustainability Development Committee as a functional committee subordinate to the Board of Directors. It is responsible for assisting the Board in overseeing the promotion of sustainability development strategies and the deliberation of material topics. Three working groups—Environmental (E), Social (S), and Governance (G)—have been established under the Committee, with group leaders designated to coordinate the promotion of key sustainability issues within their respective scopes.</p> <p>Specifically, the Environmental Group is tasked with coordinating the governance and execution of climate-change-related initiatives, including greenhouse gas (GHG) inventory, carbon emission data disclosure, reduction target management, and annual verification operations. All achievements and significant progress regarding climate change are compiled by the Environmental Group, submitted to the Sustainability Development Committee, and reported to the Board of Directors on a regular basis. This structure aims to strengthen the governance level's oversight mechanism over climate-related issues.</p>																											
<p>2. Describe how climate-related risks and opportunities impact the organization's business, strategy, and finances.</p>	<p>As a fabless IC design company, the Company's primary energy source during operations is purchased electricity for office premises, with greenhouse gas emissions predominantly classified as Scope 2. In light of the potential impacts and opportunities brought about by climate change on corporate operations, the Company, in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommended framework, identifies and compiles relevant transition risks, physical risks, and potential opportunities to serve as the basis for the planning of sustainability strategies and management mechanisms. The climate change risk scenarios, impact timeframes, and corresponding management policies identified based on the Company's actual operational models are detailed as follows:</p> <table border="1" data-bbox="618 788 2134 1388"> <thead> <tr> <th data-bbox="618 788 719 871">Risk Type</th> <th data-bbox="719 788 842 871">Aspects</th> <th data-bbox="842 788 1025 871">Risk Item</th> <th data-bbox="1025 788 1391 871">Risk Description</th> <th data-bbox="1391 788 1552 871">Duration</th> <th data-bbox="1552 788 1794 871">Potential Operational and Financial Impact</th> <th data-bbox="1794 788 2134 871">Company Management Policy</th> </tr> </thead> <tbody> <tr> <td data-bbox="618 871 719 1118">Transition Risk</td> <td data-bbox="719 871 842 1118">Regulations</td> <td data-bbox="842 871 1025 1118">Implementation of carbon pricing schemes</td> <td data-bbox="1025 871 1391 1118">As carbon pricing policies are implemented and regulations become stricter, companies must bear additional costs associated with carbon emissions and comply with regulatory requirements.</td> <td data-bbox="1391 871 1552 1118">Medium-term</td> <td data-bbox="1552 871 1794 1118">Rising operating costs and carbon emission costs are putting pressure on profit margins.</td> <td data-bbox="1794 871 2134 1118">The Environmental Group of the Sustainability Development Committee coordinates carbon inventory and carbon fee response measures, which are incorporated into the annual sustainability report submitted to the Board of Directors.</td> </tr> <tr> <td data-bbox="618 1118 719 1388">Transition Risk</td> <td data-bbox="719 1118 842 1388">Technology</td> <td data-bbox="842 1118 1025 1388">Energy conservation and the transition to low-carbon technologies</td> <td data-bbox="1025 1118 1391 1388">With global demand for energy-saving and low-carbon technologies on the rise, although our company has focused on the development of energy-saving ICs, we must continue to innovate and enhance product performance in order to maintain our technological leadership and competitive edge.</td> <td data-bbox="1391 1118 1552 1388">Medium- to long-term</td> <td data-bbox="1552 1118 1794 1388">Insufficient research and development and innovation may undermine product competitiveness and limit market expansion potential amid the trend toward low-carbon transition.</td> <td data-bbox="1794 1118 2134 1388">The Company continuously focuses on the design and technological innovation of energy-saving IC products, enhances the energy efficiency of terminal equipment, and expands its competitive advantage in the low-carbon application market.</td> </tr> </tbody> </table>							Risk Type	Aspects	Risk Item	Risk Description	Duration	Potential Operational and Financial Impact	Company Management Policy	Transition Risk	Regulations	Implementation of carbon pricing schemes	As carbon pricing policies are implemented and regulations become stricter, companies must bear additional costs associated with carbon emissions and comply with regulatory requirements.	Medium-term	Rising operating costs and carbon emission costs are putting pressure on profit margins.	The Environmental Group of the Sustainability Development Committee coordinates carbon inventory and carbon fee response measures, which are incorporated into the annual sustainability report submitted to the Board of Directors.	Transition Risk	Technology	Energy conservation and the transition to low-carbon technologies	With global demand for energy-saving and low-carbon technologies on the rise, although our company has focused on the development of energy-saving ICs, we must continue to innovate and enhance product performance in order to maintain our technological leadership and competitive edge.	Medium- to long-term	Insufficient research and development and innovation may undermine product competitiveness and limit market expansion potential amid the trend toward low-carbon transition.	The Company continuously focuses on the design and technological innovation of energy-saving IC products, enhances the energy efficiency of terminal equipment, and expands its competitive advantage in the low-carbon application market.
Risk Type	Aspects	Risk Item	Risk Description	Duration	Potential Operational and Financial Impact	Company Management Policy																						
Transition Risk	Regulations	Implementation of carbon pricing schemes	As carbon pricing policies are implemented and regulations become stricter, companies must bear additional costs associated with carbon emissions and comply with regulatory requirements.	Medium-term	Rising operating costs and carbon emission costs are putting pressure on profit margins.	The Environmental Group of the Sustainability Development Committee coordinates carbon inventory and carbon fee response measures, which are incorporated into the annual sustainability report submitted to the Board of Directors.																						
Transition Risk	Technology	Energy conservation and the transition to low-carbon technologies	With global demand for energy-saving and low-carbon technologies on the rise, although our company has focused on the development of energy-saving ICs, we must continue to innovate and enhance product performance in order to maintain our technological leadership and competitive edge.	Medium- to long-term	Insufficient research and development and innovation may undermine product competitiveness and limit market expansion potential amid the trend toward low-carbon transition.	The Company continuously focuses on the design and technological innovation of energy-saving IC products, enhances the energy efficiency of terminal equipment, and expands its competitive advantage in the low-carbon application market.																						

Item	Execution situation						
	Risk Type	Aspects	Risk Item	Risk Description	Duration	Potential Operational and Financial Impact	Company Management Policy
	Transition Risk	Market	Carbon reduction requirements from supply chains and customers	Supply chains or major clients may require carbon disclosure and emission reduction commitments; failure to respond promptly could impact collaboration opportunities and brand trust.	Short- to medium-term	Failure to meet customers' carbon reduction targets will affect our ability to secure orders and maintain long-term partnerships.	The Company promotes transparency in carbon information disclosure and adjusts its product and supply chain strategies to align with the requirements of major customers and the market.
	Physical Risk	Extreme Weather	Increase in extreme weather events	The increasing frequency of extreme weather events—such as typhoons, heavy rains, and heat waves—poses a threat to the safety and operational continuity of facilities.	Short-term	The increased risk of facility damage, power outages, or logistics disruptions leads to higher operational costs and longer recovery times.	The Company develops climate adaptation and contingency measures to enhance the climate resilience of its operational premises and its response capabilities against business interruptions.
<p>The time horizons are defined as follows:  Short-term: Expected to have a material impact within one year  Medium-term: Expected to have a material impact within one to three years  Long-term: Expected to have a material impact after more than three years</p>							

Item	Execution situation					
3. Describe the financial impacts of extreme climate events and transformative actions.	The Company identifies potential operational opportunities arising from climate-related issues, assesses the expected timeframe of their impact, and implements management measures to strengthen its sustainable competitive advantage and long-term operational resilience.					
	Opportunity Overview	Opportunity Item	Opportunity Description	Duration	Potential Operational and Financial Impact	Company Management Approach
	Resource Use	Improving energy efficiency and operational energy conservation	In response to the trends of increasing power consumption intensity and rising electricity prices, enhancing energy-saving practices and equipment efficiency can reduce emission intensity and improve energy utilization performance.	Short-term	Enhancing resource utilization efficiency will help reduce long-term operational costs and carbon fee risks, while elevating the Company's competitiveness within the sustainable supply chain.	Continuously promote internal energy conservation management, optimize the usage patterns of lighting, air conditioning, and IT equipment, and strengthen energy data management through carbon inventory.
	Efficiency	External green electricity procurement or carbon neutrality measures.	Although there are currently no plans to purchase or use renewable energy, the Company closely monitors domestic green electricity development trends and will evaluate the feasibility of future procurement based on regulatory policies and operational conditions.	Medium- to long-term	Currently, the primary focus is on improving power usage efficiency, with no immediate plans for green electricity procurement. However, the Company can still mitigate carbon fee risks and enhance its ESG image through ongoing carbon reduction initiatives.	While the use of green electricity or Renewable Energy Certificates (RECs) has not yet been implemented, the Company will continue to monitor policy trends and industry adoption status to serve as a reference for future internal decision-making.
Energy Sources	Develop high-efficiency, energy-saving ICs to reduce the carbon footprint	With increasing customer demand for low-power and high-efficiency products, energy-saving ICs have become a key technological solution for driving carbon neutrality.	Medium-term	Boosting the technological added value of products facilitates market expansion and drives long-term order momentum.	Continuously focus on the research and development (R&D) of energy-saving ICs to enhance product energy efficiency and the carbon reduction benefits for end customers.	

Item	Execution situation					
	Opportunity Overview	Opportunity Item	Opportunity Description	Duration	Potential Operational and Financial Impact	Company Management Approach
	Products and Services	Expand the application market for low-carbon products	Driven by climate policies, the demand for green technology applications is rapidly increasing, which facilitates the expansion of the Company's product applications and sales channels.	Medium- to long-term	This presents opportunities to enter the supply chains of more international brands and green procurement programs, thereby expanding revenue sources.	Expand sustainability collaboration proposals with downstream customers to align with net-zero targets and green procurement programs.
	Markets	Enhance the climate resilience of operational sites	Strengthening contingency and response mechanisms helps mitigate the risks of business interruption and data security compromises resulting from climate-related disasters.	Short- to medium-term	Minimizing business interruptions and losses caused by disasters improves operational stability and strengthens customer trust.	Strengthen IT redundancy and flexible remote working capabilities to mitigate the operational impacts of extreme weather.
	<p>The time horizons are defined as follows:  Short-term: Expected to have a material impact within one year  Medium-term: Expected to have a material impact within one to three years  Long-term: Expected to have a material impact after more than three years</p>					
4. Describe how the processes of climate risk identification, assessment, and management are integrated into the overall risk management system.	The Company began promoting risk management in 2025 and established the "Risk Management Policy and Procedures" on June 12, 2025. Following the review and approval by the Audit Committee, the policy was submitted to and approved by the Board of Directors to serve as the highest guiding principle for risk management across all departments. The identification, assessment, and management processes for climate risks in 2026 are conducted in accordance with the "Risk Management Policy and Procedures," and the status of risk management operations is reported to the Board of Directors at least once a year.					
5. If scenario analysis is employed to evaluate resilience to climate change risks, please describe the scenarios, parameters, assumptions, factors analyzed, and the major financial impacts.	There are currently no plans in this regard.					

Item	Execution situation
<p>6. If a transition plan exists for managing climate-related risks, please describe the plan and explain how it will be utilized to identify and manage the entity's risks. Additionally, outline the indicators and targets employed to assess and address both entity and transition risks.</p>	<p>There are currently no plans in this regard.</p>
<p>7. If internal carbon pricing is utilized as a planning tool, please describe how the price is determined.</p>	<p>There are currently no plans in this regard.</p>
<p>8. If targets are established, specify what is included, the amount of greenhouse gas emitted, the timeline for completion, and the progress made thus far. If carbon offsets or Renewable Energy Certificates (RECs) are utilized to meet the targets, the source and quantity of the carbon credits offset, as well as the annual progress, should be clearly stated. Additionally, if carbon offsets or RECs are employed to achieve these targets, indicate the number used. It is essential to provide information on the source and quantity of carbon credits or RECs offset when they are used to meet the targets.</p>	<p>There are currently no plans in this regard.</p>
<p>9. Inventory of greenhouse gas emissions and confirmation of targets, strategies, and action plans.</p>	<p>Please refer to Tables 1-1 and 1-2.</p>

Table 1-1: Company Greenhouse Gas Inventory and Verification Status for the Most Recent Fiscal Year

1-1-1 Greenhouse Gas Inventory Information

Specify the greenhouse gas emissions (metric tons of CO<sub>2</sub>e), emission intensity (metric tons of CO<sub>2</sub>e / NT\$ million), and data coverage scope for the most recent year.

(1) In accordance with the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" released by the Financial Supervisory Commission (FSC) in March 2022, the Company is categorized as a listed company with paid-in capital of less than NT\$5 billion, which is scheduled for the third phase of greenhouse gas (GHG) inventory and assurance. Specifically, the parent company is required to complete its GHG inventory by 2026 and obtain assurance by 2028. For subsidiaries included in the consolidated financial statements, GHG inventory must be completed by 2027, with assurance finalized by 2029.

(2) The Company is committed to mitigating the environmental impact of its operational activities. Following international standards, we actively conduct greenhouse gas inventory and reduction while continuously optimizing energy use efficiency. As a power management analog IC design company that follows a fables model with outsourced manufacturing, our primary energy source for greenhouse gas emissions is purchased electricity for office premises, with emissions predominantly classified as Scope 2.

The emissions (metric tons of CO<sub>2</sub>e), intensity (metric tons of CO<sub>2</sub>e/ NT\$ million), and data coverage scope for the most recent three years are as follows:

Unit	Year	Scope 1	Scope 2	Scope 3	Total (metric tons of CO <sub>2</sub> e)	Intensity (metric tons of CO <sub>2</sub> e/ NT\$ million)
Parent company	2025	47.57	688.64	Note 4	736.21	0.6160
	2024	49.78	693.21	11,443.82	12,186.81	0.5718

**[Note 1]** The scope of the Company's greenhouse gas (GHG) statistics covers three locations: our offices in Zhubei, Banqiao, and Tainan. GHG emission intensity is calculated based on data from Scope 1 and Scope 2.

**[Note 2]** Assurance for the 2024 GHG inventory was completed with the acquisition of the ISO 14064-1 certificate on December 30, 2025. GHG emissions for Scope 1 and Scope 2 in 2025 are based on internal statistics, using the electricity emission factor available prior to March 9, 2025. Furthermore, internal inventory for Scope 3 is expected to be completed by the end of October 2026, with external verification scheduled for October 2026.

**[Note 3]** The decrease in Scope 1 and Scope 2 GHG emissions in 2025 compared to 2024 is attributed to the establishment of GHG reduction targets and the implementation of energy-saving initiatives starting in 2025.

**[Note 4]** The discrepancy between the 2024 Scope 1 emissions and the data disclosed in the 2024 Annual Report is due to an adjustment in the rounding of activity data (from 5 decimal places to 4).

**[Note 5]** The discrepancy between the 2024 Scope 2 emissions and the data disclosed in the 2024 Annual Report is due to the latest electricity emission factor not yet being announced at the time of the previous report's preparation.

**[Note 6]** The 2024 Scope 3 data covers the Zhubei, Banqiao, and Tainan offices. The breakdown of emissions by category is as follows:

Specify the greenhouse gas emissions (metric tons of CO<sub>2</sub>e), emission intensity (metric tons of CO<sub>2</sub>e / NT\$ million), and data coverage scope for the most recent year.

ISO 14064	GHG Protocol	2023	2024
Category 3: Indirect GHG emissions from transportation	Scope 3 Cat 6 : Business travel Cat 7 : Employee commuting Cat 4 : Upstream Transportation and Distribution Cat 9 : Downstream Transportation and Distribution	163.43	174.46
Category 4: Indirect GHG emissions from products used	Scope 3 Cat 1 : Purchased goods and services Cat 5 : Waste generated in operations	4,250.40	11,269.36

#### 1-1-2 Reliable Information on Greenhouse Gases

Provide a statement regarding the results of the audits for the two most recent fiscal years as of the date of publication of the Annual Report, including the scope of the audits, the auditing firms, the auditing standards, and the audit opinions.

(1) In accordance with the "Sustainable Development Roadmap for TWSE/TPEX Listed Companies" released by the Financial Supervisory Commission (FSC) in March 2022, the Company is categorized as a listed company with paid-in capital of less than NT\$5 billion, which is scheduled for the third phase of greenhouse gas (GHG) inventory and assurance. Specifically, the parent company is required to complete its GHG inventory by 2026 and obtain assurance by 2028. For subsidiaries included in the consolidated financial statements, the GHG inventory must be completed by 2027, with assurance finalized by 2029.

(2) A summary of the Company's assurance data for 2023 and 2024 is provided below:

Year	Assurance Scope	Category	Assurance Provider	Assurance Standard	Assurance Opinion
2024	Parent Company (Standalone)	Category 1 & 2	SGS Taiwan Ltd.	ISO14064-1:2018	Reasonable Assurance
		Category 3 to 6			Limited Assurance
2023	Parent Company (Standalone)	Category 1 & 2	SGS Taiwan Ltd.	ISO14064-1:2018	Reasonable Assurance
		Category 3 to 6			Limited Assurance

(3) The annual verification for the Company's 2025 greenhouse gas (GHG) assurance is scheduled to be conducted in October 2026.

Table 1-2: Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Specify the base year for greenhouse gas emissions reductions, along with relevant data, reduction targets, strategies, specific action plans, and the status of progress toward achieving those targets.

The Company's greenhouse gas reduction targets, promotional measures, and achievement status:

(1) 2025 Achievement Status:

Compared to the 2024 base year, total greenhouse gas emissions (Scope 1 and Scope 2) decreased by 0.91%. This reduction was primarily attributed to the replacement of energy-saving lighting fixtures (Phase 1 at the Hsinchu office and the entire Banqiao office area), which effectively reduced electricity consumption.

(2) Reduction Targets:

For the greenhouse gas reduction targets (Scope 1 and Scope 2), using 2025 as the base year, the target for 2026 is set at a 0.35% reduction.

(3) Strategies and Specific Action Plans:

- Promote energy conservation activities to reduce electricity consumption (e.g., conducting energy-saving retrofits or applying new technologies).
- Strengthen equipment maintenance to minimize abnormal operations, improve operational efficiency, and reduce energy loss (e.g., regular equipment maintenance, timely equipment replacement).
- Utilize energy-efficient equipment to lower energy usage (e.g., using energy-saving lighting fixtures and inverter-controlled equipment).
- Enhance green planting in offices, effectively utilizing the carbon dioxide-capturing characteristics of plants.
- Comprehensively adopt ergonomic chairs with breathable mesh backrests to reduce stuffiness (and thereby lower reliance on air conditioning).
- Implement facility air conditioning temperature controls and turn off lights for half an hour during the noon break to reduce energy consumption and carbon emissions.

2.3.7 The implementation of integrity management and the discrepancies with the code of conduct for integrity management in listed and over-the-counter companies, along with the underlying reasons for these discrepancies:

Evaluation Items	Operational Situation		Summary Description	Any discrepancy from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No		
<p>1. Establishment of Honest and Quality Business Policies and Programs</p> <p>(a) Has the Company established an integrity management policy that has been approved by the Board of Directors? Additionally, does the policy articulate the principles and practices of integrity management, as well as the commitment of the Board of Directors and senior management to actively implement this management policy in its rules, regulations, and external documents?</p> <p>(b) Has the Company established a mechanism for assessing the risk of dishonest behavior? Does it regularly analyze and evaluate business activities that fall within its operational scope and pose a higher risk of such behavior? Furthermore, has the Company formulated a plan to prevent dishonest behavior that at least includes the preventive measures outlined in paragraph 2 of Article 7 of the "Code of Business Conduct with Integrity for TWSE/TPEX Listed Companies"?</p> <p>(c) Has the Company specified operating procedures, behavioral guidelines, penalties for non-compliance, and a complaint system in its plan for preventing dishonest behavior? Additionally, has this plan been implemented and regularly reviewed and revised?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(a) The Company regards integrity as the core value of corporate management and establishes clear systems and accountability mechanisms to implement corporate ethics and legal compliance. The "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Procedures for Handling Whistleblowing of Unethical Conduct" have been formulated and, following approval by the Board of Directors, are publicly disclosed on the Market Observation Post System (MOPS) and the Company's website.</p> <p>The Company has designated the Chairman's Office as the dedicated unit subordinate to the Board of Directors. It is responsible for the revision, execution, interpretation, consulting services, and the registration and filing of reporting contents, as well as the supervision and implementation of these principles, reporting to the Board of Directors as necessary.</p> <p>(b) The Company has established the "Ethical Management Best Practice Principles," which include preventive measures against unethical conduct as listed in Article 7, Paragraph 2 of the "Ethical Management Best Practice Principles for TWSE/TPEX Listed Companies." Furthermore, the Company periodically analyzes and assesses business activities within its operational scope that pose a higher risk of unethical conduct, and formulates prevention programs accordingly.</p> <p>(c) The Company has clearly defined operating procedures, codes of conduct, and disciplinary actions for unethical behavior within its "Ethical Management Best Practice Principles," ensuring rigorous implementation and periodic reviews for necessary revisions. Furthermore, the Company has established the "Procedures for Handling Whistleblowing of Unethical Conduct," which explicitly outlines the acceptance, investigation, and handling procedures for reports, as well as confidentiality protocols. The Office of the Chairman has been designated as the specialized unit responsible for receiving and processing whistleblower reports. Our ethical management systems are periodically reviewed and updated in accordance with corporate governance practices, utilizing a rolling revision process to strengthen practical implementation and risk prevention functions.</p>	None

Evaluation Items	Operational Situation		Summary Description	Any discrepancy from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No		
<p>2. Implement ethical corporate management</p> <p>(a) Does the Company assess the integrity records of its counterparties and include integrity behavior clauses in the contracts it signs with them?</p> <p>(b) Has the Company established a dedicated unit under the Board of Directors to promote corporate integrity management? Does this unit report regularly (at least once a year) to the Board of Directors regarding its integrity management policies, plans to prevent dishonest behavior, and the supervision of the implementation of these policies?</p> <p>(c) Has the Company established a policy to prevent conflicts of interest, provided appropriate channels for representation, and implemented this policy effectively?</p> <p>(d) Has the Company established an effective accounting system and internal control framework to ensure honest operations? Additionally, has the internal audit unit developed relevant audit plans based on an assessment of the risk of dishonest behavior and verified compliance with the plan to prevent such behavior? Alternatively, has the Company engaged an external accountant to conduct these audits?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>	<p></p> <p></p> <p></p> <p></p>	<p>(a) The Company's "Ethical Corporate Management Best Practice Principles" explicitly stipulate the behavioral guidelines to be followed by the Company's directors, managers, and all employees. The Principles clearly state that during the course of business activities, the Company's ethical corporate management policies and relevant regulations should be explained to trading counterparties. It explicitly prohibits directly or indirectly offering, promising, requesting, or accepting any form or name of improper benefits. The Principles also establish operational procedures, behavioral guidelines, disciplinary measures for violations, and an appeal system for various unethical behaviors.</p> <p>(b) The Company designates the Chairman's Office as the dedicated unit and the President's Office as the executing unit. Starting from 2025, the President's Office regularly reports the operational and execution status to the Sustainability Development Committee annually. The Sustainability Development Committee, in turn, reports to the Board of Directors at least once a year. The Sustainability Development Committee reported the operational and execution status of ethical corporate management to the Board of Directors on December 19, 2025.</p> <p>(c) The Company has formulated the "Code of Ethical Conduct," which explicitly prohibits directors or managers from using their positions within the Company to obtain improper benefits for themselves, their spouses, parents, children, or relatives within the second degree of kinship. To establish a sound whistleblowing system and specifically regulate the handling of personnel involved in unethical conduct, the Company enacted the "Procedures for Handling Whistleblowing of Unethical Conduct." This document clearly defines the procedures for receiving, investigating, and penalizing whistleblowing cases, as well as the principles of confidentiality. The Chairman's Office is designated as the dedicated unit to receive and process whistleblowing cases. When engaging in financial lending, providing guarantees, major asset transactions, or purchase/sales transactions with affiliated enterprises to which the aforementioned personnel belong, the Company must prevent conflicts of interest and provide appropriate channels for directors or managers to voluntarily disclose any potential conflicts of interest with the Company.</p> <p>(d) In order to ensure the effective implementation of integrity management, the Company has established a robust accounting system and internal controls. Additionally, internal auditors conduct regular reviews to ensure compliance with these systems.</p>	<p>None</p>

Evaluation Items	Operational Situation		Summary Description	Any discrepancy from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor														
	Yes	No																
(e) Does the Company regularly organize internal and external training on integrity management?	✓		<p>(e)The Company irregularly conducts educational training or advocacy programs for its personnel as needed, enabling them to understand the Company's determination and policies regarding ethical corporate management, key prevention points, and the consequences of committing unethical acts. Internally, the Company has established a dedicated section for corporate policy advocacy on the intranet, promoting compliance with the Ethical Corporate Management Best Practice Principles to employees on a quarterly basis. Externally, the Company advocates relevant ethical corporate management regulations prior to conducting transactions with vendors and during the selection of high-quality service suppliers.</p> <p>2025 Implementation Results of Ethical Corporate Management:</p> <table border="1"> <thead> <tr> <th>Implementation Item</th> <th>Specific Actions / Content</th> <th>Implementation Results</th> </tr> </thead> <tbody> <tr> <td>Signing of Employment Commitment Letters by New Hires</td> <td>The content of the Employment Commitment Letter stipulates that employees must not damage the Company's reputation, nor accept kickbacks, gifts, hospitality, or other improper benefits during their term of office.</td> <td>100% signing rate</td> </tr> <tr> <td>Education and Training on Ethical Corporate Management</td> <td>Conducted one educational training session.</td> <td>92.59% training completion rate</td> </tr> <tr> <td rowspan="2">Signing of Integrity Clauses</td> <td>Incorporated integrity clauses into standard contract templates involving high-risk areas or significant exchanges of interests, as well as into external procurement purchase orders.</td> <td>100% incorporation of integrity clauses</td> </tr> <tr> <td>Domestic and overseas packaging and testing plants signed the "Supplier Sustainability Code of Conduct."</td> <td>100% signing rate</td> </tr> </tbody> </table>	Implementation Item	Specific Actions / Content	Implementation Results	Signing of Employment Commitment Letters by New Hires	The content of the Employment Commitment Letter stipulates that employees must not damage the Company's reputation, nor accept kickbacks, gifts, hospitality, or other improper benefits during their term of office.	100% signing rate	Education and Training on Ethical Corporate Management	Conducted one educational training session.	92.59% training completion rate	Signing of Integrity Clauses	Incorporated integrity clauses into standard contract templates involving high-risk areas or significant exchanges of interests, as well as into external procurement purchase orders.	100% incorporation of integrity clauses	Domestic and overseas packaging and testing plants signed the "Supplier Sustainability Code of Conduct."	100% signing rate	
Implementation Item	Specific Actions / Content	Implementation Results																
Signing of Employment Commitment Letters by New Hires	The content of the Employment Commitment Letter stipulates that employees must not damage the Company's reputation, nor accept kickbacks, gifts, hospitality, or other improper benefits during their term of office.	100% signing rate																
Education and Training on Ethical Corporate Management	Conducted one educational training session.	92.59% training completion rate																
Signing of Integrity Clauses	Incorporated integrity clauses into standard contract templates involving high-risk areas or significant exchanges of interests, as well as into external procurement purchase orders.	100% incorporation of integrity clauses																
	Domestic and overseas packaging and testing plants signed the "Supplier Sustainability Code of Conduct."	100% signing rate																

Evaluation Items	Operational Situation		Any discrepancy from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	Summary Description	
<p>3 .The operation of the Company's reporting system.</p> <p>(a) Has the Company developed a specific reporting and reward system, established a convenient reporting channel, and designated appropriate personnel to receive and manage reports?</p> <p>(b) Has the Company established standard operating procedures for investigating reported matters, implementing follow-up measures after the investigation is completed, and maintaining the relevant confidentiality mechanisms?</p> <p>(c) Has the Company implemented measures to protect the whistleblower from experiencing retaliation as a result of their disclosures?</p>	<p>✓</p> <p>✓</p> <p>✓</p>	<p>(a)To strengthen ethical corporate management and risk control, the Company has formulated the "Procedures for Handling Whistleblowing of Unethical Conduct," which specifically regulates the handling of the Company's personnel involved in unethical conduct and establishes multiple whistleblowing channels for use by employees and external stakeholders. The Chairman's Office serves as the dedicated unit for whistleblowing cases, responsible for receiving, investigating, and tracking reported matters, and may report the handling status of major cases to the Board of Directors when necessary. The Company has set up internal and external whistleblowing channels to provide stakeholders with convenient reporting avenues, and relevant information has been disclosed on the Company's website.</p> <p>(b) All reported cases shall be managed with strict confidentiality. Personnel who possess knowledge of the information are required to uphold this confidentiality, and any breach of this obligation will be addressed in accordance with the applicable internal disciplinary procedures. In the case of investigators, in addition to adhering to the aforementioned provisions, their involvement in the investigation team shall be terminated immediately.</p> <p>(c) The Company accommodates anonymous reporting and requires that all whistleblowing cases be handled confidentially. Relevant personnel handling the reported matters must issue a written declaration to keep the whistleblower's identity and the reported content confidential. Furthermore, the Company commits to protecting whistleblowers and personnel participating in the investigation from unfair treatment or retaliation resulting from the whistleblowing incident. Any violation of confidentiality obligations will be handled in accordance with relevant internal disciplinary regulations.</p>	
<p>4.Enhancing Information Disclosure</p> <p>Does the Company disclose the content and effectiveness of its Code of Conduct on its website and through its Market Observation Post System?</p>	<p>✓</p>	<p>(a)Relevant information has been made available on the Company's website.</p> <p>(b)Effectiveness of Promotion: Timely promotion of the relevant provisions of the Code of Business Integrity is essential. This includes actively implementing concepts of integrity and ethical values, strengthening corporate governance and risk management, and fostering a corporate culture of integrity to ensure sound business operations, free from any dishonest behavior.</p>	<p>None.</p>
<p>5.If a company has its own code of conduct based on the "Code of Business Ethics for TWSE/TPEX Listed Companies," please describe the differences between its operations and the code.</p> <p>In order to establish a corporate culture of integrity that supports sound operations, the Company has developed its Code of Ethical Conduct, referencing the Code of Ethical Conduct for Listed and OTC Companies issued by the FSC. The Company operates in compliance with this Code, ensuring that its actual practices align with the stipulated guidelines.</p>			
<p>6. Other important information that can help us understand the Company's ethical business practices:</p> <p>(a) The Company adheres to the Company Law, the Securities and Exchange Act, the Business Accounting Act, the regulations pertaining to listing on the Taiwan Stock Exchange, and other laws and regulations relevant to business practices, serving as the foundation for practical and ethical management.</p> <p>(b) The "Rules Governing the Conduct of Board Meetings" of the Company establish a system to avoid conflicts of interest among directors. A director who has a personal interest in a matter before the Board that pertains to him or her, or to the legal entity he or she represents, must disclose the nature of that interest during the Board meeting. If the matter is deemed detrimental to the interests of the Company, the director shall refrain from participating in the discussion or voting on the issue, and shall not act as an agent for other directors in exercising their voting rights.</p>			

2.3.8 Additional important information that can enhance the understanding of corporate governance operations may also be disclosed:

#### 1. Intellectual Property Management

In accordance with Article 37-2 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and the requirements of Indicator 2.27 of the Corporate Governance Evaluation, the Company adopted the Taiwan Intellectual Property Management System (TIPS) in 2023. We have constructed a management cycle based on "Plan-Do-Check-Action" (PDCA) and established an intellectual property management system grounded in risk-based thinking.

##### (1) Intellectual Property Management Policy

Taking into consideration IP-related stakeholders as well as internal and external issues, the Company has formulated an intellectual property management policy aligned with its operational goals:

- ① Strengthen intellectual property management to protect the Company's rights and interests.
- ② Continuously pursue R&D and innovation to accumulate intellectual property capabilities and maintain a competitive advantage.
- ③ Protect confidential information and prevent the risks of intellectual property infringement.

##### (2) Intellectual Property Management System

###### ① Patents :

The Company has established a patent proposal review process and an associated incentive mechanism. Through patent proposal review meetings, proposals are rated and selected for application to ensure that the patent portfolio aligns with the Company's operational development strategy. Incentives are awarded for various milestones, including patent proposals, grants, successful litigation, rating upgrades, and the publication of external articles or journals. These measures encourage employees to pursue continuous innovation, enhance the Company's technical expertise, and protect its intellectual property rights, thereby elevating the corporate image, increasing profits, and strengthening international competitiveness. Additionally, the Company has established a patent maintenance evaluation mechanism to monitor the significance of each active patent. The Company also regularly tracks development trends in power management technology patent layouts to identify and promptly respond to potential operational risks. Furthermore, the "Patent Dispute Handling Procedures" have been formulated to safeguard the Company's intellectual property rights and provide a clear framework for managing patent disputes and litigation cases.

## ② Trade Secrets :

The Company has implemented a trade secret proposal process and incentive mechanism. A confidentiality classification system has been established, defining access, retrieval permissions, and approval levels based on the nature and sensitivity of documents. Controls are also applied to equipment and environmental facilities. To protect the confidential information of both the Company and its customers, the Company strengthens employee awareness of intellectual property and confidentiality through employment contracts, orientation courses for new hires, and regular information security advocacy. The "Confidential Information Management Procedures" explicitly define the scope, classification, and management measures for confidential information, enhancing confidentiality labeling and corresponding control measures for all units to follow, thereby implementing the reasonable secrecy measures required by the Trade Secrets Act.

## ③ Trademarks :

To protect the Company's corporate identity and product brand names, facilitate marketing promotion, and establish a strong brand image, the product marketing or sales units initiate trademark naming or registration requests as needed. The Company commissions external firms to conduct trademark searches to ensure there are no associated risks before proceeding with the registration application process. The Company actively seeks trademark registrations in Taiwan, China, and the United States to obtain legal protection under local regulations.

## (3) Intellectual Property Portfolio and Results

### ① Implementation Results

The Company reported its intellectual property management plan and implementation status at the 6th meeting of the 9th Board of Directors on December 19, 2025. The Company continuously promotes and optimizes its intellectual property management system. Relevant activities implemented over the years are as follows:

- In 2023 introduced the Taiwan Intellectual Property Management System (TIPS) and passed the verification audit.
- In 2024 continuously passed the TIPS re-verification, with the certificate valid until December 31, 2026.
- In June 2025, completed the educational training on "Advocacy of Intellectual Property Management Policy, Objectives, and Management System," achieving a 98% completion rate.

- In October 2025, completed the educational training on "The Ultimate Guide to Trade Secret Protection: From Risk Identification to System Establishment," achieving a 97% completion rate.
- As of the end of 2025, submitted patent proposals related to GaN, ZVS, PD fast charging, and high power efficiency technologies, achieving the target number of cases for intellectual property management.
- As of the end of 2025, the signing rate of non-disclosure agreements (NDAs) with active clients and relevant suppliers reached 99.8%.

## ② Intellectual Property Achievements

As of December 31, 2025, the statistics regarding the number of patents, trade secrets, and trademarks held by the Company are as follows:

- Patents: The Company has filed a total of 760 domestic and overseas patent applications and obtained 578 granted patents, including 221 in Taiwan, 169 in Mainland China and 186 in the United States and 2 in Japan.
- Trade Secrets: A total of 4 registered cases.
- Trademarks: The Company primarily registers trademarks in Taiwan, Mainland China, and the United States. To date, a total of 17 domestic and overseas trademark applications have been filed, with 14 trademark certificates granted, including 7 in Taiwan, 6 in Mainland China, and 1 in the United States.



## (4) Response to Intellectual Property Risks

Taking into account internal and external issues affecting the Company's intellectual property management, as well as stakeholders' expectations or requirements regarding its development, the Company has identified and confirmed the risks and opportunities that need to be addressed, along with the corresponding response measures. The Intellectual Property Legal Office serves as the coordinator, collaborating with R&D and cooperating units to establish, promote, and implement the Company's intellectual property management system. The Company continuously complies with the Taiwan

Intellectual Property Management System, while simultaneously elevating employee awareness of confidentiality and intellectual property, and strengthening patent layout and patent monitoring. Timely measures are taken against potential infringements on the Company's intellectual property rights or third-party claims of infringement by the Company, thereby safeguarding the Company's rights and interests.

2.3.9 Statement of Internal Control System:

- (1) Internal Control Statement: Please refer to the Public Information Observatory Website: <https://mops.twse.com.tw>, click on "Single Company" under "Corporate Governance," then select "Company Rules/Internal Control" to view the internal control statement announcement. Search criteria: please select "Listed" for the market type, enter the year for inquiry, or directly input the Company code or abbreviation.
- (2) If a CPA was engaged to conduct a special audit of the internal control system, please provide the audit report: None.

2.3.10 Significant Resolutions of the Shareholders' Meeting and the Board of Directors' Meeting for the most recent year, up to the date of publication of the Annual Report

- (1) Important Resolutions of the General Shareholders' Meetings and implementation status:

Date	Important Decision Matters	Resolution and Implementation Status
05/29/2025	Ratification Items:  1. Recognized the Business Report and Financial Statements of 2024	Resolution: The proposal was voted on and approved as proposed by the attending shareholders. Total voting rights of attending shareholders: 33,454,277 votes (100%) Votes in favor: 32,288,111 votes (96.51%) Invalid and abstained/uncast votes: 1,156,123 votes (3.45%) Votes against: 10,043 votes (0.03%)
	2. Recognized the Proposal for Profit Distribution of 2024	Resolution: The proposal was voted on and approved as proposed by the attending shareholders. Total voting rights of attending shareholders: 33,454,277 votes (100%) Votes in favor: 32,284,412 votes (96.50%) Invalid and abstained/uncast votes: 1,158,696 votes (3.46%) Votes against: 11,169 votes (0.03%) Implementation Status: For the 2024 earnings recapitalization, a stock dividend of NT\$0.19959932 per share (i.e., 19.95993200 shares for every 1,000 shares) was distributed. The ex-dividend/rights base date was July 17, 2025. The cash dividend payment date was August 15, 2025, and the stock dividend issuance date was August 22, 2025.

Date	Important Decision Matters	Resolution and Implementation Status
	<p>Discussion items:</p> <p>1. Proposal for Amendment to Certain Provisions of the "Articles of Incorporation"</p>	<p>Resolution:</p> <p>The proposal was voted on and approved as proposed by the attending shareholders.</p> <p>Total voting rights of attending shareholders: 33,454,277 votes (100%)</p> <p>Votes in favor: 32,287,972 votes (96.51%)</p> <p>Invalid and abstained/uncast votes: 1,156,217 votes (3.45%)</p> <p>Votes against: 10,088 votes (0.03%)</p>
	<p>2. Issuance of 2025 Restricted Stock Awards (RSA)</p>	<p>Resolution:</p> <p>The proposal was voted on and approved as proposed by the attending shareholders.</p> <p>Total voting rights of attending shareholders: 33,454,277 votes (100%)</p> <p>Votes in favor: 32,183,953 votes (96.20%)</p> <p>Invalid and abstained/uncast votes: 1,156,210 votes (3.45%)</p> <p>Votes against: 114,114 votes (0.34%)</p> <p>Implementation Status:</p> <p>The issuance date for the 2025 Restricted Stock Awards was November 21, 2025.</p>
	<p>3. Issuance of new shares through capital increase by earnings for 2024</p>	<p>Resolution:</p> <p>The proposal was voted on and approved as proposed by the attending shareholders.</p> <p>Total voting rights of attending shareholders: 33,454,277 votes (100%)</p> <p>Votes in favor: 32,289,178 votes (96.51%)</p> <p>Invalid and abstained/uncast votes: 1,154,920 votes (3.45%)</p> <p>Votes against: 10,179 votes (0.03%)</p> <p>Implementation Status:</p> <p>For the 2024 earnings recapitalization, a stock dividend of NT\$0.19959932 per share (i.e., 19.95993200 shares for every 1,000 shares) was distributed.</p> <p>The ex-rights base date was July 17, 2025, and the stock dividend issuance date was August 22, 2025.</p>
	<p>Election Matters:</p> <p>1. To elect directors, including independent directors.</p>	<p>List of newly elected directors:</p> <p>Yu-Kun Kao, Representatives from Power Investments Limited ; Heng-Chung Chi. ,Representatives from Power Investments Limited ; Ming-Nan Chuang, Ding-Ren Liu 、 Chien-Kuo Yang, Chih-Chun Tsai, Hsiang-Ju Liao</p> <p>Implementation Status:</p> <p>The election results have been officially filed and announced, and the relevant registration of changes with the competent authorities has been completed.</p>
	<p>Other Motions:</p> <p>1. Proposal to Lift the Restriction on Newly-elected Directors Participating in Competitive Business.</p>	<p>Resolution:</p> <p>The proposal was voted on and approved as proposed by the attending shareholders.</p> <p>Total voting rights of attending shareholders: 33,454,277 votes (100%)</p> <p>Votes in favor: 32,248,358 votes (96.39%)</p> <p>Invalid and abstained/uncast votes: 1,179,727 votes (3.52%)</p> <p>Votes against: 26,192 votes (0.07%)</p> <p>Implementation Status:</p> <p>The release of non-competition restrictions for Directors has been approved and implemented in accordance with the resolution.</p>

## (2) Major Resolutions of Board of Directors' Meeting

Date	Term	Approval of Major Resolutions
02/20/2025	22nd meeting of the 8th term	<ol style="list-style-type: none"> <li>1. The Company's employee and director compensation distribution plan for 2024.</li> <li>2. The Company's individual and consolidated financial statements for 2024.</li> <li>3. The issuance of new shares of the Company with restricted employee rights for the year 2025.</li> <li>4. The general election of the Company's Directors</li> <li>5. The 2025 Annual General Meeting of Shareholders for the Company will be convened.</li> <li>6. The Act on Granting Performance Bonuses to the Chairman of the Board of Directors of the Company.</li> <li>7. The remuneration package for the new external directors of the Company.</li> <li>8. The proposal to assess the performance outcomes of the Board of Directors and the Functional Committee of the Company for 2024.</li> <li>9. The amendment of specific provisions in the Company's "Code of Corporate Governance Practices.</li> <li>10. The amendment of the Company's internal control system and the implementation plan for internal auditing.</li> <li>11. The "Assessment of the Effectiveness of the Internal Control System" and the "Statement of Internal Control System" for 2024.</li> <li>12. The evaluation of the independence and suitability of the Company's CPAs, as well as their appointment for 2025.</li> <li>13. The Company restricts employee rights concerning the issuance of new shares, as well as the cancellation and reclamation of shares due to failure to meet the established conditions for the capital reduction base date.</li> <li>14. The application for the renewal of the short-term consolidated credit meeting facility with Mega International Commercial Bank.</li> </ol>
04/10/2025	23rd meeting of the 8th term	<ol style="list-style-type: none"> <li>1. The 2024 Annual Business Report of the Company.</li> <li>2. The Distribution of Retained Earnings and Cash Distribution from Capital Surplus for 2024.</li> <li>3. The issuance of new shares through the capitalization of the annual surplus for 2024.</li> <li>4. The issue of defining the scope of responsibilities for junior employees within the Company.</li> <li>5. Amendments to Specific Provisions of the Company's Articles of Association</li> <li>6. The nomination of directors, including independent directors, by the Board of Directors and the qualification assessment of candidates.</li> <li>7. Release the directors and their representatives from non-competition restrictions.</li> <li>8. The 2025 Annual General Meeting of Shareholders for the Company will be convened (additional reasons for convening the meeting) ◦</li> <li>9. The Company restricts employee rights concerning the issuance of new shares, as well as the cancellation and reclamation of shares due to failure to meet the established conditions for the capital reduction base date.</li> </ol>
05/08/2025	24th meeting of the 8th term.	<ol style="list-style-type: none"> <li>1. Approval of the Company's consolidated financial statements for the first quarter of 2025.</li> <li>2. Approval of the amendment to the 2025 audit plan.</li> </ol>
05/29/2025	1st meeting of the 9th term (Emergency meeting)	<ol style="list-style-type: none"> <li>1. Election of the Chairman of the Board.</li> <li>2. Approval of the appointment of members for the 6th Remuneration Committee.</li> <li>3. Approval of the appointment of members for the 2nd Sustainability Development Committee.</li> </ol>

Date	Term	Approval of Major Resolutions
06/12/2025	2nd meeting of the 9th term	<ol style="list-style-type: none"> <li>1. Approval of the ex-rights base date for the issuance of new shares through the 2024 earnings recapitalization, the ex-dividend base date for the distribution of cash dividends (cash distribution from capital surplus), and other related matters.</li> <li>2. Approval of the formulation of the Company's Risk Management Policy and Procedures.</li> <li>3. Approval of the 2025 salary adjustment plan for the Company's managers.</li> </ol>
08/07/2025	3rd meeting of the 9th term	<ol style="list-style-type: none"> <li>1. Approval of the Company's consolidated financial statements for the second quarter of 2025.</li> <li>2. Approval of the amendment to the Company's 2025 business plan.</li> <li>3. Approval of the amendment to the Company's Rules for Issuance of 2025 Restricted Stock Awards (RSA).</li> <li>4. Approval of the determination of the record date for capital reduction due to the cancellation and buyback of restricted stock awards (RSA) that failed to meet vesting conditions.</li> <li>5. Approval of the Company's 2024 Sustainability Report.</li> <li>6. Approval of the material topics for the 2026 Sustainability Report.</li> <li>7. Approval of the fixed monthly salary for independent directors of the 9th term.</li> </ol>
10/09/2025	4th meeting of the 9th term	<ol style="list-style-type: none"> <li>1. Approval of the list of grantees and the number of shares granted for the issuance of 2025 Restricted Stock Awards (RSA), and the determination of the capital increase record date.</li> <li>2. Approval of the appointment and remuneration of the Company's Chief Internal Auditor.</li> <li>3. Approval of the record date for capital reduction due to the cancellation and buyback of restricted stock awards (RSA) that failed to meet vesting conditions.</li> <li>4. Approval of the amendment to certain provisions of the Company's "Management Procedures for Audit Committee Meetings."</li> <li>5. Approval of the amendment to certain provisions of the Company's "Procedures for Handling Material inside Information."</li> </ol>
11/06/2025	5th meeting of the 9th term	<ol style="list-style-type: none"> <li>1. Approval of the Company's consolidated financial statements for the third quarter of 2025.</li> </ol>
12/19/2025	6th meeting of the 9th term	<ol style="list-style-type: none"> <li>1. Approval of the Company's 2026 business plan.</li> <li>2. Approval of the submission of the 2026 audit plan.</li> <li>3. Approval of the amendment to certain provisions of the Company's Internal Control System.</li> <li>4. Approval of the 2026 sustainability strategy blueprint.</li> </ol>
03/05/2026	7th meeting of the 9th term	<ol style="list-style-type: none"> <li>1. Approval of the performance evaluation results of the Board of Directors and functional committees for 2025.</li> <li>2. Approval of the distribution of employee and director remuneration for 2025.</li> <li>3. Approval of the Company's standalone and consolidated financial statements for 2025.</li> <li>4. Approval of the amendment to certain provisions of the Company's "Procedures for Acquisition or Disposal of Assets."</li> <li>5. Approval of the amendment to certain provisions of the Company's "Procedures for Engaging in Derivative Trading."</li> <li>6. Approval of the issuance of 2026 Restricted Stock Awards (RSA).</li> <li>7. Approval of matters related to the convening of the 2026 Annual General Meeting of Shareholders.</li> <li>8. Approval of the 2025 "Assessment of the Effectiveness of the Internal Control System" and the "Internal Control System Statement."</li> <li>9. Approval of the purchase of Directors and Officers (D&amp;O) liability insurance for 2026.</li> <li>10. Approval of the assessment of independence and competence, and the appointment of the CPAs for the Company's 2026 financial statements.</li> </ol>

Date	Term	Approval of Major Resolutions
		11. Approval of the definition of the scope of non-managerial employees for 2026. 12. Approval of the determination of the record date for capital reduction due to the cancellation and buyback of restricted stock awards (RSA) that failed to meet vesting conditions. 13. Approval of the renewal of the short-term comprehensive credit line facility with Mega International Commercial Bank.
04/15/2026	The 8th meeting of the 9th term.	1. Approval of the Company's 2025 Business Report. 2. Approval of the 2025 earnings distribution and cash distribution from capital surplus. 3. Approval of the 2025 earnings distribution. 4. Approval of matters related to the convening of the 2026 Annual General Meeting of Shareholders (addition of items to the meeting agenda). 5. Proposal to Amend the Company's Internal Control System and Internal Audit Implementation Rules.

2.3.11 If any of the Directors or Supervisors expressed dissenting opinions regarding significant resolutions passed by the Board of Directors during the most recent year, up to the date of printing of the Annual Report, and if such dissenting opinions were recorded or stated in writing, the main contents are as follows: None.

## 2.4 Information Regarding the Professional Fees of CPAs

### 2.4.1 Information Contents:

Unit: NT\$ thousands

Name of CPA Firm	Name of CPA	Audit Period	Audit Fees	Non-audit Fees	Total	Remark
Deloitte & Touche	Ya-Yun Chang	2025/01/01~ 2025/12/31	2,700	445	3,145	Non-audit fees for tax visas, business registration, etc.
	Ming-Hui Chen					

2.4.2 The amount, percentage, and rationale for the decrease in audit fees during the year in which the audit firm is changed, as well as the audit fees paid for that year, are lower than the fees paid in the year preceding the change. For the year ended December 31, 2024, there was no change in the certified public accounting firm.

2.4.3 The amount, percentage, and reasons for any decrease in audit fees must be disclosed if the decrease is 10% or more compared to the previous year: None.

## 2.5 Replacement of CPA

### 2.5.1 About former CPA(s)

Date of Replacement	February 20, 2025		
Reason for replacement and explanation	In light of the modification to Deloitte & Touche's internal rotation mechanism, effective from the first quarter of 2025, the financial report verification assignments will be changed from Yu-Fong Huang and Mei-Chen Tsai to Ya-Yun Chang and Ming-Hui Chen.		
Explain the termination of appointment by appointer or the refusal of appointment by CPAs	Condition of the Party	CPA	Appointer
	Voluntarily terminated appointment	None	
	Reject the (continuing) authorization		
The opinions and reasons in the signed and issued audit reports which were not "no reservations" in the most recent two years	None		
Opinions different from that of issuer	Yes	—	Accounting principles or practices
		—	Disclosure of financial report
		—	Scope or procedure of audit
		—	Others
	No	V	
	Description		
Other disclosure matters	None		

### 2.5.2 About the successor CPA(s)

Name of CPA Firm	Deloitte & Touche
Name of CPA(s)	Ya-Yun Chang and Ming-Hui Chen
Date of Appointment	February 20, 2025
Accounting methods or principles for specific transactions as well as advisory matters and results that may be issued for financial reporting prior to appointment	None
Written opinions of the successors on the different opinions of the former CPAs	None

2.5.3 Former CPA's Response to Matters 1 and 2(3) of Paragraph 6 of Article 10 of the Standard: None.

**2.6 The Chairman, President, or Chief Financial or Accounting Manager Who Has Worked in the Accounting Firm or its Affiliates in the Most Recent Year: None.**

**2.7 Share transfer by Directors, Managerial Officers and Shareholders Holding More Than 10% Equity, and Changes to Share Pledging by Them in the Past Year Up to the Date of Report:**

2.7.1 Please refer to the Market Observation Post System at [website: <https://mops.twse.com.tw>] > Summaries > Summary table of Changes in Shareholding of Directors and Supervisors > Recent changes of major shareholders with 10% of shares or more, and Percentage of shares pledged by directors and supervisors

2.7.2 Information regarding related parties involved in the transfer of shares: None.

2.7.3 Information regarding the pledge of shares involving related parties: None.

**2.8 Information on Shareholders Among the Top 10 by Proportion of Shareholding Who Are Related Parties to One Another or Spouse, Kindred Within the Second Degree of Kinship:**

March 30, 2026; Unit: shares

Name	Current shareholding		Shares held by spouses and minor children		Shares held in the name of others		Names and relationships of the top ten shareholders who are related to each other or who are spouses or relatives within two degrees of consanguinity or affinity.		Note
	Number of shares	Share holding ratio	Number of shares	Share holding ratio	Number of shares	Share holding ratio	Title (or name)	Relation	
Power Investments Limited	4,977,635	8.03%	-	-	-	-	-	-	
Hao-Min Lee	2,520,715	4.07%	-	-	-	-	-	-	
Chung-Wei Hsieh	1,931,000	3.12%	-	-	-	-	-	-	
Shiang-Chi Dai	1,529,939	2.47%	-	-	-	-	-	-	
Rise River Asset Co., Ltd.	905,195	1.46%	-	-	-	-	-	-	N.A
Zun-Jia Dai	756,745	1.22%	-	-	-	-	-	-	
Yi-Feng Chen	669,016	1.08%	-	-	-	-	-	-	
Ke-Zhen Chu	643,598	1.04%	-	-	-	-	-	-	
Citibank in custody for Barclays Capital SBL/PB Investment Account	496,139	0.80%	-	-	-	-	-	-	
Taishin International Commercial Bank Trust Account	420,000	0.68%	-	-	-	-	-	-	

**2.9 Quantity of Shareholdings of the Same Investee by the Company, and Directors, Managerial Officers, and Direct or Indirect Subsidiaries in Proportion to the Combined Holdings of all, and Combined to Calculate the Proportion of Overall Shareholding:**

December 31, 2025; Unit: shares

Name of investee	Ownership by the company		Investment by directors, managerial officers and companies directly or indirectly controlled by the company		Total ownership	
	Number of shares	Percentage of ownership	Number of shares	Number of shares	Percentage of ownership	Number of shares
Leadtrend Technology (Shenzhen) Limited	0	100%	0	0%	0	100%

## Chapter 3. Capital Overview

### 3.1 Capital and Shares

#### 3.1.1 Source of Capital

##### (1) Formation of capital stock

March 30, 2026

Unit : Thousand shares · NT\$ thousands (except issue price)

Date	Issue price (NT)	Authorized capital stock		Capital stock paid in		Note			
		Number of shares	Capital stock paid in	Number of share	Capital stock paid in	Source of equity		Pay off the share fund with property other than cash	Other
2002.09	10	2,400	24,000	600	6,000	Founded share capital	-	-	MOEA Central Region Office No 09132725400
2003.05	10	16,000	160,000	6,400	64,000	Cash capital increase	58,000	-	MOEA Central Region Office No 09232107660
2003.08	10	16,000	160,000	8,000	80,000	-	-	Technical pricing 16,000	MOEA Central Region Office No 09232507810
2003.12	10	16,000	160,000	9,200	92,000	-	-	Technical pricing 12,000	MOEA Central Region Office No 09233007200
2004.05	10	16,000	160,000	14,000	140,000	Cash capital increase	48,000	-	MOEA Central Region Office No 09332061270
2005.05	10	18,000	180,000	18,000	180,000	Cash capital increase	40,000	-	ZSZ No.0940012626
2006.08	10	36,000	360,000	19,800	198,000	Cash capital increase	18,000	-	ZSZ No.0950022193
2007.05	10	36,000	360,000	20,351	203,513	Execution of ESO	5,513	-	ZSZ No.0960011702
2007.08	10	36,000	360,000	23,886	238,864	Capital increase by retained earning and capital surplus	35,351	-	ZSZ No.0960022506
2008.02	10	36,000	360,000	25,586	255,862	Execution of ESO	16,999	-	ZSZ No.0970004932
2008.08	10	36,000	360,000	25,981	259,807	Execution of ESO	3,945	-	ZSZ No.0970021223
2008.09	10	36,000	360,000	30,760	307,600	Capital increase by retained earning and employee bonus	47,793	-	ZSZ No.0970025189
2008.10	10	36,000	360,000	30,784	307,845	Execution of ESO	245	-	ZSZ No.0970028844
2009.04	10	36,000	360,000	30,936	309,365	Execution of ESO	1,520	-	ZSZ No.0980011384
2009.06	10	36,000	360,000	31,331	313,315	Execution of ESO	3,950	-	ZSZ No.0980016466
2009.07	10	72,000	720,000	34,019	340,194	Capital increase by retained earning and employee bonus	26,879	-	ZSZ No.0980018737
2009.09	10	72,000	720,000	37,719	377,194	Cash capital increase	37,000	-	ZSZ No.0980023977
2009.09	10	72,000	720,000	38,687	386,869	Execution of ESO	9,675	-	ZSZ No.0980025808
2009.12	10	72,000	720,000	39,843	398,431	Execution of ESO	11,562	-	ZSZ No.0980033457
2010.03	10	72,000	720,000	39,941	399,408	Execution of ESO	977	-	ZSZ No.0990007101
2010.05	10	72,000	720,000	39,953	399,528	Execution of ESO	120	-	ZSZ No.0990013569
2010.08	10	72,000	720,000	40,423	404,228	Execution of ESO	4,700	-	ZSZ No.0990022976
2010.08	10	72,000	720,000	42,444	424,440	capital increase by	20,211	-	ZSZ No.0990025236

Date	Issue price (NT)	Authorized capital stock		Capital stock paid in		Note			
		Number of shares	Capital stock paid in	Number of share	Capital stock paid in	Source of equity		Pay off the share fund with property other than cash	Other
						retained earning			
2010.12	10	72,000	720,000	42,510	425,098	Execution of ESO	658	-	ZSZ No.0990037774
2011.08	10	72,000	720,000	44,581	445,808	capital increase by retained earning Execution of ESO	20,710	-	ZSZ No.1000025108
2012.08	10	72,000	720,000	44,915	449,148	Execution of ESO	3,340	-	ZSZ No.1010026494
2013.05	10	72,000	720,000	45,037	450,368	Execution of ESO	1,220	-	ZSZ No.1020015038
2014.05	10	72,000	720,000	46,079	460,793	Execution of ESO RSA IPO	10,425	-	ZSZ No.1030012568
2014.08	10	72,000	720,000	46,169	461,693	Execution of ESO	900	-	ZSZ No.1030025409
2014.10	10	72,000	720,000	46,469	464,693	RSA IPO	3,000	-	ZSZ No.1030029849
2015.04	10	72,000	720,000	46,429	464,288	RSA capital reduction	-405	-	ZSZ No.1040010635
2015.08	10	72,000	720,000	46,381	463,808	RSA capital reduction	-480	-	ZSZ No.1040024356
2016.04	10	72,000	720,000	46,309	463,091	RSA capital reduction	-717	-	MOEA Central Region Office No.1050009307
2016.09	10	72,000	720,000	47,500	474,996	RSA capital reduction	11,905	-	MOEA Central Region Office No.10534331080
2017.01	10	72,000	720,000	47,435	474,352	RSA capital reduction	-645	-	MOEA Central Region Office No.10633027880
2017.04	10	72,000	720,000	47,409	474,092	RSA capital reduction	-260	-	MOEA Central Region Office No.10633182670
2017.09	10	72,000	720,000	47,357	473,572	RSA capital reduction	-520	-	MOEA Central Region Office No.10633518920
2017.11	10	72,000	720,000	47,337	473,372	RSA capital reduction	-200	-	MOEA Central Region Office No.10633701900
2018.04	10	72,000	720,000	47,317	473,172	RSA capital reduction	-200	-	MOEA Central Region Office No.10733197140
2018.08	10	72,000	720,000	46,963	469,632	RSA capital reduction	-3,540	-	MOEA Central Region Office No.10733461040
2019.04	10	72,000	720,000	46,894	468,942	RSA capital reduction	-690	-	MOEA Central Region Office No.10833213020
2019.08	10	72,000	720,000	46,882	468,822	RSA capital reduction	-120	-	MOEA Central Region Office No.10833508460
2020.11	10	72,000	720,000	47,774	477,742	RSA IPO RSA capital reduction	8,920	-	MOEA Central Region Office No.10933646850
2021.08	10	72,000	720,000	48,062	480,622	RSA IPO RSA capital reduction	2,880	-	MOEA Central Region Office No.1033492670
2021.09	10	72,000	720,000	52,864	528,646	Capital increase by retained earning and capital surplus	48,024	-	MOEA No.11001176910
2022.07	10	200,000	2,000,000	52,810	528,101	RSA capital reduction	-545	-	MOEA No.11101107600
2022.08	10	200,000	2,000,000	56,507	565,068	capital increase by retained earning	36,967	-	MOEA No.11101156930

Date	Issue price (NT)	Authorized capital stock		Capital stock paid in		Note			
		Number of shares	Capital stock paid in	Number of share	Capital stock paid in	Source of equity		Pay off the share fund with property other than cash	Other
2022.08	10	200,000	2,000,000	56,488	564,888	RSA capital reduction	-180	-	MOEA No.11101156930
2022.11	10	200,000	2,000,000	56,908	569,080	RSA IPO	4,200	-	MOEA No.11101204010
2022.11	10	200,000	2,000,000	56,883	568,838	RSA capital reduction	-250	-	MOEA No.11101204010
2023.04	10	200,000	2,000,000	56,852	568,528	RSA capital reduction	-310	-	MOEA No.11230052270
2023.08	10	200,000	2,000,000	58,558	585,593	capital increase by retained earning	17,065	-	MOEA No.11230146440
2023.08	10	200,000	2,000,000	58,536	585,368	RSA capital reduction	-225	-	MOEA No.11230146440
2023.10	10	200,000	2,000,000	58,956	589,568	RSA IPO	4,200	-	MOEA No.11230203400
2023.10	10	200,000	2,000,000	58,917	589,178	RSA capital reduction	-390	-	MOEA No.11230203400
2024.03	10	200,000	2,000,000	58,900	589,003	RSA capital reduction	-175	-	MOEA No.11330040400
2024.08	10	200,000	2,000,000	60,064	600,641	capital increase by retained earning	11,638	-	MOEA No.11330137130
2024.08	10	200,000	2,000,000	60,029	600,291	RSA capital reduction	-350	-	MOEA No.11330137130
2024.11	10	200,000	2,000,000	60,449	604,491	RSA IPO	4,200	-	MOEA No.11330188020
2024.11	10	200,000	2,000,000	60,442	604,421	RSA capital reduction	-70	-	MOEA No.11330188020
2025.03	10	200,000	2,000,000	60,431	604,316	RSA capital reduction	-105	-	MOEA No.11430027390
2025.05	10	200,000	2,000,000	60,426	604,256	RSA capital reduction	-60	-	MOEA No.11430055480
2025.08	10	200,000	2,000,000	61,616	616,162	capital increase by retained earning	11,906	-	MOEA No.11430120780
2025.09	10	200,000	2,000,000	61,600	616,002	RSA capital reduction	-160	-	MOEA No.11430134420
2025.11	10	200,000	2,000,000	62,020	620,202	RSA IPO	4,200	-	MOEA No.11430171560
2025.11	10	200,000	2,000,000	62,014	620,142	RSA capital reduction	-60	-	MOEA No.11430171560
2026.03	10	200,000	2,000,000	61,993	619,932	RSA capital reduction	-210	-	MOEA No.11530035770

(2) Types of shares Issued

March.30, 2026; Unit: share

Share type	Authorized capital			Remark
	Outstanding shares	Unissued shares	Total	
Common stock	61,993,182	138,006,818	200,000,000	Listed company stock

(3) Omnibus reporting system related information: None.

### 3.1.2 Major Shareholders

March.30, 2026; Unit: share

Shareholders	Shares	Number of shares held	Shareholding ratio
Power Investments Limited		4,977,635	8.03%
Hao-Min Lee		2,520,715	4.07%
Chung-Wei Hsieh		1,931,000	3.12%
Shiang-Chi Dai		1,529,939	2.47%
Rise River Asset Co., Ltd.		905,195	1.46%
Zun-Jia Dai		756,745	1.22%
Yi-Feng Chen		669,016	1.08%
Ke-Zhen Chu		643,598	1.04%
Citibank in custody for Barclays Capital SBL/PB Investment Account		496,139	0.80%
Taishin International Commercial Bank Trust Account		420,000	0.68%

### 3.1.3 Dividend Policy and Implementation Status of the Company

#### (1) Dividend Policy

If the Company records a net income after tax in the final annual accounts, the earnings shall be distributed in the following order:

- (A) Compensate for accumulated deficits (including adjustments to unappropriated retained earnings).
- (B) Set aside 10% as legal reserve; however, this requirement does not apply when the legal reserve has reached the amount of the Company's paid-in capital.
- (C) Set aside or reverse a special reserve in accordance with laws and regulations or the requirements of competent authorities.
- (D) For the remaining earnings, together with the unappropriated retained earnings at the beginning of the period (including adjustments to unappropriated retained earnings), the Board of Directors shall draft an earnings distribution proposal. If the distribution is to be made in the form of issuing new shares, it shall be submitted to the shareholders' meeting for a resolution prior to distribution.

If the Company distributes all or a portion of the dividends and bonuses, legal reserve, or capital surplus in the form of cash, the Board of Directors is authorized to execute the distribution upon a resolution adopted by a majority vote at a meeting attended by at least two-thirds of the directors, and a report of such distribution shall be submitted to the shareholders' meeting.

The distribution of the Company's dividends is aligned with the earnings status of

the current year, encompassing distributable earnings, capital surplus, and other distributable sources in accordance with laws and regulations. The total distribution ratio shall not be less than 30% of the current year's net income after tax, and the cash dividends distributed annually shall not be less than 10% of the total sum of cash and stock dividends distributed in the current year.

(2) Circumstances under which the dividend is proposed to be distributed at the AGM.

(A) The Company's 2025 earnings distribution proposal was approved by a resolution of the Board of Directors on April 15, 2026. It is proposed to allocate NT\$18,306,805 from earnings to distribute a cash dividend of NT\$0.3 per share (i.e., NT\$300 per 1,000 shares).

(B) Regarding the proposal to distribute cash from the capital surplus, NT\$12,204,536 will be allocated from the capital surplus derived from the issuance of shares in excess of par value (share premium). A cash distribution of NT\$0.20 per share (i.e., NT\$200 per 1,000 shares) is proposed.

(A)(B) Following the resolution and approval of the Annual General Meeting of Shareholders on May 28, 2026, the Board of Directors shall be authorized to determine the ex-rights base date and other related matters. If the number of shares outstanding is subsequently affected by changes in laws or regulations, adjustments by competent authorities, or events such as share buybacks, cancellations, conversion of corporate bonds, issuance of new shares, or other factors leading to share variations, thereby causing the rights distribution ratios to change, it is proposed that the shareholders' meeting authorize the Board of Directors to make necessary adjustments.

(3) The Company does not anticipate any significant changes to its dividend policy in the future : None

3.1.4 The impact of the free rights issue proposed at this shareholders' meeting on the Company's operating performance and earnings per share : None

3.1.5 Remuneration of Employees and Directors

(1) The percentage or scope of employees' and directors' remuneration as set forth in the Company's Articles of Incorporation.

If the Company makes a profit in a fiscal year (the term "profit" refers to the pre-tax profit before deducting the distribution of employee and director remuneration), it shall allocate no less than 10% for employee remuneration and no more than 2% for director remuneration. However, if the Company has accumulated deficits (including adjustments to unappropriated retained earnings), an amount shall be reserved in advance to compensate for the deficits.

From the aforementioned employee remuneration amount, no less than 40% shall be allocated and distributed to non-managerial employees.

Employee remuneration and non-managerial employee remuneration may be distributed in the form of stock or cash, and the eligible recipients may include employees of affiliated companies who meet the conditions stipulated by the Board of Directors. Director remuneration may only be distributed in cash.

The matters described in the preceding three paragraphs shall be executed upon a resolution of the Board of Directors and reported to the shareholders' meeting.

When the Company issues employee stock warrants, restricted stock awards (RSA), reserves new shares for employee subscription, or transfers legally repurchased shares to employees, the eligible targets for such issuance or transfer may include employees of affiliated companies who meet the conditions stipulated by the Board of Directors.

- (2) The basis for estimating the amount of employees' and directors' remuneration, the basis for calculating the number of shares of employees' remuneration to be distributed by means of stock dividends, and the accounting treatment in the event that the actual amount of dividends distributed differs from the estimated amount.

If the Company's estimates of employees' compensation and directors' compensation differ from the amounts approved by the Board of Directors and submitted to the shareholders' meeting, the Company will account for the changes in accounting estimates and record the adjustments in the year of the shareholders' meeting.

- (3) Circumstances under which the Board of Directors approves the distribution of remuneration

- (A) If the amount of employees' and directors' compensation distributed in cash or stock differs from the amount estimated in the year of expense recognition, the amount of the difference, the reason for the difference, and the circumstances under which the difference was handled should be disclosed:

The Company's 2025 remuneration for employees and directors was resolved by the Board of Directors on March 5, 2026. The approved amounts are NT\$5,506,802 for employee remuneration and NT\$518,287 for director remuneration, both to be distributed in cash. There is no discrepancy between the actual distributed amounts and the expenses recognized in the 2025 financial statements. Of the aforementioned employee remuneration, NT\$3,304,081 is allocated to entry-level employees. This distribution is scheduled to be reported at the Annual General Meeting of Shareholders on May 28, 2026.

- (B) Employee remuneration distributed in stock as a percentage of the sum of the net income in the standalone or individual financial report and the total amount of employee remuneration: Not applicable, as the 2025 employee remuneration was distributed entirely in cash.

(4) The actual distribution of employees' and directors' remuneration in the previous year (including the number of shares distributed, the amount and the price of the shares), and the difference between the actual distribution and the recognized employees' and directors' remuneration, together with the number of differences, the reasons for the differences and the circumstances under which the differences were dealt with:

Unit:NTD

The distribution of 2024	Actual distribution (Cash amount)	Original amount approved by BOD	Differences from annual estimates of approved expenses	Recognized expenses	Differences from annual estimates of recognized expenses
Employees' Remuneration	21,146,931	21,146,931	0	21,146,931	0
Directors' Remuneration	1,895,523	1,895,523	0	1,895,523	0

In accordance with the resolution of the Board of Directors on February 20, 2025, the actual distribution amounts of the 2024 employee and director remuneration show no discrepancy with the expenses recognized in the 2024 accounts.

3.1.6 Repurchase of the Company's shares by the Company: None.

**3.2 Issuance of Corporate Bonds: None.**

**3.3 Status of Preferred Stocks: None.**

**3.4 Status of Global Depository Receipts: None.**

**3.5 Status of Employee Warrants: None.**

**3.6 Status of Issuance of New Restricted Employee Shares**

3.6.1 As of the publication date of the Annual Report, the Company has not fully satisfied the conditions necessary to impose restrictions on employee rights concerning new shares. This situation may have implications for shareholder equity.

Type of Employee Restricted Stock	Employee Restricted Stock Awards of 2020			
Date of Effective Registration and total shares	September 08, 2020 /1,200,000			
Issue date	November 06, 2020		August 03, 2021	
Number of Employee Restricted Stock Issued	900,000		300,000	
Unissued shares	300,000		-	
Issued price	Issue for free			
Employee Restricted Stock as a Percentage of Shares Issued (Note)	1.45%		0.48%	
Vesting conditions of Employee Restricted Stock	After new restricted stock awards are allocated to an employee, the employee must obtain an assessment grade of "Compliance" for the latest Individual Performance prior to the vesting date and is still working at Leadtrend upon expiration of any of the following vesting periods. Then the employee will receive such new restricted stock awards based on the ratio of vested portion for the concerned vesting period.			
	Vesting Period	Ratio of Vested Portion	Vesting Period	Ratio of Vested Portion
	From the vesting date to Oct. 15 of the next year	1/6	From the vesting date to Apr. 15 of the next 3rd year	1/6
	From the vesting date to Apr. 15 of the next 2nd year	1/6	From the vesting date to Oct. 15 of the next 3rd year	1/6
	From the vesting date to Oct. 15 of the next 2nd year	1/6	From the vesting date to Apr. 15 of the next 4th year	1/6
Restricted Rights of Employee Restricted Stock	<ol style="list-style-type: none"> <li>Before the expiration of the vesting period, an employee shall not sell, pledge, assign, give as gifts, set for mortgage or dispose any new restricted stock awards</li> <li>Before satisfying vesting conditions, the new shares with restricted employee Stock Awards still have right to participate in allotment, dividend distribution and cash capital increase subscription.</li> <li>After the issue of new restricted stock awards, the new restricted stock awards shall be entrusted in trust immediately. Before satisfying vesting conditions, an employee shall not give any reason or use any method to request the trustee to return the new restricted stock awards to him/her.</li> <li>If an employee violates Paragraph (8) of this article by terminating or cancelling, before the satisfaction of vesting conditions, the proxy authorization granted to Leadtrend, then Leadtrend shall take back, without compensation payment, the stock awards from the employee.</li> </ol>			
Custody Status of Employee Restricted Stock	During the period in which the new restricted stock awards have been entrusted in trust, Leadtrend shall act on behalf of its employees to handle, together with the stock trust institution, the negotiation, execution, revision, extension, cancelation and termination of, for example, a trust deed and the delivery, use and disposal-related instructions for trust property.			
Measures to be Taken Where Employees Fail to Meet the Vesting Conditions	<ol style="list-style-type: none"> <li>When an employee resigns voluntarily, is dismissed or laid off, retires, passes away, takes unpaid leave or is transferred to a related enterprise during the period between the vesting date and the expiration of the vesting period, Leadtrend shall take back, without compensation payment, from the employee the stock awards that have been allocated to, but not been vested in, the employee.</li> <li>When an employee fails to achieve the threshold of the latest individual performance prior to the vesting date, Leadtrend will take back, without compensation payment, the restricted stock awards that have not been vested in the employee yet.</li> <li>Stock options and stock dividends granted before the vesting period expires are provided to employees free of charge.</li> </ol>			
Number of Employee Restricted Stock Which Have Been Reclaimed	66,500		90,000	
Number of Released Employee Restricted Stock	833,500		210,000	
Number of Unreleased Employee Restricted Stock	0		0	
Ratio of Unreleased Employee Restricted Stock to Total Issued Shares □ (%) (Note)	0.00%		0.00%	
Impact on Shareholders' Interest	As for the impact of the vesting conditions and the amount amortized annually for the temporarily estimated expensed amount on earnings per share, the earnings per share for 2020, 2021, 2022, 2023 and 2024 will be probably reduced by NT\$0.08, NT\$0.23, NT\$0.16, NT\$0.08 and NT\$0.02 respectively (which are calculated based on 46,882,200 shares, plus restricted stock awards). The dilution of earnings per share is limited, so there is no significant impact on shareholders' equity.			

Note: Total issued shares is 61,993,182 based on March 30, 2026.

Type of Employee Restricted Stock	Employee Restricted Stock Awards of 2022			
Date of Effective Registration and total shares	August 18, 2022			
Issue Date	October 12, 2022			
Number of Employee Restricted Stock Issued	420,000			
Unissued shares	0			
Issued Price	Issue for free			
Employee Restricted Stock as a Percentage of Shares Issued (Note)	0.68%			
Vesting conditions of Employee Restricted Stock	After new restricted stock awards are allocated to an employee, the employee must obtain an assessment grade of "Compliance" or above (i.e. a scale score $\geq 5.8$ ) for the latest Individual Performance prior to the vesting date and is still working at Leadtrend upon expiration of any of the following vesting periods. Then the employee will receive such new restricted stock awards based on the ratio of vested portion for the concerned vesting period.			
	Vesting Period	Ratio of Vested Portion	Vesting Period	Ratio of Vested Portion
	From the vesting date to Oct. 11 of the next year	1/6	From the vesting date to Apr. 11 of the next 3rd year	1/6
	From the vesting date to Apr. 11 of the next 2nd year	1/6	From the vesting date to Oct. 11 of the next 3rd year	1/6
	From the vesting date to Oct. 11 of the next 2nd year	1/6	From the vesting date to Apr. 11 of the next 4th year	1/6
Restricted Rights of Employee Restricted Stock	<ol style="list-style-type: none"> <li>Before the expiration of the vesting period, an employee shall not sell, pledge, assign, give as gifts, set for mortgage or dispose any new restricted stock awards.</li> <li>After the issue of new restricted stock awards, the new restricted stock awards shall be entrusted in trust immediately. Before satisfying vesting conditions, an employee shall not give any reason or use any method to request the trustee to return the new restricted stock awards to him/her.</li> <li>If an employee violates Paragraph (8) of this article by terminating or cancelling, before the satisfaction of vesting conditions, the proxy authorization granted to Leadtrend, then Leadtrend shall take back, without compensation payment, the stock awards from the employee.</li> </ol>			
Custody Status of Employee Restricted Stock	During the period in which the new restricted stock awards have been entrusted in trust, Leadtrend shall act on behalf of its employees to handle, together with the stock trust institution, the negotiation, execution, revision, extension, cancelation and termination of, for example, a trust deed and the delivery, use and disposal-related instructions for trust property.			
Measures to be Taken Where Employees Fail to Meet the Vesting Conditions	<ol style="list-style-type: none"> <li>When an employee resigns voluntarily, is dismissed or laid off, retires, passes away, takes unpaid leave or is transferred to a related enterprise during the period between the vesting date and the expiration of the vesting period, Leadtrend shall take back, without compensation payment, from the employee the stock awards that have been allocated to, but not been vested in, the employee.</li> <li>When an employee fails to achieve the threshold of the latest individual performance prior to the vesting date, Leadtrend will take back, without compensation payment, the restricted stock awards that have not been vested in the employee yet.</li> <li>Before satisfying vesting conditions for the new restricted stock awards issued under the Regulations, employees do not have the right to enjoy allocation of shares, cash bonuses and capital surplus. Other rights of a shareholder are the same as those for the common shares issued already by Leadtrend.</li> </ol>			
Number of Employee Restricted Stock Which Have Been Reclaimed	79,000			
Number of Released Employee Restricted Stock	341,000			
Number of Unreleased Employee Restricted Stock	0			
Ratio of Unreleased Employee Restricted Stock to Total Issued Shares $\square$ (%) (Note)	0.00%			
Impact on Shareholders' Interest	As for the impact of the vesting conditions and the amount amortized annually for the temporarily estimated expensed amount on earnings per share, the earnings per share for 2022, 2023, 2024, 2025 and 2026 will be probably reduced by NT\$0.06, NT\$0.28, NT\$0.15, NT\$0.06 and NT\$0.01 respectively (which are calculated based on 52,864,620 shares, 2022, plus restricted stock awards). The dilution of earnings per share is limited, so there is no significant impact on shareholders' equity.			

Note: Total issued shares is 61,993,182 based on March 30, 2026.

Type of Employee Restricted Stock	Employee Restricted Stock Awards of 2023			
Date of Effective Registration and total shares	August 04, 2023			
Issue Date	October 10, 2023			
Number of Employee Restricted Stock Issued	420,000			
Unissued shares	0			
Issued Price	Issue for free			
Employee Restricted Stock as a Percentage of Shares Issued (Note)	0.68%			
Vesting conditions of Employee Restricted Stock	After new restricted stock awards are allocated to an employee, the employee must obtain an assessment grade of "Compliance" or above (i.e. a scale score $\geq 5.8$ ) for the latest Individual Performance prior to the vesting date and is still working at Leadtrend upon expiration of any of the following vesting periods. Then the employee will receive such new restricted stock awards based on the ratio of vested portion for the concerned vesting period.			
	Vesting Period	Ratio of Vested Portion	Vesting Period	Ratio of Vested Portion
	From the vesting date to Oct. 11 of the next year	1/6	From the vesting date to Apr. 11 of the next 3rd year	1/6
	From the vesting date to Apr. 11 of the next 2nd year	1/6	From the vesting date to Oct. 11 of the next 3rd year	1/6
	From the vesting date to Oct. 11 of the next 2nd year	1/6	From the vesting date to Apr. 11 of the next 4th year	1/6
Restricted Rights of Employee Restricted Stock	<ol style="list-style-type: none"> <li>Before the expiration of the vesting period, an employee shall not sell, pledge, assign, give as gifts, set for mortgage or dispose any new restricted stock awards.</li> <li>After the issue of new restricted stock awards, the new restricted stock awards shall be entrusted in trust immediately. Before satisfying vesting conditions, an employee shall not give any reason or use any method to request the trustee to return the new restricted stock awards to him/her.</li> <li>If an employee violates Paragraph (8) of this article by terminating or cancelling, before the satisfaction of vesting conditions, the proxy authorization granted to Leadtrend, then Leadtrend shall take back, without compensation payment, the stock awards from the employee.</li> </ol>			
Custody Status of Employee Restricted Stock	During the period in which the new restricted stock awards have been entrusted in trust, Leadtrend shall act on behalf of its employees to handle, together with the stock trust institution, the negotiation, execution, revision, extension, cancelation and termination of, for example, a trust deed and the delivery, use and disposal-related instructions for trust property.			
Measures to be Taken Where Employees Fail to Meet the Vesting Conditions	<ol style="list-style-type: none"> <li>When an employee resigns voluntarily, is dismissed or laid off, retires, passes away, takes unpaid leave or is transferred to a related enterprise during the period between the vesting date and the expiration of the vesting period, Leadtrend shall take back, without compensation payment, from the employee the stock awards that have been allocated to, but not been vested in, the employee.</li> <li>When an employee fails to achieve the threshold of the latest individual performance prior to the vesting date, Leadtrend will take back, without compensation payment, the restricted stock awards that have not been vested in the employee yet.</li> <li>Before satisfying vesting conditions for the new restricted stock awards issued under the Regulations, employees do not have the right to enjoy allocation of shares, cash bonuses and capital surplus. Other rights of a shareholder are the same as those for the common shares issued already by Leadtrend.</li> </ol>			
Number of Employee Restricted Stock Which Have Been Reclaimed	49,000			
Number of Released Employee Restricted Stock	249,000			
Number of Unreleased Employee Restricted Stock	122,000			
Ratio of Unreleased Employee Restricted Stock to Total Issued Shares □ (%) (Note)	0.20%			
Impact on Shareholders' Interest	As for the impact of the vesting conditions and the amount amortized annually for the temporarily estimated expensed amount on earnings per share, the earnings per share for 2023, 2024, 2025, 2026 and 2027 will be probably reduced by NT\$0.03, NT\$0.16, NT\$0.08, NT\$0.03 and NT\$0.01 respectively (which are calculated based on 56,883,828 shares, plus restricted stock awards). The dilution of earnings per share is limited, so there is no significant impact on shareholders' equity.			

Note: Total issued shares is 61,993,182 based on March 30, 2026.

Type of Employee Restricted Stock	Employee Restricted Stock Awards of 2024			
Date of Effective Registration and total shares	July 30, 2024			
Issue Date	October 09, 2024			
Number of Employee Restricted Stock Issued	420,000			
Unissued shares	0			
Issued Price	Issue for free			
Employee Restricted Stock as a Percentage of Shares Issued (Note)	0.68%			
Vesting conditions of Employee Restricted Stock	After new restricted stock awards are allocated to an employee, the employee must obtain an assessment grade of "Compliance" or above (i.e. a scale score $\geq 5.8$ ) for the latest Individual Performance prior to the vesting date and is still working at Leadtrend upon expiration of any of the following vesting periods. Then the employee will receive such new restricted stock awards based on the ratio of vested portion for the concerned vesting period.			
	Vesting Period	Ratio of Vested Portion	Vesting Period	Ratio of Vested Portion
	From the vesting date to Oct. 11 of the next year	1/6	From the vesting date to Apr. 11 of the next 3rd year	1/6
	From the vesting date to Apr. 11 of the next 2nd year	1/6	From the vesting date to Oct. 11 of the next 3rd year	1/6
	From the vesting date to Oct. 11 of the next 2nd year	1/6	From the vesting date to Apr. 11 of the next 4th year	1/6
Restricted Rights of Employee Restricted Stock	<ol style="list-style-type: none"> <li>Before the expiration of the vesting period, an employee shall not sell, pledge, assign, give as gifts, set for mortgage or dispose any new restricted stock awards.</li> <li>After the issue of new restricted stock awards, the new restricted stock awards shall be entrusted in trust immediately. Before satisfying vesting conditions, an employee shall not give any reason or use any method to request the trustee to return the new restricted stock awards to him/her.</li> <li>If an employee violates Paragraph (8) of this article by terminating or cancelling, before the satisfaction of vesting conditions, the proxy authorization granted to Leadtrend, then Leadtrend shall take back, without compensation payment, the stock awards from the employee.</li> </ol>			
Custody Status of Employee Restricted Stock	During the period in which the new restricted stock awards have been entrusted in trust, Leadtrend shall act on behalf of its employees to handle, together with the stock trust institution, the negotiation, execution, revision, extension, cancellation and termination of, for example, a trust deed and the delivery, use and disposal-related instructions for trust property.			
Measures to be Taken Where Employees Fail to Meet the Vesting Conditions	<ol style="list-style-type: none"> <li>When an employee resigns voluntarily, is dismissed or laid off, retires, passes away, takes unpaid leave or is transferred to a related enterprise during the period between the vesting date and the expiration of the vesting period, Leadtrend shall take back, without compensation payment, from the employee the stock awards that have been allocated to, but not been vested in, the employee.</li> <li>When an employee fails to achieve the threshold of the latest individual performance prior to the vesting date, Leadtrend will take back, without compensation payment, the restricted stock awards that have not been vested in the employee yet.</li> <li>Before satisfying vesting conditions for the new restricted stock awards issued under the Regulations, employees do not have the right to enjoy allocation of shares, cash bonuses and capital surplus. Other rights of a shareholder are the same as those for the common shares issued already by Leadtrend.</li> </ol>			
Number of Employee Restricted Stock Which Have Been Reclaimed	38,500			
Number of Released Employee Restricted Stock	129,500			
Number of Unreleased Employee Restricted Stock	252,000			
Ratio of Unreleased Employee Restricted Stock to Total Issued Shares (%) (Note)	0.41%			
Impact on Shareholders' Interest	As for the impact of the vesting conditions and the amount amortized annually for the temporarily estimated expensed amount on earnings per share, the earnings per share for 2024, 2025, 2026, 2027 and 2028 will be probably reduced by NT\$0.06, NT\$0.28, NT\$0.15, NT\$0.06 and NT\$0.008 respectively (which are calculated based on 58,917,843 shares, plus restricted stock awards). The dilution of earnings per share is limited, so there is no significant impact on shareholders' equity.			

Note: Total issued shares is 61,993,182 based on March 30, 2026.

Type of Employee Restricted Stock	Employee Restricted Stock Awards of 2025			
Date of Effective Registration and total shares	July 22, 2025			
Issue Date	November 21, 2025			
Number of Employee Restricted Stock Issued	420,000			
Unissued shares	0			
Issued Price	Issue for free			
Employee Restricted Stock as a Percentage of Shares Issued (Note)	0.68%			
Vesting conditions of Employee Restricted Stock	After new restricted stock awards are allocated to an employee, the employee must obtain an assessment grade of "Compliance" or above (i.e. a scale score $\geq 5.8$ ) for the latest Individual Performance prior to the vesting date and is still working at Leadtrend upon expiration of any of the following vesting periods. Then the employee will receive such new restricted stock awards based on the ratio of vested portion for the concerned vesting period.			
	Vesting Period	Ratio of Vested Portion	Vesting Period	Ratio of Vested Portion
	From the vesting date to Oct. 11 of the next year	1/6	From the vesting date to Apr. 11 of the next 3rd year	1/6
	From the vesting date to Apr. 11 of the next 2nd year	1/6	From the vesting date to Oct. 11 of the next 3rd year	1/6
	From the vesting date to Oct. 11 of the next 2nd year	1/6	From the vesting date to Apr. 11 of the next 4th year	1/6
Restricted Rights of Employee Restricted Stock	<ol style="list-style-type: none"> <li>Before the expiration of the vesting period, an employee shall not sell, pledge, assign, give as gifts, set for mortgage or dispose any new restricted stock awards.</li> <li>After the issue of new restricted stock awards, the new restricted stock awards shall be entrusted in trust immediately. Before satisfying vesting conditions, an employee shall not give any reason or use any method to request the trustee to return the new restricted stock awards to him/her.</li> <li>If an employee violates Paragraph (8) of this article by terminating or cancelling, before the satisfaction of vesting conditions, the proxy authorization granted to Leadtrend, then Leadtrend shall take back, without compensation payment, the stock awards from the employee.</li> </ol>			
Custody Status of Employee Restricted Stock	During the period in which the new restricted stock awards have been entrusted in trust, Leadtrend shall act on behalf of its employees to handle, together with the stock trust institution, the negotiation, execution, revision, extension, cancelation and termination of, for example, a trust deed and the delivery, use and disposal-related instructions for trust property.			
Measures to be Taken Where Employees Fail to Meet the Vesting Conditions	<ol style="list-style-type: none"> <li>When an employee resigns voluntarily, is dismissed or laid off, retires, passes away, takes unpaid leave or is transferred to a related enterprise during the period between the vesting date and the expiration of the vesting period, Leadtrend shall take back, without compensation payment, from the employee the stock awards that have been allocated to, but not been vested in, the employee.</li> <li>When an employee fails to achieve the threshold of the latest individual performance prior to the vesting date, Leadtrend will take back, without compensation payment, the restricted stock awards that have not been vested in the employee yet.</li> <li>Before satisfying vesting conditions for the new restricted stock awards issued under the Regulations, employees do not have the right to enjoy allocation of shares, cash bonuses and capital surplus. Other rights of a shareholder are the same as those for the common shares issued already by Leadtrend.</li> </ol>			
Number of Employee Restricted Stock Which Have Been Reclaimed	0			
Number of Released Employee Restricted Stock	0			
Number of Unreleased Employee Restricted Stock	420,000			
Ratio of Unreleased Employee Restricted Stock to Total Issued Shares (%) (Note)	0.68%			
Impact on Shareholders' Interest	Based on the vesting conditions, the estimated amortized expenses recognized annually are projected to reduce Earnings Per Share (EPS) by approximately NT\$0.037, NT\$0.166, NT\$0.090, NT\$0.037, and NT\$0.005 for the years 2025, 2026, 2027, 2028, and 2029, respectively (calculated based on 60,442,100 issued shares plus the restricted stock awards). The total potential dilution to the Company's EPS is approximately NT\$0.335, which remains limited; therefore, there is no material impact on shareholders' equity.			

Note: Total issued shares is 61,993,182 based on March 30, 2026.

3.6.2 The names of the managers who have obtained restricted employee rights shares, as well as the top ten employees who have acquired shares, along with the details of their acquisitions, are provided as of the date of the publication of the Annual Report:

April 15, 2026

Title(Note1)	Name	Number of Employee Restricted Stock Granted	Employee Restricted Stock as a Percentage of Shared Issued( Note4)	Restrictions Released ( Note2)				Restrictions Unreleased ( Note2)				
				No. of Shares	Issued Price (NT\$)	Issued Amount (NT\$)	Released Shares as a Percentage of Shares Issued ( Note4)	No. of Shares	Issued Price (NT\$)	Issued Amount (NT\$)	Released Shares as a Percentage of Shares Issued ( Note4)	
Management team	President	Heng-Chung Chi	542,900	0.88%	451,900	0	0	0.73%	91,000	0	0	0.15%
	Senior Vice President	Ming-Nan Chuang										
	Assistant Vice President	Jiong-Feng Zhou										
	Financial and Accounting Supervisor	Shu-Wei Yu										
Employee	Special Assistant	Hao-Ming, Lee	1,394,100	2.25%	1,149,100	0	0	1.85%	245,000	0	0	0.40%
	Senior Director	Ming-Chang Tsou										
	Project Director	Chuei-Hua Chiou (Note5)										
	Senior Director	Jin- He Wu										
	Director	Meng-Jen Tsai										
	Director	Chung-Wei Lin										
	Senior Manager	Yu-Pin Wang										
	Senior Manager	Sheng-Chun Hung										
	Director	Wei-Chen Chang										
	Director	Teng-He Wu										
Director	Kun-Cheng Chen											

Note 1: Undischarged restricted rights do not include the number of shares that have been withdrawn from service and canceled before the vesting conditions have been met.

Note 2: The number of issued shares is based on the Company's 61,993,182 issued common shares as of March 30, 2026.

Note 3: Among the 451,900 shares for which restrictions have been lifted for managers, 28,000 shares were retrieved and cancelled.

Note 4: Among the 1,149,100 shares for which restrictions have been lifted for employees, 92,000 shares were retrieved and cancelled.

Note 5: On July 1, 2025, Chuei-Hua Chiou resigned from the position of Senior Vice President and was transferred to the position of Project Director of the President's Office.

**3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.**

**3.8 Status of Implementation of Capital Allocation Plans: None.**

## Chapter 4. Operations Overview

### 4.1 Business Overview

#### 4.1.1 Scope of Business

- (1) The main contents of the Company's business:
  - (A) CC01080 electronic component manufacturing industry
  - (B) I301010 information software service industry.
  - (C) I501010 product design industry.
  - (D) I599990 other design industry.
  - (E) F601010 intellectual property industry.

- (2) Business proportion:

Unit: NT\$ thousands; %

Year \ Item	2025	
	Amount	Proportion of revenue
Power Management IC	1,348,683	100

- (3) The Company's current product (services) items: Power Management IC.

- (4) New products (services) planned for development:

- (A) AC/DC Power Management IC

Providing a comprehensive power management solution that incorporates streamlined circuits, advanced environmental protection, and energy-saving products remains Leadtrend Technology's primary focus in research and development. The performance of the products currently developed and marketed not only meets market demand but also exceeds regulatory requirements.

- ① In the application of ACDC power management integrated circuits (ICs), products with input power levels below 75W operate in hybrid mode, while those with input power levels exceeding 75W are optimized for Power Factor Correction (PFC), Total Harmonic Distortion (THD), and Pulse Width Modulation (PWM) operation modes. This optimization significantly enhances the chip's compliance with the stringent energy efficiency standards set by Energy Star DoE-6 and CoC Tier-2, providing at least a 1% margin above the regulated efficiency. The chip is suitable for a wide range of applications, including cellular phones, NFCs, and various other electronic devices. It can be utilized in power supply systems for cell phone/NB/TV/Network system power supply.
- ② Integrated high-voltage MOSFETs (700V) are continually being developed and have been successfully launched in a variety of products suitable for

applications under 65W. Additionally, they are being adapted for high-power packages that do not require heat sink designs. Current application areas include Monitor/TV/Network.

- ③ High-density packaging is the focus of future development, driven by a new generation of packaging stacking technology and the integration of ICs and MOSFETs. In high-density packaging, samples have successfully completed temperature and other reliability certifications and have entered mass production.
- ④ A new generation of power supply products for inkjet printers has been developed to offer end-brand customers a more energy-efficient power solution. Additionally, a variety of models with different power requirements have been introduced into mass production.
- ⑤ Derivative PD IC product applications are built upon the existing PD MCU base products, which are integrated into the power supply systems of game consoles. This foundation allows for the ongoing expansion and development of next-generation products.
- ⑥ In order to enhance the conversion efficiency of power systems, synchronous rectifier integrated circuits (ICs) have become essential components for applications such as 5G mobile phones/WiFi6/NB, etc. The third generation of self-powered detector synchronous rectifier ICs, along with the associated integrated MV MOS products, which eliminate the need for additional power supply windings, have now entered the mass production phase.
- ⑦ For the Indian market, the adapter power supply has significantly simplified external wiring. Additionally, its active detection of the input power supply allows for immediate protection of the system during abnormal states, thereby enhancing overall system stability. This technology has been successfully integrated into well-known brands of adapters.
- ⑧ Miniaturized, low-power, high-frequency (>300kHz) control ICs have been successfully launched and are currently under development for integration with MOS/GaN products.
- ⑨ Optimized conductive and radiated EMI characteristics for Netcom adapter power applications have been successfully implemented in mass production.
- ⑩ The new PFC inductor does not need the reference coil for ZCD detection method, which can greatly improve the system cost, and has been successfully introduced into mass production.
- ⑪ High-performance Primary Side Regulation (PSR) fly-back architecture, using mixed mode operation, can meet the most stringent new energy

regulations, and can save PC817 and TL431 components, optimize the number of system components and plate area, and has been successfully imported into well-known adapters.

- ⑫ Power control IC for small-volume high-power chargers has been developed, with gallium nitride (GaN) field effect transistor (FET), IC operating for 250kHz application, and its sizes can be greatly reduced by about half.
- ⑬ High power integrated power management IC is developed, built in PFC and Flyback control architecture, with logical communication to optimize system efficiency and save system components.
- ⑭ New QR steep frequency technology can greatly improve the conducted EMI design in the amount of >3dB in LC resonant band, and successfully imported into the TV power board of well-known brand.
- ⑮ As per the new regulation IEC62368, improve the overcurrent protection error, in order to develop a high precision overcurrent protection, to meet the needs of the market display 3-in-1 module application.
- ⑯ Highly integrated packaging technology is developed to successfully improve the efficiency and power density of switching power supply, including from the packaging material and heat transfer optimization (such as WSOP, SOP\_EP, DNF, QFN, SPAK packaging).
- ⑰ Develop a new IC grid driver, combined with the third generation of semiconductor GaN FET direct driven, can simplify the drive circuit, to reduce the system vibration to optimize EMI characteristics.
- ⑱ Develop High efficiency asymmetric half-bridge controller, Adaptive ZVS switch, to achieve efficiency optimization, output power application 65W-240W range, adaptable for PD3.1 output.
- ⑲ Develop new digital control staggered power factor corrector development, digital control to increase the circuit accuracy and adjustment degree, and reduce its design difficulty and noise interference, in order to increase the reliability of the overall circuit.
- ⑳ Highly integrated gallium nitride chips integrate high-performance hybrid mode flyback controllers, gallium nitride switching transistors, power supply and protection circuits into a unique heat dissipation package, greatly reducing the number of peripheral components and eliminating the influence of parasitic parameters on high-frequency switches in traditional drive wiring and achieving high conversion efficiency and high power density products.
- ㉑ Our company has developed a brand-new AHB synchronous rectification control chip. In response to the special characteristics of ZVS and AHB architecture applications, we have added a unique patent to automatically

set QR and CRM modes on the basis of traditional VD slope detection, which can effectively avoid TQR masking to avoid SR misleading communication, and a high-precision ZVS Pulse judgment mechanism to improve system efficiency.

- ⑫ The new LD9XXX series, featuring LO SP-9 and QFN8\*8 packages along with the ICX (capacitive leakage) function, has successfully passed the CB certification for IEC 62368-1:2018 (Third Edition) regarding safety requirements.
- ⑬ A new generation of high-power integrated power management ICs has been developed featuring built-in Power Factor Correction (PFC) and LLC control architecture, along with a digital-analog mixed signal and current mode control. These ICs offer zero voltage switching, low electromagnetic interference, high switching frequency capability, and optimized load performance, which collectively provide excellent noise immunity. Additionally, the integrated functionality simplifies system design.
- ⑭ We have developed a new LLC synchronous rectifier control chip that specifically addresses the unique characteristics of LLC architecture applications. This chip controls the synchronous rectifier by monitoring its drain-source voltage (VDS). Building upon traditional VD slope detection, the chip incorporates a unique and patented Adaptive VGS mode, which effectively manages the MOS shutdown to enhance system efficiency under light load conditions.
- ⑮ The new generation Boundary Conduction Mode (BCM) Power Factor Correction (PFC) control IC achieves full valley switching through dual detection technology (zero current and average value), enhancing noise immunity and reducing switching losses. Combined with an optimized frequency-limiting design, it delivers high-efficiency performance across the entire load range. By internally integrating feedback and iTHD compensation circuits, it reduces the number of external components and lowers costs while further optimizing system stability.
- ⑯ The new generation highly integrated flyback digital control IC leverages the advantages of a digital architecture to provide high flexibility in specification adjustments while simultaneously accelerating engineering verification and production inventory processes, effectively resolving the issue of electrical characteristic variations after packaging. Furthermore, the introduction of our fourth-generation power-saving and EMI technologies significantly optimizes system standby power consumption and enhances conducted and radiated EMI margins.

#### (B) USB charging management IC

In recent years, due to the improvement of battery density, the progress of material system and the needs of users, all the battery applications take

fast charging as the highlight in product development, especially in the mobile phone where it is developed most rapidly, including Qualcomm® Quick Charge™ or MediaTek's Pump Express Plus™, and the Power Delivery (PD) protocol published by the USB IF Institute which is becoming an industry standard, and the birth of self-reliant protocols in cell phone in the Mainland. At present, a new Universal Fast Charging Specification (UFCS) Converged fast Charging agreement is a new generation of converged fast charging agreement completed by a number of terminals and chips manufacturers and industrial partners. This protocol is intended to develop the convergence fast charging standard of mobile terminals, solve the incompatibility problem of mutual fast charging (integrated with the above-mentioned manufacturers' own protocols), and create a fast, safe and compatible charging environment for end users.

- ① As per the resolution of the European Parliament that, from the end of 2024, small and medium-sized electronic products such as mobile phones and tablet computers sold in the EU, as well as NB devices from the end of 2025, must be compatible with USB Type-C specification, which will soon become the mainstream of data transmission and charging in the market. The PD Share rate of NB will gradually increase, which has been introduced in LD6612 series in the past and even to laptop products ranging 45W to 65W, and subsequent shipment will gradually increase in the market.
- ② The USB Implementers Forum (USB-IF) released the new-generation Power Delivery (PD) 3.1 protocol specification in 2021, elevating the power capability to 240W, and further upgraded the specification to PD 3.2 in 2025. Leadtrend's full range of PD products supports the PD 3.2 specification and is backward compatible, supporting a maximum output of up to 240W. Currently, these products have been integrated into various 140W applications across international brands. Furthermore, our existing 240W Total Solution, comprising the LD5780, LD8529x, and LD6618, provides customers with full-power-range applications complying with PD 3.2.
- ③ In response to the multi-port applications in the accessory market, the LD6621x for 1A1C multi-port charging application has been mass-produced in January 2024. In addition to the multi-port, this product also carries the UFCS protocol that is currently being implemented by the mainland government, and in the future, there will be a program with the LD7300 combo packages Buck+PD IC combo program, so that the customer can be more streamlined and simpler in the application. The application is more simply.
- ④ Currently, the European Union has released a new version of the draft energy regulations in December 2024, which is expected to be officially

released in 2025Q4 and mandatory in 2028Q3, with more stringent requirements on various voltage bands and standby efficiency, as well as the requirement that future adapters should not be equipped with wires, Leadtrend Technology is now ahead of its peers with the launch of a new generation of LD5555+ and LD8528+ LD6615x3/6935x2 series Total solutions to meet the demand for more stringent and more environmentally friendly regulations in the future.

- ⑤ In response to the miniaturization and circuit simplification of fast charging products and the latest version of the EU energy regulations, the LD6935x2 integrates the PD protocol and Type\_C blocking MOSFETs, which can significantly reduce the number of external components, enabling customers to simplify the power supply circuit structure and reduce the cost of materials and processing, and has been introduced by the relevant brand vendors.

### (C) LED Driver Power Management IC

With the popularization of LED, TV/monitor backlight driver and high quality requirements of lighting, LED has been indispensable to the mainstream, the new generation of LED solutions focus on lighting quality enhancement such as dimming depth, no flicker, high power factor and low harmonic, high efficiency and so on demand.

- ① THDi < 10% LED IC (PFC+SSR architecture) product LD7792SX used in high power intelligent dimming type LED power supply products have been mass produced.
- ② It is compatible with PFC+SSR architecture for emergency power supply (175Vdc~250Vdc). IC product LD7792N/O has been introduced into mass production.
- ③ Single-stage PFC fixed voltage control IC LD7841 for high-power factor products can meet the latest standard (IEC61000-3-2 Class C Ed 5.1) of harmonic requirements for ACDC power supply unit in AI application market, featuring low harmonic, high power factor, high efficiency, and optimized system cost, and the product has been introduced into mass production.
- ④ Active high power booster types constant voltage control IC LD7597 can comply with the latest harmonic standard (IEC61000-3-2Class C Ed 5.1), with advantages of low harmonic, high power factor, high efficiency, and high stability, and the products have been mass produced.
- ⑤ In response to the growing adoption of Silicon Carbide (SiC) as a third-generation wide bandgap semiconductor material, which helps manufacturers design high power density power supply products, we are currently developing the LD7597C Boundary Conduction Mode (BCM) active Power Factor Correction (PFC) controller that directly drives SiC

MOSFETs to further enhance power density.

#### 4.1.2 Industry Overview

(1) The current situation and development of the industry:

(A) Global Semiconductor Economic Overview and Main Demand Drivers

In 2025, the global semiconductor industry maintained robust growth driven by demand in AI, cloud data centers, and high-performance computing. According to WSTS statistics cited by the Semiconductor Industry Association (SIA) published on February 6, 2026, global semiconductor sales reached US\$791.7 billion in 2025, representing an annual increase of 25.6%, pointing out logic and memory products as the primary growth drivers. In addition to the realized growth in 2025, WSTS regularly releases market forecasts in the spring and autumn of each year, and its "Autumn in 2025" edition was published on December 2, 2025. Built upon this economic foundation, although power management-related semiconductors are still influenced by end-market shipments and inventory cycles, the overall industry still possesses room for structural upgrades due to the fact that these components span the power delivery paths of the majority of electronic products and face a clear trend of specification upgrades.

(B) Structural trends in power management IC and AC-DC control - efficiency, power density, and solution-oriented approaches

Power supplies (including external power supplies, TV/monitor power boards, networking power supplies, and various chargers/adapters) are simultaneously facing the dual requirements of higher efficiency and smaller size with higher power density. This drives the continuous iteration of technology roadmaps such as AC-DC control and secondary-side efficiency enhancement (e.g., synchronous rectification). This evolution also shifts the competitive focus of power control ICs from single controller specifications toward the capability of providing comprehensive system solutions that encompass control ICs, reference designs, protection mechanisms, and certification support.

In terms of demand sources, in addition to general consumer electronics, the upgrade of power supply architectures for AI servers and data centers indirectly elevates the requirements for efficiency and reliability in power delivery paths (such as stricter energy consumption management, thermal design, and power quality), further prompting the continuous upgrade of power control and management components.

(C) Energy efficiency regulations and energy-saving requirements - the long-term driving force of External Power Supply (EPS) specifications

External Power Supplies (EPS) represent an important category in energy efficiency policies. The European Union's Ecodesign Regulation (EU) 2019/1782 has been applicable since April 2020, regulating requirements for

both active efficiency and no-load power consumption. Furthermore, this regulation will be replaced by Regulation (EU) 2025/2052 starting from January 1, 2028.

The core implication of the regulations is that competition among power supply and charger products is no longer solely based on cost and power. Instead, it requires stably meeting the demands for efficiency, standby power consumption, and information disclosure under the condition of mass production consistency. Consequently, this continuously drives the need for high-efficiency control architectures, reduced standby loss designs, and more comprehensive protection mechanisms, while elevating the supply chain's requirements for power control ICs to feature high integration, low power consumption, and ease of implementation.

(D) USB-C and USB PD 3.2 / AVS - Fast charging enters the stage of high power combined with high-efficiency negotiation

One of the key trends in power supply interfaces in 2025 is the further maturation of the USB-C ecosystem and the continuous evolution of USB Power Delivery specifications. The demand for fast charging is also shifting from merely increasing power to achieving more precise voltage and power matching to enhance efficiency and reduce heat generation.

USB PD 3.2 introduces new fixed voltage options (such as 28V, 36V, and 48V) and, for the first time, incorporates the Adjustable Voltage Supply (SPR AVS) mechanism in the Standard Power Range (SPR, 27W–100W) to enhance charging efficiency and device compatibility. Meanwhile, in Extended Power Range (EPR) scenarios, it supports power delivery up to the 240W level, expanding USB-C power applications to more medium and high-power products (such as high-end notebooks, professional monitors, and high-capacity power banks).

Furthermore, the update to PD 3.2 extends the AVS mechanism to the SPR range and emphasizes precise matching with smaller steps. This improvement can enhance conversion efficiency and reduce heat loss, reflecting the fast-charging market's elevated requirements for efficiency and thermal management.

In summary, the evolution of USB-C and PD brings three direct impacts to the power management IC industry :

- ① The increased demand for protocol control, interoperability, and certification drives up the value of protocol chips and system solutions.
- ② High-power delivery (such as 240W) expands the categories of applicable devices, leading to market space growth for medium and high-power supply solutions.
- ③ Utilizing AVS to enhance efficiency and reduce temperature rise promotes a

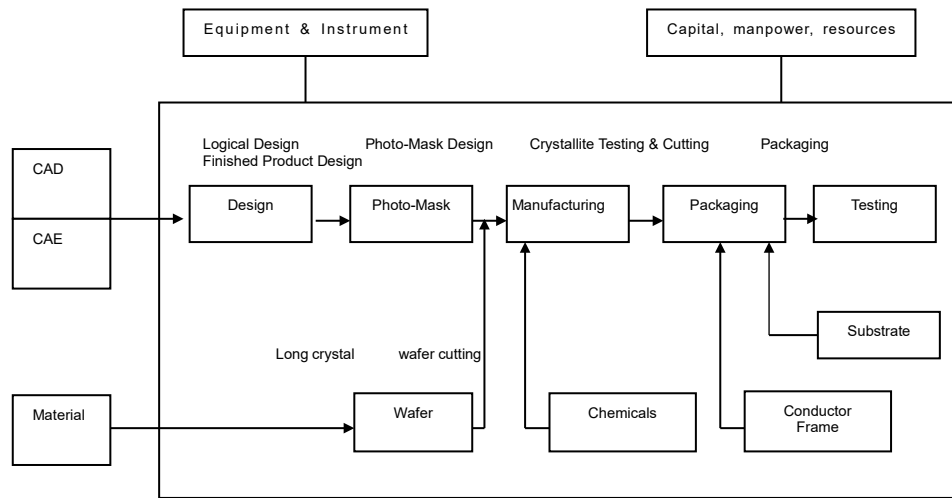
tighter integration between power control and protocol control while elevating the threshold for product design.

Synthesizing industry trends such as the semiconductor economic recovery in 2025, the continuous strengthening of energy efficiency regulations and the specification evolution of USB-C and USB PD 3.2 (including SPR AVS), the power management and AC-DC control market in which the Company operates presents a structural opportunity where "specification upgrades drive an enhancement in solution value." First, the European Union's energy efficiency regulations for external power supplies have been implemented and are planned to be replaced by new regulations in 2028. This is expected to continuously elevate customer requirements for high efficiency, low standby power consumption, as well as mass production consistency and reliability. This shift moves power control ICs away from competing solely on single-point cost and toward the necessity of providing more comprehensive system solutions and implementation support. Second, the USB-C fast-charging market is transitioning from "increasing power" to "efficiency optimization and thermal management." The introduction of SPR AVS in PD 3.2 enables more precise voltage negotiation, which helps enhance conversion efficiency and reduce heat generation, while also elevating the technical barriers for protocol control, protection mechanisms, and system integration. Building on these trends, the Company can assist customers in shortening development cycles and enhancing product competitiveness by strengthening the completeness of AC-DC medium and high power control solutions, deepening the capabilities of integrated design and application reference solutions, and aligning with the product layout of USB-C and PD 3.2 protocol controllers. This will further enhance the value of the Company's product portfolio and expand its penetration rate and depth of long-term cooperation across markets including adapters, monitors and TVs, networking, and other power application sectors.

(2) Upstream, midstream, and downstream industry connections:

In recent years, with the evolution of vertical division of labor integration of the whole semiconductor, Chinese IC industry is developing vigorously and the division of labor system is becoming professional. Each production link has many individual manufacturers input, the division of labor is clear and each is specialized, so that the structure of the upper, middle and downstream of Chinese IC industry system is more complete. In the value chain of integrated circuit (IC) industry, IC design industry belongs to the upstream industry, IC design companies must go through professional wafer foundries or IDM factories (integrated semiconductor factories: Integrated Device Manufacturer: design, manufacturing, packaging, testing and sales are all handled by the manufacturer. ) Semi-finished wafers are manufactured, tested in the front section, then transferred to professional packaging factories for cutting and packaging, and finally tested in the back section by professional testing factories. The finished product after testing is sold to the system manufacturer for

assembly and production through the sales pipeline. The relevance between upper, middle and downstream industries is given below:



Data source: Yearbook for Semiconductor Industry

### (3) Product development trends and competition:

#### (A) Product Development Trends

Our main products are AC/DC converter, USB-PD/QC4.0+ total solution and LED driver for lighting field, which are described below.

##### ●AC/DC converter

AC/DC products are still the Company's development center of gravity, mainly in various electronic applications of the power supply, the main application areas are TV/MNT, PC/NB, Mobile, Networking, Home Appliance, Power Tool, Medical, Industrial, LED Lighting and Accessory applications. Due to the development of 4K/8K high-definition displays and 5G/WiFi7 commercialization in recent years, coupled with the gradual penetration of devices equipped with Type-C interfaces and supporting PD protocols as standard interfaces (including products in the Netcom and power tools, etc.), as well as Netcom products with the trend of the Internet continues to lead the growth momentum. leadtrend Technology's unique multi-mode operation CCM+QR PWM controller coupled with synchronous rectification technology is well ahead of energy saving regulations (e.g., U.S. Department of Energy (DoE) Level-6, and EU CoC Tier-2 & ErP lot7), and is well positioned to capitalize on this wave of demand to gain a head start on new applications, such as smart speakers, cell phone fast charging, laptop fast charging, netcom mini-sized products, and so on, smart speakers, fast charging for mobile phones, fast charging for laptops, and miniaturized power supplies for netcom. In addition to the Hi-power application of LLC +PFC IC & AHB, we have promoted the application from TV/MNT & NB to other terminal products

and made breakthroughs in the gradual deployment of various product lines. Believe that in the next few years, we will open up a new situation for the contribution to the revenue and continue to ferment.

- USB-PD3.1/China UFCS total solution

Following the European Parliament's resolution mandating the adoption of USB Type-C specifications for small and medium-sized electronic devices such as mobile phones and tablets sold in the EU starting from the end of 2024, and for devices including notebooks starting from the end of 2025, the Type-C specification is poised to become the mainstream standard for data transmission and charging in the market. Leadtrend has completed its product layout for 18W to 240W Power Delivery (PD), encompassing the full power range from the existing PD 3.0 100W up to PD 3.1 240W.

Furthermore, the Universal Fast Charging Specification (UFCS) represents a new generation integrated fast charging protocol jointly developed by numerous terminal manufacturers, chip enterprises, and industry partners. This protocol aims to establish a unified fast charging standard for mobile terminals, resolve incompatibility issues among various fast charging technologies, and create a fast, safe, and compatible charging environment for end users. Currently, Leadtrend has planned the multi-port charging product LD6621, which has successfully obtained the UFCS integrated fast charging protocol certification. Moving forward, new products will continue to be developed in this direction to align with the trend of the China PD protocol.

- LED Driver

This LED product line includes LED related products such as smart lighting and backlight driver IC.

From the perspective of LED lighting product categories, TrendForce estimates that the penetration rate of LED products will exceed 90% in 2027, with smart lighting accounting for more than 40%. Furthermore, the implementation of the fourth phase of the European Union's ErP directive has accelerated the phase-out of traditional lighting products from the market. The market size is projected to reach US\$63.903 billion in 2029, demonstrating a compound annual growth rate (CAGR) of approximately 2.4% from 2024 to 2029. Regarding the LED lighting application market, as lighting products are increasingly equipped with various sensors and communication modules, the penetration rate of connected lighting continues to rise. In addition, to achieve the global goal of carbon neutrality, the demand for LED energy-saving retrofit projects is increasing, paving the way for new growth opportunities in the commercial, residential, outdoor, and industrial lighting application markets in the future. °

Our lighting energy-saving ICs, which focus on dimming and flicker suppression while considering the compatibility between different interfaces,

such as digital/analog, and external dimming power supply devices, have been recognized by international lighting/lighting companies. We have also developed the ACDC solution that is suitable for the smart desk lamp market by utilizing the ACDC solution for "LED eye-protecting desk lamps", and at the same time, we can also reach out to the demand for the "IoT home appliance" solution. It also meets the needs of LED applications and plant lighting market, which have been subject to increasingly stringent LED policies and regulations in recent years.

(B) Competition situation

Following the emergence of the Huawei ban 2.0, the favorable impacts on Taiwanese IC design companies slightly outweigh the unfavorable aspects. Huawei must more actively pursue its de-Americanization initiatives, significantly increasing the opportunities for Taiwanese chip suppliers to rise to prominence.

Furthermore, Huawei's lost market share is likely to be divided among other Chinese smartphone brand manufacturers. Consequently, the market share of chips produced by Taiwanese IC design companies is expected to remain stable amidst these changes. Finally, unless the disagreements between the US and China ultimately escalate into a full-scale conflict that further upgrades the trade war and impacts the global economic landscape, the pressure of a systemic collapse affecting all players would only then become the ultimate concern for Taiwanese IC design companies.

Taiwanese IC design companies assess that there are generally three scenarios regarding the Huawei ban 2.0. The first is that Huawei's shipments remain unaffected, and only HiSilicon is forced to halt production. This would compel Huawei to adopt alternative smartphone chip product lines from companies other than Qualcomm, such as MediaTek, UNISOC, and Samsung Electronics. Considering Huawei's scale of utilizing nearly 100 million proprietary smartphone chips annually, regardless of the final allocation, it is foreseeable that MediaTek will primarily benefit.

The second scenario is that Huawei's smartphone shipments are impacted, leading to a decline in its end-market smartphone market share. However, the void is likely to be filled by other Chinese smartphone brand manufacturers such as Oppo, Vivo, Honor, and Xiaomi. This situation would deepen the persistence and elevate the level of China's de-Americanization movement.

For Taiwanese IC design companies whose businesses are closely tied to China's domestic demand and export smartphone chip markets, the proportion of procurement from Taiwan for components including LCD driver ICs, fast-charging ICs, CMOS sensors, optical sensor ICs, fingerprint recognition chips, TDDI chips, PA chips, and MEMS microphones is expected to further increase. This would, in turn, facilitate the growth of Taiwanese manufacturers'

market share in end-market chips.

The final scenario involves the US and China escalating their confrontation and resorting to mutually destructive, irrational trade war tactics. In this context, with the global economy already having been impacted by the pandemic since 2020, this additional blow would once again heighten the probability of an economic downturn. This landscape would drag down Taiwanese IC design companies that originally expected to benefit, compelling them to correspondingly revise their corporate operational growth targets downward.

The smart lighting market primarily benefits from the decline in overall smart lighting solution costs and the continuously increasing demand from end consumers for smart lighting systems. This drives the growth of the IoT lighting market, particularly in the smart home lighting segment. Furthermore, against the backdrop of government investments in smart building lighting, smart urbanization development, and future industrial automation development, the demand in the smart lighting market is also expected to be elevated.

#### 4.1.3 Technology and R&D Overview

- (1) Research and development expenses incurred in recent years and up to the printing date of the annual report

Unit: NT\$ thousands ; %

Item	2024	2025	As of March 31, 2026, for the current year
R&D Expenses	282,932	271,841	72,330
Net Revenue	1,453,906	1,348,683	397,055
Percentage of Net Revenue	19.46	20.16	18.22

- (2) Successful technologies or products developed in the most recent year and as of the printing date of the annual report

Item	R&D Achievements	Applications
1	Circuit for controlling a latch mode of a pulse width modulation circuit and method	NB/NWK/MNT/TV
2	Active feedback control integrated circuit applied to an alternating current/direct current converter and operation method	NB/ Game console
3	Controller for controlling a power converter to output constant power and related method	NB/ NWK/ Storage
4	Controller for generating jitters in a constant current mode of a power converter and method	NB/ NWK/ USB Charger/ LED Lighting
5	Power controller with over power protection	NB/NWK/PC/Server Power
6	Controller for detecting an output current of a power converter, device for detecting an average output current of a power converter, method for detecting an average output current of a power converter, and method for detecting an output current of a power converter	NB/PC/Server Power/TV/MNT
7	Constant current control units and control methods for primary side control	USB Charger
8	Controller of a power converter with adjustable jitter amplitude and method of generating adjustable jitter amplitude	NB/NWK

Item	R&D Achievements	Applications
9	Protection circuit and protection method controller for generating jitters in a quasi-resonant mode and method for generating jitters in a quasi-resonant mode	NB/NWK/USB Charger
10	Control circuit for reducing touch current of a power converter and operation method	MNT/TV
11	The active sink current of OUT pin	USB Charger/NWK
12	Adjustable green mode operation with input for high efficiency	NWK/NB/MNT
13	One-line AC OFF Protection	MNT/TV/NB/PC/Server Power
14	Low VF Diode Leakage Protection	USB Charger/NWK
15	Ultra low operation current to improve power saving at no load condition	NB/USB Charger/PC Standby/ MNT/TV
16	Multi-mode PWM QR and CCM, and can meet the scathing ENERGY STAR regulations (DoE 6)	NB/NWK/TV/MNT/USB Charger
17	Qualcomm® Quick Charge™ 2.0 compatible technology	USB Charger
18	MediaTek Pump Express™ & Pump Express Plus™ compatible technology	USB Charger
19	Synchronous rectification driver in CCM, DCM and QR (Valley lock) mode	USB Charger/NWK/NB/TV/PC/Server Power
20	Without Comp PIN solution to reduce component count	USB Charger/LED Lighting/ NWK/ NB
21	Min. THDi controller with AC injection technical for IEC61000-3-2 Class C at Pin≤25W	LED Lighting/Smart Lighting
22	Ripple suppressor with system protection ( as open/ short LED ) at LED replacement lighting application	LED Lighting/Smart Lighting
23	High Power Factor LED primary side regulation Flyback Controller with HV Start-up, LED lighting and dimmable by TRIAC dimmer	LED Lighting/Smart Lighting
24	Shimmer compensation during low phase dimming for TRIAC dimmer	LED Lighting
25	Analog dimming technology (1K~30KHz PWM input to amplitude output current)	TV/ MNT/LCD Backlight
26	Mixed dimming technology for LED backlight application	TV/ MNT/LCD Backlight
27	Stack power structure for LED backlight application	MNT/ TV/ LCD Backlight
28	Sensing FET of current ratio	Appliance Power/ MNT/ TV/ USB Charger
29	Compensation technology for Line / Load regulation	NB/ NWK/ TV/ MNT/ LED Lighting
30	Average current mode technology for DC/DC constant current control	LED Lighting/ Smart Lighting
31	Adjustable Power for CC/CV control technology	NB/ PC/Server Power/ USB Charger
32	COMP loop compensation technology ( Pin <0.3W at no load and full range input)	TV/ MNT
33	Robust Power Semiconductor with High Unclamp Inductive Switch (UIS/EAS) Capability	NB/ NWK/ TV/ MNT/ LED Lighting
34	Power Semiconductor Wafer Level Unclamp Inductive Switch (UIS/EAS) Volume Test.	NB/ TV/ MNT
35	Fast Dynamic Improve Technology for PSR	NB/ NWK
36	High Power Density Packing Technical for Combo IC	TV /MNT/Charger
37	ZCD Auxiliary Winding is Unnecessary	TV
38	SR Fast turn-off total delay of 30ns	USB Charger/ NWK/ NB/ TV/ PC/ Server Power
39	AC Injection Technical by HV pin for LED IC	LED Lighting
40	COMP pin Compensation for On time Variation by HV pin	LED Lighting

Item	R&D Achievements	Applications
41	The dimming controller and correlative dimming method of the pulse width modulation signal and DC signal	LED Lighting
42	PSR operating in CCM to explore the power range.	NWK
43	Constant Current (CC) for CCM Mode. Accurate OCP $\pm$ 8%	NWK
44	Novel QR Mode Jitter to improve quasi-peak level in conduction EMI.	NWK/NB
45	Novel IC protection pause status in Flyback Controller.	NWK
46	Current mode Active clamp Flyback controller with Low CS loop Propagation delay <50ns	NB
47	Valley Synchronized Turn-on Requires No Second Winding On The Boost Inductor	TV/MNT
48	Half-bridge LLC Resonant Controller for dual output	TV/MNT
49	Drain sense pin capable of handling input voltages up to 200 V	NWK/NB
50	Self-supplying for high-side rectification without the use of an auxiliary winding	NWK/NB
51	Self-supplying for operation with low output voltage	NWK/NB
52	A control method used in asymmetric half bridge LLC topology	TV
53	Optimization and Analysis of Power Factor Corrector Controller	NB
54	Novel Multi-control output (DSCP 、 OCP 、 ZVS 、 Vo OVP) CS PIN with Power Factor Correction Circuits	TV
55	Single stage PFC and PSR operation with dimming and thermal fold-back control	LED Lighting
56	Limited Power Source (LPS) for USB Power Delivery (PD) Application	NB
57	An adaptive Min-On-Time Method for Synchronous Rectifier	NWK/NB
58	Current mode control for LLC resonant converter with common mode detection	TV
59	A new control method of flyback with QR/ZVS mode	NWK/NB
60	AI Efficiency tacking of Flyback PWM Controller	NWK/NB
61	A enhanced PF/THDi control method of single stage PFC topology	LED Lighting
62	Hybrid dimming control method of DC Buck constant current output controller	LED Lighting
63	The Communication Mechanism Between the Flyback of PSR and SR for Sleep Mode & Fast Response	NWK
64	Power factor correction controller and operational method thereof	MNT/TV
65	A Secondary Side Flyback Control Method by Using Ripple Injection Technique	NB/NWK
66	Controller applied to a power converter is installed in a primary side of the power converter	NB
67	Flyback Converter with Forward Mode Bias of Auxiliary Winding in a Wide Output Range Application	NB/NWK
68	BCM operation in COT control for secondary side ZVS	NB/NWK
69	Active Gate drive compensation of GaN FETs	NB/NWK/TV
70	A enhanced PF/THDi control method of pre-regulation Boost topology	LED Lighting
71	Spike clamping and energy recycling for flyback converter	NB/NWK/TV
72	A ZVS Pulse Detection Method of Synchronous Rectifier (SR) for AHB Flyback System Application	NB/NWK/TV
73	Group PWM With Frequency Control	NB/NWK/TV
74	Launched a ICX function driver LD9XXXYZW family in LO SP-9 and QFN8*8 package and achieved CB certification of IEC62368-1:2018 (Third Edition) safety requirements	NB/NWK/TV/MNT
75	An automatic adjustment VDS regulation method of synchronous rectifier (SR) suitable for LLC applications	TV/MNT
76	ESD Improvement of Power FETs Combo IC with Embedded Protection Circuits in PWM	NB/NWK/TV

Item	R&D Achievements	Applications
77	X-cap discharge function available with both AC&DC input sources	NB/NWK/TV
78	Achieved CB certification of IEC62368-1:2018 (ED 3.0) safety requirements of PFC+LLC combo·AHB·LLC topology with ICX function controller in SOP-16、SOP-20、TTSOP-20...standard package	NWK/NB/TV/MNT
79	Bootstrap Pre-Charge Control Method for Half-Bridge Resonant Converters	NB
80	Novel Mixed Jitter to improve quasi-peak level in conduction EMI	NB/NWK/TV/MNT

#### 4.1.4 Long-term and short-term business development plans

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

###### (A) R&D Strategy

- ① Taking the advantage of the future development trend of information, communication and application products and consumer electronics products and with the norms of energy laws and regulations, develop a variety of power management IC products, so as to cut down the cost of system products, grasp the market fluctuations and customer needs, and further expand the market share of application products.
- ② Make good use of the accumulated technical knowledge of the Company, in addition to maintaining the existing products, and reduce costs and develop other product lines, introduce new products into the market, improve product quality and popularity, and strengthen product competitiveness.
- ③ Build language models and databases through AI deep learning to bring together diverse models with self-learning capabilities to save development time and reduce costs.

###### (B) Production and Marketing Strategy

- ① Utilizing Taiwan's unique semiconductor subcontracting capabilities to provide customized operational flexibility and maintaining a good relationship and close foundry understanding with domestic foundries and packaging and testing facilities to ensure production capacity and product delivery to meet customers' specific needs and enhance customer satisfaction.
- ② To meet the needs of our customers, we utilize our system design capabilities to provide comprehensive technical support and channel agent marketing activities to increase the market share of our proprietary products with high profit margins.
- ③ Directly connecting with world-class brand customers, the Company acquires first-hand information and specifications to develop customized products, increasing product hit rate and Time to Market.
- ④ Continuously focus on the medium and high power markets, provide high-efficiency Total Solutions, and implement ESG energy conservation to

become a pioneer in high-performance power management ICs.

### (3) Operational and Financial Planning Strategies

Emphasis is placed on employee welfare policies and the implementation of profit-sharing and performance bonus system to boost employee morale and increase their centripetal force.

### (2) Long-term development plan

#### (A) R&D Strategy

- ① We provide a complete range of products to meet the market demand. We have accumulated experience in IC design and integrated technical capabilities to expand the breadth and depth of our product line, and at the same time, we develop other high-end products to diversify our product line to meet the market demand of our customers.
- ② We seek information and technology exchanges with domestic and foreign academic institutions and research units, and through strategic alliances with the IC design industry, we have built up a database of product R&D technologies in order to accumulate experience and enhance technology.
- ③ With the development of the industry trend and the pace of the trend, in addition to enterprises to keep pace with the rhythm, but also focus on the skills training of employees.
- ④ Deepen our engagement in the AI/edge computing industry by developing power ICs equipped with AI efficiency algorithms. Through the intelligent detection of load conditions and the dynamic adjustment of switching frequencies, we aim to achieve ultimate power savings and high power density.

#### (B) Production and Marketing Strategy

- ① We continue to maintain long-term relationships with upstream foundries, packaging, and testing companies (including those in China), and have become strategic partners in developing special function processes to reduce production costs and develop high-quality, multi-functional, and competitive products.
- ② Mastering key technologies, focusing on IC design, and actively developing more advanced and sophisticated product integration to increase market share and become a market leader.

#### (C) Operational and Financial Planning Strategies

- ① To promote the concept of internationalization and to enhance the management capabilities of international enterprises, we will actively cultivate international talents and move towards the goal of becoming a world-class enterprise.

- ② We utilize a variety of financial instruments in the capital market to support our operations.

## 4.2 Market, Production and Sales Overview

### 4.2.1 Market Analysis

#### (1) Primary Product Sales Regions:

Unit: NT\$ thousands

Year		2025		2024	
		Amount	%	Amount	%
Domestic Sales		685,805	50.85	743,327	51.13
Export	China	655,444	48.60	707,901	48.69
	Korea	2,670	0.20	2,678	0.18
	Other	4,764	0.35	0	0.00
Export Subtotal		662,878	49.15	710,579	48.87
Total		1,348,683	100.00	1,453,906	100.00

#### (2) Market share

The Company's primary operations focus on power management-related ICs and Total Solutions, with applications encompassing TV and monitor power supplies, various AC-DC adapters, networking equipment power supplies, and USB Type-C and USB Power Delivery (USB PD) fast charging and power supply applications.

The power management IC market is highly fragmented and highly competitive. Customers predominantly adopt products on a project basis, and these products are frequently tied to end-market brands, ODM and OEM models, power supply topologies, and certification schedules. Because customer models, implementation projects, and shipment structures are classified as trade secrets, the Company does not publicly disclose a single overall market share figure. However, the Company's market position and competitiveness can be well illustrated through its product coverage capabilities, solution completeness, and progress in key specifications and certifications within specific niche markets.

- (A) TV and monitor power supply niche market: penetrating with integrated solutions to enhance adoption stickiness.

In recent years, TV and monitor products have been developing toward module integration. The Company provides a complete set of solutions for TV and monitor applications and assists customers in reducing design and assembly costs through one-stop supply and services. This solution-oriented supply model of PFC, PWM, and SR facilitates stable adoption in specific model platforms, establishing a shipment scale in niche markets and a foundation for long-term cooperation.

- (B) Adapters (AC-DC) and medium-to-high power supply: covering multiple

power ranges and extending to USB-C and PD.

As the adapter market experiences increased power, reduced size, and growing demand for multi-protocol fast charging, power control ICs compete not only in efficiency but also in comprehensive solutions and supported power ranges. The Company offers AC-DC medium and high power solutions for adapter applications and pairs them with USB PD controller products across different power ranges to enhance customers' design and adoption efficiency for high-power fast charging and power supply products.

- (C) USB-C and USB PD - securing market positions with new specification products of PD 3.2 (including AVS and EPR) to enhance competitiveness in the fast-charging controller market.

With the evolution of USB PD specifications, the market is transitioning from "increasing power" to a stage of "high power combined with high-efficiency negotiation (such as AVS)." In 2025, the Company launched the USB-C PD 3.2 related control chip series, highlighting that PD 3.2 introduces AVS in the Standard Power Range (SPR, 27W–100W) and supports higher power (up to 240W) along with fixed voltage options such as 28V, 36V, and 48V in the Extended Power Range (EPR) mode. Simultaneously, the Company also introduced the low power consumption PD 3.2 protocol chip series to address market demands and regulatory and energy-saving trends. Such products, along with their certification and adoption progress, contribute to elevating the Company's competitive position and serviceable market scope in the USB-C and PD controller niche market.

- (3) Future supply and demand and growth of the market.

- (A) Demand side

In 2025, the global semiconductor market maintained robust growth driven by demand in AI, cloud data centers, and high-performance computing. According to WSTS statistics cited by the Semiconductor Industry Association (SIA) published in February 2026, global semiconductor sales reached US\$791.7 billion in 2025, representing an annual increase of 25.6%. This reflects the recovery in overall end-market electronic system demand and the continuous penetration of new applications. Regarding the power management and power control-related applications in which the Company operates, demand is driven not only by end-market shipment volumes and economic cycles but also by structural factors such as specification upgrades and efficiency and thermal management. Taking USB Type-C and USB Power Delivery (PD) as examples, Leadtrend's public information in 2025 indicated that USB PD 3.2 introduces Adjustable Voltage Supply (AVS) in the Standard Power Range (SPR) to enhance efficiency and compatibility. Furthermore, it supports higher power (up to 240W) and more fixed voltage options (such as 28V, 36V, and 48V) in the Extended Power Range (EPR). This is expected to expand the range of

applicable devices for USB-C power delivery and drive the demand for related control and protocol chips.

#### (B) Supply side

Power management and analog or control products predominantly utilize mature process nodes, meaning that supply capabilities are closely related to the capacity allocation of semiconductor foundries and packaging and testing facilities. According to public information from SEMI, global 200mm (8-inch) fab capacity is expected to reach a record high in 2026. It is projected that 200mm capacity will grow by 14% between 2023 and 2026, exceeding 7.7 million wafers per month by 2026, indicating that the supply conditions for mature process nodes are expected to improve in the medium term.

However, the supply side may still be affected by factors such as geopolitics, logistics, fluctuations in energy and material costs, and the concentration of resources in certain process or packaging types. Additionally, during rapid reversals in demand, periodic fluctuations in lead times and prices may still occur. Therefore, supply chain stability and risk management remain critical issues for the industry.

#### (C) Growth potential

In terms of medium-term growth potential, in addition to the overall growth of the semiconductor market, the power management and power control market is increasingly driven by specifications, regulations, and system upgrades, exhibiting growth characteristics driven by structural upgrades. According to public information from WSTS regarding the 2026 market outlook, the global semiconductor market size is moving toward the US\$1 trillion mark. Under this trend, the evolution of fast charging and universal power supply specifications (USB-C and PD 3.2, SPR AVS, EPR) shifts the focus of market competition from merely increasing power to encompassing efficiency, temperature rise, interoperability, and certification requirements. This shift will benefit suppliers equipped with system solution capabilities and rapid new specification adoption speeds, allowing them to enhance their Serviceable Available Market (SAM) and product portfolio value.

It should be noted, however, that the semiconductor industry still possesses cyclical characteristics, and adjustments in end-market demand and inventory will cause short-term fluctuations. The Company will continue to adopt a prudent principle in its market assessment and planning, making timely adjustments based on customer adoption progress, supply chain conditions, and market changes.

(D) Response strategies for operational planning

In response to future changes in market supply and demand and the trend of specification upgrades, the Company will continue to strengthen the following operational planning focuses to enhance supply resilience, shorten adoption schedules, and boost product competitiveness :

(a) Wafer tape-out and packaging and testing backup planning

We continuously promote risk diversification and backup evaluation of key products in the supply chain, including the flexible allocation of process resources, packaging types, and testing capacity, to mitigate the impact of anomalies in a single stage on delivery schedules.

(b) Management of mismatched components and delivery lead time risks

For materials or process stages with longer lead times or significant supply fluctuations, we establish a rolling demand forecasting and safety stock management mechanism. Furthermore, through component substitution evaluation, design portability, and version control, we reduce the risks of material shortages and adoption costs.

(c) Product portfolio optimization and solution-oriented operations

Based on core capabilities such as high-efficiency AC-DC control, synchronous rectification, and USB-C and PD protocol control, we continuously expand our product portfolio across various power ranges and multiple application markets (such as adapters, monitors and TVs, networking, etc.). We also strengthen the supply of comprehensive solutions encompassing control ICs, reference designs, and system protection to enhance customer adoption efficiency and the value-added of the Company's products.

(d) Management of certification schedules and specification evolution

Regarding new specifications such as USB-C and PD 3.2 (including SPR AVS and EPR), we establish project-based schedule management for research and development, testing, documentation, and client-side verification. We also plan compatibility testing and certification requirements in advance to shorten product adoption and mass production schedules, thereby enhancing market response speed.

(e) Supply chain and quality collaboration mechanisms

Through regular quality and delivery reviews, process change management, and failure analysis mechanisms with supply chain partners, we enhance the consistency of mass production quality and shipment stability, reducing the risks of customer complaints and repairs.

(4) Favorable and unfavorable factors and countermeasures for the competitive niche and development prospect.

(A) Competitive niche

① Superior Research and Development Technical Capabilities.

Since its inception, the Company has specialized in the field of analog integrated circuits (ICs). The exceptional quality of its personnel is the foundation of the Company's development. Through long-term training of research and development (R&D) staff and ongoing collaboration with the academic community, the Company has accumulated significant technological expertise and experience. This depth of knowledge enables the R&D team to provide a comprehensive range of design resources to IC designers and system vendors worldwide. This core technology is essential for the Company's competitive edge and serves as a vital force for its operations and growth. Furthermore, the extensive applications of analog ICs and their long product lifecycles will contribute to the Company's future development.

② Long-term collaboration with foundry sources and third-party partners is essential for success.

The competitiveness of product development and sales success relies on several important factors, including foundry process technology, quality and yield, equipment capacity, delivery speed, and pricing. Additionally, long-term cooperation with third-party testing and packaging services is essential. Our company has established enduring partnerships with suppliers, ensuring stable product quality and a consistent supply of goods.

③ Maintain good relationship with customers

Our business marketing team provides customers with comprehensive product development services that prioritize quality, yield, delivery, and after-sales support. We ensure competitive pricing that closely aligns with market demand while fostering strong relationships with our clients. By engaging with customers early in the process, we help expedite product development, which in turn supports their growth and the maintenance of long-term partnerships. Establishing effective marketing channels and cultivating deep-rooted customer relationships are essential for the future growth of our business. These established channels and relationships significantly contribute to the Company's operational development moving forward.

(B) Favorable factors

① The upstream and downstream industries of semiconductors are closely interconnected and can deliver services rapidly due to the clustering effect.

The semiconductor industry in Taiwan is characterized by a vertical division of labor, which is primarily segmented into integrated circuit (IC) design, foundry services, dicing and packaging, and testing. In light of the rapidly evolving industrial landscape and the increasing scale of investment in capital equipment, the unique model of professional labor division in the Republic of China (R.O.C.) aligns well with the industry's development trends, with many companies situated in the Hsinchu Science Park. Consequently, our company can easily maintain close contact and foster strong collaboration with these firms, enabling us to provide prompt services that enhance the market competitiveness of IC designers in the R.O.C. This competitive edge is evident in terms of cost efficiency, quality, and timely delivery. Additionally, we will continue to strengthen our relationships with suppliers in China.

② IC industry still has significant potential for growth.

With the continuous advancement of information technology, the demand for power management integrated circuits (ICs) across various applications remains exceptionally high. Although the landscape has evolved with the proliferation of portable devices such as mobile phones, notebooks, Internet of Things (IoT) devices, and automotive products, the need for digitization, high-speed internet connectivity, and advancements in semiconductor technology will further expand IC applications. This trend is poised to significantly drive the overall market demand within the integrated circuit industry. Consequently, the integration of analog and digital hybrid IC components has become mainstream presenting substantial opportunities for future development.

With the rapid evolution of electronic products, the demand for power management integrated circuits (ICs) remains essential for ensuring efficient power supply. Whether for tablet PCs, Internet of Things (IoT) devices, laptops, or smartphones, the need for power management ICs that deliver extended standby time, minimal power consumption, and maximum conversion efficiency is an irreplaceable requirement for these technologies.

③ The analog integrated circuit (IC) market faces regional barriers to entry.

The analog integrated circuit (IC) industry lacks a definitive standard due to its diverse specifications. Research and development (R&D) encompasses both software and hardware domains, allowing agile small enterprises to respond swiftly to specific market demands. This agility enables them to target niche markets and avoid engaging in price wars over standardized products. Furthermore, the development of analog IC design products typically necessitates the accumulation of extensive experience and debugging expertise. The certification process by system vendors is often lengthy, and once a supplier is certified, altering their characteristics can be challenging. Consequently, the domestic industry is currently unable to replace established companies as suppliers in the short term. Our technical team has been

dedicated to R&D in related fields for many years, which helps to shorten the learning curve and establish significant barriers to entry.

### (C) Unfavorable Factors and Countermeasures

#### ① The Increasing Labor Costs and Shortage of R&D Talent in the Domestic Analog IC Industry

In recent years, the rapid growth of the integrated circuit (IC) industry has led to a relatively high cost of professional manpower. The development of analog IC design professionals is time-consuming, and there has been a longstanding emphasis on digital over analog technologies in the domestic market. Consequently, domestic universities and research institutes are limited in their ability to train analog IC design professionals each year. Furthermore, market demands are evolving at an accelerated pace, outstripping the speed at which talent can be cultivated.

Future Measures:

The recruitment of talent and the implementation of education and training programs on campus, along with the enhancement of employee benefits, aim to strengthen employee engagement and reduce turnover rates. Additionally, we will focus on the development of research and development (R&D) talent to bolster our capabilities. We will also create a more advanced manufacturing process database to enhance our core competitiveness and strive for greater collaboration opportunities with our customers.

#### ② High dependence on wafer OEM

With the trend toward the vertical division of labor and the integration of semiconductors, the upstream and downstream industries can be broadly categorized into integrated circuit (IC) design, foundries, cutting and packaging, and testing facilities, all of which are inextricably linked.

Future Measures:

We maintain strong communication with downstream foundries to ensure adequate foundry capacity and actively seek to develop additional foundries to minimize risk.

#### ③ Competition from Foreign Companies

Domestic and international analog integrated circuit (IC) design giants are gradually expanding their operations and leveraging their cost advantages—derived from profits in wafer production, packaging, and testing—within the same company. They are implementing low-price strategies and product bundling in an effort to limit our company's opportunities for market expansion.

Future Measures:

- a. Enhance the research and development (R&D) capabilities of our

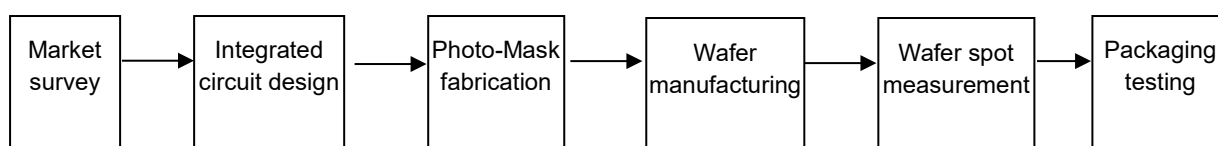
products and reduce the time required to launch new offerings.

- b. Stabilize the quality of supply, manage production capacity, and enhance customer confidence.
- c. Enhance cooperation with domestic and international system manufacturers to develop new products.
- d. Commitment to improving production yield to reduce production and marketing costs.
- e. Strengthen marketing management and establish a global marketing network, along with an after-sales service system, to enhance customer loyalty.

#### 4.2.2 Important uses and manufacturing processes of the main products

(1) Important uses of main products: Please refer to pages 103~106 for details.

(2) Manufacturing process



#### 4.2.3 Supply of Key Raw Materials

The Company is a professional integrated circuit (IC) design firm. Wafer fabrication, packaging, and testing processes are outsourced. Currently, the Company maintains strong relationships with its suppliers and enjoys a favorable supply situation.

4.2.4 Names of customers who have bought or sold more than 10% of the total in the last two years, along with the corresponding amounts, percentages, and reasons for any changes

(1) Information on suppliers that account for more than 10% of total purchases over the past two years:

Unit: NT\$ thousands

Item	2024				2025			
	Name	Amount	Proportion (%) in Net Annual Purchase Amount	Relation with the Issuer	Name	Amount	Proportion (%) in Net Annual Purchase Amount	Relation with the Issuer
1	Supplier A	483,458	84.10	None	Supplier A	363,384	86.27	None
2	Supplier B	60,034	10.44	None	Supplier B	30,877	7.33	None
	Others	31,368	5.46	None	Others	26,975	6.40	None
	Net Purchase	574,860	100.00		Net Purchase	421,236	100.00	

Explanation of the Reasons for Changes:

The Company selects specialized wafer foundries for cooperation by taking into consideration factors such as process capabilities, production capacity, and pricing. The decrease in procurement in 2025 was primarily attributable to a reduction in customer demand.

(2) Information on major customers that account for 10% or more of total sales over the past two years:

Unit: NT\$ thousands

Item	2024				2025			
	Name	Amount	Proportion (%) in Net Annual Sales	Relation with Issuer	Name	Amount	Proportion (%) in Net Annual Sales	Relation with Issuer
1	Customer A	377,959	26.00	None	Customer B	287,885	21.34	None
2	Customer B	176,779	12.16	None	Customer A	236,690	17.55	None
3	Customer C	161,604	11.12	None	Customer D	159,211	11.81	None
4	Customer D	158,790	10.92	None	Customer C	141,070	10.46	None
	Others	578,774	39.80	None	Others	523,827	38.84	None
	Net Sales	1,453,906	100.00		Net Sales	1,348,683	100.00	

Explanation of the Reasons for Changes:

This was primarily attributable to a reduction in customer demand in 2025, driven by the US-China trade conflict, tariff uncertainties, and geopolitical tensions.

#### 4.3 Human Resources in the Last Two Years

The number of employees employed for the 2 most recent fiscal years, and during the current fiscal year up to the date of publication of the Annual Report, their average years of service, average age, and education levels (including the percentage of employees at each level):

Year		2024	2025	Current Year as of Mar 31, 2026
Number of Staff	Managers	5	5	5
	R&D staff	102	101	98
	Other employees	76	84	83
	Total	183	190	186
Average age		39.8	40.0	40.0
Average		6.3	6.6	6.9
Educational Distribution Ratio (%)	PhD	1.6%	1.6%	1.6%
	Master's	43.2%	42.6%	42.5%
	Bachelor's	55.2%	55.8%	55.9%
	High school	0.0%	0.0%	0.0%
	Below high school	0.0%	0.0%	0.0%

#### 4.4 Disbursements for Environmental Protection

Any losses suffered by the Company in the most recent fiscal year and up to the Annual Report publication date due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations

found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

#### 4.5 Labor Relations

4.5.1 The employee benefit plans, ongoing education, training programs, retirement systems, and the current status of their implementation, as well as the status of labor-management agreements and measures designed to protect employees' rights and interests.

(1) Various Staff Welfare Measures:

##### (A) Employees' Working Environment and Personal Safety

The Company's work environment prioritizes employee safety and incorporates strict access control security measures to ensure an optimal workplace. This includes considerations for workplace access, floors, stairs, ventilation, lighting, fire prevention, disaster preparedness, and other equipment related to employee safety and hygiene. The following table outlines the different frequencies for regular inspection and maintenance. Additionally, details regarding occupational accident compensation and related insurance are included in the job description and are also available on the internal website.

Item	Content
Access Control Security	<ol style="list-style-type: none"> <li>1. Strict access control systems are implemented for both daytime and nighttime.</li> <li>2. Security guards are stationed at night and at the entrances and exits of the building during holidays to ensure the safety of the Company.</li> </ol>
Maintenance and inspection of equipment	<ol style="list-style-type: none"> <li>1. In accordance with the requirements of the Building Public Safety Inspection License and Declaration Method, a professional company is commissioned to conduct an annual public safety inspection.</li> <li>2. Fire inspections are conducted annually by an external service provider in compliance with the Fire Services Law.</li> </ol>
Disaster Preparedness and Response	Fire prevention lectures are conducted annually.
Health and Safety	<ol style="list-style-type: none"> <li>1. Employees undergo regular health checkups in accordance with the Labor Safety and Health Act.</li> <li>2. Professional physicians and nurses offer individualized health management and counseling for their colleagues. They provide care for female colleagues during pregnancy and for up to one year postpartum, assist colleagues with musculoskeletal disorders, and offer psychological counseling and referrals.</li> <li>3. Workplace Hygiene: The Business Premises are non-smoking and is cleaned by the cleaning staff.</li> <li>4. Office floors are regularly waxed.</li> </ol>

Item	Content
Mental health	<ol style="list-style-type: none"> <li>1. Mental Health Courses: Courses focused on mental health, including emotional management, stress relief, and stress-relief handicrafts, are offered to assist employees in maintaining their mental well-being.</li> <li>2. Expression of opinion: The Company has established a dedicated mailbox for the President and organized afternoon tea gatherings for employees. These initiatives aim to encourage employees to share their suggestions and proposals regarding the Company's products, quality, systems, policies, and more. The President will personally respond to each submission.</li> </ol>
Insurance and medical support	<ol style="list-style-type: none"> <li>1. In accordance with the law, the Company provides labor insurance (including occupational accident insurance) and national health insurance. Additionally, we provide free commercial group insurance for employees, which cover life insurance, accident insurance, hospitalization medical insurance, fixed-benefit surgical insurance, and cancer insurance.</li> <li>2. In addition to group insurance, the Company also offers bereavement and sickness allowances for employees and their family members.</li> </ol>

**(B) Staff welfare measures:**

Employee Benefits		
Basic benefits	Comprehensive coverage peace of mind	<ol style="list-style-type: none"> <li>1. Comprehensive Protection for Employees and Their Families: Employees are covered by free group insurance starting on their first day of employment, providing comprehensive protection. Family members can also enroll at discounted rates, giving employees peace of mind.</li> <li>2. Regular Reviews and Coverage Upgrades: We conduct annual reviews and solicit quotes for group insurance to ensure coverage aligns with employees' needs. We also conduct market research on an ad hoc basis to adjust coverage as needed, providing even better protection.</li> </ol>
Basic benefits	Flexible leave work-life balance	<ol style="list-style-type: none"> <li>1. Flexible Work Hours, Self-Scheduled: We offer a one-hour window for flexible start and end times, allowing employees to adjust their work pace according to their individual needs.</li> <li>2. More Vacation Days Than Required by Law: We provide four days of flexible leave annually—more than the legal requirement—giving employees additional time to handle personal matters or enjoy leisure activities.</li> <li>3. Flexible Leave, Self-Management: The minimum leave unit is 30 minutes, allowing employees to manage their time more flexibly.</li> <li>4. Volunteer Leave, Giving Back to Society: We provide one day of paid volunteer leave—exceeding the requirements of the Labor Standards Act—to encourage employees to participate in community service and contribute to society.</li> </ol>
Compensation and benefits	Sharing achievements creating value together	<ol style="list-style-type: none"> <li>1. Market-Oriented, Fair Compensation: <ol style="list-style-type: none"> <li>① Regularly track market salary trends to ensure competitive compensation levels and internal equity;</li> <li>② Offer annual salaries and pay raises above the market average, and adjust starting salaries for new hires.</li> </ol> </li> </ol>

Employee Benefits		
		<p>2. Transparent Management, Protecting Employee Rights: Establish a Remuneration Committee to evaluate and review the compensation packages for senior management and the allocation ratios for employee benefits.</p> <p>3. Diverse Incentives, Profit Sharing:</p> <ul style="list-style-type: none"> <li>① Regularly distribute holiday bonuses, performance bonuses, and profit-sharing bonuses to recognize employee contributions</li> <li>② Offer long-service awards to thank employees for their long-term dedication</li> <li>③ (3) Establish patent bonuses, referral bonuses, and innovation proposal bonuses to encourage innovation and talent referrals.</li> </ul>
Compensation and benefits	Exciting life varied activities	<p>1. Diverse Activities to Enrich Life Experiences:</p> <ul style="list-style-type: none"> <li>① Organize events such as Family Days and employee outings to foster interaction between employees and their families</li> <li>② Encourage employees to join various clubs, such as basketball, aerobics, lifestyle enthusiasts, badminton, and yoga</li> <li>③ Provide financial subsidies for club activities to support employees in pursuing their interests.</li> </ul> <p>2. Meal Subsidies to Foster Team Cohesion: Provide subsidies for departmental meals to allow employees to socialize in a relaxed and enjoyable atmosphere.</p> <p>3. Recreational Activities to Relax Body, Mind, and Spirit: Offer recreational activities and activity subsidies to encourage employees to pursue a healthy work-life balance.</p>
Compensation and benefits	Thoughtful care overflowing happiness	<p>1. Joyful Moments, Shared Happiness:</p> <ul style="list-style-type: none"> <li>① Monthly curated afternoon tea selections, paired with bimonthly birthday celebrations, allow employees to enjoy pleasant moments amidst their busy schedules</li> <li>② Organizing diverse and enriching festive events helps employees appreciate the significance of holidays and adds joy to their lives</li> <li>③ Hosting a lavish year-end banquet with grand raffle prizes to thank employees for their hard work throughout the year.</li> </ul> <p>2. Thoughtful Benefits, Warm Support:</p> <ul style="list-style-type: none"> <li>① Provide holiday and birthday benefits, as well as thoughtful financial assistance for weddings, funerals, and other life events, offering blessings during important moments</li> <li>② Offer timely care, support, and practical assistance when employees are hospitalized due to illness or injury, allowing them to recover with peace of mind.</li> </ul> <p>3. Energy Boosts, Stress-Free Living:</p> <ul style="list-style-type: none"> <li>① Provide a variety of snacks every month, allowing employees to recharge anytime and maintain a positive work attitude</li> <li>② Offering parking subsidies to make commuting easier and ensure employees start each day full of energy</li> <li>③ Partnering with certified childcare centers and various affiliated vendors to provide discounts, helping employees balance family and career</li> <li>④ (4) Providing temporary on-site childcare solutions so employees can work with peace of mind and without worry during emergencies.</li> </ul>

Employee Benefits		
A fully equipped work environment	A warm and welcoming workplace a comfortable environment	<p>1. Thoughtful Amenities to Meet Diverse Needs:</p> <p>① Nursing Rooms: Provide a private and comfortable space to support working mothers</p> <p>② Dining and Break Area: A spacious and bright dining environment where employees can enjoy pleasant meal times</p> <p>③ Bookcase: Offers a wide selection of books to encourage lifelong learning.</p> <p>2. Wellness Spaces to Relieve Work Stress:</p> <p>① Fitness Equipment: A variety of fitness equipment is provided to encourage employees to stay healthy and energetic</p> <p>② Relaxation Area: A comfortable space designed for employees to unwind during work breaks</p> <p>③ (3) Employee-Exclusive Recreation Center: Comprehensive recreational facilities are provided to meet employees' diverse needs.</p>

(C) Promotion of Workplace Diversity and Gender Equality Policy

The Company emphasizes and strives to promote equality, diversity, and inclusion in the workplace. It is committed to implementing measures that ensure employees are not subjected to any form of discrimination or harassment based on gender, race, religion, physical disability, age, or any other status

① Gender Multiple Indicators:

(A) Supervisory Structure: Currently, male supervisors account for 87.18% of the supervisory ranks, while female supervisors account for 12.82%. Recognizing the importance of gender equality, the Company continues to promote gender equality and diversity and inclusion. Through talent development and leadership career development programs, we encourage and support more women to take on managerial roles, thereby gradually increasing female representation in leadership positions.

(B) Salary component: In 2024 and 2025, the salary adjustment rates for female and male employees were comparable. In 2022, the rates for structural and project-based salary adjustments for female employees exceeded those for male employees.

(C) Training policy: The organization maintains a uniform approach to training costs, treating all employees equally regardless of their job type or grade.

(D) Parental Leave Applications: Over the past two years, a total of 26 employees were eligible for parental leave, of whom 4 submitted applications, accounting for 15.4% of the total; over the past three years, one male employee also applied for parental leave.

② Age and Nationality Indicators:

In 2023, the Company employed one middle-aged senior non-supervisory staff member and one foreign national.

③ Diversity in the workplace and promotion of gender equality:

(A) We provide equitable employment opportunities for talent across different genders, ages, and backgrounds, while strictly adhering to local regulations to safeguard the labor rights of all employees.

(B) We actively embrace multiculturalism and continuously enhance the diversity of our workforce, ensuring that employees from all backgrounds can find a true sense of belonging within the organization.

(2) Further studies and training system:

To respond to rapid changes in industrial technology and to ensure employee talent and career development while achieving corporate operational goals, employee learning and development have been established as key items in human resource management. Beginning with the Company's business philosophy, we use core and managerial competencies as a foundation, linking them to professional competency training blueprints. Supported by diversified training methods, we promote various training activities and talent development programs. Furthermore, the "Education and Training Management Regulations" have been established. In addition to scheduled orientations for new employees, professional training, and competency-based training, employees may also participate in external professional training courses, ensuring that every colleague has access to abundant training resources. The further education and training courses for 2025 are as follows:

Item	Total training hours (hours)	Cumulative attendances
New employee orientation	180.84	32
Professional training	3,188.56	2,756
General education training	155.73	155
Competency training	1161.93	424
Total	4,687.06	3,367

[Note 1]: Professional Training includes regulatory compliance courses.

[Note 2]: The statistical scope covers all employees across Taiwan and overseas regions.

[Note 3]: Each course is designed with a focus on practical applications and the deepening of professional expertise, aiming to enhance the diverse capabilities of our employees.

(3) The retirement system and the circumstances of its implementation:

In accordance with the Regulations Governing the Contribution and Management of the Labor Pension Fund, the Company contributes 2% of

monthly wages to the Labor Pension Fund Supervisory Committee, depositing these funds in the committee's name in a special account at the Bank of Taiwan (the former Central Trust of China merged with the Bank of Taiwan in 2007). However, the Company reached an agreement with its employees in August 2023 to transition from the old pension payment system. The pension fund was settled in accordance with the relevant regulations and received approval from the competent authorities. Additionally, starting from July 1, 2005, all employees voluntarily opted to adopt the new labor retirement system, contributing 6% of their monthly wages according to the Labor Pension Scale, which is deposited into their individual pension accounts.

Labor Pension	New system
Source of Law	Labor Pensions Ordinance
Funding Rules	Contribute 6% to the individual account of the Bureau of Labor Insurance according to the level of insurance coverage of the employees.
Amount of Provision	In 2025, NT\$11,162 thousand was appropriated.

(4)The status of labor-management agreements and the measures implemented to safeguard employees' rights and interests:

The Company is dedicated to fostering labor-management harmony and conducts regular executive meetings focused on labor-management issues as a means of communication between the Company and its employees. The Company has developed a comprehensive plan to align the interests of its employees with those of the organization. There have been no significant labor disputes in recent years, up to the publication date of the annual report

4.5.2 List any losses suffered by the Company in the most recent fiscal year and up to the Annual Report publication date due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided: None.

## 4.6 Cyber Security Management

4.6.1 The framework for information security risk management encompasses information security policies, tailored management plans, and the allocation of resources dedicated to information security management.

The Company established the Information Security Committee in May 2012. The position of Chief Information Security Officer (CISO) is held by the Assistant Vice President of the Computer-Aided Design Department, and the committee members are comprised of first-level executives from various departments. The Committee convenes regular information security meetings to evaluate

information security risks and may make adjustments at any time in response to emergencies. The information security governance report and execution results for the current year were reported to the 6th meeting of the 9th Board of Directors on December 19, 2025.

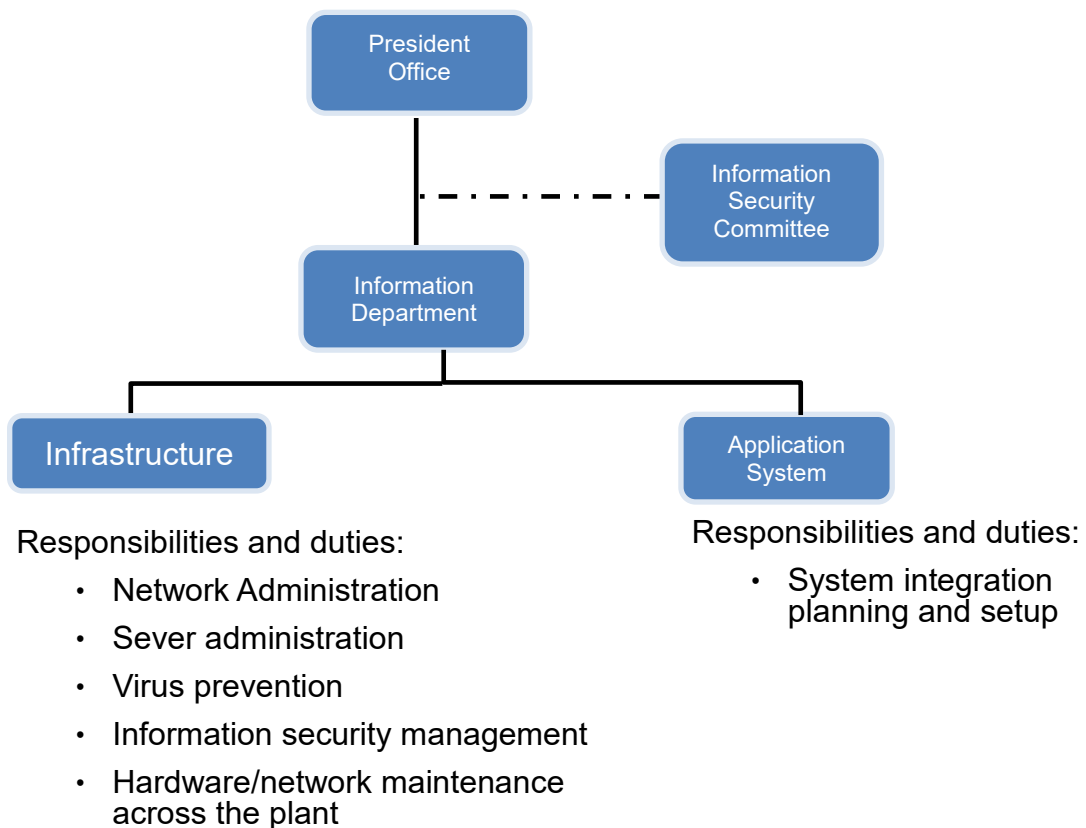
The implementation measures and a summary of the results for the 2025 Information Security Management Program are as follows:

Item		Progress description
Information security management measures	Conducting information security campaigns	Completed 4 capital safety campaigns and total of 11 advocacy topics.
	Disaster recovery exercise	1. Exercise the process of system damage or data recovery. 2. Verify that the system and data counts are correct.
	file backup operation	1. Regular backup of documents, databases, system environment, and program code. 2. Daily review of backup scheduling execution status.
	regular inspections of plant rooms	1. Environmental inspection of each district office's computer room. 2. Check the status of information equipment in each server room.
	Check software license/website	1. Check if you are using unauthorized software and remove it. 2. View unsafe or regulated websites and block them. 3. Monthly anti-virus software version updated tracking.
	Information security inspection	1. Antivirus Software Detection Threat Review and Troubleshooting 2. TWCERT/CC (Taiwan Computer Network Crisis Response and Coordination Center) notification letter inspection and troubleshooting.
	Information security update	1. Windows Vulnerability Update
	Social engineering exercise	1. Social Engineering Exercise 2. Training on the hazards of social engineering
Information security incident	Investigation of information security incident	No cases
Newly established regulations	Information security management regulations	Incorporated information security guidelines for Artificial Intelligence (AI) applications.
Education and training	1. IT personnel 2. Internal employees	1. IT personnel information security management training courses: 10 attendances. 2. Internal employee information security education and awareness programs: 128 attendances.

#### (1) Information security management framework

The Information Security Committee (ISC) serves as the highest decision-making body for information security policy within the Company. It coordinates the implementation of information security control measures and promotes

information security throughout the organization by ensuring a reasonable allocation of responsibilities, effective resource management, and practical support from management. The Information Management Department holds the authority over information security, led by a Chief Information Officer and supported by a team of professional information personnel. This department is responsible for formulating internal information security policies, planning and executing information security operations, and promoting and implementing these policies. The organizational structure of information security is as follows:



## (2) Information Security Policy

(1) Formulate security policies for network security management, personal computer management, and information system management based on information security objectives.

(2) Program and Data Access Control

(3) Data Input and Output Control

(4) Data Processing Control

(5) Security of Server Room Equipment and File Backup Operations

(6) System Recovery and Testing Operations

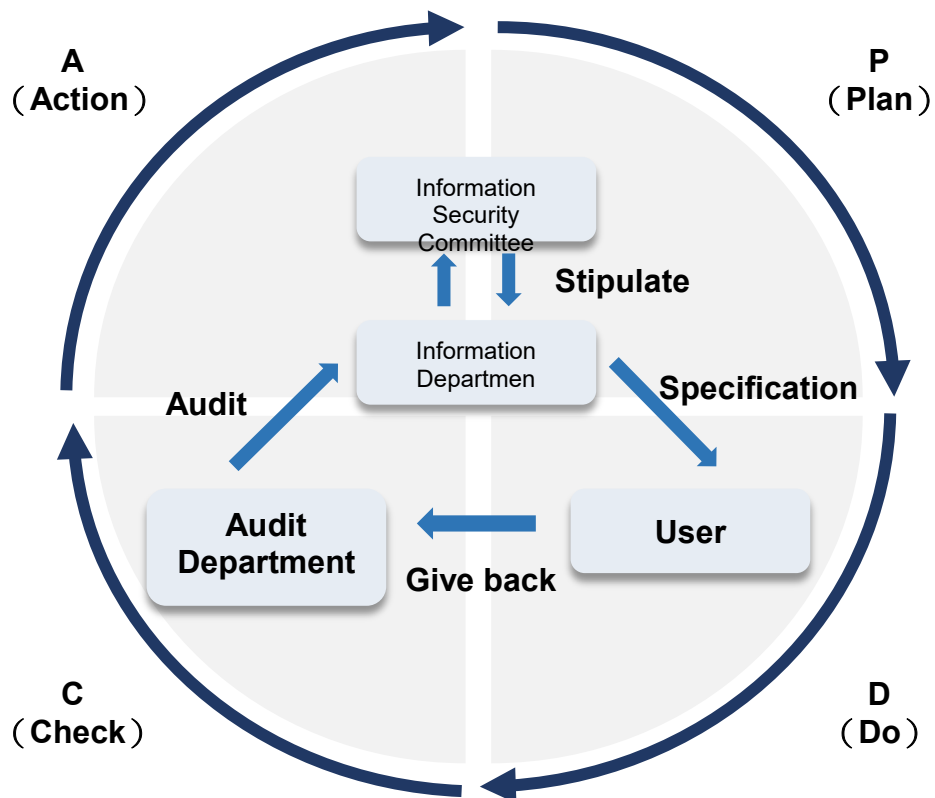
(7) Network Security for Corporate Computer Systems

(3) Information Security Objectives

- ① Safeguard the Company's information, software, hardware, and intellectual property.
- ② Safeguard the confidentiality of the Company's business operations and prevent the leakage of sensitive information.
- ③ Respect intellectual property rights and ensure that both the Company and colleagues do not violate the law.
- ④ Enhance a stable and secure information operating environment to improve overall work efficiency.
- ⑤ The application of Artificial Intelligence must comply with the requirements for information security, personal data protection, and regulatory compliance.

(4) Information security loop

(1) Safety Cycle



## (2) Information Security Management Program

Information Control	Control description
Program and data access control	How programmers and developers manage both new and legacy versions of software and related specifications.
Data output/input control	Data input and output systems are designed to validate and prevent erroneous data entry, along with other related specifications.
Data processing control	The specifications for updating and maintaining the operation manuals and electronic files.
Equipment safety control in the computer room	Specifications for controlling the internal and external environment and ensuring the safety of physical equipment in the computer room.
File backup operation control	The backup method and schedule for the critical systems associated with file production and other relevant regulations.
Data storage control	Specifications for storing important research results within the company in compliance with relevant laws and regulations.
System restoration control	Specifications for coping with disasters and minimizing losses.
Network security control	Specifications for protecting the company's internal and external networks during operations.
Operation-related system access control	Specifications for controlling access to information services available within the company.

## (3) Investing in Information Security Management Resources

Information security has become a critical concern in the Company's operations. The following outlines the measures implemented for information security management and the resources allocated:

Continuously increase investment in software resources by implementing two-factor authentication to enhance personnel account authority management, establishing a file encryption system, upgrading user endpoint protection capabilities, and enhancing antivirus software functionality.

## (4) Educational Training

- A. Information security personnel regularly participate in various seminars focused on information security.
- B. Promote and oversee colleagues' adherence to the Company's information standards.
- C. Organizing regular training sessions and announcements for newcomers.
- D. Conduct regular social engineering exercises, along with tracking and management training sessions.

The Company incorporates information security courses into the education and training of new employees, establishes e-learning modules, and periodically conducts information security education, training, and awareness campaigns. These initiatives aim to enhance employees' understanding of information security, foster respect for intellectual property rights, and safeguard both personal and company information. At least quarterly, information security announcements are issued to communicate important regulations and guidelines regarding information security protection. Additionally, the following information security-related training courses were organized in 2025:

Item	Hours of class	Total number of trainees
Information security education courses and promotion	12	128
Information security management training program	16	10

(5) Customer Satisfaction:

There have been no significant information security incidents, and no complaints regarding the loss of customer information have been reported.

4.6.2 Disclose the losses, potential impacts, and response measures resulting from major information and communications security incidents in the most recent fiscal year and up to the publication date of the annual report. If reasonable estimation is not possible, the facts explaining why it cannot be reasonably estimated shall be stated:

In 2025, the Company did not experience any major information security incidents, nor were there any complaints received regarding the loss of customer data.

#### 4.7 Important Contracts

Sales and purchase contracts, technical cooperation agreements, construction contracts, long-term loan agreements, and other significant contracts impacting stockholders' equity that were in effect as of the printing date of the Annual Report and have expired in recent years are as follows:

Nature of contract	Contractor	Term of contract	Main contents	Restrictive clauses
Lease	Aiban Xinji Co. Ltd.	12/01/2024~11/30/2027	Lease of 16/F of Pangyo office	-
Lease	Liu Zhi-hui	02/01/2022~07/31/2026	Lease of Shenzhen Office	-
Lease	Nan Shan Life Insurance Company, Ltd.	03/24/2023~03/23/2028	Lease of 7/F of Tainan Office	-
Lease	Wuxi Henglong Real Estate Co. Ltd.	02/18/2024~02/17/2027	Lease of Room 3504, Block #1 of Wuxi Office	-

## Chapter 5. Review of Financial Conditions, Operating Results, and Risk Management

### 5.1 Financial Status

Unit: NT\$ thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Current Assets	1,514,290	1,555,386	(41,096)	(2.64)
Property, Plant, and Equipment	438,770	462,119	(23,349)	(5.05)
Intangible Assets	6,324	7,130	(806)	(11.30)
Other Assets	28,258	43,740	(15,482)	(35.39)
Total Assets	1,987,642	2,068,375	(80,733)	(3.90)
Current Liabilities	209,419	242,666	(33,247)	(13.70)
Non-current Liabilities	24,057	59,917	(35,860)	(59.85)
Total Liabilities	233,476	302,583	(69,107)	(22.84)
Capital Stock	620,142	604,421	15,721	2.60
Capital Surplus	386,143	396,293	(10,150)	(2.56)
Retained Earnings	771,852	800,788	(28,936)	(3.61)
Other Equity	(23,971)	(35,710)	11,739	32.87
Total Shareholders' Equity	1,754,166	1,765,792	(11,626)	(0.66)

Analysis of Deviations Exceeding 20% and Changes Amounting to NT\$10,000 Thousand in Earlier and Later Periods:

1. Decrease in other assets: Primarily due to the decrease in right-of-use assets.
2. Decrease in non-current liabilities and total liabilities: Primarily due to the repayment of long-term borrowings with preferential government interest rates under the "Directions of the Ministry of Economic Affairs for Project Loans Assisting SMEs with Low-Carbon and Smart Transformation and Infrastructure Optimization of Managed and Specific Factories."
3. Increase in other equity: Primarily due to the increase in exchange differences on the translation of foreign operations' financial statements and the decrease in unearned employee remuneration.

## 5.2 Financial Performance

### 5.2.1 Financial Performance Analysis

Unit: NT\$ thousands

Item \ Year	2025	2024	Difference	
			Amount	%
Operating Revenue	1,348,683	1,453,906	(105,223)	(7.24)
Gross Profit	890,301	901,475	(11,174)	(1.24)
Gross operating profit	458,382	552,431	(94,049)	(17.02)
Net operating profit (loss)	16,410	84,953	(68,543)	(80.68)
Non-operating Income and Expenses	14,086	26,475	(12,389)	(46.80)
Net profit before tax	30,496	111,428	(80,932)	(72.63)
Income Tax Benefit	97	461	(364)	(78.96)
Net profit for the year	30,593	111,889	(81,296)	(72.66)
Other Comprehensive Incomes (losses)	2,444	10,757	(8,313)	(77.28)
Total Comprehensive Income for the Year	33,037	122,646	(89,609)	(73.06)
<p>Analysis of Deviations Exceeding 20% and Changes Amounting to NT\$10,000 Thousand in Earlier and Later Periods:</p> <p>In 2025, operations were deeply impacted by the US-China trade war, tariff uncertainties, and geopolitical tensions. Furthermore, constrained by unfavorable factors such as fierce competition in the end-user market and the appreciation of the New Taiwan Dollar (NTD) in the second quarter, the overall financial performance for 2025 declined compared to the previous year.</p>				

### 5.2.2 Sales Volume Forecast and Related Information

In response to industry developments and customer product demands, the Company has consistently focused on cultivating relationships with brand-name customers and collaborating closely with major power supply companies. Furthermore, the Company has invested in research and development resources to create a variety of power supply system designs. It has also enhanced the conversion efficiency of its power supply systems year after year while maintaining strong relationships with its suppliers to ensure a secure supply chain. These efforts are expected to continue driving revenue growth in the future.

5.2.3 It is possible that the Company's financial position and business operations may be impacted in the future :

The Company will remain attentive to changes in market demand, actively expand into new markets, enhance profitability, and maintain a stable and sound financial position.

### 5.3 Cash Flows

#### 5.3.1 Liquidity analysis for the last two years

Item \ Year	2025	2024	Increase (Decrease) Ratio (%)
Cash Flow Ratio (%)	83.30%	27.00%	56.30%
Cash Flow Adequacy Ratio (%)	59.61%	50.82%	8.79%
Cash Reinvestment Ratio (%)	7.12%	2.70%	4.42%
Analysis of Changes in the Ratio of Increase to Decrease: The increase in the cash flow ratio was primarily due to the increase in net cash inflow from operating activities compared to 2024, which was mainly driven by the decrease in inventories.			

5.3.2 Improvement Plan for Liquidity Shortfall: There has been no liquidity shortfall in the Company's cash flow in recent years.

5.3.3 Cash Flow Projection for the Next Year:

Unit: NT\$ thousands

Beginning Cash Balance(1)	Net Cash Flows generated from Operating activities(2)	Cash flows of investing and financing activities(3)	Ending Cash Balance (1)+(2)+(3)	Contingency plans for insufficient cash position	
				Investing activities	Financing activities
522,303	(19,333)	(66,246)	436,724	-	-
<p>1. Operating Activities :</p> <p>The net cash outflow from operating activities was primarily due to the increase in inventories and accounts receivable in anticipation of revenue growth in 2026.</p> <p>2. Investing and Financing Activities:</p> <p>The net cash outflow from investing and financing activities was mainly driven by capital expenditures and the distribution of cash dividends to shareholders.</p>					

**5.4 Major Capital Expenditure Items on Financial Performance in Businesses over the Past Year: None.**

**5.5 Recent Reinvestment Policy, Major Reasons for Profits or Losses, Improvement Plan and Investment Plan for the Following Year**

### 5.5.1 The Company's Reinvestment Policy

The Company focuses on its core business, and its reinvestment policy is guided by investment targets related to this primary area of operation. The relevant executive departments adhere to the provisions outlined in the internal control system, including the regulations for the Acquisition or Disposal of Assets. The "Regulations on the Supervision and Management of Subsidiaries" and the "Operating Procedures for Transactions with Group Enterprises, Specified Companies, and Affiliated Persons" have been established to provide a framework for controlling and supervising reinvestment. These regulations aim to create a risk management mechanism for subsidiary operations, thereby maximizing overall performance.

### 5.5.2 Main Reasons for Profit or Loss in the Reinvestment and Improvement Plan :

Unit: NT\$ thousands

Company	Main Operations or Business Activities	Holdings ratio	Investment income	Principal reasons for profit or loss	Improvement plan
Leadtrend Technology (Shenzhen) Limited	Computer software design services, computer system integration services, integrated circuits and related electronic products wholesale, agent and import and export business activities.	100%	\$23,223	Operating status remains stable.	NA

### 5.5.3 Investment Plans for the Upcoming Year:

The Company's future investments will be assessed based on market demands and operational requirements.

## 5.6 Analysis and Assessment of Risks in the Most Recent Year to the Day this Report Was Printed

5.6.1 The impact of fluctuations in interest rates, exchange rates, and inflation on the Company's profit or loss, along with potential response measures to be implemented in the future.

Unit: NT\$ thousand, %

Item \ Year	2025	Ratio to Net Operating Revenue (%)
Net Operating Revenue	1,348,683	100.00
Interest Income	7,099	0.53
Interest Expense	671	0.05
Profit on foreign exchange	2,041	0.15

## (1) Changes in Interest Rates

The impact of interest rate risks on the Company's profit or loss is divided into two aspects: returns and funding costs. In terms of interest income, the utilization of the Company's idle funds prioritizes investments with low risk and high liquidity, such as time deposits and bond repurchase agreements (repos). In terms of interest expenses, they primarily consist of interest expenses on lease liabilities—amortized over the lease term using the effective interest method—and interest on bank borrowings. The Company's operations are primarily financed by its own funds, with bank borrowings serving as a supplementary source; therefore, interest expenses are limited. For the most recent fiscal year and up to the publication date of this Annual Report, interest rate fluctuations have not had a material impact on the Company's profit or loss.

### Future Measures:

The Company regularly evaluates the interest rates of specialized bank deposits and engages in bond repurchase agreements to optimize the utilization of idle funds for periods of less than one month. Furthermore, the Company maintains good relationships with banks and ensures smooth financing channels. This facilitates obtaining more favorable interest rates when raising funds is required for future business development, thereby mitigating the impact of interest rate fluctuations on the Company's profit or loss.

## (2) Exchange rate changes

It is a convention in the IC design industry to use the US Dollar (USD) as the denominated currency. In 2025, the Company's domestic sales of IC chips accounted for approximately 51% of total sales. When providing quotations to customers and negotiating procurement terms, the Company takes exchange rate fluctuations into consideration and utilizes sales revenue in the same currency to cover procurement expenditures, thereby achieving a natural hedging effect. For the most recent fiscal year and up to the publication date of this Annual Report, the impact of exchange rate fluctuations on the Company's profit or loss has remained limited.

### Future Measures:

The Company places great emphasis on the professional hedging skills and training of its financial personnel. In addition to continuously monitoring global economic conditions to swiftly grasp the dynamics of the foreign exchange market, the Company strengthens its interactions with financial institutions. When necessary, the Company will

appropriately utilize auxiliary tools (such as derivative financial instruments) in accordance with its "Procedures for Engaging in Derivative Trading" to execute hedging arrangements, thereby mitigating the impact of exchange rate fluctuations on the Company's profit or loss.

### (3) Inflation

There were no inflationary events that significantly impacted the Company's profit or loss for the most recent year and up to the date of the annual report

#### Future Measures:

The Company monitors market price trends, fosters strong relationships with customers and suppliers, and negotiates adjustments to sales and purchase prices when necessary to mitigate the impact of inflation on the Company's profits or losses.

### 5.6.2 Policies, main causes of profit or loss, and future responsive measures with respect to high-risk and highly leveraged investments, loaning of funds to others, endorsements and guarantees, and derivative transactions:

The Company adopts a conservative and prudent financial management policy, focusing on the development of its core business. For the most recent fiscal year and up to the publication date of this Annual Report, the Company has not engaged in any high-risk or highly leveraged investments, loaning of funds to others, endorsements and guarantees, or derivative transactions; therefore, the associated risks are limited.

#### Future Measures:

If the Company is to engage in high-risk or highly leveraged investments, loaning of funds to others, endorsements and guarantees, or derivative transactions in the future, such activities will be executed in strict accordance with the relevant provisions of the Company's internal regulations, including the "Procedures for Acquisition or Disposal of Assets," "Procedures for Engaging in Derivative Trading," "Procedures for Endorsements and Guarantees," and "Procedures for Loaning of Funds to Others," in order to protect the interests of the Company and the equity of its shareholders.

### 5.6.3 Future Research and Development Plans and Estimated Research and Development Expenses:

The Company's future R&D plans primarily focus on reducing energy consumption and developing energy-saving, eco-friendly products to promote environmental sustainability. It is our commitment to

continuously pursue the highest energy-efficiency standards for power management ICs through innovative technologies. For the fiscal year 2026, R&D expenses are projected to account for 18% of net operating revenue, which mainly consist of R&D personnel salaries and other related R&D expenditures

- 5.6.4 The impact of significant domestic and foreign policy changes, as well as legal modifications, on the Company's financial operations and the measures implemented to address these impacts:

The Company conducts its business in accordance with relevant domestic and international policies and laws, remaining vigilant to changes in these areas. This proactive approach enables the Company to respond promptly to shifts in the market environment and implement appropriate countermeasures to address its operational needs. In recent years, and up to the printing date of the Annual Report, there have been no significant changes in domestic or international policies and laws that have impacted the Company's finances or operations.

- 5.6.5 The impact of technological advancements, including information security risks and industry changes on the Company's financial operations, as well as the measures implemented to mitigate such impacts:

The Company places significant emphasis on enhancing its research and development capabilities. In addition to staying informed about industry market trends and technological advancements, the Company will continue to develop new products related to power management integrated circuits (ICs) and energy efficiency. This will be achieved by leveraging its established systematic R&D technologies, strengthening its product quality management system and R&D process management, and building a comprehensive marketing organization and strategy to provide customers with tailored and complete power supply solutions. Alongside a continuous increase in R&D investment, we also maintain stable and flexible financial management to effectively address the challenges posed by technological changes.

The Information Security Committee of the Company was established in 2012 and is led by a Chief Information Security Officer. The Committee comprises first-level supervisors from each department. It holds regular meetings to discuss information security and can be adjusted as needed in response to emergency situations. This Committee serves as the highest decision-making body for the organization's information security policies, coordinating the implementation of security control measures and promoting internal security through the reasonable distribution of responsibilities and effective resource management. Additionally, it receives practical support from the management level.

The Company places a high priority on preventing information security and network risks. It has established a comprehensive multi-layered defense network that includes firewalls, intrusion detection systems, antivirus software, vulnerability scanning, and patch management, all designed to protect against external and internal threats. Additionally, the Company has implemented an information security management system and conducts regular information security risk assessments, as well as internal and external audits, on an annual basis. These measures ensure the effectiveness of the management system and compliance with applicable laws and regulations. Consequently, information security risk is not considered a significant operational risk for the Company. Furthermore, there have been no technological advancements or industry changes, including those related to information security risk, that would impact the Company's financial operations in recent years, up to the publication date of the annual report

5.6.6 The Impact of Corporate Image Change on Crisis Management and Countermeasures:

The Company is dedicated to the operation and development of its business while adhering to the principles of integrity and professionalism. It actively strengthens its internal management to enhance both the quality and efficiency of its operations. In recent years, and up to the date of this Annual Report, the Company has not encountered any operational crises related to changes in its corporate image. The Company will continue to comply with and implement various corporate governance requirements to minimize the potential for such risks.

5.6.7 The anticipated benefits, potential risks, and corresponding countermeasures of the merger and acquisition (M&A) process:

There have been no mergers or acquisitions in recent years, up to the printing date of the annual report. Should any mergers or acquisitions occur in the future, they will be conducted in accordance with applicable laws and regulations, as well as the relevant policies established by the Company, to protect the interests of the Company and the rights of its shareholders.

5.6.8 Expected Benefits, Potential Risks, and Mitigation Strategies for Plant Expansion:

The Company is a professional IC design firm that operates under a fabless model. As of the publication date of the Annual Report, the Company has no plans to expand its fabrication facilities in the coming years.

#### 5.6.9 Risks Associated with the Concentration of Purchases or Sales and Measures to Mitigate These Risks:

##### (1) Purchases

To maintain product quality and cost competitiveness, we must consider equipment capacity, process technology, quality and yield rates, and lead times of the foundry. Integrated circuit (IC) designers typically select suitable foundries as their long-term supply sources, and there has been no significant increase or decrease in the number of major suppliers over the past two years. In addition to fostering strong relationships with current foundries, the Company will seek collaborations with other foundries in the future, based on the demand for product manufacturing processes and cost considerations. This strategy aims to ensure a reliable supply of production capacity and to minimize the risk associated with supply concentration.

##### (2) Sales

The Company sells its products to end customers through agents; therefore, the sales targets may be more concentrated. The collaborative and symbiotic relationship between integrated circuit (IC) designers and agents is a common practice in the industry. The major agents with whom the Company partners are either publicly listed companies or wholly owned subsidiaries of listed companies, allowing the Company to access various financial information from the Market Observation Post System (MOPS). Additionally, the Company conducts both regular and irregular credit evaluations of its customers' financial status and establishes allowances for doubtful accounts based on the recoverability and aging of overdue accounts. There were no uncollected overdue accounts recorded in the Company's books for the most recent fiscal year and up to the date of publication of the annual report

5.6.10 The implications, risks, and mitigation strategies related to a significant transfer or substitution of shareholdings by directors or major shareholders possessing more than 10% of the Company's shares are outlined as follows: None.

5.6.11 The impacts, risks, and countermeasures of the change in operating rights on the Company:

(1) The Chairman of our company plays an active role in its management. The management team possesses a robust sense of mission and regards the management of the Company as a lifelong commitment. Our organization has established a comprehensive structure that clearly delineates the responsibilities and authorities of each

department. This framework facilitates the implementation of management strategies, ensures operational efficiency, and guarantees favorable business outcomes. Furthermore, employees align with the Company's developmental trajectory and progress in tandem with the organization. In conclusion, there is minimal risk of substantial equity transfer or alterations that could result in a shift in management rights.

## (2) Succession Planning and Operational Management

(2.1) The roles and responsibilities of the Company's Chairman and President are clearly delineated, leading the Company steadily toward the goal of becoming a world-class, preeminent corporation.

(2.2) To cultivate essential management talent, the Administrative Resources Department coordinates the design of annual training curricula, offering diverse courses to enhance management competencies and strategic thinking, thereby laying a robust foundation for the Company's sustainable operations. We continue to drive the High-Potential (HiPo) Talent Program, establishing a comprehensive talent pool through talent identification, competency assessments, and the formulation of Individual Development Plans using a 9-box grid, from which top-tier successor candidates are identified. The succession planning and operational status of key management personnel were reported to the Board of Directors on November 6, 2025.

### 5.6.12 Litigious and non-litigious matters:

Litigation or non-litigation shall include material litigation, non-litigation or administrative litigation which have been decided or are pending between the Company and its directors, general managers, actually persons in charge, major shareholders holding more than 10% of the Company and its subsidiaries, the result of which may have a material impact on shareholders' equity or the price of securities, so the Company shall disclose the facts of the dispute, the target amount, the date of filing the lawsuit, the main litigants and the handling up to the date of issuing the Annual Report: None.

### 5.6.13 Other important risks and countermeasures:

#### (1) Intelligent Property Management

According to Article 37-2 of the Corporate Governance Practice Code for Listed and Over-the-Counter Companies, as well as the stipulations outlined in the corporate governance evaluation indicator 2.27, our company has adopted the Taiwan Intellectual Property

Management Standards (TIPS) in 2023. We have developed a management cycle based on the "Plan-Do-Check-Action" (PDCA) and established an intellectual property management system that is informed by risk assessment principles.

Measures for Implementation:

Following a comprehensive evaluation of the internal and external factors affecting the management of the Company's intellectual property, as well as the expectations and requirements of stakeholders regarding its development, the Company has identified and confirmed the associated risks and opportunities that necessitate attention. Furthermore, appropriate countermeasures have been established. The Intellectual Property Office has collaborated with the research and development unit, along with other relevant units, to create, promote, and implement the Company's intellectual property management system, ensuring adherence to the Taiwan Intellectual Property Management Standards. Concurrently, the Office is committed to enhancing employees' awareness of confidentiality and intellectual property issues while fortifying the patent portfolio and monitoring processes. This proactive strategy enables the Company to take timely actions to safeguard its rights and interests in the event of potential infringements of its intellectual property rights or claims of infringement by third parties.

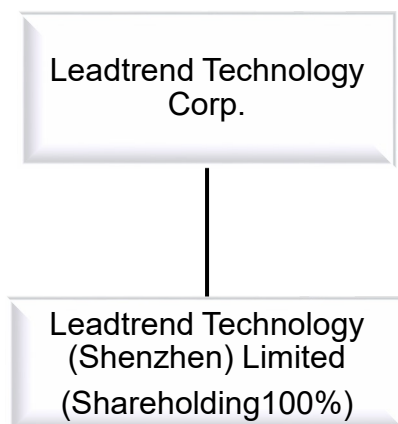
5.7 Other Important Matters: None.

## Chapter 6. Special Disclosure

### 6.1 Summary of Affiliated Companies

#### 6.1.1 Subsidiaries chart

As of December 31, 2025



#### 6.1.2 Information about the subsidiaries

Unit: NT\$ (USD) thousands

Company	Date of incorporation	Place of registration	Capital stock	Main operations or business activities
Leadtrend Technology (Shenzhen) Limited	11/07/2011	Rm10B, Benyuan building, No.6015 Shennan Road, The juncture of Shennan Road and Tairan Nine Road, Southeast, Shatou Street, Futian District, Shenzhen Guangdong Province, China	9,900	Computer software design services, computer system integration services, integrated circuits and related electronic products wholesale, agent and import and export business activities.

6.1.3 Information on the same shareholders as those presumed to be in a controlling and subordinate relationship: None.

#### 6.1.4 Overview of the operations of affiliated companies

December 31, 2025

Unit: NT\$ thousands unless otherwise indicated

Company	Capital stock	Assets	Liabilities	Net worth	Operating revenue	Operating income	Profit or loss (after tax)	Earnings per share (NT\$) (after tax)
Leadtrend Technology (Shenzhen) Limited	311,157	529,060	112,116	416,944	596,442	20,840	23,223	-

Remark: Exchange rate based on data at December 31, 2025.

Assets and liabilities: NT\$: US\$ =31.4300 : 1      NT\$:RMB =4.4960 : 1

Profit or loss:            NT\$: US\$ =31.1797 : 1      NT\$:RMB =4.3334 : 1

6.1.5 Information on directors, supervisors and general managers of affiliated companies

Unit: thousands shares

Company Name	Title	Name or representative	Shareholding	
			Shares (Investment amount)	% (Investment holding %)
Leadtrend Technology (Shenzhen) Limited	Executive Director	Leadtrend Technology Co., Ltd. Representative: Teng-He Wu	0	100.00%
	Supervisor	Leadtrend Technology Co., Ltd. Representative: Jiong-Feng Zhou		

**6.2 Privately Offered Securities in the Most Recent Year as of the Publication Date of the Annual Report: None.**

**6.3 Other Necessary Supplement: None.**

**6.4 Any Events and as of the Date of this Annual Report that Had Significant Impacts on Shareholders' Rights or Security Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Act: None.**

Leadtrend Technology Corp.

Chairman: Yu- Kun Kao