SHIEH YIH MACHINERY INDUSTRY CO.,LTD.

2025 ANNUAL REPORT

Stock Code: 4533

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2025 ANNUAL REPORT

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Website of MOPS: https://mops.twse.com.tw

I. Name, title, telephone number, and e-mail address of the spokesman or acting spokesman

Spokesperson:
Name: Chen-Wei Lee
Title: President
Tel: 03-3525466
Email: spokesman@seyi.com

Acting spokesperson:
Name: Tsui-Hua Wu
Title: Vice President
Tel: 03-3525466
Email: spokesman@seyi.com

II. Address and telephone number of the company's headquarters, branch offices and factories:

Address: No. 446, Nanshang Rd., Guishan Dist., Taoyuan City
Tel: 03-3525466
Fax: 03-3525488

III. Name, address, e-mail address, and telephone number of the stock transfer agent:

Name: Stock Transfer agency department, Grand Fortune Securities Co., Ltd.
Address: 6th Floor, No. 6, Section 1, Zhongxiao West Road, Zhongzheng District, Taipei City
Website: https://www.gfortune.com.tw
Tel: 02-23711658

IV. Names of the certified public accountants who audited the financial statements for the most recent fiscal year, and the name, address, website and telephone number of the accounting firm to which they belong:

Name of CPA: Sheng-Tai Liang and Chien-Hsin Hsieh
Accounting Firm: Deloitte & Touche
Address: 20F., No. 100, Songren Rd., Xinyi Dist., Taipei City
Website: https://www.deloitte.com
Tel: 02-27259988

V. Name of any exchanges where the company's securities are traded offshore, and the method by which to access information on said offshore securities:

None.

VI. Company's website: https://www.seyi.com

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Chapter One. Letter to Shareholders

Ladies and Gentlemen,

The global political and economic environment in 2025 remains highly uncertain. Competition between the world's two largest economies—the United States and China—has further intensified, leading to heightened geopolitical risks and increased trade uncertainty. Policy adjustments under the new U.S. administration, including tariffs, industrial subsidies, and reshoring initiatives, have accelerated the regional restructuring of global manufacturing supply chains, thereby reshaping global industrial allocation and market trends.
From an industry perspective, the rapid adoption of generative AI technologies has rapidly enhanced efficiency in manufacturing, management, and supply chain operations. However, it has also introduced challenges in data governance and information security. Meanwhile, extreme climate events and mounting net-zero emissions pressures have made green manufacturing and ESG compliance mandatory requirements for enterprises, increasing operational risks and regulatory burdens.

Against this backdrop, the machine tool industry continues to face cyclical economic pressure. From January to December 2025, global exports of metal forming machine tools totaled USD 353 million, representing a 7.8% decrease compared to the same period last year. Nevertheless, SEYI has maintained stable operational performance through its core technologies and sustainability strategy. For 2025, SEYI reported consolidated revenue of NT$4.026 billion, net profit after tax of NT$32 million, and earnings per share (EPS) of NT$0.20.

In the review of 2025 Operations, SEYI achieved significant milestones in both technological development and global market expansion. At the MF-TOKYO 2025 exhibition in Japan, the company showcased a fuel cell flow plate stamping solution, demonstrating its servo press technology advantages in high-precision forming, thin-plate processing, and new energy material applications. This solution has also been promoted across China, the United States, Europe, and Thailand, accelerating SEYI's entry into the global new energy vehicle and hydrogen energy supply chains. In addition, SEYI continued to enhance its capabilities in large-scale equipment and automation. The company successfully delivered a 1,600-ton gantry transfer press to an automotive component manufacturer in China, and completed an 800-ton gantry blanking line automation solution for a Japanese customer in Indonesia. These key projects have strengthened SEYI's international market presence and established new milestones in expanding into ASEAN-based Japanese customers, integrated automation lines, and large-scale equipment applications.

In 2025, SEYI further deepened its ESG strategy. On the environmental front, the company actively promoted carbon reduction initiatives and participated in CommonWealth Magazine and Tunghai University's "Corporate Carbon Reduction Thermometer (TRIPs)" program. Following evaluation, SEYI was rated as "Outstanding," demonstrating its tangible contributions to climate governance. The company also continued to advance biodiversity conservation efforts by supporting the "Luzhu Yangchoukeng Forest Trail Beetle Season" initiative. Through the integration of VR technology, SEYI created an immersive ecological education experience, while also engaging in volunteer activities to support ecosystem restoration and contribute to society. On the governance side, SEYI continued to strengthen corporate governance practices, including board operations, sustainability systems, and information transparency. The company's corporate governance evaluation ranking improved to the 6%–20% tier among listed companies, reflecting a solid foundation for sustainable management.

Looking ahead to 2026, the IMF projects global economic growth to slow to 3.1%. Amid geopolitical tensions, trade protectionism, and green transformation, growth momentum is expected to remain limited but relatively stable. The rapid development of AI applications and smart manufacturing continues to reshape industrial competition, presenting both challenges and technological opportunities for SEYI.
In response, the Company will continue to strengthen its digital capabilities, smart manufacturing capacity, and sustainability governance to enhance operational resilience and pursue long-term growth.

We sincerely thank our shareholders for their continued support, which enables SEYI to move forward steadily. Going forward, we will uphold our core values of sustainability and innovation, maintain prudent management, and pursue forward-looking strategic development, working together toward a more prosperous future.

SHIEH YIH MACHINERY INDUSTRY CO., LTD.

Chairman Ya-Hui Kuo

The 2025 results of operating plans are as follows:

I. Operating results for 2025:

(I) Business plan implementation results

Unit: NT$ thousand

Items	2025	2024	Amount increased (decreased)	Increased (decreased) %
Operating Income	4,025,901	3,593,794	432,107	12.02
Operating profit	53,711	77,260	(23,549)	(30.48)
Net income after tax	31,620	245,755	(214,135)	(87.13)

(II) Budget implementation status: The company has not disclosed its financial estimates for 2025, so budget achievement is not required to be reported.

(III) Financial receipts and expenditure & Profitability analysis

Items			2025	2024
Financial structure	Debt to assets ratio %		60.42	59.14
	Ratio of long-term capital to property, plant and equipment		512.31	537.77
Profitability	Return on total assets (%)		0.90	4.34
	Return on equity %		1.20	9.33
	Contribution to paid-in capital Percentage (%)	Operating profit	3.39	4.88
		Income before tax	1.66	20.86
	Net profit margin (%)		0.79	6.84
	Earnings per share (NT$)		0.20	1.55

(V)Research and Development Status:

The Company formally established its Sustainability Committee in May 2023. This year, it continues to strengthen the implementation of its ESG strategies to ensure transparency in sustainable development, particularly in environmental protection and social responsibility, and to achieve regular evaluation and reporting of ESG indicators.

The Company has further deepened industry–academia collaboration by continuing its partnerships with National Kaohsiung University of Science and Technology and other national universities, promoting technological innovation and talent cultivation.

In terms of technological innovation, the Company has introduced digital design automation and established a product design database to shorten manual design processes. By utilizing CAE analysis software to simulate and verify the optimal material thickness and structural welding of presses, the overall weight of the presses has been reduced, resulting in significant achievements in energy saving and carbon reduction.

In terms of talent development, the Company has established more internship and research programs to attract outstanding students to participate in its R&D activities. Internally, the

Company encourages innovation by implementing R&D incentive programs to motivate employees to propose innovative ideas.
With the rapid development of electric vehicles and hydrogen energy technologies, the Company continues to further research and develop high-performance press technologies, particularly for applications in metal bipolar plates. Dedicated mechanical equipment has been developed to reduce the production costs of metal bipolar plates.
In response to global market demand, the Company continuously conducts market research to understand customer needs in electrification and green energy technologies, and explores new materials and process technologies to enhance product performance and environmental sustainability. Based on research findings, the Company adjusts its product strategies and develops innovative products that meet market demand.
Through continuous technological innovation and industry–academia collaboration, the Company will be able to maintain a leading position in the highly competitive market and make greater contributions to sustainable development.

II. Summary of the business plan for 2026:

(1) Operating Strategy:

1. Strengthen the application of Artificial Intelligence (AI) and smart manufacturing to enhance operational efficiency: By streamlining existing workflows and accelerating digital transformation, the Company will introduce digitalization initiatives and required AI tools, while adjusting workforce deployment to support employee upskilling and the formation of a high-performance team composed of highly skilled talent. In addition, smart manufacturing solutions will be adopted to optimize production processes and enhance manufacturing competitiveness.
2. Enhance supply chain resilience: In response to geopolitical risks and evolving trade dynamics, the Company will continue to implement supply chain diversification strategies, integrating procurement and production resources between SEYI Taiwan and SEYI China to address tariff structures and trade barriers across different markets.
3. Focus on high value-added markets: The Company aims to increase the value of its sales and service offerings by leveraging professional teams aligned with market trends and customer application needs. It will provide customers with highly precise, high-quality, and high value-added stamping solutions to strengthen trust and improve overall annual profitability.
4. Continue to implement ESG sustainable development as a core principle: In response to global net-zero emissions trends, the Company will comprehensively develop energy-efficient and environmentally compliant stamping equipment across design, manufacturing, sales, and quality management processes, thereby creating new market differentiation.
5. Uphold the core values of “Integrity, Accountability, Service, and Innovation” to enhance corporate brand value.

(2) Important production and sales policies:

Production Policies:

1. Continue implementing lean management: By standardizing production scheduling, improving synchronized operations, and minimizing buffer inventory, the Company seeks to enhance manufacturing processes, shorten lead times, and strengthen product sales competitiveness.
2. Gradually introduce smart manufacturing processes: Digital systems can provide real-time and objective information, effectively reduce data collection time and facilitating the implementation of lean management. In addition, the use of Internet of Things (IoT) and big data analytics enables real-time monitoring of production line conditions, thereby improving product yield and stability.
3. Incorporate academic research to enhance structural design: By integrating research outcomes from academic institutions, the Company aims to improve the structural design of existing products to reduce costs and enhance product competitiveness.

Sales Policies:

1. Develop new applications and deepen focus in specific sectors: The Company will target key national development industries, including AI servers, hydrogen energy-powered mobility and energy storage systems, electric vehicle supply chains, aerospace technology and unmanned vehicles, and precision medical applications, as priority sales areas.

2. Provide total solutions with high technological capability: The Company will shift from selling standalone equipment to offering complete stamping line solutions, including after-sales service, maintenance, and system integration, thereby increasing customer stickiness.
3. Differentiate sales strategies between SEYI Taiwan and SEYI China to enhance brand value: SEYI Taiwan will focus on product differentiation to avoid price competition by improving performance, durability, and technical specifications, while also tracking market trends and exploring emerging applications and advanced materials through industry-academia collaboration to develop forward-looking products. SEYI China will leverage its manufacturing capacity and cost advantages to increase machine sales, actively developing orders for standard machines and large-tonnage equipment in China and emerging overseas markets, thereby jointly increasing group revenue.

(3) Expected sales volume and its basis:

Based on the latest reports from major international economic forecasting institutions, including the IMF, World Bank, and OECD, global economic growth in 2026 is expected to further slow, with growth rates ranging between 2.7% and 3.1%. The global economy may exhibit "resilience with high uncertainty" and a "K-shaped recovery," where certain industries (such as artificial intelligence-related sectors) perform strongly while others face continued challenges. In addition, intensifying trade protectionism and geopolitical tensions may affect market confidence and capital flows.

The global automotive industry in 2026 is expected to present both challenges and opportunities. Total global vehicle sales are projected to grow modestly by approximately 1% to 3%. Growth momentum will mainly come from emerging markets benefiting from localized production and consumption upgrades, while developed markets may face saturation or stagnation. The industry's focus will continue to shift from internal combustion engine vehicles toward electrification and intelligence. The electric vehicle market is expected to maintain relatively strong growth, although at a slower pace than in previous years. According to forecasts from Motorwatt, electric vehicles are expected to account for approximately 25% of global new car sales in 2026, with China representing over 60% of the market.

Considering the global economic slowdown in 2026 alongside positive demand in selected markets, SEYI Machinery expects its full-year sales target to achieve modest growth compared with 2025. The Company will focus on order acquisition and strategic positioning in emerging markets and key application sectors in the first half of the year, with results expected to materialize in revenue performance in the second half.

1. For U.S. metal stamping companies, 2026 presents a clash between opportunity and rising costs. High tariffs on imported parts are pushing automakers and appliance makers to source more domestically, while tax incentives under the "Big and Beautiful" bill support equipment upgrades. However, geopolitical instability continues to drive raw material volatility, alongside persistent labor shortages and financial pressures. According to an April 2026 survey by the Precision Metalforming Association (PMA), 30% of firms remain optimistic about the next three months, but concerns persist over tariffs, global trade, and uncertainties in

sourcing and investing in materials and machinery. Amid rapid external changes, SEYI-America continues to strengthen its sales and service network, enhance after-sales support, and maintain strong relationships with agents and existing customers to drive repeat orders through solid reputation. It is also leveraging SEYI's track record in China, Southeast Asia, and with Japanese clients to capture reshoring opportunities in automotive, consumer electronics, and home appliances.

2. The Chinese automotive market, particularly the EV sector, is expected to maintain its leading position, supported by government policies and strong domestic brands driving sales and exports to emerging markets. Demand for stamping equipment from Chinese EV manufacturers—both in domestic and overseas production bases—remains strong. SEYI China is expected to continue making a significant contribution to the Company's revenue.
3. The Japanese and Japanese-affiliated customer markets continue to be affected by the depreciation of the Japanese yen. Competition remains intense both domestically and overseas. The Company will continue targeting key large-scale customers to establish demonstration sites, leveraging its integration capabilities and global service network to increase repeat orders.
4. The European automotive market faces challenges in manufacturing costs and competitiveness, prompting a shift toward high value-added products. Demand for new composite materials and innovative stamping processes is expected to increase, creating additional opportunities for promoting servo presses and high-precision presses.
5. Meanwhile, emerging markets such as Southeast Asia are expected to continue strong growth driven by geopolitical supply chain shifts. With manufacturing bases in both Taiwan and China, SEYI is well positioned to serve local customers while expanding globally to meet diverse customer needs. This region is expected to make a key contribution to group revenue.

III. Impact and future corporate development strategy, external competitive environment, regulatory environment, and macroeconomic environment:

Amid global economic and geopolitical uncertainties and increasingly stringent sustainability regulations, the global machinery industry is entering a critical stage of rapid technological advancement and product upgrading. Manufacturers are accelerating innovation in servo technology, intelligent control systems, and high-rigidity structures to meet rising demand from EV, battery, lightweight material, and smart manufacturing applications. The Company continues to strengthen its core technologies, including servo press design, proprietary servo motors, energy optimization, and the $SIMS^{+}$ intelligent stamping system, to provide efficient and smart manufacturing solutions. At the same time, tightening ESG and carbon-related regulations, such as CBAM and climate-related compliance requirements, are driving customers to demand greater transparency in carbon footprint, energy efficiency, material sourcing, and intelligent system security. In response, the Company continues to enhance regulatory compliance, carbon management, renewable energy applications, and sustainable supply chain practices. In addition, global economic slowdown, interest rate fluctuations, and geopolitical risks are accelerating supply chain regionalization and increasing demand in the U.S., Mexico, and Southeast Asia markets, making localized service capability and delivery stability increasingly important.

Facing intensifying market competition, tightening sustainability regulations, and global economic uncertainties, the Company will continue to leverage its global presence and technological foundation by focusing on "technological innovation, intelligent manufacturing, and low-carbon transformation" as its core strategies. Through enhancing product value, improving equipment performance and intelligent capabilities, and responding more precisely to market demands and external changes, the Company aims to steadily strengthen its medium- and long-term competitiveness.

Under this strategic direction, the Company will continue to optimize servo press design and enhance technologies in large-scale servo systems, compound processing, and high-rigidity structures, while further strengthening the $SIMS^{+}$ intelligent stamping system to help customers improve yield rates, reduce energy consumption, and minimize downtime risks. In response to the rapid growth of the EV, battery, and hydrogen energy industries, the Company is also actively developing forming equipment and process solutions for battery structural components, lightweight high-strength materials, and bipolar plate processing, further expanding its technological capabilities in high value-added applications.

Meanwhile, the Company continues to promote lean production (SPS), automation, and digitalized management to improve overall factory efficiency. The Company also requires its supply chain partners to implement carbon inventory management and establishes a sustainability management framework led by larger enterprises to address the increasing ESG requirements of international customers.

In terms of low-carbon transformation, the Company has set an annual carbon reduction target of 4.2% and continues to promote renewable energy adoption, energy-saving optimization, and equipment upgrades to reduce Scope 1 and Scope 2 emissions. Going forward, the Company will also establish product carbon footprint management, enhance material recycling and reuse, and strengthen TCFD climate risk assessments to improve corporate resilience. At the same time, the Company will continue investing in talent development and AI capability cultivation to align employee expertise with the Company's transformation strategy, thereby building a stronger foundation for long-term competitiveness.

In summary, in response to industry competition and global transformation challenges, the Company will continue to enhance its core competitiveness through forward-looking innovation strategies and sustainable initiatives. By providing customers with more efficient, intelligent, and sustainable stamping equipment and solutions, the Company will further strengthen its global presence and brand value, while achieving its vision of steady growth and sustainable development in 2026.

Chapter Two. Corporate Governance Report

I. Information regarding directors, president, vice presidents and management team:

(I) Director

1. Information on Board of Directors

April 13, 2026; Unit: shares

Job title (Note 1)	Nationality or place of registration	Name	Gender, age (Note 2)	Date of election / appointment to current term	Term of office	Commencement date of first term (Note 3)	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouses and minor children		Shares held through nominees		Principal work experience and academic qualifications (Note 4)	Positions held concurrently in the company and/or in any other company	Other officer(s) or director(s) with which the person has a relationship of spouse or relative within the second degree			(Note 5)
							No. of shares	Share holding ratio	No. of shares	Share holding ratio	No. of shares	Share holding ratio	No. of shares	Share holding ratio			Job title	Name	Relationship	
Chairman	R.O.C.	Ya-Hui Kuo	Female, 51~60 years old	2025.6.13	3 years	2009.6.10	4,300,138	2.71%	4,300,138	2.71%	0	0.00%	0	0.00%	M.S. in Financial Management, Pace University, USA President, Seyi-America, Inc.	Chairman, Xie Yi Tech Machinery (China) Co., Ltd. Chairman, Seyi-America, Inc. Chairman, Seyi Presses Europe GmbH. Chairman, Xie Da Investment Ltd.	None	None	None	None
Director	R.O.C.	Yu Cheng Investment Co., Ltd.	-	2025.6.13	3 years	2022.5.27	13,000,000	8.21%	13,000,000	8.21%	-	-	-	-	-	-	-	-	-	None
Representative	R.O.C.	Chin-Jen Fu	Male, 51~60 years old	2025.6.13	3 years	2007.6.15	0	0.00%	0	0.00%	0	0.00%	0	0.00%	M.B.A in Wright State University, USA Financial Consultant, SME Consulting center Vice President, Chuan Hsin Co. Vice President, Yam.com Technology Co.	None	None	None	None	None
Director	R.O.C.	Keng-Yi Cheng	Male, 61~70 years old	2025.6.13	3 years	2011.6.10 (Note 6)	0	0.00%	0	0.00%	0	0.00%	0	0.00%	B.A. in Accounting, Feng Chia University Vice President, Hong yang Venture Capital Co., Ltd. Assistant Manager Golden Cauldron Securities (Stock) Corporation	Director, Grand Fortune Securities Co., Ltd. Director Representative, Grand Fortune Venture Co., Ltd. Director Representative, Grand Fortune Venture Management Corporation Independent Director, Holy Stone Enterprise Co., Ltd. Independent Director, Prolific Technology Inc. Director, Solytech Enterprise Corporation Director, Leader Electronics Inc.	None	None	None	None
Director	R.O.C.	Hsiao-Kuang Chen (Note 7)	Male, 61~70 years old	2025.6.13	3 years	2024.6.13	0	0.00%	0	0.00%	725,000	0.46%	0	0.00%	B.A. in Accounting, Aletheia University Founder, "Dakasi" Tea Chain Brand Supervisor, Patriot Green Energy Technology Co., Ltd.	Chairman, Da-Ka-Si Investment Co., Ltd. Director, Patriot Green Energy Technology Co., Ltd. Director, Yinsen International Cultural and Creative Co., Ltd.	None	None	None	None
Independent Director	R.O.C.	Hwe-Ching Wong	Male, 61~70 years old	2025.6.13	3 years	2013.6.10	0	0.00%	0	0.00%	0	0.00%	0	0.00%	M.S. in Finance, National ChengChi University Supervisor, Taiwan Stock Exchange Director, Yuanta Financial Holdings Co. Executive Director, Central Reinsurance Corporation Director, China Bills Finance Corp.	Director & CEO, Youth Financial Literacy Foundation Director & GM, Dapeng Bay International Development Co., Ltd. Director, Eastern Recreation Co., Ltd. Director & GM, Edmund Overseas Co., Ltd. Chairman, Songlin Co., Ltd.	None	None	None	None

Job title (Note 1)	Nationality or place of registration	Name	Gender, age (Note 2)	Date of election / appointment to current term	Term of office	Commencement date of first term (Note 3)	No. of shares held at time of election		No. of shares currently held		Shares currently held by spouses and minor children		Shares held through nominees		Principal work experience and academic qualifications (Note 4)	Positions held concurrently in the company and/or in any other company	Other officer(s) or director(s) with which the person has a relationship of spouse or relative within the second degree			(Note 5)
							No. of shares	Share holding ratio	No. of shares	Share holding ratio	No. of shares	Share holding ratio	No. of shares	Share holding ratio			Job title	Name	Relationship	
Independent Director	R.O.C.	Shu-Chuan Chen	Female, 51~60 years old	2025.6.13	3 years	2022.5.27	0	0.00%	0	0.00%	0	0.00%	0	0.00%	M.S. in International Finance, National Taipei University General Manager, BNY Mellon Taipei Branch Vice President, BNY Mellon Taipei Branch Chief Representative, Commerzbank Taipei Branch	Independent Director, IBF Financial Holdings Co., Ltd. Independent Director, IBF Co., Ltd. Independent Non-Executive Director, FIH Mobile Ltd. (HK) Director, ACAMS Taiwan Chairman, EasyCard Investment Holding Co., Ltd. Director, EasyCard Corp. Director, Sinyi Realty Inc.	None	None	None	None
Independent Director	R.O.C.	Tzu-Wu Lo	Male, 51~60 years old	2025.6.13	3 years	2025.6.13	0	0.00%	0	0.00%	0	0.00%	0	0.00%	M.S. in Law, National Chung Hsing University Lecturer, Soochow University Lecturer, Taipei National Tax Administration, Ministry of Finance Consultant, Taipei Veterans Service Office Consultant, CPC Corporation, Taiwan	Principal Attorney, Wei-Yang Law Firm Chairman, Wei-Yang Energy Co., Ltd. Chairman, Hui-Yang Energy Co., Ltd. Supervisor, Hung Sheng Investment Co., Ltd. Supervisor, Shih Wei Technology Co., Ltd. Director, Global Biotech Holdings Co., Ltd.	None	None	None	None

Note 1: For a corporate shareholder, the name of the corporate shareholder and its representative shall be listed separately (when listing the representative of a corporate shareholder, the name of the corporate shareholder shall also be noted), and Form 1 below shall also be completed.
Note 2: Please state the actual age, or, alternatively, state the age interval into which the actual age falls, e.g., 41~50 years, 51~60 years.
Note 3: Specify the time the person first began to serve as a director of the company. If there has been any break within a term or between terms, add a note specifying the circumstances.
Note 4: Specify experience and qualifications related to the current position. If during a period specified above the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible.
Note 5: Where the chairperson of the board of directors and the general manager or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g., increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer):None
Note 6: Director Keng-Yi Cheng had served as a director of the Company since June 10, 2011, and resigned on April 4, 2024, due to personal reasons. Following the re-election of the current board on June 13, 2025, he resumed serving as a director of the Company.

2. Form 1 Major Shareholders of Corporate Shareholders：

April 13, 2026

Name of corporate shareholder (Note 1)	Major shareholders of the corporate shareholder (Note 2)
Yu Cheng Investment Co., Ltd.	Hsiu-E Chen (50.00%) Ying-Hui Kuo (30.00%) Ting-Chun Kuo (20.00%)

Note 1: If a director is a representative of a corporate shareholder, fill in the name of that corporate shareholder.

Note 2: Fill in the names of the corporate shareholders' major shareholders (those with a shareholding ratio ranking among the top 10) and their shareholding ratios. If any of the major shareholders is a corporate/juristic person, also complete Form 2 below.

Note 3: If a corporate/juristic person shareholder is not organized as a company, the shareholder names and shareholding ratios required to be disclosed as mentioned above shall be the names of the capital contributors or donors (for further information, please refer to the announcements of the Judicial Yuan) and their capital contribution or donation rates, respectively. If a donor has died, please further note "deceased."

3. Form 2 If any Major Shareholder Listed in Form 1 is a Corporate/Juristic Person, List its Major Shareholders in this Form：Not applicable.

4. Information on Directors

(1) Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors:

Qualifications / Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	Number of independent directors of other public companies
Chairman: Ya-Hui Kuo	Possessing a minimum of five years of work experience in business, legal, finance, and accounting roles required for company operations. And not being involved in any circumstances specified in Article 30 of the Company Act.	(1) Not a director, supervisor, or employee of another company or organization that controls over half of the company's director seats or voting rights shares. (2) Not a professional, sole proprietor, partner, owner, partner, director (trustee), supervisor (inspector), manager, or their spouse who provides business, legal, finance, accounting, or related services to the company or its related entities, and has not received a cumulative compensation exceeding NTD 500,000 in the past two years. (3) Does not have a spouse or a relative within the second degree of kinship with other directors. (4) Has not been elected as a government representative, legal entity, or their representative, as stipulated in Article 27 of the Company Act.	0
Director: Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu	Possessing a minimum of five years of work experience in business, legal, finance, and accounting roles required for company operations. Additionally, holding a position as a lecturer or higher in a relevant field at a college or university, and not being involved in any circumstances specified in Article 30 of the Company Act.	(1) Not an employee of the company or its related entities. (2) Not a director or supervisor of the company or its related entities. (3) Not a manager listed in (1) or a spouse, relative within the second degree of kinship, or direct lineal relative within the third degree of kinship of the individuals listed in (2) or (3). (4) Not a director, supervisor, or employee of another company or organization that controls over half of the company's director seats or voting rights shares. (5) Not a director (trustee), supervisor (inspector), or employee of another company or organization where the chairman, general manager, or equivalent positions are the same person or spouse. (6) Not a director (trustee), supervisor (inspector), manager, or shareholder holding more than 5% of shares of a specific company or organization that has financial or business transactions with the company. (7) Not a professional, sole proprietor, partner, owner, partner, director (trustee), supervisor (inspector), manager, or their spouse who provides business, legal, finance, accounting, or related services to the company or its related entities, and has not received a cumulative compensation exceeding NTD 500,000 in the past two years. (8) Does not have a spouse or a relative within the second degree of kinship with other directors.	0

Qualifications / Name	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	Number of independent directors of other public companies
Director: Keng-Yi Cheng	Possessing a minimum of five years of work experience in business, legal, finance, and accounting roles required for company operations. And not being involved in any circumstances specified in Article 30 of the Company Act.	(1) Not an employee of the company or its related entities. (2) Not a director or supervisor of the company or its related entities. (3) Neither the individual nor their spouse, minor children, or individuals holding more than 1% of the total issued shares or among the top ten individual shareholders, using another person's name. (4) Not a manager listed in (1) or a spouse, relative within the second degree of kinship, or direct lineal relative within the third degree of kinship of the individuals listed in (2) or (3). (5) Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total share issued, among the top five individual shareholders, or appointed as a director or supervisor by the provisions of Article 27, Paragraph 1 or Paragraph 2 of the Company Act. (6) Not a director, supervisor, or employee of another company or organization that controls over half of the company's director’s seats or voting rights shares. (7) Not a director (trustee), supervisor (inspector), or employee of another company or organization where the chairman, general manager, or equivalent positions are the same person or spouse. (8) Not a director (trustee), supervisor (inspector), manager, or shareholder holding more than 5% of shares of a specific company or organization that has financial or business transactions with the company. (9) Does not have a spouse or a relative within the second degree of kinship with other directors. (10) Has not been elected as a government representative, legal entity, or their representative, as stipulated in Article 27 of the Company Act.	2
Director: Hsiao-Kuang Chen	Possessing a minimum of five years of work experience in business, legal, finance, and accounting roles required for company operations. And not being involved in any circumstances specified in Article 30 of the Company Act.	(1) Not an employee of the company or its related entities. (2) Not a director or supervisor of the company or its related entities. (3) Neither the individual nor their spouse, minor children, or individuals holding more than 1% of the total issued shares or among the top ten individual shareholders, using another person's name. (4) Not a manager listed in (1) or a spouse, relative within the second degree of kinship, or direct lineal relative within the third degree of kinship of the individuals listed in (2) or (3). (5) Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total share issued, among the top five individual shareholders, or appointed as a director or supervisor by the provisions of Article 27, Paragraph 1 or Paragraph 2 of the Company Act. (6) Not a director, supervisor, or employee of another company or organization that controls over half of the company's director’s seats or voting rights shares. (7) Not a director (trustee), supervisor (inspector), or employee of another company or organization where the chairman, general manager, or equivalent positions are the same person or spouse. (8) Not a director (trustee), supervisor (inspector), manager, or shareholder holding more than 5% of shares of a specific company or organization that has financial or business transactions with the company. (9) Does not have a spouse or a relative within the second degree of kinship with other directors. (10) Has not been elected as a government representative, legal entity, or their representative, as stipulated in Article 27 of the Company Act.	0

<table>
<tr><th>Qualifications
Name</th><th>Professional qualifications and experience (Note 1)</th><th>Independence analysis (Note 2)</th><th>Number of independent directors of other public companies</th></tr>
<tr><td>Independent Director:
Hwe-Ching Wong</td><td>Possessing a minimum of five years of work experience in business, legal, finance, and accounting roles required for company operations. Additionally, holding a position as a lecturer or higher in a relevant field at a college or university, having passed national examinations related to company operations, holding relevant certificates, and not being involved in any circumstances specified in Article 30 of the Company Act.</td><td rowspan="3">(1) Not an employee of the company or its related entities.
(2) Not a director or supervisor of the company or its related entities.
(3) Neither the individual nor their spouse, minor children, or individuals holding more than 1% of the total issued shares or among the top ten individual shareholders, using another person's name.
(4) Not a manager listed in (1) or a spouse, relative within the second degree of kinship, or direct lineal relative within the third degree of kinship of the individuals listed in (2) or (3).
(5) Not a director, supervisor, or employee of a corporate shareholder who directly holds more than 5% of the total share issued, among the top five individual shareholders, or appointed as a director or supervisor by the provisions of Article 27, Paragraph 1 or Paragraph 2 of the Company Act.
(6) Not a director, supervisor, or employee of another company or organization that controls over half of the company's director’s seats or voting rights shares.
(7) Not a director (trustee), supervisor (inspector), or employee of another company or organization where the chairman, general manager, or equivalent positions are the same person or spouse.
(8) Not a director (trustee), supervisor (inspector), manager, or shareholder holding more than 5% of shares of a specific company or organization that has financial or business transactions with the company.
(9) Not a professional, sole proprietor, partner, owner, partner, director (trustee), supervisor (inspector), manager, or their spouse who provides business, legal, finance, accounting, or related services to the company or its related entities, and has not received a cumulative compensation exceeding NTD 500,000 in the past two years.
(10) Does not have a spouse or a relative within the second degree of kinship with other directors.
(11) Has not been elected as a government representative, legal entity, or their representative, as stipulated in Article 27 of the Company Act.</td><td>0</td></tr>
<tr><td>Independent Director:
Shu-Chuan Chen</td><td>Possessing a minimum of five years of work experience in business, legal, finance, and accounting roles required for company operations. And not being involved in any circumstances specified in Article 30 of the Company Act.</td><td>2</td></tr>
<tr><td>Independent Director:
Tzu-Wu Lo</td><td>Possessing a minimum of five years of work experience in business, legal, finance, and accounting roles required for company operations, holding professional certificates obtained through national examinations relevant to company operations, and not being involved in any circumstances specified in Article 30 of the Company Act.</td><td>0</td></tr>
</table>

Note 1: Professional qualifications and experience: Specify the professional qualifications and experience of each director. For members of the Audit Committee with accounting or financial expertise, their accounting or financial background and work experience should be disclosed. Additionally, specify whether any circumstance under any subparagraph of Article 30 of the Company Act exists with respect to a director.

Note 2: Describe the status of independence of each independent director, including but not limited to the following: whether their spouse or any relative within the second degree serve as a director or employee of the company or any of its affiliates; the number and ratio of company shares held by the independent director and their spouse and relatives within the second degree (or through nominees); whether they serve as a director or employee of any company having a specified relationship with the company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); the amount of compensation received in the past two years business, legal, financial, or accounting services for providing to the company or any affiliate.

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

(i) Diversity of the Board of Directors：

In accordance with the company's diversification policy and to strengthen corporate governance and promote the development of a sound composition and structure of the Board of Directors, the company has adopted a candidate nomination system for the nomination of director candidates in accordance with the Company's Articles of Incorporation. Rigorous evaluations are carried out for each candidate's academic (experience) qualifications, professional background, integrity or relevant professional qualifications. The nominated candidates are submitted to the shareholders' meeting for election after approval by the Board of Directors.

In accordance with the Company's Articles of Incorporation, it is expressly stipulated that the election of directors is based on the nomination and qualification examination of candidates, and the election of directors is submitted to the shareholders' meeting after the Board of Directors' review and approval.

The members of the Board of Directors possess expertise in various fields, rich industry experience, as well as professional capabilities in accounting, legal, business and finance. Directors are expected to contribute to the development and sound operation of the company, and to provide advice and reminders on relevant issues. The company's Board of Directors is composed of seven directors, including three independent directors, the age range of the members is between 51 and 60 years old. The company places emphasis on gender diversity, with female board members serving as the Chairman of the Board, and will gradually increase the number and ratio of female directors according to demand in the future.

A. Specific Management Objectives:

The Board of Directors of the company shall possess adequate industry experience and professional competence. The objective is to have at least two members with experience in various industry fields, including industry knowledge, business development, crisis management capabilities, and international market experience.

Additionally, the objective is to have at least two members with professional backgrounds covering accounting, legal, business, and finance.

Furthermore, the company places great importance on gender equality in the composition of its board members and is committed to continuously promoting a minimum of one-third representation of either gender on the board.

B. The implementation of the Board of Directors' diversity policy is as follows:

Diversity Item / Name of Director	Basic Composition			Industry Experience				Professional Competence			
	Nationality	Gender	Also employee of the company	Industry Know-ledge	Business Develop-ment	Crisis Management Skills	Knowledge of International Markets	Accounting	Legal	Business	Finance
Ya-Hui Kuo	R.O.C.	Female	V	V	V	V	V	V	-	V	V
Hsiao-Kuang Chen	R.O.C.	Male	-	V	V	V	V	V	-	V	V
Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu	R.O.C.	Male	-	V	V	V	V	V	-	V	V
Keng-Yi Cheng	R.O.C.	Male	-	V	V	V	V	V	-	V	V
Hwe-Ching Wong	R.O.C.	Male	-	V	V	V	V	V	-	V	V
Shu-Chuan Chen	R.O.C.	Female	-	V	V	V	V	V	-	V	V
Tzu-Wu Lo	R.O.C.	Male	-	V	V	V	V	-	V	V	V

Following the re-election of the 18th Board of Directors in 2025, two female directors were appointed. The Company will further increase gender diversity based on operational needs.

(ii) Independence of the Board of Directors:

The company's current Board of Directors consists of seven directors, including three independent directors (43%), all of whom meet the requirements of the Securities and Futures Bureau of the Financial Supervisory Commission for independent directors. None of the directors or independent directors are related to one another as spouse or any relative within the second degree under Items 3 and 4 of Article 26-3 of the Securities and Exchange Act. In addition, none of them is involved in any circumstance specified in Article 30 of the Company Act.

(II) Information regarding president and vice presidents, and management team:

April 13, 2026; Unit: shares

Job Title (Note 1)	Nationality	Name	Gender	Date of election / appointment to current term	No. of shares held		Shares held by spouses and minor children		Shares held through nominees		Principal work experience and academic qualifications (Note 2)	Positions held concurrently in any other company	Managers with which the person has a relationship of spouse or relative within the second degree			Remarks (Note 3)
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Position	Name	Relationship	
President	R.O.C.	Chen-Wei, Lee	Male	2024.10.01	115,000	0.07%	0	0.00%	0	0.00%	M.B.A. in University of Leicester, UK	None	None	None	None	None
Executive Vice President	R.O.C.	Kuo-Wang, Liu (Note 4)	Male	2020.10.05	0	0.00%	0	0.00%	0	0.00%	Ph.D. candidate, Department of Mechanical and Automation Engineering, National Kaohsiung University of Science and Technology	None	None	None	None	None
Vice President	R.O.C.	Tsui-Hua, Wu	Female	2011.08.19	106,000	0.07%	0	0.00%	0	0.00%	M.B.A.in Memphis State University, USA	None	None	None	None	None
Vice President	R.O.C.	Chin-Ching, Lai (Note 5)	Male	2024.10.01	0	0.00%	0	0.00%	0	0.00%	Bachelor's Degree in Mechanical Engineering, Chung Hua University	None	None	None	None	None

Note 1: The information in this table should be disclosed for the president, vice presidents, assistant vice presidents or equivalent positions.
Note 2: Specify experience and qualifications related to the current position. If during a period specified above, the person has served in a position at a CPA firm that serves as external auditor/attestor, specify the position held and the duties for which the person was responsible.
Note 3: If the general manager or person of an equivalent post (the highest level manager) and the chairperson of the board of directors of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (e.g. increasing the number of independent directors and ensuring that a majority of directors do not concurrently serve as an employee or managerial officer): None.
Note 4: Executive Vice President Kuo-Wang, Liu retired on February 28, 2026.
Note 5: Vice President Chin-Ching, Lai retired on November 30, 2025.

(III) Remuneration to Ordinary Directors, Independent Directors, President and Vice Presidents:

(1) Remuneration to Ordinary Directors and Independent Directors (Disclosure of Aggregate Remuneration Plus Disclosure of Names by Remuneration Range)

Unit: NT$ thousand

<table>
<tr><th rowspan="4">Job Title</th><th rowspan="4">Name</th><th colspan="8">Remuneration paid to Directors</th><th rowspan="2" colspan="2">Sum of A+B+C+D as a ratio to net income after tax</th><th colspan="8">Remuneration received by directors for concurrent service as an employee</th><th rowspan="2" colspan="2">Sum of A+B+C+D+E+F+G as a ratio to net income after tax</th><th rowspan="4">Remuneration received from investee enterprises other than subsidiaries or from the parent company</th></tr>
<tr><th colspan="2">Remune-ration (A)</th><th colspan="2">Retirement pays and pension (B)</th><th colspan="2">Director’s Remuneration (C)</th><th colspan="2">Business Execution Expense (D)</th><th colspan="2">Salary, rewards, and special disbursements (E)</th><th colspan="2">Retirement pays and pension (F)</th><th colspan="4">Employee’s Remuneration (G)</th></tr>
<tr><th rowspan="2">The Company</th><th rowspan="2">All Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">All Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">All Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">All Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">All Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">All Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">All Consolidated Entities</th><th colspan="2">The Company</th><th colspan="2">All Consolidated Entities</th><th rowspan="2">The Company</th><th rowspan="2">All companies in the financial report</th></tr>
<tr><th>Amount in cash</th><th>Amount in stock</th><th>Cash amount</th><th>Amount in stock</th></tr>
<tr><td rowspan="5">Ordinary Director</td><td>Ya-Hui Kuo</td><td rowspan="5">0</td><td rowspan="5">0</td><td rowspan="5">0</td><td rowspan="5">0</td><td rowspan="5">263</td><td rowspan="5">263</td><td rowspan="5">1,214</td><td rowspan="5">1,214</td><td rowspan="5">1,477
4.67%</td><td rowspan="5">1,477
4.67%</td><td rowspan="5">9,773</td><td rowspan="5">9,773</td><td rowspan="5">0</td><td rowspan="5">0</td><td rowspan="5">0</td><td rowspan="5">0</td><td rowspan="5">0</td><td rowspan="5">0</td><td rowspan="5">11,250
35.58%</td><td rowspan="5">11,250
35.58%</td><td rowspan="5">None</td></tr>
<tr><td>Yu Cheng Investment Co. Ltd.
Representative: Chin-Jen Fu</td></tr>
<tr><td>Cheng Lin Investment Co. Ltd. (Note 3)
Representative: Shin-Ming Tung</td></tr>
<tr><td>Keng-Yi Cheng (Note 3)</td></tr>
<tr><td>Hsiao-Kuang Chen</td></tr>
<tr><td rowspan="4">Independent Director</td><td>Hwe-Ching Wong</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">116</td><td rowspan="4">116</td><td rowspan="4">1,304</td><td rowspan="4">1,304</td><td rowspan="4">1,420
4.49%</td><td rowspan="4">1,420
4.49%</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">0</td><td rowspan="4">1,420
4.49%</td><td rowspan="4">1,420
4.49%</td><td rowspan="4">None</td></tr>
<tr><td>Yuan-Li Tseng (Note 3)</td></tr>
<tr><td>Shu-Chuan Chen</td></tr>
<tr><td>Tzu-Wu Lo (Note 3)</td></tr>
</table>

1. Please describe the policy, system, standards and structure in place for paying remuneration to independent directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid:
   The remuneration to the independent directors of the company is determined by the Compensation Committee based on the level of participation and value of each director’s contribution to the company’s operations, taking into account the company’s operational performance and industry standard. The remuneration is submitted to the Board of Directors for resolution.
2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): None.
3. The corporate director Cheng Lin Investment Co. Ltd. was removed on April 30, 2025. Independent Director Yuan-Li Tseng completed his term and stepped down on June 13, 2025. Director Zheng Geng-Yi and Independent Director Tzu-Wu Lo were re-elected and assumed office on June 13, 2025.

Remuneration Range Table

Ranges of remuneration paid to each of the company's directors	Director's Name			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company	All Consolidated Entities H	The Company	All Consolidated Entities I
Less than NT$1,000,000	Ya-Hui Kuo, Hsiao-Kuang Chen Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu Cheng Lin Investment Co., Ltd. Representative: Shin-Ming Tung Hwe-Ching Wong, Yuan-Li Tseng Shu-Chuan Chen, and Tzu-Wu Lo	Ya-Hui Kuo, Hsiao-Kuang Chen Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu Cheng Lin Investment Co., Ltd. Representative: Shin-Ming Tung Hwe-Ching Wong, Yuan-Li Tseng Shu-Chuan Chen, and Tzu-Wu Lo	Hsiao-Kuang Chen Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu Cheng Lin Investment Co., Ltd. Representative: Shin-Ming Tung Hwe-Ching Wong, Yuan-Li Tseng Shu-Chuan Chen, and Tzu-Wu Lo	Hsiao-Kuang Chen Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu Cheng Lin Investment Co., Ltd. Representative: Shin-Ming Tung Hwe-Ching Wong, Yuan-Li Tseng Shu-Chuan Chen, and Tzu-Wu Lo
NT$1,000,000 (incl.)～NT$2,000,000 (excl.)				
NT$2,000,000 (incl.)～NT$3,500,000 (excl.)				
NT$3,500,000 (incl.)～NT$5,000,000 (excl.)				
NT$5,000,000 (incl.)～NT$10,000,000 (excl.)				
NT$10,000,000 (incl.)～NT$15,000,000 (excl.)			Ya-Hui Kuo	Ya-Hui Kuo
NT$15,000,000 (incl.)～NT$30,000,000 (excl.)				
NT$30,000,000 (incl.)～NT$50,000,000 (excl.)				
NT$50,000,000 (incl.)～NT$100,000,000 (excl.)				
NT$100,000,000 or above				
Total	7 seats	7 seats	7 seats	7 seats

(2) Remuneration to President and Vice Presidents (Disclosure of Aggregate Remuneration Plus Disclosure of Names by Remuneration Range)

Unit: NT$ thousand

Job Title	Name	Salary (A)		Retirement pays and pension (B)		Rewards and special disbursements (C)		Employe's Remuneration (D)				Sum of A+B+C+D as a ratio to net income after tax (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company	All Consolidated Entities	The Company		All Consolidated Entities		The Company	All companies in the financial report	
								Amount in cash	Amount in stock	Cash amount	Amount in stock			
President	Chen-We, Lee	14,232	14,232	7,155	7,155	0	0	14	0	14	0	21,401 67.68%	21,401 67.68%	None
Executive Vice President	Kuo Wang, Liu													
Vice President	Tsui-Hua, Wu													
Vice President	Chin-Ching, Lai													

1: The pension fund is the amount that has been contributed to the pension fund.
2: The amount of employee's remuneration is the amount approved by the Board of Directors (2025.03.14) to be distributed to employees. The amount proposed to be distributed this year is calculated based on the percentage of the actual amount distributed in previous years.
3: Executive Vice President Kuo-Wang, Liu retired on February 28, 2026.
4: Vice President Chin-Ching, Lai retired on November 30, 2025.

Remuneration Range Table

Ranges of remuneration paid to each of the company's general manager(s) and assistant general manager(s)	Names of General Manager(s) and Assistant General Manager(s)	
	The Company	All Consolidated Entities E
Less than NT$1,000,000		
NT$1,000,000 (incl.)～NT$2,000,000 (excl.)	Chin-Ching Lai	Chin-Ching Lai
NT$2,000,000 (incl.)～NT$3,500,000 (excl.)	Tsui-Hua Wu, Kuo Wang Liu	Tsui-Hua Wu, Kuo Wang Liu
NT$3,500,000 (incl.)～NT$5,000,000 (excl.)		
NT$5,000,000 (incl.)～NT$10,000,000 (excl.)	Chen-Wei Lee	Chen-Wei Lee
NT$10,000,000 (inclusive)～NT$15,000,000 (exclusive)		
NT$15,000,000 (incl.)～NT$30,000,000 (excl.)		
NT$30,000,000 (incl.)～NT$50,000,000 (excl.)		
NT$50,000,000 (incl.)～NT$100,000,000 (excl.)		
NT$100,000,000 or above		
Total	4 seats	4 seats

(3) Employee' remuneration paid to managerial officers

Unit: NT$ thousand

Job Title		Name	Amount in stock	Amount in cash (Note 1)	Total	Total remuneration as percentage of net income after tax (%)
Managerial Officers	President	Chen-Wei, Lee	0	14	14	0.04%
	Vice President	Tsui-Hua, Wu				

Note 1: It is the amount approved by the Board of Directors (2026.03.10) to be distributed to employees. The amount proposed to be distributed this year is estimated based on the percentage of the actual amount distributed in previous years.

(IV) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, independent directors, president, and vice presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

Analysis on the ratio of the total amount of the remuneration paid to Directors, Independent Directors, President, and Vice President of the company and all companies covered in the consolidated financial statements in the most recent two years to after-tax net income:

Item / Job Title	Total remuneration as percentage of net income after tax			
	2025		2024	
	The Company	All Consolidated Entities	The Company	All companies in the financial report
Director	107.75%	107.75%	18.10%	18.10%
Independent Director				
President and Vice presidents				

(1) The company's policy, criteria and composition for the remuneration to directors and independent directors, and the procedures for determining remuneration shall be in accordance with Article 26 and Article 30 of the company's Articles of Incorporation. The company shall set aside no more than 5% of the pre-tax income for the year before deducting the amount of remuneration to be distributed to directors and independent directors as remuneration to directors and independent directors, and the Board of Directors shall make a resolution with the attendance of at least two-thirds of the directors and the approval of a majority of the directors present, and report the same to the shareholders' meeting. However, if the company still has accumulated losses, the make-up amount should be reserved in advance. The company adopts the declining-balance appropriation method when considering shareholders' rights and interests and to avoid excessive remuneration to directors and independent directors due to operational effectiveness.

(2) The Board of Directors is authorized to determine the remuneration to directors and independent directors in accordance with the extent of the directors' participation in the company's operations and the value of their contribution, considering the industry standards.

(3) The remuneration to the President and Vice President of the company is determined in accordance with the provisions of Article 29 of the Company Act, considering the extent of responsibility of the company's operations and the value of their contribution, considering the industry standards. The procedures of appointment and payment of remuneration shall be in accordance with the company's operating rules.

II. The state of the company's implementation of corporate governance:

(I) Operations of the board of directors:

(1) Information on the operation status of the Board of Directors:

The Board of Directors met 6 times in the most recent year (2025), the attendance of BOD was as follows:

Job Title	Name (Note 1)	No. of meetings attended in person (A)	No. of meetings attended by proxy	Attendance rate In-person (%)【A/B】(Note 2)	Remarks (Expected Attendance: B)
Chairman	Ya-Hui Kuo	6	0	100%	The re-election is on June 13, 2025. Expected to attend 6 BOD's meetings.
Director	Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu	5	0	83.3%	The re-election is on June 13, 2025. Expected to attend 6 BOD's meetings.
Corporate Director	Cheng Lin Investment Co., Ltd. Representative: Shin-Ming Tung	2	0	100%	The removal on April 30, 2025. Expected to attend 2 BOD's meetings.
Director	Keng-Yi Cheng	3	0	100%	The new election is on June 13, 2025. Expected to attend 3 BOD's meetings.
Director	Hsiao-Kuang Chen	6	0	100%	The re-election is on June 13, 2025. Expected to attend 6 BOD's meetings.
Independent Director	Hwe-Ching Wong	6	0	100%	The re-election is on June 13, 2025. Expected to attend 6 BOD's meetings.
Independent Director	Yuan-Li Tseng	3	0	100%	Term completed and stepped down on June 13, 2025. Expected to attend 3 BOD's meetings.
Independent Director	Shu-Chuan Chen	6	0	100%	The re-election is on June 13, 2025. Expected to attend 6 BOD's meetings.
Independent Director	Tzu-Wu Lo	3	0	100%	The new election is on June 13, 2025. Expected to attend 3 BOD's meetings.

Other information required to be disclosed:

I. If any of the following circumstances exist, specify the board meeting date, meeting session number, content of the motion(s), the opinions of all the independent directors, and the measures taken by the company based on the opinions of the independent directors:

(I) Any matter under Article 14-3 of the Securities and Exchange Act:

The company has established an Audit Committee, and it is not subject to the provisions of Article 14-3 of the Securities and Exchange Act. For relevant information, please refer to the operational status of the

Audit Committee in the annual report.

(II) In addition to the matters referred to above, any dissenting or qualified opinion of an independent director that is on record or stated in writing with respect to any board resolution: None.

II. The status of implementation of recusals of directors with respect to any motions with which they may have a conflict of interest. Specify the names of the directors, the content of the motions, and reason for recusal, and the participation in voting:

Meeting Date	Director's Name	Agenda	The cause for recusal	Participation in Voting
2025.1.17	Chairman: Ya-Hui Kuo	Discussion of the company's 2024 year-end bonus for managerial officers.	Recused due to a **conflict of interest , as the resolution involved the approval of personal bonus**.	Directors with personal interest recused from participating in the discussion and voting of the listed agenda items in accordance with the law, leaving the meeting during the deliberation and voting process.
2025.3.14	Chairman: Ya-Hui Kuo	Approval of endorsement guarantee for subsidiary company.	Recused due to the chairman also serving as the Chairman of a subsidiary.	
2025.5.09	Chairman: Ya-Hui Kuo Directors: Chin-Jen Fu, Ken-Yi Cheng, Hwe-Ching Wong, Yuan-Li Tseng, Shu-Chuan Chen	Review of individual directors' remuneration allocation for the fiscal year 2024	Recused due to a conflict of interest, as the resolution involved the allocation of directors' remuneration,.	
	Chairman: Ya-Hui Kuo	Approval of fund loans from subsidiary Seyi-International to subsidiary Seyi-Europe.	Recused due to the chairman also serving as the Chairman of a subsidiary.	
	Chairman: Ya-Hui Kuo	Approval of endorsement guarantee for subsidiary company.	Recused due to the chairman also serving as the Chairman of a subsidiary.	
2025.8.11	Chairman: Ya-Hui Kuo	Approval of Cash Compensation Distribution to Managerial Employees for Year 2024	Recused due to the chairman also serving as CSO.	

III. For a TWSE or TPEx listed company, disclose information including the evaluation cycle and period(s) of the board of directors' self-evaluations (or peer evaluations) and the evaluation method and content. Additionally, complete Table 2(2) Implementation of Evaluations of the Board of Directors:

Please refer to the next page.

IV. Give an evaluation of the targets that were adopted for strengthening the functions of the board during the current and immediately preceding fiscal years (e.g., establishing an audit committee, increasing information transparency, etc.) and the measures taken toward achievement thereof:

The Company established a Sustainability Development Committee in 2023 to promote ESG-related initiatives, which have delivered notable results to date, and implemented policies and procedures for ethical business practices, prevention of dishonest behavior, internal handling of significant information, and corporate governance best practices. Every board meeting is convened in accordance with the Regulations Governing Procedure for Board Directors Meetings, and announce material information in both Chinese and English after the meeting in accordance with the Regulations.

Note 1: For a director that is a juristic person (corporate entity), disclose the name of the corporate shareholder and the name of its representative.

Note 2: ① If any director left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of board meetings held and the number they attended in person during the period they were in the office.

② If any by-election for directors was held before the end of the fiscal year, the names of the new and old directors should be filled in the table, with a note stating whether the director left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

(2) Implementation of Evaluations of the Board of Directors:

The company has established a Board Performance Evaluation Method, which was approved by the Board of Directors on March 17, 2020. It stipulates that the Board must conduct an internal performance evaluation annually according to the evaluation procedures and indicators specified in Articles 6 and 7 of the Method. The results of the internal Board performance evaluation must be completed by the end of the first quarter of the following year. The evaluation scope includes the overall Board, individual Board members, and functional committees—the Remuneration Committee and the Audit Committee. The evaluation methods include internal self-evaluation by the Board, self-evaluation by individual Board members, internal self-evaluation by functional committees, or other appropriate methods.

The most recent execution date: March 10, 2026.

Evaluation Cycle (Note 1)	Evaluation Period (Note 2)	Scope of Evaluation (Note 3)	Evaluation Method (Note 4)	Evaluation Content (Note 5)	The Evaluation results (Note 6)
Once a year	1 January to 31 December, 2025	Board of Directors	The board of directors as a whole Individual board members	The company shall take into consideration its condition and needs when establishing the criteria for evaluating the performance of the board of directors, which should cover, at a minimum, the following five aspects: A. Participation in the operation of the company; B. Improvement of the quality of the board of directors' decision making; C. Composition and structure of the board of directors; D. Election and continuing education of the directors; E. Internal control.	"Significantly Exceeds Standards,"
		Individual directors	Self-evaluations by individual board members	The criteria for evaluating the performance of the board members, should cover, at a minimum, the following six aspects: A. Alignment with the goals and mission of the company; B. Awareness of the duties of a director; C. Participation in the operation of the company; D. Management of internal relationship and communication; E. Election and continuing education of the directors; F. Internal control.	"Significantly Exceeds Standards,"
		The functional committees	The functional committees as a whole Individual committees members	The criteria for evaluating the performance of the functional committees, which should cover, at a minimum, the following five aspects: A. Participation in the operation of the company; B. Awareness of the duties of the functional committees; C. The quality of the board of directors' decision making; D. Composition and election of the functional committees; E. Internal control.	The Remuneration Committee: "Significantly Exceeds Standards," The Audit Committee: "Significantly Exceeds Standards,"

Note 1: Fill in the cycle on which the board evaluations are performed: performed once per year.

Note 2: Fill in the period covered by the board evaluation: An evaluation was performed of the performance of the board of directors from 1 January 2022 to 31 December 2022.

Note 3: The scope of the evaluation should cover the performance of the board as a whole, the individual directors, and the functional committees.

Note 4: The performance evaluation methods may include internal evaluation by the board, self-evaluations by individual board members, peer evaluations by board members, evaluations external organizations or experts engaged for that purpose, or other suitable method.

Note 5: The evaluation content shall include at least the following based on the scope of the evaluation:

(1) Evaluation of the performance of the board should include at least the following: degree of the board's participation in the operation of the company; the quality of the board's decision making; composition and structure of the board; election and continuing education of the directors; internal control.

(2) Evaluation of the performance of individual directors should include at least the following: familiarity with the goals and missions of the company; awareness of the duties of a director; participation in the operation of the company; management of internal relationships and communication; the director's professionalism and continuing education; internal control.

(3) Evaluation of the performance of the functional committees: degree of participation in the operation of the company; awareness of the duties of the functional committee; quality of decisions made by the functional committee; makeup of the functional committee and election of its members; internal control.

Note 6: The evaluation results are categorized as "Significantly Exceeds Standards," "Exceeds Standards," "Meets Standards," and "Needs Improvement."

(II) Operations of the Audit Committee: The company established the Audit Committee on 27 May,2022. The Audit Committee held four meetings in 2025.

Job Title	Name (Note 1)	No. of meetings attended in person (A)	No. of meetings attended by proxy	In-person attendance rate【A/B】(%) (Note 2)	Remarks (Expected Attendance: B)
Independent Director & Convener	Shu-Chuan Chen	4	0	100%	The re-election is on June 13, 2025. Expected to attend 4 meetings.
Independent Director	Yuan-Li Tseng	2	0	100%	Term completed and stepped down on June 13, 2025. Expected to attend 2 meetings.
Independent Director	Hwe-Ching Wong	4	0	100%	The re-election is on June 13, 2025. Expected to attend 4 meetings.
Independent Director	Tzu-Wu Lo	2	0	100%	The new election is on June 13, 2025. Expected to attend 2 meetings.

Other information required to be disclosed:

1. If any of the following circumstances exists, specify the audit committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of audit committee resolutions, and the measures taken by the company based on the opinions of the audit committee:

(1) Any matter under Article 14-5 of the Securities and Exchange Act.

<table>
<tr><th>Meeting Date</th><th>Important Agenda</th><th>Audit Committee’s Resolution</th><th>Audit Committee's dissenting opinions, reservations, or significant recommendations.</th></tr>
<tr><td>2025.03.14
(Term 1-15)</td><td>Approval of the company's 2024 Financial Statements, Business Report, and Earnings Distribution.
Approval of the evaluation of the independence and suitability of the CPAs for2025.
Approval of endorsement guarantee for subsidiary company.
Approval of the company's 2024 "Internal Control System Effectiveness Assessment" and "Internal Control System Statement”.</td><td rowspan="4">All proposals were unanimously approved by the attending members upon consultation by the chairperson, and then submitted for discussion in the BOD meetings.</td><td rowspan="4">None</td></tr>
<tr><td>2025.05.09
(Term 1-16)</td><td>Approval of Consolidated Financial Report for Q1,2025.
The assessment of the nature of accounts receivable due from subsidiary Seyi-Europe.
Approval of fund loans from subsidiary Seyi-International to subsidiary Seyi-Europe.
Approval of endorsement guarantee for subsidiary company.</td></tr>
<tr><td>2025.08.11
(Term 2-1)</td><td>Approval of Consolidated Financial Report for Q2,2025.
Approval of the Company’s purchase of ordinary corporate bonds issued by Nan Shan Life Insurance Co., Ltd.</td></tr>
<tr><td>2025.11.12
(Term 2-2)</td><td>Approval of Consolidated Financial Report for Q3,2025.
The amendment to the Company’s internal control system.
, Proposal to change of the certifying accountant due to the internal rotation of the CPA firm in the fourth quarter of 2025.
Approval of the Audit Plan for the Fiscal Year 2026.</td></tr>
</table>

(2) In addition to the matters referred to above, any matter that was not approved by the audit committee but was approved by a two-thirds or greater majority resolution of the board of directors: None

2. Implementation of recusals of independent directors with respect to any motions with which they may have a conflict of interest: specify the independent director's name, the content of the motion, the cause for recusal, and whether and how the independent director voted: None

3. Communication between the independent directors and the chief internal audit officer and the CPAs that serve as external auditors (including any significant matters communicated about with respect to the state of the company's finances and business and the method(s) and outcomes of the communication.):

The Company's independent directors maintain effective communication channels with the internal audit officer and accountants, and may communicate on Company affairs at any time as necessary through in-person meetings, telecommunications, or video conferences.

Note 1: If any independent director left office before the end of the fiscal year, specify the date that they left office in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of audit committee meetings held and the number they attended in person during the period they were in office.

Note 2: If any by-election for independent directors was held before the end of the fiscal year, the names of the new and old independent directors should be filled in the table, with a note stating whether the independent director left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of board meetings held and the number attended in person during the period of each such person's actual time in office.

(III) The state of operations of the nomination committee: The company does not have a nomination committee.

(IV) Implementation Status and Deviations from the Corporate Governance Best Practice Principles for TPEx Listed Companies and the Reasons:

Evaluation item	Implementation status			The reasons for deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
1. Has the company established and disclosed its Corporate Governance Best Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	V		The company has established Corporate Governance Best Practice Principles and has been disclosed on the MOPS as well as on the company's website \ Investor Relations \ Governance area.	No material difference
2. Shareholding Structure and Shareholders' Rights (1) Does the company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly? (2) Does the company know the identity of its major shareholders and the parties with ultimate control of the major shareholders? (3) Has the company built and implemented a risk management system and a firewall between the company and its affiliates? (4) Has the company established internal rules prohibiting insider trading of securities based on undisclosed information?	V		(1) The company has established a spokesperson, deputy spokesperson, and dedicated personnel from our shareholder services agency to handle shareholder suggestions and related issues. (2) The company provides monthly reports on the shareholding status of directors, executives, and major shareholders of the company, and regularly discloses and monitors any changes in insider shareholdings. (3) The company has implemented the "Supervision and Operation Guidelines for Subsidiaries" and the "Procedures for Financial and Business Transactions Among Related Parties." to ensure appropriate risk management. For the business and financial transactions with subsidiaries, we have established written operational norms and clearly defined transaction conditions, following the same procedures as with other general transactions. (4) The company has implemented measures to prevent insider trading in accordance with the internal control system. We have established guidelines to prohibit insiders from trading securities based on undisclosed material information in the market.	No material difference

Evaluation item	Implementation status			The reasons for deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
3. Composition and responsibilities of the board of directors (1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	V		(1) In accordance with the company's diversification policy and to strengthen corporate governance and promote the development of a sound composition and structure of the Board of Directors, the company has adopted a candidate nomination system for the nomination of director candidates in accordance with the company's Articles of Incorporation. Rigorous evaluations are carried out for each candidate's academic (experience) qualifications, professional background, integrity or relevant professional qualifications. The nominated candidates submitted the shareholders' meeting for election after approval by the Board of Directors. In accordance with the company's Articles of Incorporation, it is expressly stipulated that the election of directors is based on the nomination and qualification examination of candidates, and the election of directors is submitted to the shareholders' meeting after the Board of Directors' review and approval. The members of the Board of Directors possess expertise in various fields, rich industry experience, as well as professional capabilities in accounting, legal, business and finance. Directors are expected to contribute to the development and sound operation of the company, and to provide advice and reminders on relevant issues. The company's Board of Directors is composed of seven directors, including three independent directors, the age range of the members is between 51 and 60 years old. The company places emphasis on gender diversity, with female board members serving as the Chairman of the Board, following the re-election of the 18th Board of Directors in 2025, two female directors were appointed. The Company will further increase gender diversity based on operational needs.	No material difference

Evaluation item	Implementation status			The reasons for deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			A. Specific Management Objectives: The company's Board of Directors shall possess adequate industry experience and professional competence. The objective is to have at least two members with experience in various industry fields, including industry knowledge, business development, crisis management capabilities, and international market experience. Additionally, the objective is to have at least two members with professional backgrounds covering accounting, legal, business, and finance. Furthermore, the company places great importance on gender equality in the composition of its board members and is committed to continuously promoting a minimum of one-third representation of either gender on the board. B. The implementation of the Board of Directors' diversity policy is as follows:	

Diversity Item / Name of Director	Basic Composition			Industry Experience				Professional Competence			
	Nationality	Gender	Also employee of the company	Industry Know-ledge	Business Develop-ment	Crisis Management Skills	Knowledge of International Markets	Accounting	Legal	Business	Finance
Ya-Hui Kuo	R.O.C.	Female	V	V	V	V	V	V	-	V	V
Hsiao-Kuang Chen	R.O.C.	Male	-	V	V	V	V	V	-	V	V
Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu	R.O.C.	Male	-	V	V	V	V	V	-	V	V
Keng-Yi Cheng	R.O.C.	Male	-	V	V	V	V	V	-	V	V
Hwe-Ching Wong	R.O.C.	Male	-	V	V	V	V	V	-	V	V
Shu-Chuan Chen	R.O.C.	Female	-	V	V	V	V	V	-	V	V
Tzu-Wu Lo	R.O.C.	Male	-	V	V	V	V	-	V	V	V

Evaluation item	Implementation status			The reasons for deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			Except as noted below, the current Board of Directors has achieved the aforementioned specific management objectives: At present, the proportion of female directors on the company's Board does not meet the one-third target. Upholding the spirit of diversity, the company will continue to invite qualified female professionals to join the Board at an appropriate time to increase the proportion of female directors.	
(2) Has the company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?			(2) In addition to the legally required establishment of the Remuneration Committee, the company has set up the Audit Committee in accordance with regulations after the election of directors and independent directors at the shareholder meeting on May 27, 2022. The governance operations of other departments are handled by their respective roles and responsibilities; committees will be considered in the future based on the needs and requirements.	
(3) Has the company established rules and methodology for evaluating the performance of its Board of Directors, conducted annual and periodic performance evaluations, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?			(3) The company has established the "Board Performance Evaluation Guidelines" and conducts regular board performance evaluations annually. The results of the aforementioned performance evaluation were approved by the board of directors on March 10, 2026, and the details of the evaluation process can be found on page 24 of this report.	
(4) Does the company regularly evaluate its external auditors' independence?			(4) The company conducts an annual assessment of the independence and suitability of the signing auditors, taking into account the Audit Quality Indicators Report (AQIs). The results of this assessment were presented to and approved by the board of directors on March 14, 2025. Based on our evaluation, both CPAs, Sheng-Tai Liang and Chien-Hsin Hsieh from Deloitte & Touche, meet the independence and suitability criteria set by the company, and are suitable to serve as the signing auditors for the company. (Note 1)	

<table>
<tr><th rowspan="2">Evaluation item</th><th colspan="3">Implementation status</th><th rowspan="2">The reasons for deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td>4. Does the TWSE/TPEx listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility for corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and shareholders' meetings as required by law, and compiling minutes of board meetings and shareholders' meetings)?</td><td>V</td><td></td><td>The company is supervised by the Corporate Governance Officer, who is responsible for convening relevant department personnel, coordinating and planning the operations of the board of directors and shareholders' meetings. He/She also assists the directors in their appointments, continuous education, compliance with laws and regulations, and provides necessary information for the execution of their duties. Additionally, He/She handles company (change) registration and other related matters to safeguard shareholder rights and strengthen the functions of the board of directors.
Note 1: The current Corporate Governance Supervisor was reported and approved by the board of directors on March 7, 2022.
<table>
<tr><th>Name</th><th>Gender</th><th>Academic qualifications</th><th>Work experience</th></tr>
<tr><td>Tsui-Hua, Wu</td><td>Female</td><td>MBA, Memphis State University, USA</td><td>Vice President, Finance and Accounting Div. SEYI
Alcatel-Lucent Tech. VP.CFO
AT&T Taiwan Branch CFO</td></tr>
</table>
Note 2: The Corporate Governance Officer has participated in education and training for a total of 17 hours in 2025, exceeding the statutory requirement.
<table>
<tr><th>Date</th><th>Course</th><th>Hours</th></tr>
<tr><td>2025/4/17</td><td>Toward net-zero carbon emissions.</td><td>2</td></tr>
<tr><td>2025/5/07</td><td>SAP NOW AI Tour Taiwan “Business AI. Powering the Future.”</td><td>3</td></tr>
<tr><td>2025/9/17</td><td>Trump 2.0: Corporate Response Strategies for Global Tax Reform and Supply Chain Restructuring</td><td>3</td></tr>
<tr><td>2025/9/25</td><td>Case Study on Corporate Governance and Compliance</td><td>3</td></tr>
<tr><td>2025/10/15</td><td>M&A Due Diligence in Practice: Uncovering Risks and Opportunities Behind the Financial Numbers</td><td>3</td></tr>
<tr><td>2025/10/31</td><td>Hostile Takeover Practice and Corporate Governance Issues</td><td>3</td></tr>
</table></td><td>No material difference</td></tr>
</table>

Evaluation item	Implementation status			The reasons for deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
5. Has the company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholder's section on its company website? Does the company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	V		The company has a spokesperson and a deputy spokesperson, and their contact information is disclosed as required on the MOPS. Additionally, financial and shareholder-related information is announced on both the MOPS and the company's website. A stakeholder engagement area has been set up on the company's website, providing corresponding contact points for various stakeholder groups, to establish effective communication channels with investors and other stakeholders, and has disclosed the communication channels, methods, and outcomes for the year 2025.	No material difference
6. Has the company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The company has appointed a professional stock agency, Grand Fortune Securities Co., Ltd., Stock Transfer Agency Department, to handle various shareholder-related matters on behalf of the company. There are established "Shareholder Services Operation Guidelines" that regulate related affairs.	No material difference
7. Information Disclosure (1) Has the company established a corporate website to disclose information regarding its financials, business, and corporate governance status? (2) Does the company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)? (3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	V		(1) The company has a corporate website with the website: www.seyi.com, where financial, business, and corporate governance information is disclosed. (2) The company also maintains an English version of the corporate website, managed by a dedicated department. In addition to providing information on the company's financial and business operations, the website also timely discloses relevant news and updates. Major announcements and disclosures are made through the spokesperson via the MOPS website. In the case of investor conferences or press events, presentation materials are posted in the website's Investor Relations section. Other operations follow the regulations set by the competent authorities. (3) The company announces and files the annual financial report within seventy-five days after the end of the fiscal year. It also complies with the prescribed deadlines for announcing and filing the first, second, and third-quarter financial reports, as well as its	No material difference

Evaluation item	Implementation status			The reasons for deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			operating statements for each month.	
8. Has the company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	V		(1) The company values the protection of employee rights and benefits. In addition to complying with legal requirements for employee insurance and implementing a retirement pension system, the company has established an Employee Welfare Committee and actively fosters communication channels between labor and management to create a harmonious work environment that facilitates the smooth progress of various tasks. (2) Continuing education for directors: The company's directors engage in professional development based on the guidelines provided in the "Sample Guidelines for Continuing Education of Directors and Supervisors of Listed and Over-the-Counter Companies" issued by the Taiwan Stock Exchange. (Note 2) (3) Implementation of risk management policies and risk assessment standards: Major proposals are reviewed and approved by the Board of Directors, and internal audits are conducted to ensure compliance. (4) Execution of customer protection policies: The company follows quality policies in accordance with ISO standards. (5) Purchase of liability insurance for directors and social responsibility: The company's directors uphold the principle of integrity in business operations and have no record of litigation or illegal activities. The company has also purchased directors' liability insurance to provide additional protection.	No material difference
9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement: None.				

Note 1: The following is an assessment of the independence of the CPA:

Evaluation item	Evaluation result	Compliance with independence
1. Whether the CPA has a direct or material indirect financial interest in the company	No	Yes
2. Whether the CPA has engaged in financing or guarantee activities with the company or the company's directors	No	Yes
3. Whether the CPA has a close business relationship and potential employment relationship with the company	No	Yes
4. Whether the CPA and the members of its audit team currently hold or have held any positions with the company in the last two years as a managing director or as a person with significant influence over the audit work	No	Yes
5. Whether the CPA provides non-audit services to the company that may directly or indirectly affect the audit work	No	Yes
6. Whether the CPA has brokered any shares or other securities issued by the company	No	Yes
7. Whether the CPA has acted as a defender for the company or represented the company in coordinating conflicts with other third parties.	No	Yes
8. Whether the CPA is related to any of the company's directors, managerial officers or persons with significant influence on the audit	No	Yes

Note 2: Listed companies should disclose the following information regarding the operation of corporate governance - participation of directors in external training courses:
(All directors have completed or exceeded the required training courses.)

Job Title	Name	Training date	Organizer	Course name	Training hours
Chairman	Ya-Hui Kuo	2025/02/24	Chinese Finance Association	Trump's New Tariff Policies and the Changing Global Economic Landscape	3
		2025/06/23	Chinese Finance Association	The Arrival of the AI Era: Opportunities and Challenges in Enterprise Intelligent Transformation	3
		2025/09/17	Chinese Finance Association	Supply Chain Restructuring Trends and Common Issues for Taiwanese Businesses in China	3
Director	Yu Cheng Investment Co., Ltd. Representative: Chin-Jen Fu	2025/07/10	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations	3
		2025/07/30	Corporate Operating and Sustainable Development Association	Strategies to Raise Awareness of Gender Equality and Mitigate Sexual Harassment in the Workplace	3
Director	Keng-Yi Cheng	2025/02/21	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations: Sustainable Development Policies and Relevant Laws in Our Country	3
		2025/08/26	Corporate Operating and Sustainable Development Association	Building a Fortress for Enterprise Security: Information Security Strategies Every Executive Must Know	3
Director	Hsiao-Kuang Chen	2025/04/17	Industrial Technology Research Institute	Toward net-zero carbon emissions.	2
		2025/07/22	Taipei Exchange	2025 Emerging Stock Market Listed Companies Insider Shareholding Promotion Briefing Session	3
		2025/10/15	Corporate Operating and Sustainable Development Association	M&A Due Diligence in Practice: Uncovering Risks and Opportunities Behind the Financial Numbers	3
Director	Hwe-Ching Wong	2025/04/17	Industrial Technology Research Institute	Toward net-zero carbon emissions.	2

Job Title	Name	Training date	Organizer	Course name	Training hours
Director	Hwe-Ching Wong	2025/10/31	Corporate Operating and Sustainable Development Association	Hostile Takeover Practice and Corporate Governance Issues	3
		2025/12/11	Corporate Operating and Sustainable Development Association	Corporate Governance and Securities Regulations Corporate Governance Risks under Securities Regulations-A Prosecutor’s Perspective	3
Independent Director	Tzu-Wu Lo	2025/08/26	Chinese Corporate Governance Association	Group Corporate Governance	3
		2025/10/23	Corporate Operating and Sustainable Development Association	Embracing AI and ESG: The Key to Corporate Innovation and Sustainable Transformation	3
Independent Director	Shu-Chuan Chen	2025/01/14	Taiwan Institute for Sustainable Energy	Continuing Education Program for Directors and Supervisors of Listed Companies in Taiwan	3
		2025/06/04	Taiwan Institute of Directors	Benchmark Practices in the Era of Corporate Co-Governance	3
		2025/06/06	Financial Supervisory Commission Examination Bureau	Internal Audit Roundtable for Financial Holding Companies	3
		2025/06/27	Chinese Corporate Governance Association	Global Economic and Financial Conditions and Industry Trends	3

(V) The composition, duties, and operation of the Remuneration Committee:

1. The first term of the Remuneration Committee and its Charter were established on October 31, 2011. The fifth term members' tenure expired on June 12, 2025. The Board reappointed the sixth term members on June 13, 2025, with a term from June 13, 2025 to June 12, 2028.

Information on the members of the Remuneration Committee

<table>
<tr><th colspan="2">Terms
Position (Note 1) / Name</th><th>Professional qualifications and experience (Note 2)</th><th>Status of Independence (Note 3)</th><th>Number of other public companies in which the individual is concurrently serving as the Remuneration Committee member</th></tr>
<tr><td>Convener and Independent Director</td><td>Tzu-Wu Lo</td><td rowspan="3">Please see Page 12, 4 for information on disclosure of directors' professional qualifications and independence of independent directors.</td><td rowspan="3">(1) Not an employee of the company or its affiliates.
(2) Not a director or supervisor of the company or its affiliated enterprises.
(3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of one percent or more of the total number of issued shares of the company or ranking in the top 10 in holdings.
(4) Not a spouse, or relative within the second degree of kinship, or lineal relative within the third degree of kinship, of an executive officer falling under (1), or of any of the persons in (2) and (3).
(5) Not a director, supervisor, or employee of a corporate shareholder that directly holds five percent or more of the total number of issued shares of the company, or that ranks among the top five in shareholdings, or that designates its representative to serve as a director or supervisor of the company under Article 27, paragraph 1 or 2 of the Company Act.
(6) A director, supervisor or employee of other companies who is not controlled by the same person as the majority of the directorships or voting shares of the company.
(7) A director (officer), supervisor or employee of other company or institution who is not the same person or spouse as the chairman, president or person holding an equivalent position in the company.
(8) A director, supervisor, managerial office or shareholder holding 5% or more of the shares of a specified company or institution that does not have a financial or business relationship with the company.
(9) Not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof.
(10) Not been a person of any conditions defined in Article 30 of the Company Act.</td><td>0</td></tr>
<tr><td>Independent Director</td><td>Hwe-Ching Wong</td><td>0</td></tr>
<tr><td>Independent Director</td><td>Shu-Chuan Chen</td><td>2</td></tr>
</table>

Note 1: Please specifically fill in the number of years of relevant work experience, and the professional qualifications and experience, and the status of independence, of each remuneration committee member. For "Position", please specify whether the member is an independent director or other (if the member is the convener, please note that fact).

Note 2: Professional qualifications and experience: Describe the professional qualifications and experience of each member of the remuneration committee.

Note 3: Independence analysis: Describe the status of independence of each remuneration committee member, including but not limited to the following: whether the member or their spouse or relative within the second degree of kinship serves or has served as a director, supervisor, or employee of the company or any of its affiliates; the number and ratio of shares of the company held by the member, their spouse, and their relatives with the second degree (or through their nominees); whether the member has served as a director, supervisor or employee of a "specified company" (see Article 6, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); the amount(s) of any pay received by the remuneration committee member for any services such as business, legal, financial, or accounting services provided to the company or any affiliate thereof within the past 2 years.

2. Responsibilities of the Remuneration Committee
   A. Evaluate the performance of directors and managers of the company.
   B. Prescribe and review the remuneration policy, system, standards, and structure.
   C. Set the amount of the remuneration for directors and managers of the company.
3. Information on the operation of the Remuneration Committee
   i. The company's Remuneration Committee is composed of three (3) members.
   ii. The term of office of the current members: June 13, 2025 to June 12, 2028
   The Remuneration Committee met four times in most recent year (2025). The qualifications and attendance of the members are as follows:

Job Title	Name	Attendance in Person (A)	No. of meetings attended by proxy	Attendance Rate in Person (%) (A/B)(Note)	Remarks (Expected Attendance: B)
Convener (Independent Director)	Tzu-Wu Lo	1	0	100%	The new-election is on June 13, 2025. Expected to attend 1 meetings.
Member (Independent Director)	Yuan-Li Tseng	3	0	100%	Term completed and stepped down on June 13, 2025. Expected to attend 3 meetings.
Member (Independent Director)	Hwe-Ching Wong	4	0	100%	The re-election is on June 13, 2025. Expected to attend 4 meetings.
Member (Independent Director)	Shu-Chuan Chen	4	0	100%	The re-election is on June 13, 2025. Expected to attend 4 meetings.

Remuneration Committee	Content of the motion and the response thereto	Result of the resolution	The company's handling of the recommendation of the Remuneration Committee
2025.01.17	1. Discussion of the company's 2024 year-end bonus for managerial officers.	Approved by all members of the Committee	Approved by all directors present in the BOD meetings.
2025.03.14	1. Proposal for the distribution method and amount of employees' compensation and remuneration to directors for 2024. 2. Proposal to amend the "Regulations on Directors' Remuneration and Profit Distribution."		
2025.05.09	1. Review of individual directors' remuneration allocation for the fiscal year 2024		
2025.08.11	1. Approval of Cash Compensation Distribution to Managerial Employees for Year 2024		

Other information required to be disclosed:

I. If the board of directors does not accept, or amends, any recommendation of the remuneration committee, specify the board meeting date, meeting session number, content of the recommendation(s), the outcome of the resolution(s) of the board of directors, and the measures taken by the company with respect to the opinions given by of the remuneration committee (e.g., if the salary/compensation approved by the board is higher than the recommendation of the remuneration committee, specify the difference(s) and the reasons): None.

II. With respect to any matter for resolution by the remuneration committee, if there is any dissenting or qualified opinion of a committee member that is on record or stated in writing, specify the remuneration committee meeting date, meeting session number, content of the motion, the opinions of all members, and the measures taken by the company with respect to the members' opinion: None.

Notes:

(1) If any remuneration committee member left the committee before the end of the fiscal year, specify the date that they left the committee in the Remarks column. Their in-person attendance rate (%) should be calculated based on the number of remuneration committee meetings held and the number they attended in person during the period they were on the committee.

(2) If any by-election for remuneration committee members was held before the end of the fiscal year, the names of the new and old committee members should be filled in the table, with a note stating whether the member left office, was newly serving, or was serving consecutive terms, and the date of the by-election. The in-person attendance rate (%) should be calculated based on the number of remuneration committee meetings held and the number attended in person during the period of each such person's actual time on the committee.

(VI) Sustainable Development Implementation Status and differences from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the reasons:

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
1. Has the company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to oversee promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		Guided by its commitment to sustainable operations, the Company has established a comprehensive sustainability governance framework. The Chairman also serves as Chief Sustainability Officer, leading cross-functional teams in promoting sustainability initiatives. In response to global sustainability trends, the Company formally established the Sustainability Committee in 2023, chaired by the Chief Sustainability Officer and composed of senior executives from various departments to oversee short-, medium-, and long-term sustainability goals. The Sustainability Committee integrates cross-departmental resources and strengthens both vertical and horizontal communication through monthly meetings to track progress, review results, and formulate strategies, ensuring sustainability practices are embedded in daily operations. The Committee Chair reports sustainability progress and plans to the Board on a quarterly basis. In 2025, the Sustainability Committee held seven meetings covering sustainability goals, strategy development, implementation results, and performance evaluations.	No material difference
2. Does the company conduct risk assessments of environmental, social and corporate governance issues pertaining to company operations and establish the relevant risk management policy or strategy in accordance with the materiality principle? (Note 2)	V		In 2023, the Company's Sustainability Committee conducted a review and update of material topics in accordance with the principles set forth in GRI 3: Material Topics 2021 under the GRI Standards 2021 issued by the Global Reporting Initiative (GRI). The Company identifies material sustainability topics through two primary sources. First, sustainability topics are identified through impact analysis based on their material impacts on the economy, environment, and society. Second,	No material difference

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			relevant topics are selected in accordance with the GRI Topic Standards and confirmed by the Sustainability Committee. This dual approach ensures that both material impacts and stakeholder concerns are addressed, serving as an important basis for the Company's sustainability strategy and disclosures. As part of the topic identification process, the Sustainability Committee designed questionnaires to assess stakeholder concern and impact levels regarding identified sustainability topics. A total of 130 questionnaires were distributed, with 115 valid responses collected, reflecting the level of stakeholder concern across various groups. In addition, five senior executives completed impact assessment questionnaires to express internal views on topic significance, serving as a basis for topic prioritization and decision-making. As the Company's operating model and industry environment have remained relatively stable in recent years, the 2025 material topic assessment continued to adopt the results from the initial 2023 evaluation. The Sustainability Committee and management team conducted internal reviews and confirmations to ensure alignment with current business strategies and sustainability trends. The Committee also referenced industry indicators published by the Sustainability Accounting Standards Board (SASB), together with expert opinions and stakeholder engagement results, to assess changes in market trends, emerging technologies, competitive conditions, and customer demands. Following discussion and approval by the Sustainability Committee, five material topics for 2025 were identified: economic performance, innovative technology, customer relationship management, occupational health and safety, and energy management.	

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			Among these, energy management was newly added as a material topic in 2025, reflecting the Company's long-term net-zero emission goals and commitment to energy conservation and carbon reduction, in response to global climate action trends and customer decarbonization expectations.	

Material Topics	Strategy	Management Approaches
Economic Performance	Strengthen the Company's financial structure. Enhance forecasting and response strategies for economic risks. Expand market share to support global expansion. Ensure financial stability and long-term economic growth.	Maintain a sound capital structure. Enhance the corporate governance system. Continue expanding product application fields. Develop innovative technologies, improve manufacturing processes, and reduce production costs. Monitor market fluctuations and reduce financial risks. Establish financial indicators for supply chain risk management (e.g., inventory turnover and accounts payable terms).
Innovative Technology	Provide high-performance, high-precision, and low-energy-consumption metal forming solutions. Promote innovative platform	Optimize product technologies to enhance press machine structural strength and precision, and provide efficient energy-saving metal forming solutions

Item	Implementation status (Note 1) Yes	No	Description			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
				development and smart manufacturing.	through smart stamping solutions (SIMS+ Information Management System, tonnage monitoring system, and energy consumption monitoring system).	
			Customer Relationship Management	Global sales and service network deployment. Regular customer satisfaction surveys and feedback mechanisms.	Establish a comprehensive sale and service network through professional online and offline activities. Achieve an overall satisfaction rate of over 80%.	
			Occupational Health and Safety	Comply with applicable laws and regulations. Develop relevant plans. Implement supervision and oversight. Conduct evaluation and continuous improvement.	Promote workplace safety education and training. Implement comprehensive health management. Organize health promotion activities.	
			Energy Management	Conduct greenhouse gas inventory in accordance with ISO 14064-1:2018 to ensure compliance with international standards. Short term: Replace high-energy-consuming	Establish an energy management system to monitor real-time energy usage across production lines. Provide regular employee training on energy management to raise energy-saving awareness, and encourage process optimization proposals	

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation status (Note 1)</th><th rowspan="2">The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td></td><td></td><td></td><td><table><tr><td></td><td>equipment and implement an energy management system.
Long term: Adopt renewable energy and set net-zero targets.</td><td>through continuous improvement initiatives.
Plan solar power installations for self-consumption and renewable energy generation, as well as rooftop leasing for power sales to the grid.
Install low-energy air compressors to reduce energy consumption and implement watt-hour meters for monitoring.
Implement a smart warehouse management system.
Add aerial work platforms to improve painting operation efficiency.</td></tr></table></td><td></td></tr>
<tr><td>3. Environmental Issues
(1) Has the company established an appropriate environmental management system according to the characteristics of its industry?</td><td>V</td><td></td><td>(1) A. The Company has established an ISO 14001 Environmental Management System and completed third-party verification of its ISO 14064-1 greenhouse gas inventory. The relevant systems are regularly reviewed and continuously improved in accordance with internal procedures, with ongoing evaluation of expanding the scope of greenhouse gas inventories and product carbon footprint (ISO 14067) applications.
B. In compliance with applicable regulations, the Company conducts regular workplace environmental monitoring through sampling, analysis, and instrumental measurements to assess working environment conditions. In coordination with on-site occupational physician services, the results are used as a basis for risk management and improvement measures</td><td>No material difference</td></tr>
</table>

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			to safeguard employee health and workplace safety. C. The ISO 14001 certification period is from November 9, 2025 to November 8, 2028.	
(2) Is the company committed to improving energy use efficiency and using renewable materials with low impact on the environment?	V		(2) The Company continues to promote source reduction and resource recycling measures. Through waste sorting, recycling, and process management, it enhances resource efficiency to reduce raw material consumption and waste generation, thereby minimizing environmental impact. In 2025, total waste amounted to 19.70 metric tons, a decrease of 1.05 metric tons compared to 20.75 metric tons in 2024, representing an annual reduction of approximately 5.06%.	No material difference
(3) Has the company evaluated the current and future potential risks and opportunities of climate change for its business and adopted relevant measures to address climate related issues?	V		(3) The Company continuously assesses the potential risks and opportunities of climate change on its operations based on industry characteristics and incorporates them into its internal management system. A Sustainability Committee has been established, which holds regular management and review meetings to examine climate-related issues and environmental management performance, thereby strengthening governance and risk control. In 2025, the Company continues to monitor climate change trends and relevant regulatory policies. In alignment with government greenhouse gas reduction initiatives, it promotes energy and water conservation as well as resource recycling measures. In addition, during product design and manufacturing processes, the Company evaluates the environmental impact of material selection and prioritizes recyclable or renewable materials to reduce the environmental burden across the product life cycle.	No material difference

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	Yes	No	Description	
(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		(4) The Company has established its Environmental Management Manual in accordance with the ISO 14001:2015 Environmental Management System certification and set quantified environmental targets for future years. With 2022 as the base year for greenhouse gas (GHG) inventory, the Company actively promotes environmental protection initiatives and aims to achieve a 5% reduction in carbon emissions, water consumption, and total waste by 2025. In response to global and Taiwan government climate initiatives and regulatory requirements, the Company reviewed its GHG inventory data and, after approval by the Sustainability Committee in Q1 2025, formally adopted Science-Based Targets initiative (SBTi) principles. A medium- to long-term carbon reduction target has been established, requiring annual GHG emissions to decrease by 4.2%, with the goal of achieving carbon neutrality by 2030 and net-zero emissions by 2050. A. GHG emissions, water usage, and waste statistics (Taiwan headquarters site only): 2025 Scope 1 and 2 GHG emissions: 854.<u>2529</u> TonCO_2e 2025 water consumption: 16,516 m^3 2025 electricity consumption: 1,578,962 kwh 2025 total waste: 19,700 kg 2024 Scope 1 and 2 GHG emissions: 993.<u>9272</u> TonCO_2e 2024 water consumption: 17,435 m^3 2024 electricity consumption: 1,764,934 kwh 2024 total waste: 20,750 kg B. Reduction initiatives: (i) GHG emissions The Company has identified the air compressor system as a key energy management focus. Following an inventory review, air compressors were confirmed as a major energy consumption source. In 2024, the Company replaced aging	No material difference

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	Yes	No	Description	
			non-inverter compressors with four IE3 energy-efficient motor-driven units to improve energy efficiency and reduce GHG emissions. In 2025, the upgraded high-efficiency compressors continued to operate as the primary system. Electricity consumption and carbon emissions are regularly monitored to ensure stable energy-saving performance. The reduction results have been incorporated into internal management and GHG inventory data, showing a significant decrease in emissions compared to pre-upgrade levels, thereby reducing overall carbon intensity. In 2025, the Company invested NT$3.5 million in capital expenditure to implement a professional GHG inventory system, production line energy management system, and carbon footprint system optimization. The 2025 GHG emission intensity (Scope 1 and 2) was 0.5518 $TonCO_2e$ per million revenues, a decrease of approximately 9.70% compared to 0.6111 $TonCO_2e$ in 2024. Starting in 2025, overseas sites in China, the United States, Mexico, Europe, and Thailand have initiated GHG inventory training and data collection. The Company plans to complete consolidated GHG inventory reporting in 2026 and full disclosure in 2027. (ii) Water consumption The Company continues to prioritize water conservation and regularly promotes water-saving awareness across all facilities, encouraging employees to practice daily water-saving behaviors. The Company also evaluates the procurement of water recycling and water-saving equipment to enhance water resource efficiency. Water consumption in 2025 decreased by 5.27% compared to the previous year. The Company will continue to promote and implement water-saving measures to achieve further reductions.	

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			(iii) Waste management Industrial waste data is based on waste disposal manifests and carbon footprint calculations for waste incineration treatment. To promote sustainable resource use, the Company prioritizes internal reuse, followed by recycling and recovery, with incineration or landfill as the last resort. Waste management focuses on source reduction and resource recovery through design changes, process improvements, and raw material reduction. These measures help reduce waste generation at the source and achieve overall waste minimization. Total waste in 2025 decreased by 5.06% compared to the previous year. The Company will continue strengthening waste reduction initiatives to further expand reduction achievements.	
4. Social Issues (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		(1) The Company complies with applicable labor laws and regulations and, in accordance with legal requirements and its internal control system, manages employee recruitment, compensation, and other labor-related matters to safeguard employees' fundamental rights. The Company also references international standards such as International Labor Conventions and the Universal Declaration of Human Rights to establish policies covering business ethics, environmental and social issues, human rights protection, and public affairs. These policies and practices are disclosed in the annual report and on the Company's website to ensure transparency for regulators, shareholders, employees, and the general public. Key measures include: A. Providing a safe and healthy working environment in	No material difference

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			compliance with laws and regulations. B. Committing to a workplace free from violence, harassment, intimidation, and other hazards, while protecting employees' privacy and dignity. C. Prioritizing employees' physical and mental well-being and work-life balance by promoting health-related programs, and strictly complying with the Labor Standards Act, including working hour management, prohibition of child labor, discrimination, and forced labor. D. Fully implementing parental leave policies and ensuring employee rights such as family care leave, menstrual leave, maternity leave, and paternity leave, while providing a gender-friendly workplace with facilities such as lactation rooms and parking spaces for pregnant employees. E. Emphasizing employee health by arranging biennial health examinations with professional consultation, as well as organizing health seminars and providing medical information and employee care programs. F. Assigning a dedicated unit under the management team, in coordination with the HR department, to oversee the implementation of human rights protection policies across all operating units.	
(2) Has the company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?			(2) In addition to actively implementing human-oriented management and various employee benefits, the Company upholds a profit-sharing philosophy to attract and motivate outstanding talent. Employee compensation is determined based on the Company's operating performance. For details on compensation, benefits, and retirement policies, please refer to pages 75–78 of the Annual Report under "Labor-Management Relations." In addition, the Articles of Incorporation stipulate the following ranges for employee and director remuneration:	

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			The Company shall set aside at least 2% of the pre-tax profit for the year before deduction employee compensation (of which no less than 40% shall be allocated to nonexecutive employees) and remuneration to directors as employee compensation; and no more than 5% of the said profit as remuneration to directors. The board of directors shall implement the resolution adopted by a majority vote at a board of directors meeting attended by over two-thirds of the directors. However, if the Company still has accumulated losses, the pre-tax profit amount shall be reserved for making up the accumulated loss first. The subjects receiving the preceding employee remuneration in the form of a share certificate or cash may include the employees of a subsidiary company who meets certain criteria. The board of directors shall set up the criteria to be followed. The subjects receiving the preceding employee remuneration in the form of a share certificate or cash may include the employees of a subsidiary company who meet certain conditions..	
(3) Does the company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?			(3) A. All occupational health and safety management activities are conducted in compliance with relevant laws and regulations. The Company has established a documented and digitized system in accordance with ISO 45001:2018 Occupational Health and Safety Management Systems, which is used as the basis for inspections and audits. B. Management of hazardous machinery safety: In addition to regular inspections and confirmations conducted by on-site colleagues and supervisors for general machinery and equipment, extra management	

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	Yes	No	Description	
			measures are taken for machinery regulated by laws. Periodic outsourcing inspections are carried out to ensure the proper functioning of all machinery. Hazardous machinery in the company includes forklifts and fixed cranes. To enhance the effectiveness of equipment maintenance and upkeep, vendors are responsible for maintaining the equipment in good condition. Fixed cranes, which are crucial for production support, are maintained by professional vendors. C. Occupational Health and Safety Education and Training: 1.New employees: Safety and health education and training are conducted on their first day of work to familiarize them with workplace hazards and safety regulations. 2.Existing employees: 2-1. On-the-job safety and health training: Employees with relevant safety and health qualifications undergo regular on-the-job training to comply with regulations and enhance their awareness of workplace hazards. 2-2. Based on the actual needs of each department, various specialized training programs have been conducted. These include 32 employees completing fixed crane certification courses, 7 employees receiving aerial work platform training, 43 employees receiving forklift training, 25 employees receiving fixed crane training, and 6 employees receiving supervisor training, among others, to achieve the goal of “safety for all employees.” 2-3. Fire emergency drills: Conducted semi-annually to improve mutual understanding among all employees and strengthen the emergency response capabilities of the entire team in case of accidents. 2-4 Respiratory protective equipment training: Each	

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			year, in coordination with on-site occupational physicians, training is provided to personnel engaged in painting and grinding operations (5 employees) to ensure proper use of protective equipment and safeguard their health. 3.Contractors: Various education and training sessions are conducted based on the nature of the work to enhance hazard prevention awareness and prevent accidents proactively. D. Occupational Safety and Health Personnel Deployment and Plant Safety Protection: (1) Occupational safety organization: The company's occupational health and safety management unit consists of one Type A Occupational Safety and Health Business Supervisor, one Grade B Occupational Safety Manager, and one Occupational Health and Safety Administrator. Additionally, one Type A Occupational Safety and Health Business Supervisor is designated for each manufacturing unit. Health service nursing staff with professional certification are also appointed. (2) Specialized personnel: The qualifications of on-site operating personnel are strictly controlled. Operators must obtain relevant certifications and pass internal assessments before being allowed to operate. Regarding hazardous machinery operators, the Company has a total of 109 certified fixed crane operators and 77 certified forklift operators. In addition, personnel are qualified in operations and fire safety management etc. The Company also commissions external training programs annually for continuing education to enhance employees' awareness of occupational hazards and understanding of the latest regulatory requirements, thereby reducing the likelihood of accidents and aiming for zero occupational incidents as the primary objective. (3) Plant safety protection: To ensure a safe and comfortable	

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			working environment, the Company conducts semi-annual workplace environmental monitoring and on-site assessments to prevent employees from exposure to workplace hazards. E. Health Promotion and Management: 1.Health Management: i. Conduct annual health check-ups for all employees and special health checks for those engaged in hazardous operations (e.g., dust exposure). Participation and execution: 100%. Special Health Examinations for Dust Operations: 100%. ii. Occupational medicine specialists are engaged monthly to provide on-site consultation services, along with follow-up abnormality analysis, management, and tracking. iii. Arrange return-to-work and job adjustment evaluations by the occupational medicine specialist based on employees' recovery status from injury or illness. iv. Comply with regulations regarding maternal health protection and health management for employees under 18 years old (such as apprentices and interns). 2.Health Promotion: i. Conduct irregular health promotion and seminars to enhance employees' health awareness and education knowledge; In 2025, three sessions were held with a total of 102 participants. ii. In coordination with the Company's "Health Passport" program, a health weight/fat reduction campaign was implemented, achieving a 7% reduction target, and super slow jogging activity, a total of 59 employees participated and achieved the target in 2025. 3. Health Education Conduct monthly health awareness campaigns covering various topics through emails and bulletin boards in	

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			different areas of the facility. Provide timely health-related updates and bulletins in response to raise employee health awareness. 4. Implement occupational disease and injury prevention measures by improving workplace environments (e.g., office area improvements and employee restroom renovations), thereby fostering a healthy workforce and work environment. 5. The company maintains medical supplies compliant with regulations, conducts monthly inventory checks and replenishments, and provides emergency medical treatment within the facility. 6. An Automated External Defibrillator (AED) has been installed on-site. In 2025, one cardiopulmonary resuscitation (CPR) training session (including AED operation) was conducted, with a total of 29 participants.	
(4) Has the company established effective career development training programs for employees?			(4) The Company encourages employees to continue education and aims to cultivate outstanding talent. It has established a performance evaluation system with clear mappings of professional and technical competencies, as well as a structured promotion mechanism. In addition to internal training programs, employees may also apply for external training to enhance their skills and support career development. For details on employee training and development plans and their implementation, please refer to pages 75–77 of the Annual Report under "5. Labor Relations – 2. Employee Training and Development Plan."	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?			(5) The Company upholds the principles of customer safety and quality excellence. In accordance with ISO 9001 Quality Management System principles, it provides safe, reliable, and regulatory-compliant products and services throughout the entire product lifecycle, including design, manufacturing, delivery, and after-sales service. All press machine products comply with international	

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			standards and have obtained safety certifications in Taiwan, the United States, the European Union, and China, with clear labeling. The Company conducts risk assessments on internal and external issues as well as stakeholders that may affect product safety and implements preventive improvement measures with continuous monitoring. Comprehensive and clear safety information, warnings, and operating instructions are disclosed on the product body, user manuals, and official website to ensure proper product usage. The Company also maintains product liability insurance to protect consumer rights. For any product-related inquiries, customers may contact the service hotline, after-sales service email, or customer contact email. Safety-related issues are given priority handling and are tracked until full corrective actions are completed.	
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?			(6) The Company implements the following management policies to achieve “supply chain management and strengthening supply chain resilience”: Suppliers are required to comply with the “Third-Party Management Procedure” code of conduct. Suppliers must comply with the “Contractor Environmental, Safety and Health Management Regulations” and sign the “Contractor ESH Commitment Letter,” and the Company provides environmental, safety, and health training support to suppliers. Monthly counseling meetings are held for the top five non-conforming suppliers to support process improvement and quality enhancement. Supply chain environmental policies include: Conducting annual supplier evaluation and linking assessment results to procurement decisions. Performing supplier risk identification, with a focus in	

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			2025 on guiding die plate suppliers. Continuously conducting greenhouse gas inventories and product carbon footprint assessments. Optimizing manufacturing processes to reduce energy consumption and waste. Strengthening workplace safety awareness. Continuously promoting corporate governance to build a resilient supply chain. Key low-carbon operations in 2025 include: Introduction of the Q-Carbon system to standardize and systematize carbon inventory processes, improving efficiency and data accuracy. On November 18, 2025, the Company was invited to the "Taoyuan Enterprise 5℃ Forum and Certification Ceremony" organized by the Taoyuan City Government and received the "Taoyuan Enterprise 1.5℃" carbon reduction action certificate, demonstrating its commitment to supporting the Paris Agreement's 1.5°C climate goal. Supply chain environmental management achievements: In response to increasingly severe global climate change, the Company actively supports the government's net-zero emissions policy and participates in the Ministry of Economic Affairs' "Large Enterprises Leading Small Enterprises in Low-Carbon Manufacturing Transformation" program. Since 2024, the Company has collaborated with 10 supply chain partners to conduct carbon counseling and inventories. These 10 suppliers received completion certificates for the "Greenhouse Gas Inventory and Carbon Footprint Calculation Internal Verification Training Program." In 2025, the program continued. From February to August, the Company assisted 10 suppliers in using the carbon inventory system, resulting in the issuance of "Inventory Reports" and "Inventory Registers" in July 2025.	

<table>
<tr><th rowspan="2">Item</th><th colspan="3">Implementation status (Note 1)</th><th rowspan="2">The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies</th></tr>
<tr><th>Yes</th><th>No</th><th>Description</th></tr>
<tr><td>5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?</td><td></td><td>V</td><td>The Company completed the filing of its 2024 Sustainability Report in August 2025. To continuously enhance the comparability and materiality of the disclosed information, this report is prepared and presented in accordance with internationally recognized sustainability disclosure frameworks, including GRI, TCFD, SASB, SDGs, as well as the Taiwan Stock Exchange Corporate Governance Best Practice Principles for Sustainability Development.
The information disclosed in this report has not been assured or verified by a third-party assurance provider.</td><td></td></tr>
<tr><td colspan="5">6. If the company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the company’s operations:
The company complies with the "Sustainability Practices Code for Listed and OTC Companies" without any violations or discrepancies.</td></tr>
<tr><td colspan="5">7. Other important information to facilitate better understanding of the company’s promotion of sustainable development:
(1) We believe that it is our responsibility to create a friendly and healthy work environment. We insist on using recyclable and renewable materials at all phases of manufacturing, using and disposing of our products to replace those from natural resources. So that we can achieve the goal of total recycling and zero waste and reduce the burden of our products on the environment. The company regularly organizes free health check-ups for all employees and has doctors on site to provide health consultations. The company believes that only healthy employees can maintain high quality specifications. Healthy employees are the only ones who can create competitive products. Therefore, it is our business philosophy to create a healthy and balanced working environment.
(2) Energy Management Plan and Implementation
A. Management policy and objectives
Energy management is a core strategy for achieving energy conservation and carbon reduction, lowering greenhouse gas emissions, and strengthening corporate resilience and competitiveness. The Company is committed to complying with regulations and international standards, actively identifying climate-related operational risks and opportunities, and reducing environmental impacts and operating costs through systematic management, while enhancing brand image and investor confidence.
The energy management policy considers both positive and negative impacts:
Positive impacts: reduced environmental impact and energy costs, improved process efficiency, and enhanced brand image and market competitiveness.
Negative impacts: higher initial investment and implementation costs, and the need for specialized technical capabilities and training resources.</td></tr>
</table>

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	

B. Management strategy and implementation plan

The Company conducts greenhouse gas inventories in accordance with ISO 14064-1:2018 to ensure compliance with international standards, serving as the basis for energy management strategy development.

Energy management targets:

Short-term (2025): Replace high-energy-consuming equipment (e.g., lighting, air compressors, air conditioners), establish an Energy Management System (EMS), achieve 5% annual carbon reduction, and introduce renewable energy (solar power) systems.

Mid-term (2030): Achieve carbon neutrality (Scope 1 and 2).

Long-term (2050): Achieve net-zero emissions.

C. Annual implementation results

2024 is designated as the baseline year for ESG energy management. In 2025, the Company implemented the following initiatives and achieved preliminary quantified results:

Replacement of high-energy-consuming equipment (lighting, air compressors, air conditioners), effectively reducing carbon emissions.

Continuous quantitative analysis of energy efficiency to ensure effectiveness of energy-saving programs.

Encouraging departments to propose innovative energy-saving initiatives to enhance employee engagement.

Performance result: Based on annual GHG inventory data, emissions in 2025 decreased by 9.70% compared to 2024.

D. Technology improvement and future outlook

Renewable energy adoption: Installation of rooftop solar photovoltaic systems (construction initiated in 2025), with plans for partial self-consumption and partial grid feed-in.

Smart facility upgrades: Implementation of smart warehouse systems and low-energy air compressors to improve energy efficiency.

Smart monitoring: Deployment of energy monitoring meters and platforms to enhance real-time and precise management.

Internal culture development: Continuous training programs to strengthen employees’ energy-saving awareness.

(3) Renewable and non-renewable energy usage statistics

The scope covers the Taiwan headquarters, and the data has been verified under ISO 14064 by “AFNOR International.”

The statistical details are shown in the table below:

Item	Implementation status (Note 1)			The reasons for deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	

Item	Unit	2025	2024
Purchased non-renewable electricity	GJ	5,684.26	6,353.76
Gasoline	GJ	633.42	640.36
Diesel	GJ	1.04	1.03
Natural gas	GJ	12.73	13.52
LPG	GJ	21.23	50.21
Total energy consumption	GJ	6,352.68	7,058.88
Energy intensity	GJ / million revenue	4.1038	4.3386

Note 1: If "Yes" is ticked in the "Implementation status" column, please concretely describe the major policies, strategies, and measures adopted and the status of their implementation. If "No" is ticked in the "Implementation status" column, please explain the deviations and the reasons in the "Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons" column and explain the company's plans for adoption of related policies, strategies, and measures in the future.

Note 2: The materiality principle refers to focusing on environmental, social and corporate governance issues likely to have a material impact on the company's investors and other stakeholders.

(7) Execution Status of Climate-related Information:

Item	Execution Status
1. Describing the supervision and governance of climate-related risks and opportunities by the board of directors and management.	The Company's Board of Directors serves as the highest supervisory body for climate-related risks and opportunities. It is responsible for overseeing and reviewing the implementation progress of relevant climate risk policies and action plans and ensuring that climate-related issues are fully integrated into overall business operations and decision-making processes. The Company has established a Sustainability Committee chaired by the Chairman, who also serves as Chief Sustainability Officer. The Committee comprises senior executives from various departments and is responsible for setting short-, medium-, and long-term sustainability and climate-related goals, as well as promoting climate risk identification, carbon reduction strategies, and opportunity development. The Sustainability Committee reports its implementation progress to the Board at least once a year. To ensure effective implementation and cross-functional coordination, a Risk Management Team has been established under the Committee. This team is responsible for the identification, assessment, and management of climate-related risks and opportunities, and conducts regular reviews based on four pillars: governance, strategy, risk management, and metrics and targets. Each department is assigned specific responsibilities.
2. Describing how identified climate risks and opportunities affect the business, strategy, and finances of the company (short-term, medium-term, long-term).	The Company classifies climate change risks and opportunities into three-time horizons—short-term (within 3 years), medium-term (3–5 years), and long-term (over 5 years)—based on their characteristics, and continuously reviews their impacts on business operations, strategy, and financial performance. Short-term (within 3 years): The primary impacts come from direct policy and operational pressures. Carbon taxes/fees and energy efficiency regulations are being gradually implemented, and customers are increasingly requiring carbon emission disclosures across the supply chain. The Company actively introduces energy-saving equipment and green procurement practices. Although these initiatives involve short-term investment costs, efficiency improvements are expected to gradually offset such expenditure. Medium-term (3–5 years): Accelerated climate transition is reshaping the industry landscape. The automotive sector is shifting toward electrification and new energy vehicles, leading to a decline in demand for traditional markets. The Company strengthens R&D in

Item	Execution Status
	servo press machines and new energy applications and expands into diversified markets to maintain operational scale. While this stage requires increased R&D and investment costs, it is expected to drive new product development and revenue from green markets. Long-term (over 5 years): As the global economy moves toward net-zero transformation and extreme climate events intensify, the Company must comprehensively strengthen low-carbon operations and climate resilience. Climate risk management will become a key factor in supplier selection. The Company will continue to promote product life-cycle carbon management, renewable energy adoption, and supply chain decarbonization to reduce long-term carbon costs and enhance brand value and financial performance.
3. Describing the financial impact of extreme weather events and transition actions.	The Company is headquartered in Guishan, Taoyuan, and is primarily exposed to potential risks from extreme weather events such as typhoons and heavy rainfall. These events may lead to short-term reductions in working hours, lower production output, equipment damage, or logistics disruptions, thereby affecting delivery schedules and increasing operating costs. The Company continuously reviews its disaster prevention and drainage facilities and gradually establishes backup production mechanisms and localized procurement systems to diversify supply risks and enhance operational resilience. In terms of transition actions, the Company actively promotes net-zero transformation and low-carbon manufacturing processes. It participates in government and industry net-zero initiatives and progressively introduces high-efficiency energy-saving equipment and renewable energy systems. Although these initiatives increase capital expenditure and equipment investment in the short term, they are expected to reduce potential carbon costs in the medium to long term through improved energy efficiency and carbon emission reductions, while strengthening the Company's brand image and international competitiveness.
4. Describing how the identification, assessment, and management process of climate risks are integrated into the overall risk management system.	The Company has incorporated climate-related risks into its overall risk management system, coordinated by the Sustainability Committee and its dedicated Risk Management Team. The Company conducts annual identification and assessment of climate risks, including physical risks such as extreme weather events and transition risks arising from regulatory changes. A multi-stakeholder approach is adopted for risk identification and quantitative analysis, with defined

Item	Execution Status
	unacceptable risk thresholds and corresponding response plans established. The results are integrated into business decision-making and management oversight. Through continuous disaster prevention improvements and low-carbon transition measures, the Company enhances its overall operational resilience and sustainability capability.
5. If conducting a scenario analysis to assess resilience to climate change risks, it's essential to clarify the context, parameters, assumptions, analysis factors, and key financial impacts.	The Company utilizes the "Taiwan Climate Change Projection and Adaptation Knowledge Platform" for scenario analysis to evaluate operational resilience under different climate change scenarios. Two scenarios are applied: RCP8.5 high emission scenario: assumes no additional global mitigation actions, with estimated operating cost increases of approximately 2% of revenue. RCP2.6 low-carbon scenario: assumes active global mitigation efforts to achieve net-zero by 2050, with estimated operating cost increases of approximately 5% of revenue. The results of this analysis provide a basis for evaluating financial resilience under climate policy and market changes, supporting strategic planning and investment decision-making.
6. If there is a transition plan in place to address climate-related risks, please describe the content of the plan and the indicators and objectives used to identify and manage physical risks and transition risks.	The Company promotes multiple low-carbon transition initiatives in response to climate risk characteristics and global decarbonization trends, covering three key areas: technology, supply chain, and operations. Technology and products: The Company continuously develops high-efficiency servo press machines and intelligent energy-saving stamping solutions, integrating energy-saving modules and smart monitoring technologies to help customers reduce energy consumption. Supply chain management: The Company encourages suppliers to participate in carbon inventories and emission reduction initiatives and collaborates under the government's "Large Enterprises Leading Small Enterprises in Low-Carbon Transformation" program to strengthen upstream and downstream decarbonization cooperation. Operations: The Company implements energy management systems, replaces high-energy-consuming equipment, and plans solar renewable energy deployment to improve energy efficiency. In accordance with SBTi requirements, the Company has set a target to reduce Scope 1 and Scope 2 GHG emissions by 4.2% annually from the baseline year. It is also gradually establishing a Scope 3 tracking system, aiming toward carbon neutrality by 2030 and net-zero emissions by 2050.

Item	Execution Status
7. If internal carbon pricing is used as a planning tool, the basis for price determination should be explained.	As of the report date, the Company's internal carbon pricing mechanism is still under development. The Company will continue to reference domestic and international carbon pricing standards and industry trends and evaluate the introduction of carbon cost sensitivity analysis based on its operational characteristics and decarbonization strategy.
8. If climate-related goals are set, information should be provided on the activities covered, greenhouse gas emission scopes, planning timeline, progress achieved annually, etc. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, details should be provided on the source and quantity of carbon offsets or RECs exchanged.	The Company has completed its greenhouse gas inventory for Scope 1 and Scope 2 and is progressively expanding Scope 3 coverage. In line with the Science-Based Targets initiative (SBTi), the Company has set short-, medium-, and long-term climate goals: a 4.2% annual reduction in the short term, carbon neutrality by 2030 in the medium term, and net-zero emissions by 2050 in the long term. Using 2022 as the baseline year, the Company aims to reduce GHG emissions, water consumption, and total waste by 5% within three years. As of 2024, the intensity of Scope 1 and 2 emissions decreased to 0.6111 tCO_2e per million revenues, representing a 15.3% reduction compared to 2023, and a cumulative reduction of 29.9% over three years. Starting in 2025, the Company will expand its inventory coverage to sites in China, the United States, Mexico, Europe, and Thailand, with plans to complete consolidated reporting in 2026 and full disclosure in 2027. Energy consumption is mainly derived from purchased electricity and non-renewable fuels, with plans to introduce self-generated solar energy for self-consumption by 2027. The use of carbon offsetting or Renewable Energy Certificates (RECs) is still under evaluation and planning.
9. Greenhouse gas inventory and verification status, along with reduction targets, strategies, and specific action plans (also filled in pages 1-1 and 1-2).	The detailed explanation can be found on pages 1-1 and 1-2.

Greenhouse Gas Inventory and Verification Status on Page 1-1:

The company's basic information ☐A company with a capital of over 10 billion NT dollars, operating in the steel or cement industry. ☐A company with a capital of over 5 billion NT dollars but less than 10 billion NT dollars. ■A company with a capital of less than 5 billion NT dollars.	According to the roadmap for sustainable development of listed companies, disclosure should include: ■Individual inventory of the parent company ☐Consolidated financial report subsidiary inventory ■Individual verification of the parent company ☐Consolidated financial report subsidiary verification (The company has already completed the individual inventory and verification of the parent company ahead of schedule)

Scope 1	Total emissions ($TonCO_2e$)	Intensity ($TonCO_2e$/ Million dollars in revenue)	Verifying Institution	Verification Status
Parent company 2025	105.8249	0.0684	AFNOR International	Verification conclusion: It is confirmed that the Company fairly presents the relevant data and information in accordance with the agreed-upon verification criteria, and that the declared inventory data has achieved a reasonable assurance level.
Parent company 2024	122.0500	0.0750	AFNOR International	Verification conclusion: It is confirmed that the Company fairly presents the relevant data and information in accordance with the agreed-upon verification criteria, and that the declared inventory data has achieved a reasonable assurance level.

Scope 2	Total emissions (TonCO2e)	Intensity (TonCO2e/ Million dollars in revenue)	Verifying Institution	Verification Status
Parent company 2025	748.4280	0.4834	AFNOR International	Verification conclusion: It is confirmed that the Company fairly presents the relevant data and information in accordance with the agreed-upon verification criteria, and that the declared inventory data has achieved a reasonable assurance level.
Parent company 2024	871.8772	0.5361	AFNOR International	Verification conclusion: It is confirmed that the Company fairly presents the relevant data and information in accordance with the agreed-upon verification criteria, and that the declared inventory data has achieved a reasonable assurance level.

Scope 3	Total emissions (TonCO2e)	Intensity (TonCO2e/ Million dollars in revenue)	Verifying Institution	Verification Status
Parent company 2025	13,690.1965	8.8432	AFNOR International	Verification conclusion: It is confirmed that the Company fairly presents the relevant data and information in accordance with the agreed-upon verification criteria, and that the declared inventory data has achieved a reasonable assurance level.
Parent company 2024	12,599.0211	7.7464	AFNOR International	Verification conclusion: It is confirmed that the Company fairly presents the relevant data and information in accordance with the agreed-upon verification criteria, and that the declared inventory data has achieved a reasonable assurance level.

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

1. Greenhouse Gas (GHG) Emissions Reduction Targets:

The year 2022 serves as the base year for the company's carbon inventory. Building upon this foundation, the company actively promotes environmental objectives, striving to achieve a 5% reduction in GHG emissions, water consumption, and total waste volume within three years (by 2025). In response to global and Taiwanese governmental initiatives and regulations on climate change, based on recent greenhouse gas inventory data, the Company formally established its medium- and long-term carbon reduction targets in Q1 2025 following review and approval by the Sustainability Committee, in alignment with the Science Based Targets initiative (SBTi). The Company has set a clear target of reducing carbon emissions by 4.2% annually, with the goal of achieving carbon neutrality by 2030 and net-zero emissions by 2050.

2. GHG Reduction Strategy:

Adhering to the principles of sustainable operations and environmental coexistence, the company has identified its primary sources of GHG emissions through inventory analysis. The majority are categorized under Scope 3 (Categories 3 to 6), which pertains to other indirect emissions from external activities. In support of the UN Sustainable Development Goals and in alignment with ESG responsibilities, the company follows the "Sustainability Development Roadmap for TWSE/TPEx Listed Companies" and incorporates its environmental policy into daily operations by:

Waste reduction and energy conservation, pollution prevention, resource recycling, and regulatory compliance.

Specific carbon reduction initiatives include:

1. Promoting energy-saving habits through employee awareness and action.
2. Maintaining office temperatures at 26°C to reduce chiller loads and electricity usage.
3. Regularly reviewing contract capacity, zoning of air conditioning, and lighting circuits to enhance energy efficiency.
4. Performing routine maintenance on equipment to ensure optimal operating conditions and minimizing energy loss.
5. Gradually replacing gasoline-powered vehicles with hybrid or electric vehicles to reduce fuel-based GHG emissions.

3. GHG Reduction Action Plan:

To proactively reduce GHG emissions, the company has implemented a series of concrete measures to improve energy efficiency. These include establishing an energy management system to monitor energy usage across production lines in real time, enabling data-driven analysis to identify energy-saving opportunities. Efforts to lower energy consumption include replacing high-energy-consuming air compressors, installing watt-hour meter monitoring systems, and introducing smart warehousing systems to enhance logistics efficiency. In addition, the company has deployed aerial work platforms to improve the efficiency of painting operations and is evaluating the installation of a self-use solar power system. Regular energy management training is held to raise employee awareness, and staff are encouraged to submit process optimization proposals to further improve energy performance.

The 2025 reduction results indicate that the target of 5% reduction prior to 2025 has been achieved.

(8) Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons:

Evaluation item	Implementation status (Note)			The reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
1. Establishment of ethical corporate management policies and programs (1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team? (2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies? (3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	V		(1) The company, established for over 60 years, has always upheld the principles of integrity and compliance. All operational regulations within the company strictly adhere to the latest government laws and regulations. The board of directors and management team operate with integrity as their guiding principle. In 2022, we established the "Code of Conduct and Prevention of Unethical Practices" policy, which was approved by the Board of Directors. (2) The company has internal regulations in place, such as the Insider Trading Prevention Operating Procedures and the Employee Handbook, which explicitly state that employees are prohibited from engaging in or being involved in any dishonest business activities. The internal audit unit conducts regular audits and implements measures to prevent such activities through internal reporting mechanisms. (3) The company has established "Work Regulations," "Rules of Ethics Management Measures," and related operational requirements. These documents outline expectations regarding integrity, integrity commitments, and ethical standards. Violations are subject to disciplinary action, and procedures for reporting violations are outlined. We encourage reporting of illegal or unethical behavior to ensure the implementation of integrity in our operations. These points are communicated during onboarding for new employees and are reinforced through internal meetings and training activities.	No material difference

Evaluation item	Implementation status (Note)			The reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
2. Ethical Management Practice (1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts? (2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	V		(1) The company has established "Work Standards" and related internal regulations that clearly define disciplinary measures for violations and establish a complaint system. These policies are communicated and enforced through internal education and training programs. (2) The company's management team has designated a dedicated unit responsible for supervising the implementation of the integrity management policy across all operating departments. The unit reports the execution status to the Board of Directors on an annual basis. The Company complies with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies” and other relevant laws and regulations and has established integrity-based policies approved by the Board of Directors. A sound corporate governance and risk management framework has been implemented to support sustainable business development. The Company's core values are “Integrity, Accountability, Service, and Innovation.” “Integrity” is defined as a proactive life attitude and value system grounded in ethical standards. To promote integrity awareness among employees, integrity-related indicators are incorporated into performance evaluation competency assessments. Managers also conduct regular internal communications to reinforce integrity principles, supported by reward and disciplinary mechanisms. Implementation of integrity education and training includes: 1. All board members participated in external corporate	No material difference

Evaluation item	Implementation status (Note)			The reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
			governance training programs in 2025, covering topics such as sustainability policy and securities regulations, corporate governance risk analysis from a prosecutor's perspective, independent director practices, group governance, AI+ESG transformation, and governance best practices. All participants met the requirements, and the total training hours exceeded the continuing education hours recommended by the corporate governance evaluation. 2. New employee orientation includes a "Company Overview" course covering the core value of integrity, with 29 training participations in 2025. 3. All current employees have signed the "Integrity and Anti-Corruption Statement" and the "Confidentiality and Intellectual Property Agreement." In 2025, 29 new hires completed onboarding briefings and signed both documents. 4. In 2025, the Company assigned personnel to participate in compliance, ESG, internal audit and control, and corporate governance seminars, totaling 7 attendances and 30 hours. 5. Integrity-related announcements and reminders are periodically issued to all employees. 6. Integrity management reports are submitted to the Board of Directors annually.	
(3) Has the company established policies to prevent conflict of interest, provided appropriate communication and complaint channels, and properly implemented such policies?			(3) All business activities of the company are conducted in accordance with the law, and significant information is disclosed in compliance with legal requirements to ensure information transparency.	

Evaluation item	Implementation status (Note)			The reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits? (5) Does the company provide internal and external ethical corporate management training programs on a regular basis?			(4) We have established effective accounting and internal control systems, and the company's audit unit carries out audit operations based on the annual audit plan approved by the board of directors. Audit reports are submitted to the board of directors, and the implementation of audits is reported to the board of directors. Additionally, the company complies with the reporting requirements of relevant authorities. (5) The Company periodically issues integrity promotion notices to all employees. Upon onboarding, new employees are introduced to the Company's core values—Integrity, Accountability, Service, and Innovation—and are required to understand the Company's ethical standards. They must also sign the "Confidentiality and Intellectual Property Agreement" and the "Integrity Declaration" to uphold a culture of ethical and clean business practices. During annual new employee training, the "Company Overview" course places special emphasis on the core value of "Integrity," with 29 participants in 2025. Integrity management and regulatory compliance are further promoted through monthly company meetings and internal training programs. In addition, specialized training sessions are conducted for managers and key personnel, with a total of 6 sessions held in 2025.	
3. Implementation of Complaint Procedures (1) Has the company established specific whistleblowing and reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel	V		(1) The company has established a reporting channel to address violations of the integrity policy. Members who violate the policy are subject to the disciplinary measures outlined in the company's reward and punishment	No material difference

Evaluation item	Implementation status (Note)			The reasons for deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies
	Yes	No	Description	
specifically responsible for handling complaints received from whistleblowers? (2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner? (3) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints?			regulations. (2) The company has defined procedures for opinions, communication, and feedback, and relevant supervisors have the responsibility to maintain the confidentiality of the parties involved. (3) The company's work regulations and rules of ethics management measures have established corresponding disciplinary provisions for various types of violations. We also encourage colleagues to report any violations of laws, regulations, or ethical requirements directly to the department responsible and provide relevant evidence. Whistleblowers and reporters are protected from threats or undue pressure.	
4. Strengthening Information Disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	V		The company places great emphasis on operating with integrity. The related guidelines and regulations have been established in accordance with legal requirements and are disclosed in compliance with the law.	No material difference
5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviations between the principles and their implementation: The company has established an Integrity Management Policy for compliance purposes. Relevant regulations and implementation details have been disclosed on the Corporate Governance section of the company's website.				
6. Other important information to facilitate a better understanding of the status of operation of the company’s ethical corporate management policies (e.g., the company’s reviewing and amending of its ethical corporate management best practice principles): The company has established specific integrity management guidelines, including the “Integrity Management Policy” and the “Ethical Conduct Management Regulations.”				

Note: Regardless of whether “Yes” or “No” is ticked regarding the implementation status, an explanation should still be provided in the explanation column for each item.

(9) Other significant information that will provide a better understanding of the state of the company’s implementation of corporate governance:

1. Since 2023, the company has simultaneously disclosed both Chinese and English information in the Corporate Governance section of its official website.
2. Since 2023, the company has concurrently disclosed material information in both Chinese and English on the Market Observation Post System (MOPS).
3. Implementation of Intellectual Property (IP) Management Plan

The Intellectual Property Management Plan is a key mechanism for protecting the Company’s intellectual property rights and maintaining competitive advantages. To safeguard trademarks, R&D patents, and other IP assets, the Chairman’s Office, Legal Department, and relevant units integrate business objectives, trademark strategy, R&D resources, and trade secret management under an IP strategy framework. Through close cross-functional coordination, the Company ensures compliance across all units and continuously improves its management system.

A. Management Plan

(1) Trademarks

Trademark registration: Applications are filed in accordance with the regulations of national trademark authorities, and appropriate classes are selected based on business needs.

Trademark usage: Usage standards are defined in the corporate identity manual, and trademark authorization guidelines are established to regulate licensing and usage behavior.

Trademark monitoring: Ongoing monitoring is conducted to identify and prevent infringement in a timely manner.

Trademark protection: Regular reviews of trademark rights are conducted to assess the necessity of enforcement actions.

(2) Patents

Patent filing: Applications are submitted based on the technical features and commercial value of R&D outcomes, in accordance with patent authority regulations.

Patent maintenance: Patent annuities are paid on time to maintain validity. Existing patents are periodically reviewed to assess their relevance and continued maintenance needs.

Patent monitoring: Regular monitoring of industry patent approvals is conducted to track technological and market trends.

(3) Copyrights

Registration: Software copyrights are registered based on originality, technical applicability, and commercial potential, in accordance with copyright laws and regulations.

Maintenance: Registered software is documented and properly archived. Its usage and market applications are periodically reviewed to determine continued use, updates, or derivative protection.

Monitoring: Industry copyright developments are regularly reviewed to support R&D planning and IP strategy formulation.

(4) Trade Secrets

Awareness promotion: All employees are required to sign the "Confidentiality and Intellectual Property Agreement" and "Project Confidentiality Undertaking" to strengthen legal awareness and protect confidential information.

Information security management: All systems require individual account login with password controls and regular password updates. Software usage is strictly regulated, and information security awareness is continuously promoted.

File management: Each department maintains controlled physical and digital storage with access rights management.

Drawing control: Engineering drawings are subject to strict access restrictions and transmitted only through secure channels.

Access control: Employees use access cards with department-based permissions. Visitors must register, are restricted to designated areas, and must be accompanied at all times.

B. Key Implementation Results in 2025

The Company reports IP-related matters to the Board of Directors annually in the third quarter; the most recent report was submitted on August 11, 2025.

As of July 31, 2025, the Company's global intellectual property portfolio includes:

A. Trademarks: 59 active registrations worldwide

B. Patents: 66 active patents worldwide

C. Copyrights: 23 active registrations worldwide

D. Trade secrets: Classified and managed in accordance with confidentiality regulations for production, sales, operational documents, personnel, and equipment information.

(10) Implementation of the internal control system:

1. Statement of the Internal Control System:

Please refer to the Market Observation Post System (MOPS).
Access path:
Market Observation Post System (MOPS)
> Single Company > Corporate Governance > Company Rules/Internal Control
> Internal Control Declaration Announcements

Website: https://mops.twse.com.tw/mops/#/web/t06sg20

2. CPA audit report on reviewing of the internal control system: None.

(11) Important resolutions of shareholders' meetings and board meetings in the most recent year and as of the date of printing of the annual report:

Shareholders' Meeting or Board of Directors	Date	Important resolutions
BOD	2025.05.09	(1) Approval of Q1 2025 consolidated financial report. (2) Review of individual directors' remuneration allocation for the fiscal year 2024. (3) Approval of fund loans from subsidiary Seyi-International to subsidiary Seyi-Europe. (4) Approval of Capital increase plan for the subsidiary SEYI-Europe.
Shareholders' Meeting	2025.06.13	(1) Approval of the company's 2024 Business Report and Financial Statements for ratification. (2) Approval of the 2024 Earnings Distribution for ratification. Implementation Status: Approved Ex-dividend date: July 15, 2025 Payment date: July 31, 2025 (The dividend amount per share is set at NT$1.2.) (3) Approval of the amendment of the "Articles of Incorporation". Implementation Status: The Articles of Incorporation have been approved and registered with the Ministry of Economic Affairs on August 18, 2025. (4) Re-election of 18th term directors. Implementation Status: Registered with Ministry of Economic Affairs on August 18, 2025.
BOD	2025/06/13	(1) Appointment of the Company's Chairman of the Board. (2) Appointment of members of the Company's 6th Remuneration Committee.
BOD	2025/08/11	(1) Approval of Q2 2025 consolidated financial report. (2) Approval of 2024 cash bonuses for managerial officers. (3) 2024 Sustainability Report of the Company. (4) Approval of the Company's purchase of ordinary corporate bonds issued by Nan Shan Life Insurance Co., Ltd..
BOD	2025/11/12	(1) Approval of Q3 2025 consolidated financial report. (2) Definition of the Company's nonexecutive employees. (3) The amendment to the Company's internal control system. (4) Approval of the Audit Plan for the Fiscal Year 2026.
BOD	2026/02/03	(1) Approval of 2025 year-end bonuses for managerial officers. (2) Approval of 2026 business plan. (3) Appointment and remuneration of external auditors for 2026 and assessment of their independence and competence. (4) Appointment of the General Manager of the Company's subsidiary, Xie Yi Tech Machinery (China) Co., Ltd. (5) Approval of 2025 "Internal Control Effectiveness Assessment" and "Internal Control Statement."

Shareholders' Meeting or Board of Directors	Date	Important resolutions
BOD	2026/03/10	(1) Approval of 2025 financial report, business report, and profit distribution. (2) Approval of 2025 employee and director remuneration methods and amounts. (3) Approval of Cash Compensation Distribution to Managerial Employees for Year 2025 (4) Review of individual directors' remuneration allocation for the fiscal year 2025 (5) Approval of cash dividend distribution from 2025 earnings. (6) Loan of funds from the Company to its subsidiary SEYI-Europe. (7) Amendments to the Company's "Procedures for Loaning Funds and Making Endorsements/Guarantees". (8) Amendments to the Company's "Procedures for Acquisition or Disposal of Assets". (9) The Company proposes a private placement of common shares. (10) The Company proposes to issue employee stock options at an exercise price lower than the market price. (11) Acceptance of shareholder proposals for the Annual General Meeting agenda. (12) Establishment of 2026 Annual General Meeting arrangements.

(12) Where, during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report, a director or independent director has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof: None.

III. Information on the professional fees of the attesting CPAs:

Unit: NT$ Thousands

<table>
<tr><th>Name of accounting firm</th><th colspan="2">Names of CPAs</th><th>Period covered by the CPA audit</th><th>Audit fees</th><th>Non-audit fees</th><th>Total</th><th>Remarks</th></tr>
<tr><td rowspan="2">Deloitte & Touche</td><td>Chien-Hsin Hsieh</td><td>Bo-Ren Weng</td><td>2025.01.01~2025.09.30</td><td rowspan="2">2,850</td><td rowspan="2">210</td><td rowspan="2">3,060</td><td rowspan="2">None</td></tr>
<tr><td>Sheng-Tai Liang</td><td>Chien-Hsin Hsieh</td><td>2025.01.01~2025.12.31</td></tr>
</table>

Note: If the company changed its CPAs or accounting firm during the fiscal year, list the audit periods before and after the change separately, and specify the reason for the change in the “Remarks” column.

(1) If the amount of non-audit fees paid to the CPA, the accounting firm and its affiliates is more than one-fourth of the audit fees, disclose sequentially the audit and non-audit fees paid. For non-audit fees, additionally specify the content of the services: None.

The non-audit fees are mainly $210 thousand for tax audit.

(2) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed: None.

(3) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefore shall be disclosed: None.

IV. Information on the replacement of certified public accountant:

The audit and attestation of the company’s 2025 financial statements will be conducted by CPA Sheng-Tai Liang and CPA Chien-Hsin Hsieh of Deloitte & Touche. This change aligns with the firm’s internal rotation policy.

V. Whether the chairman, president, or manager in charge of financial or accounting affairs of the company has worked in the firm of the CPAs or its affiliated enterprises in the past year: None.

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

(I) Changes in Shareholding of Directors, Managerial Officers, and Major Shareholders

Job Title	Name	2024		As of April 13, 2026	
		Shareholding increase (or decrease)	Pledged shareholding increase (or decrease)	Increase/decrease in the number of shares held	Pledged shareholding increase (or decrease)
Chairman	Ya-Hui Kuo	0	0	0	0
Director	Yu Cheng Investment Co., Ltd.	0	0	0	0
Representative of the corporate director	Chin-Jen Fu	0	0	0	0
Director	Cheng Lin Investment Co., Ltd.	(64,000)	0	0	0
Representative of the corporate director	Shin-Ming Tung	0	0	0	0
Director	Hsiao-Kuang Chen	0	0	0	0
Independent Director	Yuan-Li Tseng	0	0	0	0
Independent Director	Hwe-Ching Wong	0	0	0	0
Independent Director	Shu-Chuan Chen	0	0	0	0
Independent Director	Tzu-Wu Lo	0	0	0	0
President	Chen-Wei Lee	45,000	0	0	0
Executive Vice President	Liu, Kuo-Wang	0	0	0	0
Vice President	Tsui-Hua Wu	0	0	0	0
Vice President	Chin-Ching Lai	0	0	0	0

Note 1: Any shareholder holding more than 10 percent of the company's total share capital shall be noted as a major shareholder, and such shareholders shall be listed individually.

Note 2: If the counterparty of a transfer of shareholding or a pledge of shareholding is a related party, additionally complete the table below.

(II) Information on Transfers of Shareholding:

Name (Note 1)	Reason for transfer (Note 2)	Date of transaction	Counterparty	Relationship between the counterparty and the company, directors, managerial officers, and major shareholders	No. of shares	Transaction price
None						

Note 1: Fill in the names of the directors, and managerial officers, and the shareholders with greater than 10percent shareholding.

Note 2: Specify whether the shares are acquired or disposed of.

(III) Information on Pledges of Shareholding: None.

VII. Relationship information, if among the company's 10 largest shareholders anyone is a related party under SFAS No. 6:

Relationships Among the Top 10 Shareholders are Related Parties

April 13, 2026

Name	Shareholding		Shareholdings of spouse and minors		Total shareholding by nominee arrangements		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree of kinship		Re-marks
	Number of shares	Share-holding ratio	Number of shares	Share-holding ratio	Number of shares	Share-holding ratio	Name of entity (or individual)	Relationship	
Yu Cheng Investment Co., Ltd.	13,000,000	8.21%	0	0.00%	0	0.00%	None	None	None
Yu Cheng Investment Co., Ltd. Representative: Hsiu-E Chen	82	0.00%	0	0.00%	0	0.00%	Ya-Hui Kuo Ying-Hui Kuo Li-Hui Kuo	Mother and Daughter Mother and Daughter Mother and Daughter	None
Far Union Investment Limited	7,799,547	4.91%	0	0.00%	0	0.00%	None	None	None
Far Union Investment Limited Representative: Pi-E Hu	701,721	0.44%	1,550,493	0.98%	0	0.00%	Chuan-Chih Kao Wei-Hung Kao Wei-Ze Kao	Spouse Mother and Son Mother and Son	None
Ying-Hui Kuo	4,464,596	2.82%	0	0.00%	0	0.00%	Hsiu-E Chen Ya-Hui Kuo Li-Hui Kuo	Mother and Daughter Sisters Sisters	None
Ya-Hui Kuo	4,300,138	2.71%	0	0.00%	0	0.00%	Hsiu-E Chen Li-Hui Kuo Ying-Hui Kuo	Mother and Daughter Sisters Sisters	None
Chuan-Chih Kao	1,550,493	0.98%	701,721	0.44%	0	0.00%	Pi-E Hu Wei-Hung Kao Wei-Ze Kao	Spouse Father and Son Father and Son	None
Fei-Yun Chen	1,223,000	0.77%	0	0.00%	0	0.00%	None	None	None
Li-Hui Kuo	1,200,115	0.76%	0	0.00%	0	0.00%	Hsiu-E Chen Ya-Hui Kuo Ying-Hui Kuo	Mother and Daughter Sisters Sisters	None
Ching-Sung Kuo	985,000	0.62%	0	0.00%	0	0.00%	None	None	None
Wei-Hung Kao	903,200	0.57%	0	0.00%	0	0.00%	Chuan-Chih Kao Pi-E Hu Wei-Ze Kao	Father and Son Mother and Son Brothers	None
Wei-Ze Kao	783,200	0.49%	0	0.00%	0	0.00%	Chuan-Chih Kao Pi-E Hu Wei-Hung Kao	Father and Son Mother and Son Brothers	None

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

Total Ownership of Shares in Investee Enterprises

Unit: Shares; %

Investee enterprise (Note 1)	Investment by the company		Investment by the Directors, Managerial Officers and Directly or Indirectly Controlled Entities of the company		Total investment	
	Number of shares	Shareholding ratio %	Number of shares	Shareholding ratio %	Number of shares	Shareholding ratio %
SEYI-AMERICA, INC.	3,000,000	100	0	0	3,000,000	100
SEYI INTERNATIONAL (SAMOA) INC.	2,252,750	100	0	0	2,252,750	100
SEYI PRESSES EUROPE GmbH	1,000,000	100	0	0	1,000,000	100
XIE DA INVESTMENT LTD.	25,000,000	100	0	0	25,000,000	100
SEYI TECHNOLOGY (SAMOA) INC.	2,000,000	100	0	0	2,000,000	100
SEYI (THAILAND) CO., LTD.	75,000	100	0	0	75,000	100
XIE YI TECH MACHINERY (CHINA) CO., LTD.	Note 2	100	Note2	0	Note 2	100

Note 1: The information on the number of shares held by the investee company is for the year ended March 31, 2026.

Note 2: There is no share issuance because it is a limited company; the company adopts the investment accounted for using the equity method.

Chapter Three. Fund Raising Status

I. Capital and shares

(I) Types of shares issued by the company and source of capital stock during the preceding fiscal years and in the current fiscal year up to the date of the publication of the report:

1. Source of capital stock:

Unit: shares; NT$

Month/year	Issued price	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Sources of capital	Capital paid in by assets other than cash	Other
August 2014	10	202,800,000	2,028,000,000	158,481,110	1,584,811,100	Cash capital increase. 150,000,000	None	Note 1
August 2014	10	202,800,000	2,028,000,000	160,481,110	1,604,811,100	Restricted stock 20,000,000	None	Note 2
January 2015	10	202,800,000	2,028,000,000	160,434,110	1,604,341,100	Cancelation of treasury stocks 470,000	None	Note 3
April 2017	10	202,800,000	2,028,000,000	160,254,110	1,602,541,100	Cancelation of restricted stock1,800,000	None	Note 4
May 2017	10	202,800,000	2,028,000,000	158,434,110	1,584,341,100	Cancelation of restricted stock18,200,000	None	Note 5
July 2019	10	300,000,000	3,000,000,000	158,434,110	1,584,341,100	-	-	Note 6

Note:
1: Approved by the Ministry of Economic Affairs on 2014.08.18 (103) with letter Jin Shou Shang Zi No. 10301169590.
2: Approved by the Ministry of Economic Affairs on 2014.08.29 (103) with letter Jin Shou Shang Zi No. 10301178220.
3: Approved by the Ministry of Economic Affairs on 2015.01.22 (104) with letter Jin Shou Shang Zi No. 10401009310.
4: Approved by the Ministry of Economic Affairs on 2017.04.12 (106) with letter Jin Shou Shang Zi No. 10601041470.
5: Approved by the Ministry of Economic Affairs on 2017.05.31 (106) with letter Jin Shou Shang Zi No. 10601067950.
6: Approved by the Ministry of Economic Affairs on 2019.07.26 (108) with letter Jin Shou Shang Zi No. 10801083490.

2. Type of shares issued:

Unit: Shares

Shares / Type	Authorized capital			Remarks
	Outstanding shares (OTC)	Unissued shares	Total	
Nominal ordinary shares	158,434,110	141,565,890	300,000,000	OTC listed shares

3. Information Relating to the Shelf Registration System: None.

(II) Information on shareholders with a stake of 5 percent or greater, or the shareholders who rank in the top 10 in shareholding percentage

April 13, 2026

Shares / Names of major shareholders	Total Shareholding (Shares)	Shareholding Ratio (%)
Yu Cheng Investment Co., Ltd.	13,000,000	8.21%
Far Union Investment Ltd	7,799,547	4.91%
Ying-Hui Kuo	4,464,596	2.82%
Ya-Hui Kuo	4,300,138	2.71%
Chuan-Chih Kao	1,550,493	0.98%
Fei-Yun Chen	1,223,000	0.77%
Li-Hui Kuo	1,200,115	0.76%
Ching-Sung Kuo	985,000	0.62%
Wei-Hung Kao	903,200	0.57%
Wei-Ze Kao	783,200	0.49%

Note 1: The total number of shares issued of the company was 158,434,110 shares.

(III) Company's dividend policy and implementation thereof. If a material change in dividend policy is expected, provide an explanation:

1. Dividend policy adopted in the company's Articles of Incorporation:

When the company's annual final accounts show a surplus, the company shall first pay taxes and make up for accumulated deficits, and then set aside 10% of the legal reserve, except when the legal reserve has reached the company's total paid-in capital. Also, if special reserve is set aside or reversed as required by law or by the competent authority, the undistributed earnings from previous years may be added to the distributable earnings. The board of directors shall prepare a proposal to distribute the earnings, and if the proposal is made by issuing new shares, the proposal shall be submitted to the shareholders' meeting for resolution.

The company may authorize the distributable dividends and bonuses or the statutory surplus reserves and capital reserves stipulated in Article 241 of the Company Act, in whole or in part, to be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting in accordance with Article 240 of the Company Act.

The company shall adopt the residual dividend and stable dividend policy based on the earnings status, future funding needs, and development plans in order to collaborate with the internal and external environments, facilitate the company's long-term financial planning, and enable stable and sound operation developments. The distribution of stock dividends, cash dividends, or the combination of stock dividends and cash dividends shall be considered after retaining the surplus financing requirements. However, if stock dividends are distributed with cash dividends, the cash dividends shall not exceed 80% of the total distribution.

2. The proposal for dividend distributions for the most recent year:

The proposed distribution of earnings and cash dividends from capital reserve for 2025 has been approved by the board of directors on March 10, 2026. The proposed distribution consists of cash dividends of NT$0.2 per share, or a total of NT$31,686,822.

3. If there is a significant change in the dividend policy, it should be stated: None.

(IV) The effect of the proposed stock dividends by the shareholders' meeting on the company's business results and earnings per share: None.

(V) Compensation of employees and directors:

1. The Company shall set aside at least 2% of the pre-tax profit for the year before deducting employee compensation (of which no less than 40% shall be allocated to nonexecutive employees) and remuneration to directors as employee compensation; and no more than 5% of the said profit as remuneration to directors. The board of directors shall implement the resolution adopted by a majority vote at a board of directors meeting attended by over two-thirds of the directors. However, if the Company still has accumulated losses, the pre-tax profit amount shall be reserved for making up the accumulated loss first. The subjects receiving the preceding employee remuneration in the form of a share certificate or cash may include the employees of a subsidiary company who meet certain criteria.

2. The basis for estimating the amount of compensation to employees and directors, the basis for calculating the number of shares of employees' compensation distributed by stock, and the accounting treatment if the actual amount of distribution differs from the estimated amount.

There was no difference in the amount estimated for the period and there was no employee compensation distributed in stock.

3. Distribution of remuneration approved by the board of directors:

(1) The amount of compensation to employee and director distributed in cash or shares: If the estimated annual expense is different from the recognized expense, the amount, reason and treatment of the difference should be disclosed:

The compensation to employee, director and supervisor is not provided due to the net loss before tax for the year occurred.

(2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation: Not applicable.

4. If there is any difference between the actual distribution (including the number of shares distributed, the amount and the price of shares) and the recognition of compensation to employees and directors in the previous year, the amount, the reason and the handling of the difference should be stated as follows: No difference.

(IX) Status of a company repurchasing its own shares: None.

II. Issuance of corporate bonds (including foreign corporate bonds): None.

III. Issuance of preferred shares: None.

IV. Issuance of global depository receipts: None.

V. Issuance of employee share subscription warrants: None.

VI. Issuance of new restricted employee shares: None.

VII. Issuance of new shares in connection with mergers or acquisitions or with acquisitions of shares of other companies: None.

VIII. Implementation of the company’s capital allocation plans: None.

Chapter Four. Overview of Business Operations

I. A description of the business:

(I) Scope of business:

1. Major lines of business:

(1) CB01010 Mechanical Equipment Manufacturing

(2) CB01990 Other Machinery Manufacturing

(3) I301010 Software Design Services

(4) I599990 Other Designing

(5) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. The relative weight of main current products:

Main product	Important applications and functions	2025 Consolidated Net revenue (in thousands)	2025 Weight in sales (%)
Stamping press	It can be used in single or continuous die precision stamping of metal materials such as forming, shearing, bending and stamping. Its applications include automotive stamping parts, sheet metal parts, skeleton. It is also used for stamping components such as computer cases for information equipment, computer hard drives, CD-ROMs, optical read heads, DVD products, communication products, consumer electronic products such as home appliances, stationery products, air conditioner cases, and motors.	3,876,895	96.3%
Others	Income from maintenance, sale of spare parts, and design services	149,006	3.7%
Total		4,025,901	100 %

3. Company's current products

With 63 years of experience in press machine design and manufacturing, the Company is currently one of the world's top five servo press manufacturers and among the top 20 global machine tool equipment enterprises. The Company offers a complete product line of press machines ranging from 25 tons to 2,500 tons, specializing in both mechanical presses and servo presses. Whether customers require single machines or integrated multi-machine production lines, as well as single-action, progressive die, or transfer die applications, the Company provides flexible and diversified stamping solutions to meet various metal forming processes and component sizes. Its customers primarily come from industries such as automotive, consumer electronics, home appliances, construction hardware, and agricultural machinery. In recent years, the Company has also actively expanded into aerospace, AI server, new energy, and hydrogen fuel cell vehicle supply chains. With global net-zero emission policies and the European Union's Carbon Border Adjustment Mechanism (CBAM), the Company continues to uphold a "green and energy-efficient" design philosophy. It has developed a full range of high-efficiency, digitalized, energy-saving low-carbon servo press machines. Its mechanical presses are also evolving toward lightweight frame structures and low-energy control systems, providing customers with green solutions required for the current sustainability transition.

With the rise of AI applications and global manufacturing digital transformation, enterprises are increasingly building smart factories and automated operations. The Company provides intelligent automated stamping line solutions by integrating presses with peripheral automation equipment. Through IoT architecture, machine sensor data is collected and converted into reports and dashboards, enabling real-time monitoring of machine utilization and supporting production decision-making. The system also enables predictive maintenance to reduce unplanned downtime and extend equipment lifespan, while tracking energy consumption to meet customers' needs for product carbon footprint calculation.

4. New product planned for development

Type	Function
SK1-400 High-Precision Press	A premium precision mechanical press specifically designed for hydrogen fuel cell bipolar plate processing.
Eccentric Load Resistant Overload Protection Device	Prevents customer-induced eccentric loading and monitors pressure at multiple points to protect press components.
Semi-Gantry Lightweight Series Design	An energy-saving and low-carbon design that reduces overall machine weight through modal optimization while maintaining structural rigidity.
C-Type Automated Design System	An industry-academia collaborative system that utilizes historical data and programmed control of CAD software to automatically generate design drawings.

(II) Overview of the industry:

1. Status and development of the industry:

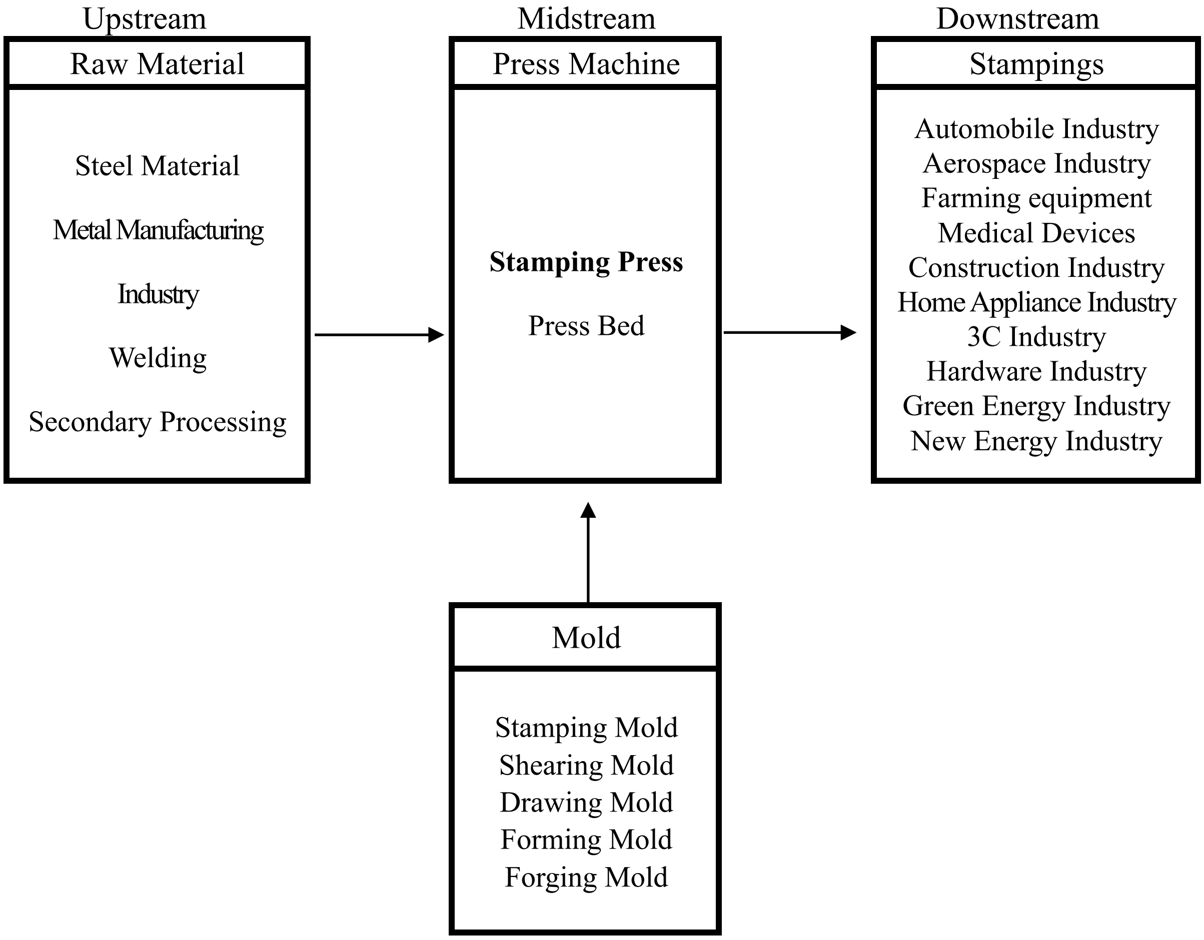
In 2025, the global machine tool industry is undergoing a period of uncertainty and transformation, with a gradual market recovery but facing multiple pressures.
In recent years, the global economy has been constrained by high inflation and low growth. Geopolitical tensions, including trade conflicts between two major economic powers, along with post-pandemic supply chain restructuring, have led companies to seek more resilient production layouts. In addition, the new U.S. tariffs introduced in April 2025 have further accelerated supply chain regionalization. The United States is promoting "Made in America," while Europe and Asia are strengthening local supply chains, prompting companies to diversify markets into emerging regions such as Southeast Asia and India.
Global economic growth slowdown and declining corporate investment confidence have resulted in more conservative capital expenditures. At the same time, the requirements for smart manufacturing and green transformation are increasing, requiring substantial investments in AI, digitalization, and carbon management. The high initial cost of advanced CNC equipment also creates barriers for small and medium-sized enterprises, intensifying pressure for technological upgrades and potentially reinforcing a "large firms dominate" industry structure.
Trade barriers have increased the cost of raw materials and components, further driving global inflationary pressures. In addition, ongoing regional conflicts continue to impact global stability. The Russia-Ukraine war, which began in 2022, has severely disrupted

global food supply chains and triggered an energy crisis in Europe, leading to surging oil and natural gas prices. Meanwhile, the conflict between Israel and Hamas has heightened instability in the Middle East, affecting global energy and transportation industries.
Climate change has also become a critical global issue. The European Union has taken the lead with the Carbon Border Adjustment Mechanism (CBAM), while the United States has proposed the Carbon Border Adjustment (CCA) framework. As a result, low-carbon manufacturing processes and energy optimization have become international market entry requirements, making green manufacturing technologies a key competitive focus.

Taiwan's machine tool industry is also entering a critical phase of "recovery and transformation in parallel." Digitalization, sustainability, and supply chain regionalization have become mainstream trends; however, the industry continues to face challenges such as international competition, geopolitical risks, and talent shortages.
In 2025, the recovery pace of global end-market demand has been slower than expected, particularly in traditional applications where order visibility remains weak. In the high-end segment, depreciation of the Japanese yen has weakened competitiveness against Japanese manufacturers, increasing operational risks. In the mid- and low-end segments, Taiwanese products face pressure from China's low-price strategy and improving quality, compressing profit margins.
The industry is also challenged by a shortage of cross-disciplinary talent in mechanical-electrical integration and AI applications, limiting the speed and capability of digital transformation and total solution development. In addition, fluctuations in raw material costs continue to threaten the overall competitiveness of Taiwan's machine tool sector.

Despite these challenges, Taiwanese manufacturers are actively expanding into high value-added sectors such as electric vehicles, semiconductors, aerospace, medical, and green energy industries. They have successfully entered global supply chains and developed corresponding products such as composite material processing machines and hydrogen energy equipment, creating new growth momentum.
The Taiwan Machine Tool & Accessory Builders' Association (TMBA) is actively promoting the transformation toward "smart machinery," leveraging AI, robotics, and big data analytics to improve productivity and precision, thereby enhancing competitiveness in smart manufacturing. The United States has surpassed Mainland China to become Taiwan's largest export market for machinery and equipment, while companies are also expanding into emerging markets such as India and Mexico to diversify risks. In response to supply chain regionalization, Taiwanese manufacturers are strengthening marketing in Southeast Asia and adopting more flexible overseas production strategies.
To comply with international carbon emission regulations, the government has introduced various subsidy programs to assist enterprises in advancing green manufacturing processes and enhancing sustainability competitiveness. Cross-sector collaboration and resource integration have become increasingly important. Through an "alliance-based" approach, the industry aims to build a stronger ecosystem, reduce transformation costs for SMEs, and establish a stronger position in the global market.
As suggested by TMBA, through supply chain regionalization, deeper digital applications, and diversified end markets, Taiwan's machine tool industry is expected to build a more competitive and resilient global industrial ecosystem.

2. Correlation between the upstream, midstream, and downstream segments of the industry supply chain:



3. Development trends and competition for the company's products:

(1) Development trend for stamping press industry

According to market analysis compiled by the Metal Industries Research & Development Centre (MIRDC) in October 2025, the global metal stamping parts market was valued at approximately USD 215.2 billion in 2024 and is projected to reach USD 304.6 billion by 2030, with a compound annual growth rate (CAGR) of 6.0% from 2024 to 2030.The Asia-Pacific region is currently the fastest-growing market, driven particularly by rapid industrialization in China, India, and South Korea, which fuels strong demand in the automotive and electronics sectors. This growth is further supported by government policies promoting manufacturing upgrades. In North America, increasing demand for electric vehicles is significantly boosting the need for lightweight metal components. Emerging economies such as India, Brazil, and Mexico are also becoming key growth drivers due to expanding infrastructure development and rising investment activities.

By application, the automotive industry remains the largest segment, accounting for approximately 39.1% of total demand. Metal stamping parts are widely used in vehicle body structures due to their balance of safety, strength, and cost efficiency. Although lightweight materials such as plastics and carbon fiber are increasingly adopted, metal components continue to play a critical role in maintaining structural integrity and cost control, making automotive applications the primary growth driver of the market. Industrial machinery ranks second with a share of about 16.3%, supported by rapid industrialization in developing countries such as China, India, and Brazil. Consumer electronics follows with approximately 14.8%, driven by continuous innovation in precision components. Aerospace applications account for around 9.3%, ranking fourth, where stamped metal parts such as frames and rails help reduce aircraft weight, improve fuel efficiency, and enhance durability. Growing production of both commercial and defense aircraft further supports demand in this segment.

This reflects steady growth driven by continued investment in industrial automation, precision metal forming, and production scalability. By machine type, mechanical presses account for approximately 41% of the market, followed by hydraulic presses at 25.2% and servo presses at 20.6%. Notably, servo presses are expected to grow significantly in the coming years, with a projected CAGR of approximately 4.5% to 9.4% from 2025 to 2032, well above the estimated 4.3% growth of mechanical presses.

In terms of capacity, presses in the 500–2,000 ton range account for approximately 47.8% of the market, highlighting a continued trend toward larger-scale equipment. This allows manufacturers greater production flexibility and the capability to handle larger and more complex stamped components. Advances in frame structure design and electrical control systems further enable higher-speed and high-precision production performance.

The technological development of the global press machine industry in 2025 can be summarized in four key directions:

A. Industry 4.0 and Smart Manufacturing

The integration of digitalization and Internet of Things (IoT) technologies is a core trend. An increasing number of press machines are being equipped with sensors and AI-based analytics to enable real-time monitoring, predictive maintenance, and process optimization. This helps reduce downtime, improve production consistency, and enhance product quality. In addition, digital twin technology is being applied in machine design and manufacturing simulation, shortening product development cycles and optimizing production workflows.

B. Growing Demand for Automation and Robotics

There is a rising demand for automation in stamping production lines, including integration with robotic arms and quick die-change systems. These solutions significantly improve production efficiency and operational flexibility.

C. Advancement of High-Precision Press Technology and Equipment Upgrades

Servo presses are increasingly in demand due to their precise control of speed and ram motion profiles, enabling diverse applications. Beyond high-efficiency production, their energy-saving advantages support low-carbon manufacturing and sustainability goals. At the same time, growing demand for high-precision and customized components is driving manufacturers to develop more modular and flexible press systems.

D. Demand for Lightweight Material Processing

With the development of new energy vehicles and the aerospace industry, demand for lightweight materials such as aluminum alloys, titanium alloys, and ultra-high-strength steel continues to rise. Press technology must continuously advance to efficiently and precisely process these materials, ensuring both performance and manufacturing efficiency.

(2) Analysis of competition in the stamping press industry

In 2025, the global press machine industry is undergoing a steady growth phase driven by automation and smart manufacturing transformation. Key demand is primarily fueled by the expansion of the new energy vehicle sector and high-precision manufacturing applications. The Company continues to face strong global competition from leading international manufacturers. In the Chinese market, intense price-based competition persists among numerous local players. In Europe, a major leading press machine brand was acquired by a well-known industrial group in March 2025, integrating resources across tooling, energy, and EV battery technologies. This consolidation further strengthened its smart factory capabilities and enabled it to offer integrated "one-stop" metal forming system solutions.

Among Japanese competitors, several mergers and acquisitions occurred in 2025, including cross-border acquisitions of automation partners and peer press manufacturers. These developments reflect a clear industry trend toward automation, high-speed, and high-precision technologies. Japanese manufacturers are also strengthening regional market presence and cost competitiveness. Their technological focus areas include the advancement of servo systems, the application of AI for stamping simulation and predictive maintenance, and the development of high-precision, high-rigidity presses for new energy vehicle applications.

In 2025, the Company also achieved breakthroughs in new applications. Hydrogen energy is increasingly recognized as a key zero-emission mobility solution due to its environmental advantages. Metal bipolar plates used in fuel cells are well-suited for mass production via stamping processes. However, due to their extremely thin thickness (approximately 0.1 mm) and flow channel depth of around 0.5 mm, forming such components presents significant technical challenges. To address this demand, the Company has developed high-precision, high-rigidity servo presses, which gained strong attention from industry peers at the MF-Tokyo metal forming exhibition in Japan in July.

In addition, to improve design efficiency, the Company has successfully implemented automation tools that can rapidly generate machine drawings, enabling sales teams to respond more quickly to customer requirements and improve order conversion rates. The Company continues to advance intelligent and automated stamping line solutions and has recently secured landmark projects in Southeast Asia and Europe. These achievements demonstrate the Company's capability to deliver complete automated manufacturing solutions, while also contributing to revenue growth and improved profitability.

(III)Overview of technology and R&D:

1. R&D expenditures in the most recent fiscal year and up to the date of publication of the annual report

Unit: NT$ thousand

Year / Item	2025	As of February 28, 2026
R&D expense	163,560	20,000

2. Successfully developed technology or product

Year	R&D results
2021	1. Completed the test run and inspection of SDM1-500 high precision heavy load servo press. 2. Complete PC06/PC10/PC15/PC30 die design optimization
2022	1. Completed the development of the SDE4-1600 large eccentric gear servo press. 2. Completed the development of the SE4-1000(B) blanking press. 3. Completed the design of the SE2-1200(T) multi-station transfer press. 4. Completed the design of the HW200 high-torque clutch. 5. Development of Full-Tonnage Full-Stroke Protection Function for Servos press
2023	1. Completion of the development of the SDN1-110 C type servo press. 2. Completion of the design of the SNS2-600-LT split-frame. 3. Completion of the design of the SAG2-400 vertical-axis high-rigidity. 4. Completion of the design study for the Scottish yoke SDN1-110.
2024	1. Completed development of SE4-800(B) high-speed blanking press 2. Completed development of stamping/shearing vibration simulation and testing system, enabling validation for new machine development 3. Completed development of single-point 800-ton high-pressure hydraulic chamber 4. Completed design of SAG2-1600 two-point high-rigidity large-tonnage press
2025	1. Development of SD1-160 servo press dedicated to fuel cell metal bipolar plate applications completed. 2. Development of a full series of super nut specifications completed. 3. Establishment of a new module for the AW series pneumatic wet-type clutch completed. 4. Completion of extended model design for C-type SN1-300. 5. Completion of lightweight design for SNS2-300 semi-gantry series while maintaining structural rigidity.

(IV) Long-term and short-term business development plans:

1. Short-term business development plans:

(1) Strengthen relationships with existing customers by providing high-quality after-sales service and localized, real-time support to increase repeat purchase rates.
(2) Continue developing new applications such as AI servers, hydrogen energy vehicles, and unmanned vehicles, meeting customized customer requirements and securing turnkey stamping line solutions to enhance product value and expand revenue.
(3) Upgrade existing products by extending applications based on current machine platforms, expanding into new customer segments while optimizing designs to reduce structural costs.
(4) Continuously build a resilient and responsive supply chain by integrating procurement and manufacturing resources between SEYI Taiwan and SEYI China.
(5) Further expand into emerging overseas markets and leverage a global service network to provide localized, timely customer support.

2. Long-term business development plans:

(1) Continue progressing toward becoming customers' preferred partner by providing high-precision, high-quality, and high-value-added stamping solutions, enabling customers to achieve smart and low-carbon manufacturing goals.
(2) Closely monitor the latest developments in metal stamping applications to ensure new product R&D directions remain aligned with market needs.
(3) Strengthen industry–government–academia–research collaboration in response to national strategic development policies and enhance R&D capabilities through knowledge sharing with academic and research institutions.
(4) Continuously uphold ESG sustainable development principles by providing energy-efficient green products and effectively managing product carbon footprints, helping customers address carbon emission regulations and carbon tax challenges.

II. Market, Production and Sales overview:

(I) Market analysis:

1.The company's main product sales area

Unit: NT$ thousand; %

Year / Type of Sales	2025		2024		2023	
	Net sales	Ratio (%)	Net sales	Ratio (%)	Net sales	Ratio (%)
China	1,527,327	37.94%	1,389,597	38.67%	1,310,444	37.47%
Taiwan	253,578	6.30%	128,327	3.57%	117,209	3.35%
America	1,246,835	30.97%	1,111,001	30.91%	1,207,323	34.52%
Europe	58,301	1.45%	367,034	10.21%	172,450	4.93%
Other Areas	939,860	23.35%	597,835	16.64%	690,245	19.73%
Operating Revenue, Net	4,025,901	100.00%	3,593,794	100.00%	3,497,671	100.00%

2. Market share:

According to *The Economist* (25 October 2025) "Global Economic and Financial Indicators," the world economy in 2025 is gradually moving toward balance after three years of turbulence. Following the shocks of the pandemic, supply chain disruptions, and surging inflation, global economic systems are entering a "stable but uncertain" new phase. Even with the unexpected U.S. tariff policy introduced in April, the Company—together with its headquarters and subsidiaries—has leveraged long-standing customer relationships built on trust to navigate these challenges.

Amid an external environment that remains difficult to predict, the Company continues to focus on internal transformation, particularly in digitalization and green development. At the same time, it enhances product value by improving existing designs and developing derivative models to expand into new applications. For example, semi-gantry press machines have successfully entered large home appliances and air-conditioning applications with multiple proven implementations. Servo presses have also achieved breakthroughs in new applications: building on the strong foundation of the SD series, the Company has developed high-rigidity and high-precision servo presses that meet the stringent stamping requirements of hydrogen fuel cell metal bipolar plates.

Through diversified application expansion, optimization of procurement and manufacturing costs, and close monitoring of market trends, the Company has maintained resilient growth even in a generally sluggish global machine tool industry. Its global market share in servo presses remains among the top five, demonstrating the strong collective effort and execution of the organization.

From a regional revenue perspective, the United States continues to act as the “engine of the global economy,” supported by strong domestic demand and solid investment momentum. Its real GDP growth in 2025 is estimated at approximately 4%–5%, significantly outperforming other major economies. The U.S. also remains the Company’s largest export market. Despite ongoing trade tensions and policy uncertainty, strong demand from the local manufacturing sector continues to serve as the primary pillar of revenue stability.

In contrast, China’s domestic market is experiencing weak demand and mild deflation, which has slowed economic recovery. However, focusing on the metal stamping industry, approximately one-third of global stamping part sales originate from China, equivalent to around USD 70.8 billion, with a projected compound annual growth rate (CAGR) of 7.8%. The SEYI China team remains optimistic about long-term market potential and continues to pursue opportunities amid challenging conditions, aiming to maintain revenue at a level comparable to 2024.

Japan’s overall economy is recovering moderately, with growth mainly driven by exports and tourism. The continued depreciation of the Japanese yen has enhanced the overseas competitiveness of local equipment manufacturers. As a result, the Company faces intensified cost competition in securing Japanese customer projects, leading to a decline in revenue performance in this region compared with 2025.

Meanwhile, emerging markets such as Southeast Asia and India are benefiting from supply chain restructuring and regionalization driven by geopolitical shifts. Manufacturing demand in these regions remains strong, resulting in robust revenue performance for the Company. This momentum is expected to continue into 2026, maintaining stable growth in these markets.

3. Demand and supply conditions for the market in the future, and the potential of market growth

(1) Supply and demand trends in the market

According to the International Monetary Fund (IMF) World Economic Outlook released in October 2025, global economic growth is expected to slow to 3.1% in 2026, continuing a downward trend from 3.3% in 2024 and 3.2% in 2025. The outlook remains subject to multiple risks, including persistent global instability, trade protectionism, geopolitical tensions, supply chain restructuring, fragile public finances, and widespread labor shortages. Advanced economies are projected to grow by approximately 1.5%. The United States is expected to remain relatively resilient, with growth slowing from 2.8% in 2024 to 2.1% in 2026. The Eurozone is forecast to grow by 1.1% in 2026, constrained by high energy costs and slow recovery demand. Emerging and developing economies are expected to grow slightly above 4%. China’s growth is projected to moderate from 4.8% in 2025 to 4.2% in 2026, reflecting structural reforms and industrial adjustment. India is expected to remain one of the strongest-performing economies globally, maintaining growth above 6%.

According to the Taiwan Institute of Economic Research (TIER) released in November 2025, Taiwan’s economic growth is expected to slow to around 2.6% in 2026, down from the peak in 2025. The moderation is mainly due to a high base effect from strong

AI-related investment and export growth in 2025, combined with increasing external uncertainties. In the automotive industry, Goldman Sachs estimates global vehicle sales will increase from approximately 90 million units in 2025 to 92 million units in 2026, representing 2.1% growth. The industry is expected to experience moderate expansion but continues to face challenges such as tariffs, stricter EU carbon emission regulations, and intense competition in the Chinese market, which is increasing pressure on automakers' profitability. Companies will rely more heavily on product competitiveness, cost control, and strategic market positioning. By region, U.S. new vehicle sales are expected to slightly decline from 16.3 million units in 2025 to 16.0 million units in 2026, reflecting a gradual market normalization and weaker consumer affordability. China continues to dominate the electric vehicle market, with new energy vehicle sales expected to reach 14.93 million units, accounting for approximately 61.8% penetration. Passenger vehicle electrification in China is expected to exceed 50% for the first time, while exports are projected to grow by around 40%. In Europe, despite a wide range of EV models, insufficient incentives and infrastructure continue to constrain demand growth.

The global electric vehicle market continues to expand rapidly. Gartner estimates that total global EV ownership will reach 116 million units in 2026, representing a 30% increase from 2025. Battery electric vehicles (BEVs) are expected to rise from 59.48 million to 76.34 million units, while plug-in hybrid electric vehicles (PHEVs) are projected to increase from 30.07 million to 39.83 million units. European automakers are adjusting their strategies, positioning BEVs as a long-term goal while prioritizing hybrid vehicles in the short to medium term to comply with the EU's 2030 net-zero targets. Hybrid vehicles are expected to reach a 20% market share in 2026.

Hydrogen fuel cell vehicles remain in the early stage of development, with global cumulative sales exceeding 100,000 units. While passenger car sales have declined in recent years, industry focus and government policies are shifting toward commercial applications such as buses, trucks, and heavy-duty vehicles. Due to fixed routes and centralized fleet management, commercial vehicles are more suitable for hydrogen refueling infrastructure development. Hydrogen station networks are steadily expanding across China, South Korea, Japan, Europe, and North America. Falling fuel cell system costs, continued investment from major automakers such as Toyota and Hyundai, and government incentives including subsidies and tax benefits are supporting long-term development in this sector.

In consumer electronics and home appliances, structural changes are increasingly influencing the metal stamping industry. The AI server market is experiencing explosive growth, with shipments expected to continue growing by more than 20% in 2026, extending the strong momentum from 2025. This will continue to benefit the metal stamping industry through rising demand for high-precision enclosures, complex components, and advanced thermal management solutions. Material upgrades and increased design complexity are driving technological advancement in stamping processes.

In high-end and smart home appliances, product design is becoming more diversified, with greater emphasis on aesthetics and surface quality. This is expected to increase demand for precision metal enclosures, panels, and decorative components. Manufacturing complex shapes and varied specifications will require more flexible production equipment and advanced stamping processes.

(2) Future development trend and growth

The future development of the automotive industry, especially trends toward electrification, lightweighting, and smart manufacturing, presents both challenges and opportunities for the metal stamping industry.

As electric vehicles become more widespread, demand for high-strength, lightweight metal components is increasing significantly. Metal stamping is a key technology for producing these high-precision parts, such as battery housings and motor cores, in mass production. Lightweight vehicle design is driving automakers to adopt advanced materials, including aluminum alloys, high-strength steel, and even carbon fiber composites. These non-traditional materials require investment in new equipment and technologies, such as servo presses and hot stamping processes, due to their higher processing complexity.

In addition, the emphasis on sustainable manufacturing creates further transformation opportunities. In response to environmental regulations, manufacturers are adopting energy-efficient presses, recycled materials, and waste-reduction circular production processes, which are increasingly important to automakers.

Overall, developments in end-use applications are driving structural upgrading and technological transformation in the metal stamping industry. Whether in automotive electrification, rapid growth of AI servers, or smart home appliances, companies that align with these trends—focusing on high-strength, high-precision processing, new material applications, and smart manufacturing—will gain significant growth potential.

As a metal stamping equipment manufacturer, the company must evolve alongside its customers. To support industry transformation, providing advanced equipment and intelligent stamping production line solutions is an inevitable strategic direction.

4. Competitive niches, positive and negative factors for future development, and the company’s response to such factors

(1) Positive factors for future development

A. Servo presses as a key driver of technological upgrading in metal stamping

In recent years, the revenue share of servo presses has steadily increased. The main drivers are customer demand for high-mix low-volume production, high precision, complex parts, and smart manufacturing transformation. With precise control of ram position and speed via servo motors, stamping processes gain greater flexibility and design capability. Compared with conventional presses, servo systems deliver higher productivity, improved product quality, reduced die wear, fewer process steps, and lower energy consumption. Although initial investment is higher, most customers report strong ROI after reviewing actual production data.

The company has also developed demonstration applications, including multi-process consolidation deep-drawn cups, 1500 MPa ultra-high-strength steel forming, automotive brake brackets replacing casting processes, and ultra-thin bipolar plate forming for hydrogen energy applications, showcasing technological breakthroughs and new application possibilities.

B. Expansion into emerging application sectors

Beyond traditional automotive stamping, the company now serves industries including batteries, data center infrastructure, consumer electronics, and home appliances. A key example is the SN(L)S semi-closed frame series, widely applied in large TV panels and HVAC systems, significantly expanding product value.

To meet cross-industry demands, the R&D team enhances existing designs by enlarging table size and optimizing structure, enabling customers to adopt derivative models without upgrading to higher-end machines, thereby reducing investment costs. Combined with automation peripherals and smart stamping systems, customers can achieve real-time monitoring and production data collection, supporting smart manufacturing upgrades while reducing reliance on a single industry and diversifying business risk.

C. Commitment to ESG sustainable development

Since announcing its ESG Vision Initiative during the 60th anniversary celebration on November 3, 2022, and publishing its first Sustainability Report in August 2025, the company has formally established an ESG task force and a Sustainability Development Committee. Employees across all functions are encouraged to integrate ESG principles into their daily operations. In addition, regular training and advisory programs on sustainable management are provided for senior executives and ESG working groups. The Sustainability Development Committee also holds quarterly meetings to review progress against targets and assess prior performance. ESG performance indicators are treated as a core business strategy, supporting continuous advancement in digital and green transformation and helping achieve long-term sustainable growth. This approach also strengthens transparent, responsible, and trust-based relationships with key stakeholders, including employees, customers, suppliers, and shareholders. ESG has become a core business strategy, supporting digital and green transformation while strengthening long-term trust with employees, customers, suppliers, and shareholders.

D. Integration of R&D resources and supply chain resilience

R&D teams in Taiwan and China are coordinated to leverage complementary strengths across different machine platforms, enabling flexible resource allocation for orders, development, procurement, and inventory management. The company continues to implement supply chain diversification and integrates cross-regional manufacturing resources to mitigate geopolitical and trade risks.

E. Strengthening R&D capabilities and talent development

Internally, the company promotes training programs, cross-department knowledge sharing, and international rotations. Externally, it collaborates with global industry, government, and academic institutions to develop innovation programs in emerging markets and applications, expanding metal processing and R&D capabilities while maintaining a customer-oriented approach.

F. Global service network for real-time technical support

With subsidiaries in the U.S., China, Europe, and Thailand, along with global distributors and service teams, the company has established a comprehensive global support network. This ensures stable customer production and reduces downtime risks. In addition, localized manufacturing trends driven by geopolitical shifts are closely monitored, allowing global feedback to be incorporated into product development to better meet regional market needs.

(2) Negative factors for future development and countermeasures

A. Rising raw material costs increase production pressure

In recent years, rising raw material prices have been driven by multiple factors, including global economic conditions, geopolitical tensions, and structural changes in supply chains. This has led to higher production costs, increased working capital requirements, reduced profit margins, and intensified market competition. The company responds by implementing lean production, process digitalization, and smart manufacturing tools to improve efficiency and reduce waste, thereby offsetting cost pressures. In product design, lightweighting and alternative materials are adopted to reduce material costs. At the same time, product differentiation is strengthened to enhance added value and improve customer acceptance of price adjustments.

B. Labor shortage and recruitment challenges

Taiwan is facing severe labor shortages due to low birth rates, an aging population, industrial restructuring, and changing employment preferences among younger generations. To address these challenges, the company enhances employee benefits and builds a friendly workplace to improve retention, strengthens training programs to develop internal talent, introduces automation and smart equipment to reduce labor dependency, apply AI tools to support daily operations, and expands diversified recruitment channels to improve talent acquisition capability.

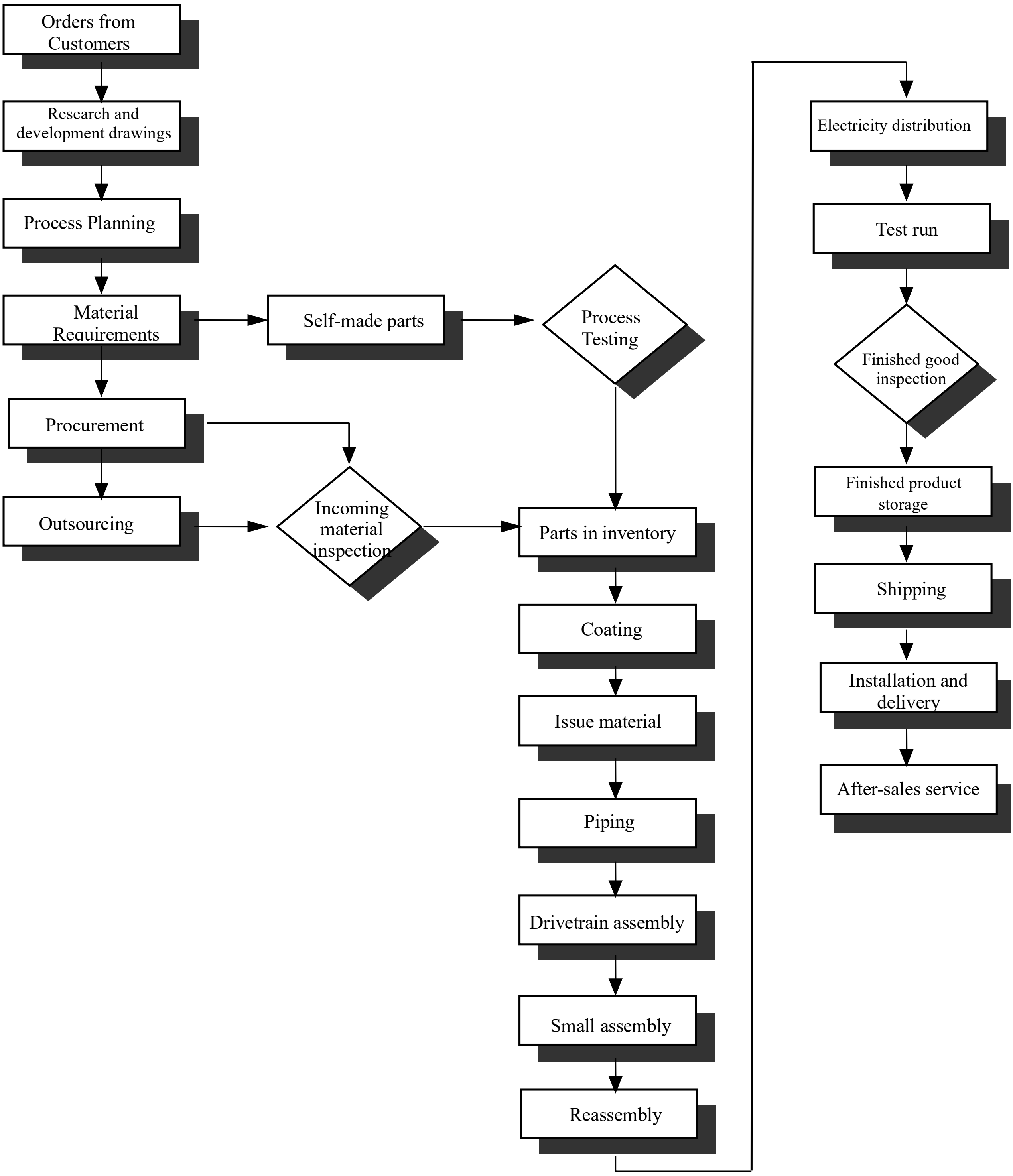
(II) Important applications and production process of main products

1. Usage of the company's main products:

The presses developed by the company are widely used for metal forming processes such as blanking, shearing, punching, bending, and deep drawing. These applications are commonly found in automotive stamping parts, including large body panels, structural safety components, and various small precision parts. In recent years, demand has also expanded into consumer electronics and home appliances, such as metal housing, as well as sheet metal parts for furniture and agricultural machinery. Servo presses, with their flexible motion control capabilities, are particularly suitable for high-precision components required in aerospace and medical applications. In terms of materials, applications extend beyond conventional metals such as steel and aluminum alloys to include advanced composite materials. In certain cases, non-metal materials such as carbon fiber and paper-based materials can also be processed using stamping technology.

Product Name	Application	
Stamping press	Automobile	Sheet metal, engine panel, rear trunk cover, fender, automotive hardware, and automotive electronics
	Automobile Parts and Accessories	Automotive sheet metal parts, AB pillar frame, anti-collision steel beam, all kinds of pedals (including brake and clutch pedals), and small parts for motorcycles and bicycles, chains, etc.
	Medical Devices	Surgical equipment, stents, medical instrument cases, hospital bed mechanism parts, etc.
	Consumer Electronics	Computer casing, disk drive casing, CD-ROM drive casing, power supply casing, heat sink, iron frame for monitor tube, various connectors
	Home Appliances	Air conditioner casing, base, LCD screen back cover, various switches, battery clips, various plugs, socket brass, toaster casing, metal sheet for lighting, microwave oven casing and internal parts, etc.
	Communication Products	Metal stamping components for various communication products including switches and cell phones
	Hydrogen-powered mobility vehicles	Hydrogen energy transport applications—such as automobiles, trucks, ships, and aircraft—rely on fuel cell systems that use metal bipolar plates as a key component.
	Motors and transformers	Motors for washing machines, compressors for air conditioners (including refrigerators), starter motors for automobiles, motors for electric windows and windshield wipers, motor housings and rotors for motors under 1/2 HP, transformers for general household appliances, and heat sink motors for computers
	Stationery, furniture	Stapler, book clip, pen clip, metal frame for office chair, desk drawer, slide rail, door lock
	Heavy Electrical Engineering	Large transformer silicon steel plate
	Construction Machinery	Sheet metal parts, engine parts, hardware parts, exterior parts, gear plates
	Agricultural Machinery	Sheet metal parts, engine parts, exterior parts, hardware parts, gear plates, blades
	Aerospace Industry	Sheet metal parts for aerospace, aircraft fasteners, instrument panel housings, and other structural components, etc.
	Others	Floor tile (plastic) cutting, environmentally friendly paper material

2. Manufacturing processes for the company's main products:



(III) Supply situation for the company’s main raw materials:

The main raw materials used in our products are frames, punches, plates, gears, crankshafts, servo motors, etc. All of them are supplied by our partners or partly purchased from overseas. The company has good cooperation with the importers and the price is stable. Overall, the company has sufficient access to a number of domestic and international suppliers for its major raw materials. However, in order to disperse the purchasing risk, the company still adds other suppliers in a timely manner, so that the price and quality can be maintained in a reasonable and stable condition.

(IV) A list of suppliers and clients accounting for 10 percent or more of purchases / sales and respective amount and percentage in the most recent 2 years:

1. List of Major Suppliers:

Information on Major Suppliers for the Most Recent 2 Years

Unit: NT$ thousand; %

2024				2025				Q1 2026			
Name of entity	Amount	As a percentage of net purchase(%)	Relationship with the issuer	Name of entity	Amount	As a percentage of net purchase(%)	Relationship with the issuer	Name of entity	Amount	As a percentage of net purchase(%)	Relationship with the issuer
Supplier A	274,858	14%	None	Supplier A	283,363	14.00%	None	Supplier A	58,847	12.00%	None
Other	1,657,644	86%	None	Other	1,805,104	86.00%	None	Other	438,071	88.00%	None
Net purchase amount	1,932,503	100%	None	Net purchase amount	2,088,467	100.00%	None	Net purchase amount	496,919	100.00%	None

Changes in major suppliers: Supplier A is a professional steel plate welding and cutting manufacturer, mainly engaged in the welding and processing of machine frames and gear structures. The company mainly purchases cut steel plates and frames from Supplier A.

2. List of Major Customers:

Information on Major Customers for the Most Recent 2 Years

Unit: NT$ thousand; %

2024				2025				Q1 2026			
Name of entity	Amount	As a percentage of net sales(%)	Relationship with the issuer	Name of entity	Amount	As a percentage of net sales(%)	Relationship with the issuer	Name of entity	Amount	As a percentage of net sales(%)	Relationship with the issuer
Net sales	3,593,794	100%	None	Net sales	4,025,901	100%	None	Net sales	281,073	100%	None

Changes in major customers: There were no other single customers whose revenue reached 10% or more of the Group’s total revenue in fiscal 2025 and 2024; therefore, there was no significant change.

III. Information on the employees hired, number of employees, average years of service, average ages, and distribution of education in the most recent two years up to the date of publication of the annual report:

Year		2024	2025	As of February 28, 2026
Number of employees	Number of managers	55	62	62
	Indirect employees	318	278	284
	Direct employees	335	365	359
	Total	708	705	705
Average age		41	43	42
Average years of service		7.1	7.4	7.5
Education distribution percentage (%)	Ph.D.	2%	2%	2%
	Master's degree	16%	14%	14%
	College	46%	54%	53%
	Below senior high school	36%	30%	31%

IV. Disbursements for environmental protection

The company has established an ISO 14001 Environmental Management System and conducts regular workplace environmental monitoring in accordance with relevant regulations. Through sampling, analysis, and instrument-based measurements, workplace environmental conditions are continuously assessed. Occupational physicians also provide on-site evaluations to support risk control and improvement measures, ensuring employee health and workplace safety. An ISO 14064-1 greenhouse gas inventory is verified annually by a third-party organization. The system is regularly reviewed under internal management procedures for continuous improvement, with ongoing evaluation to expand the scope of greenhouse gas inventory and product carbon footprint (ISO 14067).

The ISO 14001 certification is valid from November 9, 2025 to November 8, 2028.

2025 implementation highlights:
To reinforce environmental protection practices, an annual environmental budget is allocated, covering waste disposal and treatment, environmental training, and maintenance of environmental facilities. Total environmental-related expenditure for the Taiwan site in 2025 amounted to NT$975 thousand.

The company continues to promote waste reduction and resource recycling through waste segregation, recycling programs, and process optimization to improve resource efficiency and reduce raw material consumption and waste generation. In 2025, total waste amounted to 19.70 metric tons, a reduction of 1.05 tons compared to 2024 (20.75 tons), representing a decrease of approximately 5.06%.

All industrial waste is handled by licensed contractors and fully reported through the

Environmental Protection Administration's reporting system to ensure traceability.

No environmental penalties, compensation, or mandated corrective actions were incurred during the year. The company has not been found in violation of environmental regulations, and no related losses or contingent liabilities are expected currently or in the foreseeable future.

V. Labor relations:

(I) Current labor-management agreements and implementation status

1. Salary and employee benefits

The Company is committed to providing compensation and a diversified benefit system that exceeds legal requirements, ensuring stable protection and a high-quality living support for employees.

1.1 Compensation system and incentives

A. Base salary / B. Variable incentives: annual bonuses, quarterly performance bonuses, and employee profit sharing (cash). / C. Statutory protection.

1.2 Company-provided welfare programs (diversified)

Category	Key benefits
Living & health	Free meals, uniforms, safety shoes, dormitory accommodation, health check-ups, parking facilities
Allowances & care	Housing grants, maternity grants, marriage and bereavement allowances, sickness and injury sympathy payments
Social responsibility	Subsidized vision-impaired massage services; counseling and support for new employees and migrant workers
Education & subsidies	Foreign language learning subsidies; continuing education subsidies; scholarships for employees' children

Employee Welfare Committee programs organize annual employee trips, holiday and birthday e-vouchers, hospitalization and injury sympathy payments, and subsidies for recreational clubs and activities.

2. Employee Training and Development Programs

The Company regularly plans and implements employee training and development programs to ensure employees' professional capabilities grow in line with the Company's development.

2.1 Training Framework

The training framework covers orientation training, on-the-job training, management training, core value training, professional training, and self-development training.

2.2 Annual Results (2025)

Total trainees: approximately 1,100 participants,

Total training hours: approximately 4,700 hours

The Company develops employees through management-level training, department-based professional skill training, new employee orientation, ESG and corporate governance programs, as well as professional and managerial skill development. This training structure supports employees from onboarding and professional performance enhancement to management role development. The Company aims to help employees expand their capabilities in depth, breadth, and leadership while creating a career development environment that allows employees to realize their strengths and potential, thereby enhancing corporate value and competitiveness.

A. Management Training

Target participants: Department managers and section supervisors

Course objectives: Managerial role recognition, project management, frontline supervisor training, team building, strategic thinking, resilience enhancement, and related topics.

Implementation results: The Company selected "strategic thinking" and "resilience enhancement" as key themes. Professional consultants were invited to design and conduct customized courses and activities aligned with the Company culture and participants' backgrounds. In addition to lectures, group discussions, presentations, and case studies were conducted to strengthen both management skills and leadership influence. A total of 2 sessions (7 hours each) were conducted with 51 participants.

B. Professional Skills Training

Target participants: Employees of all departments

Training areas: Professional-oriented.

Implementation and results: Instructors are selected from each department with hands-on experience and technical expertise, as well as the ability to develop teaching materials and deliver instruction. This enhances professional learning across cross-functional units, and also supports early development of multi-skilled, cross-disciplinary talent while reducing potential silo mentality.

Results: 34 sessions with 611 participants.

C. New Employee Training

Target participants: New employees

Course content: Work rules and employee benefits, occupational safety regulations, employee rights, attendance policies, company monthly meetings, and other essential topics. Departments are also required to arrange training in expertise so that new employees can become familiar with their duties and adapt to the work environment.

Implementation results: 29 participants attended the training.

D. ESG, General Education, and Technical Certification Training

i. In response to global trends, regulatory requirements, and corporate social responsibilities, to enhance employees' understanding of ESG and their professional responsibilities, internal ESG coordinators arranged training programs with external consultants and instructors.

Target participants: Senior management and ESG task force members

Course content: ESG fundamentals, corporate responsibilities and operational impacts, sustainability report writing, and implementation practices.

Implementation results: 6 sessions (3 or 6 hours each) with approximately 160 participants.

ii To promote management philosophy, ethical standards, and newly amended regulations, relevant departments periodically conduct awareness sessions and regulatory updates through monthly meetings, internal announcement platforms, and departmental meetings, ensuring employees remain informed.

iii. The Company arranges certification training and refresher courses through internal classes or external training programs to ensure employees operate equipment legally and safely.
Implementation results: 2 certification training sessions with approximately 40 participants, and 2 refresher sessions with approximately 70 participants.

3. Employee Retirement Plans

The Company has established clear retirement plans in accordance with applicable labor laws and regulations, including Old Pension System (Labor Standards Act) and New Pension System (Labor Pension Act).

4. Labor-Management Relations and Major Agreements

4.1 The Company upholds the philosophy of "labor and management working together for mutual prosperity" with the goal of becoming a "Happy Enterprise."

4.2 Formal Communication Mechanisms
The Company has established and regularly convenes the Employee Welfare Committee, labor-management meetings, and Occupational Safety and Health Committee meetings in accordance with regulations.

4.3 Company-Wide Communication Channels
All employees participate in the monthly company meeting held at the beginning of each month, which serves as a platform for communicating company policies, operational direction, and business objectives, enabling all employees to work together toward common goals.

5. Promoting Gender Equality and Diversity

The Company has established Regulations for the Prevention of Sexual Harassment and Employee Complaint Management to ensure that employees are not subject to discrimination, harassment, or unequal treatment on the basis of race, gender, religion, age, political affiliation, or any other status protected under applicable laws and regulations.

The Company's performance in promoting gender equality and diversity in 2025 is summarized as follows:

5.1 Employee Ethnicity Indicators

Category	Number of Employees	Percentage of Total Employees (%)	Percentage of Management Positions (%)
R.O.C.	278	86.1%	98.4%
Foreign Employees	43	13.3%	-
Indigenous Employees	2	0.6%	1.6%

5.2 Female Diversity Indicators

Indicators	Percentage
Percentage of Female Employees in Total Workforce	22%
Percentage of Female Frontline Supervisors	21%
Percentage of Female Employees in STEM (Science, Technology, Engineering, and Mathematics) Related Positions	22%

5.3 Other Diversity Indicators

<table>
<tr><td>Category</td><td colspan="2">Percentage of Full-Time Equivalent Employees（%）</td></tr>
<tr><td>Employment of Persons with Disabilities and Middle-aged / Elderly Workers</td><td colspan="2">0.6%</td></tr>
<tr><td>Hiring of Middle-aged and Elderly Employees in 2025</td><td colspan="2">0.9%</td></tr>
<tr><td rowspan="4">All Employees</td><td>By Age Group:
Under 30 Years Old</td><td>13%</td></tr>
<tr><td>By Age Group:
30～50 Years Old</td><td>66%</td></tr>
<tr><td>By Age Group:
>50 Years Old</td><td>21%</td></tr>
<tr><td>Total</td><td>100%</td></tr>
</table>

(2) Losses incurred as a result of labor disputes in the most recent fiscal year and up to the date of publication of this annual report (including violations of the Labor Standards Act identified through labor inspections, specifying the date of penalty, reference number, violated regulations, details of the violation, and penalty imposed), as well as the estimated amount of current and potential future losses and corresponding countermeasures; if such amounts cannot be reasonably estimated, the reasons shall be explained:

The Company has not incurred any labor disputes or related losses during the most recent fiscal year and up to the publication date of this annual report.

VI. Cyber security management:

(I) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management.

1. Cyber security risk management framework

In 2023, the company established a "Cyber Security Team" to coordinate and implement relevant security policies and promote information security awareness. The team is responsible for setting up protective mechanisms and disseminating information security messages to enhance colleagues' awareness of information and communication security. Regular security and social engineering drills are conducted to ensure the normal, safe, and stable operation of the company's information systems. This initiative aims to create a secure and reliable information system and operational environment.

2. Cyber security policies

SEYI Machinery adheres to international regulations for information security, implementing relevant policies to maintain confidentiality, integrity, availability, and compliance of company information. On December 1, 2023, the company joined the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) as a member to proactively obtain cybersecurity alerts, understand security threats and vulnerabilities, and report information security incidents.

We regularly assess various internal information security risks and align with global security trends and threats. We plan to enhance internal security operations and update equipment to reduce operational risks. The key points of our information security implementation include:

(1) Network Security Control

Deploy firewalls to prevent external attacks.

Implement Web Application Firewall (WAF) protection.

Strictly prohibit non-company IT devices from accessing the internal company network.

Control the connection mechanisms of the company’s internal wireless network (WIFI).

(2) Endpoint Protection

Regularly update Windows Update and antivirus virus definitions.

Control access to USB and other removable media devices.

Manage commercial software licensing and installation.

Regularly perform system vulnerability scans to identify potential risks.

(3) User Account Management

Strict management of employee accounts during onboarding and offboarding.
Enable Multi-Factor Authentication (MFA) and promote zero-trust architecture.

(4) Data Backup Management
Establish a comprehensive backup mechanism and perform daily backups.
Regularly conduct backup restoration and verify file integrity.

(5) Information Emergency Response Measures
Conduct annual Disaster Recovery (DR) drills.

(6) Employee Cybersecurity Awareness and Training
Conduct monthly cybersecurity awareness campaigns.
Perform annual social engineering drills to enhance employee security awareness.

3. Concrete management plan for cyber security and resources put into cyber security management in 2025

(1) Number of information security incidents in 2025: 0.
(2) Strengthened offsite backup mechanisms for group companies.
(3) Enhanced redundancy mechanisms for the group’s network equipment.
(4) Held 2 cybersecurity training sessions (97% attendance rate).
(5) Conducted monthly cybersecurity awareness campaigns regularly.
(6) Performed regular social engineering drills (99% of employees met the target).
(7) Conducted regular disaster recovery drills.
(8) Performed regular system vulnerability scans.
(9) All cybersecurity personnel completed external cybersecurity courses annually (16hours, Achievement Rate: 100%).

(II) List any losses suffered by the company in the most recent year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

The company has not experienced any cyber security incidents that resulted in losses to the company in the most recent year and up to the annual report’s publication date.

VII. Important contracts: None

Chapter Five. Financial Status and Performance reviewed/analysis, and risk assessment

I. Financial Status

Unit: NT$ thousand

Item \ Year	2025	2024	Differences	
			Amount	%
Current assets	4,833,787	5,364,426	(530,639)	(9.89%)
Non-current assets	1,704,093	1,207,826	496,267	41.09%
Assets	6,537,880	6,572,252	(34,372)	(0.52%)
Current liabilities	2,807,304	2,589,667	217,637	8.40%
Non-current liabilities	1,142,838	1,297,262	(154,424)	(11.90%)
Liabilities	3,950,142	3,886,929	63,213	1.63%
Capital - common stock	1,584,341	1,584,341	0	0.00%
Capital reserve	184,982	184,982	0	0.00%
Retained earnings	875,337	1,020,983	(145,646)	(14.27%)
Other equity	(56,922)	(104,983)	48,061	(45.78%)
Equity	2,587,738	2,685,323	(97,585)	(3.63%)

Analysis of changes in ratio of increase/decrease (if the change is more than 20% and the amount of change reaches NT$10 million):
Non-current assets: mainly due to acquisition of financial assets in 2025.
Other equity: mainly due to an increase in unrealized gains on financial assets in 2025.

II. Financial Performance

Unit: NT$ thousand

Item \ Year	2025	2024	Differences	
			Amount	%
Operating Income	4,025,901	3,593,794	432,107	12.02%
Operating costs	2,979,423	2,588,645	390,778	15.10%
Operating gross profit	1,046,478	1,005,149	41,329	4.11%
Operating expenses	992,767	927,889	64,878	6.99%
Net Income (loss) from operating	53,711	77,260	(23,549)	(30.48%)
Non-operating income and expenses	(27,389)	253,287	(280,676)	(110.81%)
Net Income before tax	26,322	330,547	(304,225)	(92.04%)
Income tax benefit (expense)	5,298	(84,792)	90,090	(106.25%)
Net income	31,620	245,755	(214,135)	(87.13%)

Analysis of changes in ratio of increase/decrease (if the change is more than 20% and the amount of change reaches NT$10 million):
Net income from operating: In 2024, profitability was higher due to more favorable pricing and sales terms from large orders. In 2025, affected by U.S. tariff policies, product-related costs and expenses increased, resulting in a significant decline in operating income.
Non-operating income and expenses: In 2025, due to changes in the global macroeconomic environment and interest rate policies, the New Taiwan Dollar appreciated sharply against the U.S. Dollar in the second quarter, leading to substantial foreign exchange losses on foreign currency positions and increasing non-operating expenses.
Income tax benefit: In the current year, due to a decrease in pre-tax income and the recognition of deferred income tax effects, an income tax benefit was recorded.

III. Review and Analysis of Cash Flows Table

Unit: NT$ thousand

Cash at Beginning of Year	Net cash inflow (outflow) from operating activities for the year	Net cash inflow (outflow) from investing and financing activities for the year	Effect of exchange rate fluctuations on cash and cash equivalents	Excess (shortfall) of cash	Remedial Measures for Cash Inadequacy	
					Investment plan	Financing plan
2,728,467	(15,114)	(483,077)	(39,719)	2,190,557	-	-

(1) Analysis of Cash Flow Variations:

- Net cash outflow from operating activities was approximately NT$15,114 thousand, mainly due to an increase in notes and accounts receivable resulting from higher revenue in the current period.
- Net cash outflow from investing and financing activities was approximately NT$483,077 thousand, mainly due to the payment of 2024 cash dividends of NT$190,121 thousand and the acquisition of various financial assets.

(2) Improvements for Lack of Liquidity: Not applicable.

(3) Liquidity Analysis for the Next Year: Not applicable.

IV. Effect upon financial operations of any major capital expenditure during the most recent fiscal year: None.

V. The company's reinvestment policy for the most recent fiscal year, the main reasons for the profits/losses generated thereby, the plan for improving re-investment profitability, and investment plans coming year:

The company's investment policy is based on the long-term strategy, and the "Procedures for the Acquisition or Disposal of Assets" in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" established by the competent authority is used as the basis for the company's investment business, in order to grasp the related business and financial situation. In addition, the company has established control and management rules for its subsidiaries in its internal control system, and set up relevant regulations for information disclosure, finance, business, inventory and financial management. The company regularly performs audits on important subsidiaries to establish the related operational risk mechanism so that the company can maximize the effectiveness of its investees.

In response to the global trend towards net-zero carbon emissions advocated by governments and various countries, the company is also focusing on the future transformation of the manufacturing industry towards low-carbon and intelligent upgrades. We are investing in and implementing plans for infrastructure development to facilitate this transition.

VI. Risk Management and Assessments:

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

1. The effect upon the company's profits (losses) of interest rate fluctuation, and response measures to be taken in the future:

   The interest income of the company and its subsidiaries for 2025 was $97,393 thousand, representing 2.4% of the net operating income; the interest expense was $33,996 thousand, representing 0.8% of the net operating income. Given their relatively low proportion; therefore, the effect of interest rate fluctuations on overall profitability is not significant. The company regularly evaluates bank borrowing rates to obtain more favorable borrowing rates or types of loans for the company. Short-term working capital is often funded by lower interest rates from the money market. The company has adjusted to increase the proportion of medium- and long-term loans in order to strengthen its financial structure and reduce capital risk. In addition, the company maintains good relationships with its creditors. In response to the interest rate fluctuations, the company will closely monitor the interest rate movements in the future, adjust the borrowing structure and take necessary measures to avoid the risk of interest rate increases promptly.

2. The effect upon the company's profits (losses) of exchange rate fluctuation, and response measures to be taken in the future:

   For export orders denominated in foreign currencies such as USD, the Company adjusts quotation exchange rates or sets corresponding exchange rate settlement terms based on fluctuations in interest rates and exchange rates.

   As the Company has a high proportion of export sales and relatively low import exposure, it holds a significant foreign currency position. Over the years, accumulated foreign currency assets have been managed with consideration of hedging costs. The Company uses spot exchange rates and various hedging instruments in combination to mitigate foreign exchange risk.

3. The effect upon the company's profits (losses) of changes in the inflation rate, and response measures to be taken in the future:

   The company and its subsidiaries will keep track of price fluctuations of raw materials and key components, maintain good interaction with suppliers and customers, and timely adjust product prices and raw material inventory quantity in response to the price vitality, so as to reduce inflation impact on the company.

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

The company does not engage in high-risk and high-leverage investment activities, except for the endorsement and guarantee or lending of funds for the financing needs of its subsidiaries. The company follows the company's procedures for lending funds to others and the procedures for endorsement and guarantee. In addition, the policy on derivative transactions is governed in accordance with the "Procedures for the Acquisition or Disposal of Assets".

(III) Future R&D plans and expected R&D expenditures:

The company invests in research and development in order to maintain its competitiveness in the marketplace through continuous research and development of new products and technologies. The company has been collecting global market information, industry development analysis, and trends in the development of press technology for a long time, based on global development. We formulate long-term research and development strategies and product development projects at various stages to effectively reduce the risk of ineffective investment of R&D funds.

(IV) Effect on the company's financial operations of changes in the domestic and overseas policies and regulatory environment, and measures to be taken in response:

The company and its subsidiaries operate in accordance with the relevant domestic and overseas laws and regulations. In recent years, domestic and overseas policies and laws have changed, the most important issues related to business operation are corporate governance and environmental protection. The company will gradually enhance its corporate governance based on the legal system with a steady and flexible response.

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

The company is a professional and leading manufacturer of stamping presses. Our products are widely used in various metal stamping industries. In response to market demand and competition, the company continues to develop refined and high value-added products to enhance its competitiveness and leading position in the market.

Cyber security risk assessment: The company has established the highest guiding principles for its information system, along with relevant management regulations and operational procedures as a reference framework. At the same time, we integrate and strengthen our information security management system, establish an institutionalized, documented and standardized management mechanism, and continuously monitor and review management performance to implement our information system policy and the sustainable business operation concept. We will also achieve the implementation of information security management policies, introduce comprehensive information security management systems, train information security professionals, strengthen information security environment and response capabilities, and achieve information system policy measurement. The company ensures the confidentiality, integrity, and availability of the information assets belonging to the company and complies with the relevant laws and regulations to protect them from internal and external threats, whether intentional or accidental, to protect the rights of the company's employees or customers.

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

The company and its subsidiaries have always been operating with professionalism and integrity. The management has been operating in a law-abiding manner, focusing on high-end development and sustainable services, and providing excellent products to our customers, so that we have a good reputation in the industry. There is no significant impact on the company due to the change of corporate image in the recent year.

(VII) Expected benefits and possible risks associated with any merger and acquisitions, and mitigation measures being or to be taken: None.

(VIII) Expected benefits and possible risks associated with any plant expansion, and mitigation measures being or to be taken: None.

(IX) Risks associated with any consolidation of sales or purchasing operations, and mitigation measures being or to be taken:

(X) Effect upon and risk to the company in the event a major quantity of shares belonging to a director, or shareholder holding greater than a 10 percent stake in the company has been transferred or has otherwise changed hands, and mitigation measures being or to be taken: None.

There is no significant transfer of equity by the company's directors, or major shareholders who hold more than 10% of the shares. The current shareholding percentages of directors are in compliance with the regulations set by competent authority and have not had a significant impact on the company's operations.

(XI) Effect upon and risk to the company associated with any change in managerial control and mitigation measures being or to be taken: None.

There is no change in the managerial control of the company and its subsidiaries that would affect the company's operations, and the company and its subsidiaries have established a complete internal control system and related management rules, so there should be no significant impact on operations if there is a change in managerial control.

(XII) Disclosure of litigious and non-litigious matters: None.

(XIII) Disclosure of other significant risks and countermeasures: None.

VII. Other material items: None.

Chapter Six. Special items to be included

I. Information related to the company's affiliates:

(I) Consolidated business report of affiliates

Please refer to the Market Observation Post System (MOPS) for more information.

Access path:
Market Observation Post System (MOPS)
> Specific Company > Electronic Document >Download
> Related Party Transactions (Three Statements) Section

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

(II) Consolidated financial statements of affiliates:

In 2025, the company required to be included in the preparation of the consolidated financial statements of affiliated enterprises, in accordance with the "Regulations Governing the Preparation of Consolidated Business Reports, Consolidated Financial Statements, and Affiliation Reports of Affiliated Enterprises," are the same as those required to be included in the parent-subsidiary consolidated financial statements under the International Financial Reporting Standards. Therefore, separate consolidated financial statements for affiliated enterprises are not prepared.

(III) Affiliation reports: Not applicable.

II. Where the company has carried out a private placement of securities during the current fiscal year up to the date of publication of the annual report: None.

III. Other matters that require additional supplement: None.

IV. If any of the situations listed in Article 36, paragraph 2, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the current fiscal year up to the date of publication of the annual report: None.

SHIEH YIH MACHINERY INDUSTRY CO., LTD.

Chairman Ya-Hui Kuo