



# 2025 Annual Report

*Notice to readers*

*This English-version Annual Report is a summary translation of the Chinese version. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.*

Data query website related to this annual report  
(MOPS) Market Observation Post System website: [mops.twse.com.tw](http://mops.twse.com.tw)  
Company website: [www.sysgration.com](http://www.sysgration.com)

Published on March 20, 2026

## **I. Spokesperson and Deputy Spokesperson**

- (1) Name of Spokesperson: Hsieh, Tung-Fu
- (2) Title: General Manager
- (3) Name of Deputy Spokesperson: Dai, Yi-Ying
- (4) Title: Secretary of the Board of Directors
- (5) Tel. (02)2790-0088
- (6) E-mail: sys5309@sysgration.com

## **II. Headquarters and Plant**

- (1) Headquarters Address: 6F., No. 1, Sec. 1, Tiding Blvd., Neihu Dist., Taipei City  
Tel. (02)2790-0088
- (2) Nankang Plant Address: No. 26, Gongye N. Rd. (Nankang Industrial Park), Nantou City,  
Nantou County  
Tel. (049)226-3627

## **III. Share Transfer Agent**

- (1) Name: Grand Fortune Securities Co., Ltd.
- (2) Address: 6F., No. 6, Sec. 1, Zhongxiao W. Rd., Zhongzheng Dist., Taipei City
- (3) Website: [www.gfortune.com.tw](http://www.gfortune.com.tw)
- (4) Tel. (02)2371-1658

## **IV. Auditor**

- (1) Name of Auditor: Chih, Ping-Chiun, Hsu, Ming-Chuan
- (2) Name of Accounting Firm: PricewaterhouseCoopers Taiwan
- (3) Address: 27F., No. 333, Sec. 1, Keelung Rd., Xinyi Dist., Taipei City
- (4) Website: [www.pwc.com.tw](http://www.pwc.com.tw)
- (5) Tel. (02)2729-6666

## **V. Overseas Securities Exchanges**

The Company does not issue foreign securities.

## **VI. Corporate Website: [www.sysgration.com](http://www.sysgration.com)**

## Table of Contents

<b>I.</b>	Letter To Shareholders -----	4
<b>II.</b>	Corporate Governance Report -----	7
	1. Directors, Supervisors, And Management Teams-----	7
	2. Remuneration Of Directors, Supervisors, General Manager, And Vice President In The Most Recent Years -----	14
	3. Operation Of Corporate Governance -----	20
	4. Information On CPA’s Service Fees -----	86
	5. Information Of Replacement Of CPA -----	87
	6. Information To Be Disclosed Regarding Chairman, General Manager, Or Chief Manager In Charge Of The Financial Or Accounting Affairs Of The Company Who Has Worked For Auditing Accounting Firm Or Its Affiliated Companies Within The Last One Year ----	87
	7. Change Of Shareholding And Pledge Of Directors, Supervisors, Executive Managers, And Shareholders Holding More Than 10% Of The Shares -----	87
	8. Relationship Among The Top Ten Shareholders -----	89
	9. Ownership Of Shares In Affiliated Enterprises -----	90
<b>III.</b>	Capital Overview -----	91
	1. Capital And Shares-----	91
	2. Corporate Bonds -----	96
	3. Preferred Stocks -----	101
	4. Overseas Depositary Receipts-----	101
	5. Employee Stock Options-----	101
	6. New Restricted Employee Shares-----	101
	7. New Shares Issuance In Connection With Merger And Acquisition-----	101
	8. Implementation Of The Financial Plan-----	102
<b>IV.</b>	Operation -----	106
	1. Business Contents-----	106
	2. Overview Of The Market, Production, And Marketing -----	116
	3. Human Resource -----	122
	4. Environmental Protection Expenditure Information -----	122
	5. Labor Relation -----	122
	6. Cyber Security Management-----	128
	7. Significant Contracts-----	129
<b>V.</b>	Review Of The Financial Status And Financial Performance, And Risk Management -----	130
	1. Analysis Of The Financial Status-----	130
	2. Review Of Financial Performance -----	131
	3. Cash Flow -----	132
	4. Impact Of Significant Capital Expenditure On Financial Operation In The Most Recent Year-----	133

5.	Reinvestment Policy For The Most Recent Year, Main Reasons For Profit Or Loss, Improvement Plan, And Investment Plan For The Next Year -----	133
6.	Risk Assessment For The Most Recent Year And As Of The Publication Date Of The Annual Report -----	133
7.	Other Important Matters -----	137
<b>VI.</b>	<b>Special Disclosure-----</b>	<b>138</b>
1.	Related Information Of Affiliated Enterprises -----	138
2.	Private Placement Issuance -----	142
3.	Other Necessary Additional Notes -----	143
4.	For The Most Recent Year And Up To The Date Of Publication Of The Annual Report, The Occurrence Of Events That Have A Material Impact On Shareholder' Equity Or Securities Prices As Provided For In Paragraph 2, Item 2, Article 36 Of Securities Exchange Act -----	143

# I. Letter to Shareholders

Dear Shareholders,

The Company's operating results in 2025 and operating outlook in 2026 are reported as follows:

## 1. 2025 Annual Operating Result Report

### 1.1 Operating situation

For the 2025 fiscal year, the Company's individual operating revenue was NT\$2,711,563 thousand, representing a decrease of 5.93% compared to NT\$2,882,607 thousand in the 2024 fiscal year. The individual net profit after tax for 2025 was NT\$52,939 thousand, a decrease of NT\$63,106 thousand compared to NT\$116,045 thousand in 2024. The basic earnings per share (EPS) after tax for 2025 was NT\$0.27.

For the 2025 fiscal year, the Company's consolidated operating revenue was NT\$3,393,871 thousand, representing an increase of 9.13% compared to NT\$3,109,948 thousand in the 2024 fiscal year.

Consolidated net profit after tax attributable to the owners of the parent company was NT\$52,939 thousand, a decrease of NT\$63,106 thousand compared to NT\$116,045 thousand in 2024. The consolidated basic earnings per share (EPS) after tax for 2025 was NT\$0.27.

### 1.2 Financial revenue, expenditure, and profitability analysis:

#### Parent Company Only Financial Statement

Unit: NT\$1,000

Item		Year	2025	2024	Growth rate(%)
Financial revenue and expenditure	Operating revenue		2,711,563	2,882,607	(5.93)
	Operating margin		649,355	668,812	(2.91)
	Net profit after tax		52,939	116,045	(54.38)
Profitability analysis	Return on assets (%)		1.14	2.74	(58.39)
	Return on shareholder's equity (%)		1.53	3.83	(60.05)
	Ratio to paid-up capital (%)	Net operating profit	5.15	8.66	(40.53)
		Net profit before tax	2.85	6.06	(52.97)
	Net profit ratio (%)		1.95	4.03	(51.61)
Net profit per share (NT\$)		0.27	0.61	(55.74)	

#### Consolidated Financial Statement

Unit: NT\$1,000

Item		Year	2025	2024	Growth rate (%)
Financial revenue and expenditure	Operating revenue		3,393,871	3,109,948	9.13
	Operating margin		798,481	751,831	6.20
	Net profit after tax – attributable to parent company		52,939	116,045	(54.38)
Profitability analysis	Return on assets (%)		1.12	2.66	(57.89)
	Return on shareholder's equity (%)		1.53	3.83	(60.05)
	Ratio to paid-up capital (%)	Net operating profit	(0.83)	2.76	(130.07)
		Net profit before tax	1.33	5.87	(77.34)
	Net profit ratio (%)		1.56	3.73	(58.18)
Net profit per share (NT\$)		0.27	0.61	(55.74)	

### 1.3 Research and development

R&D Product	Summary description (product specification or function)
The multi-frequency universal wireless tire pressure monitoring system	TPMS to be compatible with more than 99% of vehicles of the United States, Europe, and Japan 315~433MHz original factories by single design, for customers to greatly reduce their inventory and financial pressure.
BLE wireless tire pressure monitoring system	Intelligent TPMS for fleet management applications such as OE front-mounted and new-energy electric vehicles, motorcycles, pickup trucks, heavy trucks, and buses.
Automotive intelligent electronic control systems	Industrial IoT technology is used to integrate the traditional distributed electromechanical control systems of vehicles into a wireless digital central control system. 4G/5G cloud systems can also be used to remotely monitor vehicle status and provide self-driving and automation functions as required.
Industrial portable and wearable systems	By combining embedded high-performance computing systems with industrial application know-how and AI, portable and wearable systems that allow for high-performance computing in different fields are provided.
Industrial backup battery and energy storage system products	Development and integration of backup lithium batteries for industrial UPS systems, AI cloud centers backup lithium batteries, communication power and 5G base station lithium batteries, and industrial energy storage equipment.

## 2. Summary Of 2026 Annual Operation Plan

In recent years, Sysgration Ltd. has been committed to the development of a tire pressure monitoring system (TPMS) as a vehicle safety component. In addition to actively expanding the US and Europe RF replacement market, Sysgration Ltd. globally initiated the Bluetooth BLE TPMS with multinational patents, successfully breaking into the OE market, and gradually mass-produced and shipped to internationally well-known vehicle manufacturers. In 2026, the Company will continue to expand its RF replacement market in the US and Europe, as well as continuously expand BLE TPMS applications in the US and Europe OE market, including such fleet management applications as new-energy electric vehicles, motorcycles, pickup trucks, heavy trucks, and buses. Since the Mainland Chinese government has required tire pressure detectors as a standard product for general passenger cars, and the US is also planning to install tire pressure detectors on trucks and large vehicles in the foreseeable future, the TPMS market has considerable room for development. Therefore, Sysgration Ltd. is also actively developing relevant agency partners in the United States, Europe, Japan, and Mainland China and promoting the market to major automakers and other fleet management applications around the world.

In addition, we have applied our technology and experience in Industrial IoT and embedded high-performance computing systems to automotive electronics. This has allowed us to successfully develop technical components of automotive intelligent electronic control systems, including industrial computers, in-vehicle electronic control systems, smart home appliance control, mobile apps, and cloud services. This system helps users control all in-vehicle functions and equipment through both the cloud and the central control panel. Looking ahead, in addition to continuing to collaborate actively with automakers and Tier-1 suppliers to expand market share, the Company will also focus on deepening related technologies and integrating AI to expand into various transportation vehicles and industrial applications. These include drones, autonomous mobile robots, edge computing, portable rugged computers, augmented reality (AR) wearable devices, and more.

In terms of energy products, we will expand the Company's accumulated advantages in high power management and industrial energy storage technology, and widely promote BBUs (battery backup units) to cloud data center customers. Moreover, we will extend our experience in electric vehicle lithium-ion battery packs to UPS systems used in semiconductor plants, community energy storage systems, battery systems for SMR power supply for 4G and 5G base station communication, energy storage and voltage stabilizer systems for power plants, and other industrial applications.

### 3. Future R&D Direction Of The Company:

- (1) Enhance the product function of multi-frequency single-machine universal tire pressure monitoring system.
- (2) Expand the application of the world's initiative low-power Bluetooth BLE tire pressure detector in new-energy electric vehicles, motorcycles, heavy trucks, and buses.
- (3) Expand the development of automotive intelligent control systems, portable industrial computers, industrial augmented reality (AR) wearable devices, AI edge computing equipment, and other intelligent industrial applications.
- (4) Enhance such lithium energy storage technology as the battery management system (BMS) and energy management system (EMS), and expand their applications in data centers, semiconductor factories, residential areas, power plants, wired communication and other industries.

The company will continue to actively cultivate and solicit R&D talents, be committed to product and quality system conformity with the requirements of international laws and regulations and international certifications, and follow the current laws and regulations related to the operating process of Taiwan and foreign investment countries, in the hope of responding to market condition changes and fully grasping changes in relevant laws and regulations in the face of the external competitive environment to prepare and implement appropriate measures. The management team is also aware of any changes in policies and regulations that may affect the Company's financial and business operations. In the face of rapid changes and challenges in both the domestic and foreign environments, the Company will pay more attention to the development and sales of new products and the acquisition of patent rights in order to contribute the maximum interest to shareholders. In this regard, we hope that shareholders can give us even more support and encouragement. All the staff must also work harder to respond to the Company and adhere to the business philosophy of integrity and earnestness, so that the Company can still grow in the changing environment. The management team will also handle variables with the most responsible attitude and the most active and prudent thinking, as in the past, to improve the performance and profit of the Company.

Finally, once again, we would like to express our sincere gratitude to all shareholders for your support, trust, and encouragement towards Sysgration.

Chairman: Lee, I-Ren

General Manager: Hsieh, Tung-Fu

CFO: Yang, Lan-Tai

## II. Corporate Governance Report

### 1. Directors, Supervisors, And Management Teams

#### 1.1 Directors and Supervisors

##### Information of Directors and Supervisors (1)

Unit: share, February 28, 2026

Title (Note 1)	Nationality or Registration Location	Name	Gender Age (Note2)	Date Elected	Term of Office	Date of First Elected (Note 3)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience and Education (Note 4)	Other Position	Executives, Directors, or Supervisors who are spouses or within second degree of kinship			Remark (Note 5)
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman	Taiwan	Lee, I- Ren	Male Age 61-70	20230427	3 years	20030610	12,661,210	8.38	12,880,210	5.59	2,782,097	1.21	6,804,673	2.95	MBA, JFK. Univ. Chairman, Hipro Elec. Co. Vice Chairman & General Manager, Chicony Elec. Co. Chairman, Winmate Inc.	Chairman, Sysgration (ZJ) Director, Sysgration (HZ) Director, Sysgration International Inc. Director, Sysgration America Corp. Director, Leadray Energy Co., Ltd. Vice Chairman, Celxpert Energy Corporation.	Director	Lee, Cheng- Han	Father and son	None
Director	Taiwan	Hsieh, Tung-Fu	Male Age 51-60	20230427	3 years	20130930	459,892	0.30	894,892	0.39	0	0.00	0	0.00	Ph.D., E.E., National Chiao Tung Univ. V.P., Altek Corp. V.P., Lite-On Technology Corp.	GM, Sysgration Ltd. Supervisor, Sysgration (ZJ) Chairman, Sysgration (HZ) Director, Leadray Energy Co., Ltd. Director, Celxpert Energy Corporation.	None	None	None	None
Director	Taiwan	Lee, Cheng- Han	Male Age 41-50	20230427	3 years	20140620	434,126	0.29	769,126	0.33	0	0.00	0	0.00	Master, Science in E.E. Univ. of S. California Special Assistant of GM, Sysgration Ltd.	BU GM, Sysgration Ltd Director, Sysgration (ZJ) Supervisor, Sysgration (HZ)	Chairman	Lee, Yi- Ren	Father and son	None
Director	Taiwan	Tai, Feng-Yi	Male Age 61-70	20230427	3 years	20230427	0	0.00	600,000	0.26	0	0.00	0	0.00	Bachelor of Chien Hsin Univ. of Sci.& Tech. Chairman & CSO, Godex Executive Director, Godex China. R&D Director, Taiwan Semiconductor Co., Ltd.	Chairman, Godex International Co., Ltd.	None	None	None	None
Independent Director	Taiwan	Lin, Kuan- Chao	Male Age 71-80	20230427	3 years	20170619	0	0.00	0	0.00	0	0.00	0	0.00	Master, Accounting National Chengchi Univ. Chief, PKF Taiwan	Director, Luminescence Tech. Co.	None	None	None	None
Independent Director	Taiwan	He, Ju- Hsiang	Male Age 71-80	20230427	3 years	20200430	0	0.00	0	0.00	0	0.00	0	0.00	MBA, International Exchange Program Customer Service Deputy Manager, Taiwan Life Insurance Co.	Independent Director, Polylite Taiwan	None	None	None	None

Independent Director	Taiwan	Wei, Che- Chen	Male Age 61-70	20230427	3 years	20170619	0	0.00	0	0.00	0	0.00	0	0.00	Bachelor, Accounting National Chengchi Univ. Doctoral program Guangzhou S. Y. S. Univ. Chairman, Taiwan Life Ins. Sec. Investment Trust Co. Chairman, Taiwan Int'l Sec. Consulting Corp. GM, TIS Securities Co.	None	None	None	None	None
----------------------	--------	----------------	-------------------	----------	------------	----------	---	------	---	------	---	------	---	------	---	------	------	------	------	------

Note 1: The corporate shareholder shall list the names and representatives of the corporate shareholders respectively (if it is a representative of the corporate shareholder, the name of the corporate shareholder shall be indicated) and shall fill in the following Table 1.

Note 2: Please list actual age in interval mode, such as 41~50 years old or 51~60 years old.

Note 3: The duration of first serving as the Director or Supervisor of the Company should be stated with a note if there is any interruption.

Note 4: If the experience is relevant to the current position, such as having worked in a certified accounting firm or at an affiliated company during the previous reporting period, his/her title and position of responsibility should be stated.

Note 5: If the Chairman and General Manager or the equivalent (top manager) are the same person, or they are spouses or first-class relatives, the Company should explain the reasons, reasonability, necessity, and corresponding measures (such as increasing the number of Independent Directors, and more than half of the Directors should not be the employees or managers, etc.).

Table 1: Major shareholders of the institutional shareholders: Not applicable.

Table 2: Major shareholders of Table 1 institutional shareholders: Not applicable.

**Information of Directors and Supervisors (2)**

**A. Directors' qualification and independent directors' independence condition disclosure:**

Name	Criteria	Professional qualification and experiences (Note 1 and Note 4)	Independence condition (Note 2)	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Lee, I-Ren		Chairman of Hipro Elec. Co. (1990-2002) Chairman of Winmate Technologies Co., Ltd. (2003-2017) Chairman of Sysgration Ltd. (2003 to now)	Lee, I-Ren Chairman is assigned by the company and assumes affiliate enterprise's director, and himself, spouse or by nominee arrangement of others, holding of shares reach 9.75% of issued shares and is one of top 10 shareholders of the Company.	None
Hsieh, Tung-Fu		Vice president of Lite-On Technology Corp, Ltd. (1999-2010) Vice president of Altek Corporation (2010-2012) General Manager of Sysgration Ltd. (2013 to now)	Hsieh, Tung-Fu director is assigned by the company and assumes affiliate enterprise's director, and holds 0.39% of issued shares.	None
Lee, Cheng-Han		Vice president, product marketing, of Etasis Co., Ltd. (2010-2013) Vice president of Sysgration Ltd. (2013 to now)	Lee, Cheng-Han director is assigned by the company and assumes affiliate enterprise's director, and holds 0.33% of issued shares.	None
Tai, Feng-Yi		Chairman, Godex International Co., Ltd. (1994 to now)	Tai, Feng-Yi director holds 0.26% of issued shares.	None
Lin, Kuan-Chao		Certified Public Accountant (1980 to now) Chief of Accounting firm PKF, Taiwan (2011 to now)	Without items that stipulated in sub-item 1~9 of item 1 in Article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" , which is conformed to independence condition.	1
He, Ju-Hsiang		Internal audit manager of BNP Paris (1984-1989) Vice president of American Commercial Banks Advance Department (1989-1994) Special assistant for Chairman of Taiwan Life Insurance Co., Ltd. (2000-2016)	Without items that stipulated in sub-item 1~9 of item 1 in Article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" , which is conformed to independence condition.	1
Wei, Che-Chen		Chairman of TLG Asset Management Co., Ltd. (2009-2011) Special committee Member of Taiwan Life Insurance Co., Ltd. (2011-2015) Chief Operation Officer of He Ding Asset Management Co., Ltd.	Without items that stipulated in sub-item 1~9 of item 1 in Article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" , which is conformed to independence condition.	None

Note 1: Professional qualification and experience: describe individual director and supervisor's professional qualification and experience, and please also state the accounting or financial backgrounds of audit Committee members, if have. Furthermore, clarify whether the aforementioned persons having conditions that stated in the Company Acts Article 30.

Note 2: Please describe independent director's condition, including but not limited to himself or herself, spouse, relative within second degree of kinship, whether serving as the Company or its affiliate enterprise's director, supervisor or employees; number of shares and ratio of himself or herself, spouse, relative within second degree of kinship (or using the names of others); whether serving as director, supervisor or employee of any company which has specific relations with the Company (please refer to sub-item 5~8 of Item in Article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" ); the amount of reward he or she gets in recent 2 years from the Company or its affiliate enterprise in commercial, legal affairs, financial, accounting and other service places.

Note 3: Please refer to the best practical reference example in Taiwan Stock Exchange Corporate Governance Center website for the manner of disclosure.

Note 4: All the aforesaid directors do not have conditions that stated in the Company Acts Article 30.

**B. Diversification and independence of Board of Directors:**

(A) Diversity of the Board of Directors:

Our Corporate Governance Best-Practice Principles requires diversity in the composition of the Board of Directors, where no more than one-third of the total number of directors may serve concurrently as managers, and where all directors must possess the knowledge, skills, and competencies necessary for different professional backgrounds, job areas and performance of their duties. To achieve the ideals and goals of corporate governance, diversity and the following abilities are required for the Board of Directors:

1. Ability in operational judgment.
2. Ability in accounting and financial analysis.
3. Ability in business management.
4. Ability in crisis management.
5. Industrial knowledge.
6. An international market vision.
7. Leadership ability.
8. Decision-making ability.
9. Ability in risk management.
10. Experience in corporate governance.

**Implementation of the policy for diversity of the members of the Board of Directors:**

Title	Chairman	Director	Director	Director	Independent director	Independent director	Independent director
Name	Lee, I-Ren	Hsieh, Tung-Fu	Lee, Cheng-Han	Tai, Feng-Yi	Lin, Kuan-Chao	Wei, Che-Chen	He, Ju-Hsiang
Gender	Male	Male	Male	Male	Male	Male	Male
Age	61-70	51-60	41-50	61-70	71-80	61-70	71-80
Concurrent employee of Sysgration	✓	✓	✓				
Term of office tenure as independent director					7-9	7-9	4-6
<b>Education and Work Experience Background</b>							
Accounting/Finance/Management	✓				✓	✓	✓
Electronics/Electromechanics/Technology	✓	✓	✓	✓			
International marketing	✓	✓	✓	✓			
Securities/Finance						✓	✓
CPA					✓		
<b>Professional and Industrial Experience</b>							
Ability in operational judgment	✓	✓	✓	✓	✓	✓	✓
Ability in accounting and finance	✓				✓	✓	✓
Ability in business management	✓	✓	✓	✓	✓	✓	✓
Ability in crisis management	✓	✓	✓	✓	✓	✓	✓
Industrial knowledge	✓	✓	✓	✓			
International market vision	✓	✓	✓	✓			
Leadership ability	✓	✓	✓	✓	✓	✓	✓
Decision-making ability	✓	✓	✓	✓	✓	✓	✓
Ability in risk management	✓	✓	✓	✓	✓	✓	✓
Ability in corporate governance	✓	✓	✓	✓	✓	✓	✓

Management goals and current status of achievement:

Members of the Board of Directors of Sysgration are nominated and elected pursuant to the Articles of Incorporation under a candidate nomination system, where the educational and work experience of each candidate will be evaluated in accordance with the diversity policy stipulated by the “Regulations for Election of Directors” and the “Corporate Governance Best-Practice Principles” to ensure diversity and independence regarding the professional and industrial experience of every director. The goals we have set for diversity of the Board of Directors are that there must be at least one director who is professional or experienced in each of the areas of industry, finance, accounting, business management and international market vision, and that all directors are required to possess abilities in operational judgment, crisis management, leadership, decision-making, risk management and corporate governance. We also aim for independent directors accounting for at least one-third of all directors.

Based on our current operational scale and developmental needs, we have elected seven directors (including three independent directors), who are experts with professional backgrounds including electronics, technology, finance, accounting and business management, fulfilling the policy of diversity in the composition of the members of the Board of Directors. The following is the status of achievement of the goals of diversity of the Board of Directors:

- (1) All of the seven current members of the Board of Directors have experience in serving as directors and supervisors at TWSE/TPEX listed companies and possess abilities in operational judgment, crisis management, leadership, decision-making, risk management and corporate governance, in line with the goal of abilities required for directors.
- (2) Chairman Lee I-Ren, and the independent directors Lin Kuan-Chao, Wei Che-Chen and He Ju-Hsiang have educational experience in accounting or business administration, with the independent director Lin Kuan-Chao holding a CPA license. All of them possess abilities in accounting and finance, fulfilling the original goal that there must be at least one director experienced in each of the areas of accounting and finance.
- (3) Chairman Lee I-Ren and the directors Hsieh Tung-Fu, Lee Cheng-Han and Tai, Feng-Yi have over 15 years of experience in the electronics industry and used to serve as top managers for the relevant business. They are professional and experienced in the areas of business management ability and international market vision, thus fulfilling the goal that there must be at least one director experienced in each of the areas of business management ability and international market vision.
- (4) Chairman Lee I-Ren and the directors Hsieh Tung-Fu, Lee Cheng-Han and Tai, Feng-Yi have educational experience in electromechanics and electronics, and they are professional and experienced in the industry and products of Sysgration, fulfilling the goal that there must be at least one director experienced in the area of industrial knowledge.
- (5) Independent directors account for 43% of all directors, fulfilling the original goal of having independent directors accounting for at least one-third of all directors. One of the independent directors has served for 4–6 years, while the other two have served for 7–9 years.
- (6) The directors Lee I-Ren, Hsieh Tung-Fu and Lee Cheng-Han are also the employees of Sysgration, accounting for 43% of all directors.

In the future, we will make timely amendment to the diversity policy depending on the operations of the Board of Directors and our operational pattern and developmental needs, and we will move toward the goals of having at least one female director and adding directors who are professional and experienced in sustainable development, occupational safety and health, labor rights and law in order to strengthen diversity and supervise how Sysgration responds to the international trend in sustainable development.

(B) Independence of Board of Directors:

The Company’s Board of Directors consists of 7 directors, namely 3 independent directors, which accounts 43% of the seats. Currently not more than 2 members of the Board are with spousal relationship or relative relationship within the second degree of kinship and none of circumstances stated in Article 26-3, paragraph 3, item 3 and item 4 of Securities and Exchange Act are existed among board members. The board of directors devotes to supervise the company to observe the laws, keep financial transparency, disclose important information in real time, and make objective and independent judgments on company financials and operations. The Board’s members’ qualifications are already in compliance with regulatory requirements at the time of election.

1.2 Management Team

Unit: share, % As of February 28, 2026

Title (Note1)	Nationality	Name	Gender	Date Effected	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience and Education (Note2)	Other Position	Managers who are spouses or within second degrees of kinship			Remark (Note3)
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
C.S.O.	Taiwan	Lee, I - Ren	Male	20220510	12,880,210	5.59	2,782,097	1.21	6,804,673	2.95	MBA, JFK. Univ. Chairman, Hipro Elec. Co. Vice Chairman & General Manager, Chicony Elec. Co. Chairman, Winmate Inc.	Chairman, Sysgration (ZJ) Director, Sysgration (HZ) Director, Sysgration International Inc. Director, Sysgration America Corp. Director, Leadray Energy Co., Ltd. Vice Chairman, Celxpert Energy Corporation.	V.P.	Lee, Cheng- Han	Father and son	None
G.M.	Taiwan	Hsieh, Tung-Fu	Male	20130102	894,892	0.39	0	0.00	0	0.00	Ph.D., EE of Nat'l Chiao Tung Univ. V.P., Altek Corp. V.P., Lite-On Tech. Corp	GM, Sysgration Ltd. Supervisor, Sysgration (ZJ) Chairman, Sysgration (HZ) Director, Leadray Energy Co., Ltd. Director, Celxpert Energy Corporation.	None	None	None	None
V.P.	Taiwan	Lin, Shih-Chi (Note 4)	Male	20230901	0	0	0	0	0	0	Master of Engineering of National Central University. Sale Manager. Delta Elec. Inc. Ex-director general., Taiwan Smart Energy Industry Association.	Director, Leadray Energy Co., Ltd.	None	None	None	None
V.P.	Taiwan	Lee, Cheng-Han	Male	20160329	769,126	0.33	0	0.00	0	0.00	Master, Science in E.E., Univ. of Southern California Special Assistant of GM, Sysgration Ltd.	Director, Sysgration (ZJ) Supervisor, Sysgration (HZ)	Chairman	Lee, Yi- Ren	Father and son	None
V.P.	Taiwan	Li, Fang-Mao	Male	20101105	6,075	0.00	0	0.00	0	0.00	Bachelor, Mechanics NTU of Sci. & Tech. GM, Zyxel Corp.Wuxi Plant	Director and President, Sysgration (HZ)	None	None	None	None
V.P.	Taiwan	Hsing, Chien	Male	20190909	39,000	0.02	0	0.00	0	0.00	Bachelor, Info. Management, Ming Chuan Univ. V.P., Ubiquconn Tech. Inc. BU Head, Advantech Co. V.P., A.D. Tech. Co.	None	None	None	None	None
V.P.	Taiwan	Wang, Yen-Cheng	Male	20220401	5,000	0.00	0	0.00	0	0.00	BA of Int'l Marketing, California State University, Fullerton Sr. Sales Director, Dexin Co. VP, Ancher Tech. Inc. Sr. Director, Darfon Elec. Corp. COO, C-Tech United Corp.	None	None	None	None	None
V.P.	Taiwan	Chang, Ming-Chun	Male	20240801	5,000	0.00	0	0.00	0	0.00	Master, Nat'l Chung Hsing Univ. GM, Handa Pharmaceuticals, Inc. GM, Emerald Battery Tech. Co.	None	None	None	None	None
V.P.	Taiwan	He, Yao-Hong (Note 4)	Male	20250407	0	0.00	0	0.00	0	0.00	Master's Degree in Industrial and Systems Engineering, Ohio University, USA. General Manager, Ledtech Electronics Corp. Senior Vice President, PwC Advisory (Taiwan) Co., Ltd.	None	None	None	None	None

Senior Director	Taiwan	Yang, Lan-Tai (Note 4)	Male	20251112	3,000	0.00	0	0.00	0	0.00	MBA, University of Illinois, USA. Executive Assistant to the General Manager and Group Spokesperson, GIGA-BYTE Technology Co., Ltd. Chief Financial Officer, HiTi Digital, Inc. Director of Finance and Accounting, GIGA-BYTE Technology Co., Ltd.	None	None	None	None	None
Director	Taiwan	Wang, Hua-Wei	Male	20110701	10,378	0.00	2	0.00	0	0.00	Bachelor of Mechanics, Hwa Hsia Univ. of Tech. R&D Director, Sysgration Ltd.	None	None	None	None	None
Director	Taiwan	Wu, Jeng-Ru	Male	20150101	46,000	0.02	0	0.00	0	0.00	Bachelor of Electronics, Hwa Hsia Univ. of Tech. R&D Director, Shanghai Liyao Energy Co. Sr. R&D Manager, Lite-On Tech.	None	None	None	None	None
Director	Taiwan	Tsai, Hsiu-Mei (Note 4)	Female	20170717	0	0.00	0	0.00	0	0.00	MBA, Univ. of Washington CFO, Taiwan Chinsan Elec. Co. CFO, TaiSol Elec. Co.	None	None	None	None	None
Director	Taiwan	Li, Mu- Sen	Male	20191216	21,000	0.01	0	0.00	0	0.00	Bachelor of E.E., National Taiwan Univ. of Sci.& Tech. R&D Director, Jorjin Tech. Inc. CTO, Sef Tech Co. Manager, Wistron	None	None	None	None	None
Director	Taiwan	Lo, Hua-Mei (Note 4)	Female	20240617	0	0.00	0	0.00	0	0.00	Ph.D., National Chi Nan University. Director, Pacific Elec. Wire & Cable	None	None	None	None	None
Director	Taiwan	Su, Feng-Hsin (Note 4)	Male	20250217	5,000	0.00	0	0.00	0	0.00	Ph.D., Chinese Culture University Sr. Director, C-Tech United Corp. Director, AcBel Polytech Inc.	None	None	None	None	None

Note 1: The data for the General Manager, V.P., Director, heads of departments and branches should be included, and those whose positions are equivalent to a General Manager, V.P., Director, regardless of title, should also be disclosed.

Note 2: If the experience is relevant to the current position, such as having worked in the auditor's CPA firm or an affiliated company during the previous reporting period, his/her title and position of responsibility should be stated.

Note 3: If the General Manager or equivalent position to the top manager and the Chairman are the same person or are spouses or relatives within the first degree of kinship, the company should explain the reasons, reasonability, necessity, and corresponding measures (such as increasing the number of independent directors and more than half of the directors should not be employees or managers, etc...)

Note 4: Ms. Lo, Hua-Mei resigned on 2025/02/17, Mr. Lin, Shih-Chi resigned on 2025/09/01, Ms. Tsai, Hsiu-Mei resigned on 2025/11/17, Mr. He, Yao-Hong resigned on 2025/12/31, Mr. Su, Feng-Hsin appointed on 2025/02/17, Mr. He, Yao-Hong appointed on 2025/04/07 and Mr. Yang, Lan-Tai appointed on 2025/11/12.

**1.3 If the Chairman and General Manager or the top manager are the same person or are spouses or relatives within the first degree of kinship, the Company should explain the reasons, reasonability, necessity, and corresponding measures:**

The Company's Chairman and General Manager are not relatives within the first or second degree of kinship.

2. Remuneration Of Director, Supervisor, General Manager and Vice President In The Most Recent Years

2.1 Remuneration of general director and independent director (disclosure of individual name and remuneration method)

Unit: NT\$1,000; %; For the Year 2025 ended December 31

Title	Name	Director Remuneration								Total Amount of Items A, B, C, D and Ratio to Net Profit After Tax		Relevant Remuneration Received by Directors Who are Also Employees						Total Amount of Items A, B, C, D, F, G and Ratio to Net Profit After Tax		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary or the Parent Company		
		Base Compensation (A)		Severance Pay (B)		Bonus to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Profit-Sharing of Employee Bonus (G)						
		The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements	Cash	Stock	Cash	Stock		The company	All companies in the consolidated financial statements
Chairman	Lee, I-Ren	178	208	0	0	1,091	1,091	0	0	1,269 2.40%	1,299 2.45%	6,993	7,767	0	0	700	0	700	0	8,962 16.93%	9,766 18.44%	0
Director	Hsieh, Tung-Fu	178	208	0	0	727	727	0	0	905 1.71%	935 1.77%	4,858	6,677	108	108	540	0	540	0	6,411 12.11%	8,260 15.61%	0
Director	Lee, Cheng-Han	60	60	0	0	727	727	0	0	787 1.49%	787 1.49%	3,913	3,913	108	108	315	0	315	0	5,123 9.68%	5,123 9.68%	0
Director	Tai, Feng-Yi	600	600	0	0	364	364	0	0	964 1.82%	964 1.82%	0	0	0	0	0	0	0	0	964 1.82%	964 1.82%	0
Independent Director	Lin, Kuan-Chao	600	600	0	0	364	364	0	0	964 1.82%	964 1.82%	0	0	0	0	0	0	0	0	964 1.82%	964 1.82%	0
Independent Director	He, Ju- Hsiang	600	600	0	0	364	364	0	0	964 1.82%	964 1.82%	0	0	0	0	0	0	0	0	964 1.82%	964 1.82%	0
Independent Director	Wei, Che-Chen	600	600	0	0	364	364	0	0	964 1.82%	964 1.82%	0	0	0	0	0	0	0	0	964 1.82%	964 1.82%	0

The co-relationship between the board of directors' remuneration policy, standards, and the amount of remuneration:

Note 1:

- (1) According to the Articles of Incorporation, regardless of any profit or loss, all directors performing duties for Sysgration may claim travel allowance and remuneration, which will be paid, as authorized, by the Board of Directors taking into account the standard in the industry. Among the current directors, those who are also employees will be paid a monthly amount of NTD5 thousand as remuneration. The ordinary and independent directors who are not employees will be paid a monthly amount of NTD50 thousand as remuneration due to the responsibilities and risks they bear and after giving consideration to the time they have invested in corporate governance and the fact that independent directors also serve as members of the Audit Committee and the Remuneration Committee, taking into account the standard in the industry.
- (2) According to the Articles of Incorporation, where Sysgration has a profit in a year, it shall allocate no more than 3% thereof as the remuneration for directors, provided that an amount thereof is retained to offset any accumulated losses Sysgration still has. The remuneration for each director is based on the level of his/her participation in and his/her contribution to the operations of Sysgration. Pursuant to the "Regulations for Evaluation of the Performance of the Board of Directors," a performance evaluation is conducted each year to review the performance of directors comprehensively based on items including their understanding of the goals and missions of Sysgration, the awareness of their responsibilities, the level of their participation in the operations of Sysgration, management and communication regarding internal relationship, the professionalism and continuing training of directors, and internal control. The board remuneration has been distributed as per the resolution. Additionally, the company's Board of Directors and the Compensation Committee resolved on March 10, 2026 to allocate a director remuneration of NT\$2,000,000, which was 2.96% of the imputed profit for the current period.

Note 2: Severance Pay was defined contribution amount allocated, not the actual amount paid.

**Remuneration Scale Table**

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	Companies in the Consolidated Financial Statements - H	The Company	Companies in the Consolidated Financial Statements - I
Under NT\$1,000,000	Hsieh, Tung-Fu / Lee, Cheng- Han Lin, Kuan- Chao / He, Ju- Hsiang Wei, Che-Chen / Tai, Feng-Yi	Hsieh, Tung-Fu / Lee, Cheng- Han Lin, Kuan- Chao / He, Ju- Hsiang Wei, Che-Chen / Tai, Feng-Yi	Lin, Kuan-Chao / He, Ju- Hsiang Wei, Che-Chen / Tai, Feng-Yi	Lin, Kuan- Chao / He, Ju- Hsiang Wei, Che-Chen / Tai, Feng-Yi
NT\$1,000,000 ~ NT\$2,000,000	Lee, I-Ren	Lee, I-Ren	None	None
NT\$2,000,000 ~ NT\$3,500,000	None	None	None	None
NT\$3,500,000 ~ NT\$5,000,000	None	None	None	None
NT\$5,000,000 ~ NT\$10,000,000	None	None	Lee, Cheng- Han / Hsieh, Tung-Fu Lee, I-Ren	Lee, Cheng- Han / Hsieh, Tung-Fu Lee, I-Ren
NT\$10,000,000 ~ NT\$15,000,000	None	None	None	None
NT\$15,000,000 ~ NT\$30,000,000	None	None	None	None
NT\$30,000,000 ~ NT\$50,000,000	None	None	None	None
NT\$50,000,000 ~ NT\$100,000,000	None	None	None	None
Over NT\$100,000,000	None	None	None	None
Total	7	7	7	7

Note 1: Director names must be listed separately (corporate shareholder is listed separately with legal representative), as well as general director and independent director, with payments being disclosed in a summary sheet. If a director is also the general manager or vice president, please fill the table (3-1), or (3-2-1) and (3-2-2) below.

Note 2: It means the remuneration of the director in the most recent year (including the director's salary, duty increment, severance pay, various bonuses, incentive payments, etc.).

Note 3: The remuneration for the director in the most recent year approved by the Board of Directors.

Note 4: The relevant business execution expenses of the director in the most recent year (including the travel fees, special expenses, allowances, accommodation, vehicle distribution, etc.). In the case of the provision of housing, motor vehicles, and other means of transport or personal expenses, the disclosure shall be made of the nature and cost of the assets provided, according to actual or fair market rent, oil cost, and other payments. If there is a driver, please note the remuneration paid by the Company to the driver but not included in the director's remuneration

Note 5: The salary, duty increment, severance payment, various bonuses, incentive payments, travel expenses, special expenses, allowances, accommodation, vehicle distribution, and other material supplies received by directors concurrently (including concurrently as president, vice president, managers, and employees) in recent years. In the case of the provision of housing, motor vehicles, and other means of transport or personal expenses, the disclosure shall be made of the nature and cost of the assets provided, according to actual or fair market rent, fuel cost, and other payments. If there is a driver, please note the remuneration is paid by the Company to the driver but not included in the director's remuneration. In addition, the salary expenses recognized in accordance with IFRS 2, "Share-based Payment," including the acquisition of an employee stock option certificate, restricted employee rights new shares, and participation in cash capital increase for shares shall also be included in the remuneration.

Note 6: The concurrent director (including concurrently as president, vice president, managers, and employees) getting the employee payment (including stocks and cash) in recent years, which should reveal the employee payment approved by the Board of Directors in the most recent fiscal year; if unable to estimate the amount, the proposed assigned amount in this year shall be calculated according to the actual assigned amount ratio of last year, and it should be included in the Attached Table 1-3.

Note 7: The total remuneration paid to the directors of the Company by all companies (including the Company) in the consolidated report shall be disclosed.

Note 8: The total remuneration paid to each director by the Company is disclosed in the class to which they belong.

Note 9: The total remuneration paid by all companies (including the Company) to each director of the Company in the consolidated report shall be disclosed. The names of the directors shall be disclosed in the classes to which they belong.

Note 10: Net income refers to the net profit after tax for the most recent year. For those who have adopted IFRS, the net income refers to the net profit after tax of parent company only financial statement in the most recent year.

Note 11: (1) This column shall clearly state the amount of remuneration received by the directors in connection with the transfer of investment other than from the subsidiary.

(2) If a director of the Company receives any remuneration related to the reinvestment business other than from the subsidiaries, the remuneration received by the director of the Company from the reinvestment business other than from the subsidiaries shall be incorporated into Column I of the remuneration scale, and the domain name shall be changed to "all reinvestment businesses."

(3) Remuneration means the remuneration, reward (including remuneration of employees, directors, and supervisors), business execution expenses, and other relevant remuneration received by the Company's directors as directors, supervisors, or managers of the business transferred other than from the subsidiaries.

\* The content of remuneration disclosed in this form is different from the concept of income in the Income Tax Act. Therefore, the purpose of this form is for disclosure purposes only and not for taxation purposes.

**2.2 Remuneration of the Supervisor:** The Company has set up the audit committee, so there is no supervisor remuneration.

**2.3 Remuneration of the General Manager and Vice President (individually disclose name and method of remuneration)**

Unit: NT\$1,000 ;

For the Year 2025 ended December 31

Title	Name	Salary (A)		Severance Pay (B) (Note 2)		Bonuses and Allowances (C)		Profit Sharing - Employee Bonus (D)				Total Amount of Items A, B, C, D and Ratio to Net Profit After Tax		Remuneration from an Invested Company Other than the Company's Subsidiary or the Parent Company
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements		The Company	All companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
Chief Strategy Officer	Lee, I-Ren	18,803	28,156	619	799	7,267	8,921	1,895	0	1,895	0	28,584 53.99%	39,771 75.13%	0
General Manager	Hsieh, Tung-Fu													
Vice President	Lin, Shih-Chi (Note 1)													
Vice President	Lee, Cheng-Han													
Vice President	Li, Fang-Mao													
Vice President	Hsing, Chien													
Vice President	Wang, Yen-Cheng													
Vice President	Chang, Ming-Chun													
Vice President	He, Yao-Hong (Note 1)													

\*Those whose positions are equivalent to general manager or vice president (e.g.: president, CEO, chief supervisor, etc.) must be disclosed.

Note 1: Mr. He, Yao-Hong appointed on 2025/04/07, Mr. Lin, Shih-Chi resigned on 2025/09/01 and Mr. He, Yao-Hong resigned on 2025/12/31.

Note 2: Severance pay is defined contribution amount allocated, not the actual amount paid.

Note 3: The remuneration disclosed above is different from the concept of income in the Income Tax Law. Therefore, the information is only for disclosure purposes not for taxation purposes.

Note 4: A manager of Sysgration is responsible for managing its affairs based on the business policies and key matters determined by the Board of Directors, and his/her appointment and discharge shall be subject to a resolution of the Board of Directors according to the Articles of Incorporation. The remuneration for a manager includes a fixed salary and bonuses. The fixed salary is based on his/her job grade, experience, professional competence and length of service and the standard of peer companies, while bonuses are associated with our performance targets, including the set targets for our revenue and profit, individual KPI achievement, ESG targets accomplishment and will be paid based on his/her performance and his/her contribution to our overall operations, subject to review and recommendation by the Remuneration Committee and a resolution of the Board of Directors.

**2.4 Remuneration of the top five executives (disclosure of individual names and remuneration methods)**

Unit: NT\$1,000

for the year 2025 ended December 31

Title	Name	Salary (A)		Severance Pay (B) (Note 1)		Bonuses and Allowances (C)		Profit Sharing - Employee Bonus (D)				Total Amount of Items A, B, C, D and Ratio to Net Profit After Tax		Remuneration from an Invested Company Other than The Company's Subsidiary or the Parent Company
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements		The Company	All companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
Chief Strategy Officer	Lee, I-Ren	5,080	5,854	0	0	1,913	1,913	700	0	700	0	7,693 14.53%	8,467 15.99%	0
General Manager	Hsieh, Tung-Fu	2,878	4,697	108	108	1,980	1,980	540	0	540	0	5,506 10.40%	7,325 13.84%	0
Vice President	Lee, Cheng-Han	2,991	2,991	108	108	922	922	315	0	315	0	4,336 8.19%	4,336 8.19%	0
Vice President	Hsing, Chien	2,844	2,844	108	108	678	678	70	0	70	0	3,700 6.99%	3,700 6.99%	0
Vice President	Lin, Shih-Chi	0	2,221	72	72	0	1,401	0	0	0	0	72 0.14%	3,694 6.98%	0

Note 1: Severance pay is the allocation amount, not the actual amount paid.

Note 2: The remuneration disclosed in this table is different from the income concept under the Income Tax Law. Therefore, this table is for information disclosure purpose only, and is not for taxation purpose.

Note 3: A manager of Sysgration is responsible for managing its affairs based on the business policies and key matters determined by the Board of Directors, and his/her appointment and discharge shall be subject to a resolution of the Board of Directors according to the Articles of Incorporation. The remuneration for a manager includes a fixed salary and bonuses. The fixed salary is based on his/her job grade, experience, professional competence and length of service and the standard of peer companies, while bonuses are associated with our performance targets, including the set targets for our revenue and profit, individual KPI achievement and will be paid based on his/her performance and his/her contribution to our overall operations, subject to review and recommendation by the Remuneration Committee and a resolution of the Board of Directors.

**Remuneration Scale Table**

Range of Remuneration	Name of General	
	The Company	All companies in the consolidated financial statements
Under NT\$1,000,000	Lin, Shih-Chi / Chang, Ming-Chun	None
NT\$1,000,000 ~ NT\$2,000,000	He, Yao-Hong	He, Yao-Hong
NT\$2,000,000 ~ NT\$3,500,000	Wang, Yen-Cheng / Li, Fang-Ma	Wang, Yen-Cheng / Li, Fang-Ma / Chang, Ming-Chun
NT\$3,500,000 ~ NT\$5,000,000	Lee, Cheng-Han / Hsing, Chien	Lee, Cheng-Han / Hsing, Chien / Lin, Shih-Chi
NT\$5,000,000 ~ NT\$10,000,000	Lee, I-Ren / Hsieh, Tung-Fu	Lee, I-Ren / Hsieh, Tung-Fu
NT\$10,000,000 ~ NT\$15,000,000	None	None
NT\$15,000,000 ~ NT\$30,000,000	None	None
NT\$30,000,000 ~ NT\$50,000,000	None	None
NT\$50,000,000 ~ NT\$100,000,000	None	None
Over NT\$100,000,000	None	None
Total	9	9

Note 1 : The names of General Manager and Vice President shall be listed separately, to disclose the payments in a summary manner. If a director serves as both General Manager or Vice President for the Company, please fill the sheet below and above (1-1) or (1-2-1) and (1-2-2).

Note 2 : The salary, duty increment, severance pay of the General Manager and Vice President in the most recent year.

Note 3 : The salary, duty increment, severance payment, various bonuses, incentive payments, travel expenses, special expenses, allowances, accommodation, vehicle distribution, and other material supplies received by the General Manager and Vice President in recent years. In the case of the provision of housing, motor vehicles, and other means of transport or personal expenses, the disclosure shall be made of the nature and cost of the assets provided, according to actual or fair market rent, oil cost, and other payments. If there is a driver, please note the remuneration paid by the Company to the driver but not included in the 'director's remuneration. In addition, the salary expenses recognized in accordance with IFRS 2, "Share-based Payment", including the acquisition of employee stock option certificate, restricted employee rights new shares, and participation in cash capital increase for shares shall also be included in the remuneration.

Note 4 : The employee payment (including stocks and cash) of the General Manager and Vice President in recent years, which approved by Board of Directors; if unable to estimate the amount, the proposed assigned amount in this year shall be calculated according to the actual assigned amount ratio of last year, and it should be included in the Attached Table 1-3. net income refers to the net profit after tax in the most recent year. For those who have adopted IFRS, the net income refers to the net profit after tax of parent company only financial statement in the most recent year.

Note 5: The total amount of remuneration paid to the General Manager and Vice President of the Company by all companies (including the Company) in the consolidated report shall be disclosed.

Note 6: The total amount of remuneration paid to each General Manager and Vice President by the Company is disclosed in the class to which they belong.

Note 7: The total amount of remuneration paid by all companies (including the Company in the consolidated report shall be disclosed, and the names of the General Manager and Vice President shall be disclosed in the classes to which they belong.

Note 8: Net income refers to the net profit after tax in the most recent year. For those who have adopted IFRS, the net income refers to the income of parent company only financial statement in the most recent year.

Note 9: a. This column shall clearly state the amount of remuneration received by the General Manager and Vice President in connection with the transfer of investment other than from the subsidiaries  
b. If a General Manager and Vice President of the Company receives any remuneration related to the reinvestment business other than from the subsidiaries, the remuneration received by the General Manager and Vice President of the Company from the reinvestment business other than from the subsidiaries shall be incorporated into Column E of the remuneration scale. The domain name shall be changed to "all reinvestment businesses."  
c. Remuneration means the remuneration, reward (including remuneration of employees, directors, and supervisors), business execution expenses, and other relevant remuneration received by the Company's General Manager and Vice President as directors, supervisors, or managers of the business transferred other than from the subsidiaries.

\* The content of remuneration disclosed in this form is different from the concept of income in the Income Tax Act. Therefore, the purpose of this form is for the disclosure purpose only and not for taxation purposes.

**Profit Sharing of Employee Bonuses to Executive Officers**

Unit: NT\$1,000 for the year 2025 ended December 31

	Title	Name	Employee Bonuses- in stock	Employee Bonuses- in Cash	Total	Ratio of Total Amount to Net Profit After Tax (%)
Executive Officers	Chief Strategy Officer	Lee, I-Ren	0	244	244	0.46
	General Manager	Hsieh, Tung-Fu				
	Vice President	Lin, Shih-Chi (Note 5)				
		Lee, Cheng-Han				
		Li, Fang-Mao				
		Hsing, Chien				
		Wang, Yen-Cheng				
		Chang, Ming-Chun				
		He, Yao-Hong (Notes 5 and 6)				
	Senior Director Manager	Yang, Lan-Tai (Note 6)				
	Director Manager	Wang, Hua-Wei				
		Wu, Jeng-Ru				
		Tsai, Hsiu-Mei (Note 5)				
		Li, Mu-Sen				
Lo, Hua-Mei (Note 5)						
Su, Feng-Hsin(Note 6)						

Note 1: The individual names and titles should be disclosed, but the profit distribution may be disclosed in a summary manner.

Note 2: The amount of remuneration (including stock and cash) approved by the Board of Directors to the managers in the most recent year. If it is impossible to estimate, the proposed distribution for this year will be calculated in proportion to the actual distribution from last year. Net income means the net profit after tax in the most recent year; for those who have adopted IFRS, the net income refers to the net profit after tax of parent company only financial statement for the most recent year.

Note 3: The scope of application for managers is as follows, in accordance with the Letter TCZSZ No. 0920001301 dated March 27, 2003:

- (1) President and equivalent level
- (2) Vice President and equivalent level
- (3) Director manager or equivalent level
- (4) Supervisor of a financial department
- (5) Supervisor of an accounting department
- (6) Other person who has the right to manage and sign for the Company

Note 4: If directors, Vice President, and Vice Presidents receive the employee remuneration (including shares and cash), they should fill in this form in addition to Attached Table 1-2.

Note 5: Ms. Lo, Hua-Mei resigned on 2025/02/17, Mr. Lin, Shih-Chi resigned on 2025/09/01, Ms. Tsai, Hsiu-Mei resigned on 2025/11/17 and Mr. He, Yao-Hong resigned on 2025/12/31.

Note 6: Mr. He, Yao-Hong appointed on 2025/04/07, Mr. Su, Feng-Hsin appointed on 2025/02/17, and Mr. Yang, Lan-Tai appointed on 2025/11/12.

**2.5 Comparative analysis of the ratios of total remuneration paid to the Company's Directors, Supervisors, General Manager, and Vice Presidents by the Company and all the companies in the consolidated financial statements for the most recent two years to net profit after tax, and description of the policies, standards, and combinations of compensation, procedures for determining the compensation, and their relevance to business performance and future risks.**

Unit: NT\$1,000

Year	2025					2024				
	Total Remuneration		Net Profit After Tax	Ratio of Total Remuneration to Net Profit After Tax (%)		Total Remuneration		Net Profit After Tax	Ratio of Total Remuneration to Net Profit After Tax (%)	
	the Company	All companies in the consolidated financial statements		the Company	All companies in the consolidated financial statements	the Company	All companies in the consolidated financial statements		the Company	All companies in the consolidated financial statements
Directors	6,817	6,876	52,939	12.88	12.99	10,580	10,580	116,045	9.12	9.12
General Manager & Vice Presidents	18,804	28,156		35.52	53.19	29,027	41,782		25.01	36.00
Total	25,621	35,032		48.40	66.17	39,607	52,362		34.13	45.12

- A. According to the Articles of Incorporation, regardless of any profit or loss, all directors performing duties for Sysgration may claim travel allowance and remuneration, which will be paid, as authorized, by the Board of Directors according to the standard in the industry. Among the current directors, those who are also employees will be paid a monthly amount of NTD5 thousand as remuneration. The ordinary and independent directors who are not employees will be paid a monthly amount of NTD50 thousand as remuneration due to the responsibilities and risks they bear and after considering the time they have invested in corporate governance and the fact that independent directors also serve as members of the Audit Committee and the Remuneration Committee, taking into account the standard in the industry.
- B. According to the Articles of Incorporation, where Sysgration has a profit in a year, it shall allocate no more than 3% thereof as the remuneration for directors, provided that an amount thereof is retained to offset any accumulated losses Sysgration still has. The remuneration for each director is based on the level of his/her participation in and his/her contribution to the operations of Sysgration. Pursuant to the "Regulations for Evaluation of the Performance of the Board of Directors," a performance evaluation is conducted each year to review the performance of directors comprehensively based on items including their understanding of the goals and missions of Sysgration, the awareness of their responsibilities, the level of their participation in the operations of Sysgration, management and communication regarding internal relationship, the professionalism and continuing training of directors, and internal control. As resolved by the Remuneration Committee and the Board of Directors on February 26, 2025, the Company appropriated NT\$4,000,000 as directors' remuneration, which was 2.98% of the profit imputed for the current period.
- C. The relevant remuneration received by any director who is also an employee will be based on his/her job grade, the scope of his/her business and the result of periodic evaluation of his/her performance, with the salary, bonus or other employee remuneration received by him/her subject to approval by the Remuneration Committee and the Board of Directors.
- D. The Company's General Manager and senior managers at the Deputy General Managers' level and above shall handle company affairs in accordance with the business policies and major matters determined by the Board of Directors. Their appointment and dismissal shall be resolved by the Board of Directors. Managers' remuneration includes fixed salaries and bonuses. Fixed salaries are determined based on factors such as the manager's position, experience, professional competence, years of service, and industry standards. Bonuses, employee stock options, and annual salary adjustments are linked to performance targets. The reasonableness of performance evaluations and remuneration is reviewed and approved by the Remuneration Committee and the Board of Directors. The remuneration system is reviewed as needed in accordance with actual business conditions and relevant regulations to ensure a balance between the Company's sustainable operations and risk management.

The performance indicators for senior managers include :

Performance Indicator	Ratio	Descriptions
Financial Indicators	60%	Indicators including revenue, profit targets, cash conversion cycle, inventory turnover rate, and strategic objectives based on respective functions.
Management Indicators	20%	Indicators including communication skills, decision-making and execution capabilities, personal traits, and the ability to develop subordinates.
Sustainability Performance Indicators	20%	Indicators including corporate governance evaluation and sustainability report assessment (5%), ethical corporate management implementation (5%), GHG inventory execution (5%), and sustainable supply chain enhancement implementation (5%).
Extra consideration items	If there are exceptional performance or contributions, additional points of up to 5% may be awarded based on their significance.	

Each quarter, the Company evaluates the overall performance of senior managers based on the achievement rates of various indicators. Their direct supervisors assess their performance to determine whether they have met the originally set KPIs. The evaluation also considers each manager's contribution to the Company's overall operations and the proportion of their business unit's profit relative to the total. Performance ratings are categorized into six levels: A+, A, B, C, D, and E. The rating results serve as a reference for bonus remuneration, employee stock options, and annual salary adjustments. The Remuneration Committee reviews and provides recommendations, which are then submitted to the Board of Directors for approval and execution.

- E. The decrease in the total remuneration paid to the General Manager and Deputy General Managers over the past year is due to the operational needs and business transformation of companies within the group. Ongoing monitoring of potential operational risks is conducted to ensure the company's profitability and to fully safeguard shareholders' rights and interests.

### 3 Operation of Corporate Governance

#### 3.1 Operation of the Board of Directors

##### A. Board of Directors

In the most recent year (2025), the Board of Directors held five (12) meetings (A). The attendance of the directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) [B/A]	Remark
Chairman	Lee, I-Ren	12	0	100	None
Director	Hsieh, Tung-Fu	12	0	100	None
Director	Lee, Cheng-Han	12	0	100	None
Director	Tai, Feng-Yi	11	1	92	None
Independent Director	Lin, Kuan-Chao	12	0	100	None
Independent Director	He, Ju-Hsiang	12	0	100	None
Independent Director	Wei, Che-Chen	11	1	92	None

Other items:

(A) Matters listed in Article 14-3 of the Securities and Exchange Act and resolutions of the Board of Directors' meetings which are opposed or subject to qualified opinions by the Independent Directors and recorded or declared in writing, shall be stated with the date, sessions, contents of the motion, all Independent Directors' opinions, and the Company's response to the Independent Directors' opinions:

The Company's Board of Directors' meeting in 2025 motions relating to the matters set forth in Article 14-3 of the Securities and Exchange Act are as follows:

Meeting Date	Motion Content	Opinions of Independent Directors and Response
2025.01.07 The 11 <sup>th</sup> Meeting of 15 <sup>th</sup> Session	<ol style="list-style-type: none"> <li>1. Approval of the Periodic Assessment of the Independence of the Auditing Accountant.</li> <li>2. Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Power Tank Energy Ltd.</li> <li>3. Approval of the investment in Taiwan Truewin Technology Co., Ltd.</li> </ol>	Approved Unanimously by All Independent Directors in Attendance.

Meeting Date	Motion Content	Opinions of Independent Directors and Response
<p>2025.02.26 The 12<sup>th</sup> Meeting of 15<sup>th</sup> Session</p>	<ol style="list-style-type: none"> <li>1.Approval of the 2024 Internal Control Effectiveness Assessment and Internal Control Statement.</li> <li>2.Approval of the Revision of the 'Procedures for the Acquisition or Disposal of Assets'.</li> <li>3.Approval of the Replacement of the Auditor to Align with Internal Adjustments at PwC Taiwan.</li> <li>4.Approval of the Ratification by Related Parties of Subscribers Regarding the Second Private Placement of Common Shares in 2022.</li> <li>5.Approval of Private Cash Capital Increase and Issuance of Common Stock.</li> <li>6.Approval for the Company to Conduct Share Release and Waive Participation in Cash Capital Increase of Subsidiary, Power Tank Energy Ltd., in Support of Its Future Stock Listing Plan.</li> <li>7.Approval of 2024 Earnings Distribution.</li> <li>8.Approval of Cash Distribution from Capital Surplus.</li> <li>9.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Power Tank Energy Ltd.</li> <li>10.Approval of Classification as Non-Financing Nature for Significant Accounts Receivable Overdue More Than Three Months Due to Business Transactions as of December 31, 2024.</li> <li>11.Approval of 2024 Employee and Directors' Remuneration Distribution.</li> <li>12.Approval of 2024 Directors' Remuneration Distribution Details.</li> <li>13.Approval of Revision of Internal Control System for the 'New Work Cycle – Payroll Operations'.</li> </ol>	<p>Approved Unanimously by All Independent Directors in Attendance.</p>
<p>2025.03.12 The 13<sup>th</sup> Meeting of 15<sup>th</sup> Session</p>	<ol style="list-style-type: none"> <li>1.Approval of the proposed acquisition of real estate.</li> <li>2.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Sysgration (Zhenjiang) Co., Ltd.</li> <li>3.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Power Tank Energy Ltd.</li> </ol>	<p>Approved Unanimously by All Independent Directors in Attendance.</p>
<p>2025.04.10 The 14<sup>th</sup> Meeting of 15<sup>th</sup> Session</p>	<p>Approval of the First Share Buyback and Transfer to Employees for Incentive and Enhancing Employee Engagement.</p>	<p>Approved Unanimously by All Independent Directors in Attendance.</p>
<p>2025.04.24 The 15<sup>th</sup> Meeting of 15<sup>th</sup> Session</p>	<p>Approval of Strategic Equity Investment.</p>	<p>Approved Unanimously by All Independent Directors in Attendance.</p>

Meeting Date	Motion Content	Opinions of Independent Directors and Response
2025.05.07 The 16 <sup>th</sup> Meeting of 15th Session	1.Approval of Classification of Significant Accounts Receivable as Non-Financing Nature as of March 31, 2025, Overdue More Than Three Months Due to Business Transactions. 2.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Sysgration (Zhenjiang) Co., Ltd. 3.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Power Tank Energy Ltd.	Approved Unanimously by All Independent Directors in Attendance.
2025.06.18 The 17 <sup>th</sup> Meeting of 15th Session	1.Approval of Continued Acquisition of Shares in Celxpert Energy Corporation. 2.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Sysgration (Zhenjiang) Co., Ltd. 3.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Power Tank Energy Ltd.	Approved Unanimously by All Independent Directors in Attendance.
2025.07.18 The 18 <sup>th</sup> Meeting of 15th Session	Approval of Waiving Participation in Cash Capital Increase of Subsidiary, DianTong Energy Industrial Co., Ltd.	Approved Unanimously by All Independent Directors in Attendance.
2025.08.13 The 19 <sup>th</sup> Meeting of 15th Session	1.Approval of Release from Non-Compete Restrictions for Directors. 2.Approval of Additional Investment in U.S. Subsidiary.	Approved Unanimously by All Independent Directors in Attendance.
2025.09.17 The 20 <sup>th</sup> Meeting of 15th Session	1.Approval of Issuance of the 6th and 7th Domestic Unsecured Convertible Bonds. 2.Approval of Release from Non-Compete Restrictions for Directors.	Approved Unanimously by All Independent Directors in Attendance.
2025.10.23 The 21 <sup>th</sup> Meeting of 15th Session	1.Approval of the 2026 Audit Plan. 2.Approval of Revision of the Rules of Procedure for the Board of Directors. 3.Approval of Revision of the Accounting Policies. 4.Approval of the Public Offering of the First Phase of 2022 Private Placement of Common Stock.	Approved Unanimously by All Independent Directors in Attendance.
2025.11.12 The 22 <sup>th</sup> Meeting of 15th Session	1.Approval of Resignation of the Chief Financial Officer. 2.Approval of Appointment of the Chief Financial Officer. 3.Approval of the remuneration allocation for directors concurrently serving as legal representative directors of other companies.	Approved Unanimously by All Independent Directors in Attendance.

(B) If directors withdraw motions in conflict of interest, state with the names of the directors, the content of the motion, the reasons for avoidance, and the voting result.

Meeting Date	Name of Director	Motion content	Reasons for Avoidance and Voting Result
2025/01/07 The 11 <sup>th</sup> Meeting of 15 <sup>th</sup> Session	Lee, I-Ren Hsieh, Tung-Fu Lee, Cheng-Han	Approval of 2024 Year-End Bonus Distribution for Managerial Staff.	Except for Chairman Lee, I-Ren, Director Hsieh, Tung-Fu, and Director Lee, Cheng-Han, who had other interests and needed to withdraw from the discussion and voting, the acting chairman, Independent Director Wei, Che- Chen, asked the other directors present and approved the motion without objection.

Meeting Date	Name of Director	Motion content	Reasons for Avoidance and Voting Result
2025/02/26 The 12 <sup>th</sup> Meeting of 15 <sup>th</sup> Session	Lee, I-Ren	Approval of Release from Non-Compete Restriction for Directors.	Except for Chairman Lee, I-Ren who had other interests and needed to withdraw from the discussion and voting, the acting chairman, Independent Director Lin, Kuan-Chao, asked the other directors present and approved the motion without objection.
	Lee, I-Ren	Approval of Release from Non-Compete Obligation for Managerial Staff.	Except for Chairman Lee, I-Ren who had other interests and needed to withdraw from the discussion and voting, the acting chairman, Independent Director Lin, Kuan-Chao, asked the other directors present and approved the motion without objection.
	Lee, I-Ren Hsieh, Tung-Fu Lee, Cheng-Han Tai, Feng-Yi Wei, Che- Chen Lin, Kuan-Chao He, Ju-Hsiang	Approval of 2024 Directors' Remuneration Distribution Details.	Except for Chairman Lee, I-Ren, Director Hsieh, Tung-Fu, Director Lee, Cheng-Han, Director Tai, Feng-Yi, Independent Director Wei, Che-Chen, Independent Director Lin, Kuan-Chao and , Independent Director He, Ju-Hsiang with a conflict of interest must alternate in recusing themselves from the decision-making process. This proposal was approved by other directors present without objection.
	Lee, I-Ren Hsieh, Tung-Fu Lee, Cheng-Han	Approval of 2024 Managerial Staff Remuneration Distribution Details.	Except for Chairman Lee, I-Ren, Director Hsieh, Tung-Fu, and Director Lee, Cheng-Han, who had other interests and needed to withdraw from the discussion and voting, the acting chairman, Independent Director Wei, Che- Chen, asked the other directors present and approved the motion without objection.
	Lee, I-Ren Hsieh, Tung-Fu Lee, Cheng-Han	Approval of Q4 2024 Managerial Operational Bonus Distribution.	Except for Chairman Lee, I-Ren, Director Hsieh, Tung-Fu, and Director Lee, Cheng-Han, who had other interests and needed to withdraw from the discussion and voting, the acting chairman, Independent Director Wei, Che- Chen, asked the other directors present and approved the motion without objection.
2025/05/07 The 16 <sup>th</sup> Meeting of 15 <sup>th</sup> Session	Lee, I-Ren Hsieh, Tung-Fu Lee, Cheng-Han	Approval of Q1 2025 Operational Bonus Distribution.	Except for Chairman Lee, I-Ren, Director Hsieh, Tung-Fu, and Director Lee, Cheng-Han, who had other interests and needed to withdraw from the discussion and voting, the acting chairman, Independent Director Wei, Che- Chen, asked the other directors present and approved the motion without objection.

Meeting Date	Name of Director	Motion content	Reasons for Avoidance and Voting Result
2025/11/12 The 22 <sup>th</sup> Meeting of 15 <sup>th</sup> Session	Lee, I-Ren Hsieh, Tung-Fu Lee, Cheng-Han	Approval of the Allocation of Director's Remuneration for Serving as Legal Representative in Other Companies.	Except for Chairman Lee, I-Ren, Director Hsieh, Tung-Fu, and Director Lee, Cheng-Han, who had other interests and needed to withdraw from the discussion and voting, the acting chairman, Independent Director Lin, Kuan-Chao, asked the other directors present and approved the motion without objection.

(C) Information on the Board of Directors' self-assessment (or peer assessment), the scope, method, and content of the assessment:

Cycle of evaluation	Period of evaluation	Scope of evaluation	Method of evaluation	Content of evaluation
Once a year	From 2025/01/01 To 2025/12/31	An evaluation of the performance of the Board of Directors, individual directors and the functional committees.	The methods of internal evaluation include the self-evaluation of directors, the internal self-evaluation of the Board of Directors and the functional committees, and the resolutions of the Board of Directors.	<p>The scope of evaluation of the performance of the Board of Directors includes the following five aspects consisting of 40 items:</p> <ol style="list-style-type: none"> <li>1. Level of participation in the operations of Sysgration.</li> <li>2. Improvement of the quality of decision-making by the Board of Directors.</li> <li>3. Composition and structure of the Board of Directors.</li> <li>4. Election and continuing training of directors.</li> <li>5. Internal control.</li> </ol> <p>The scope of evaluation of the performance of individual directors includes the following six aspects consisting of 23 items:</p> <ol style="list-style-type: none"> <li>1. Understanding of the goals and missions of Sysgration.</li> <li>2. Awareness of the responsibilities of a director.</li> <li>3. Level of participation in the operations of Sysgration.</li> <li>4. Management and communication regarding internal relationship.</li> <li>5. Professionalism and continuing training of directors.</li> <li>6. Internal control.</li> </ol> <p>The scope of evaluation of the performance of the Audit Committee , the Remuneration Committee and the Risk Management Committee includes 22 ,20 and 26 items , respectively, under the following five aspects:</p> <ol style="list-style-type: none"> <li>1. Level of participation in the operations of Sysgration.</li> <li>2. Awareness of the responsibilities of the Audit Committee.</li> <li>3. Improvement of the quality of decision-making by a committee.</li> <li>4. Composition and election of members of a committee.</li> <li>5. Internal control.</li> </ol>

Results of comprehensive evaluation:

We have completed the self-evaluation of the performance of the Board of Directors for 2025, and the result of evaluation was submitted in a report to the Board of Directors on January 14, 2026 as a basis for review and improvement. The overall average score of the self-evaluation of the performance of the Board of Directors was 4.88 (out of 5), and the

overall average score of the self-evaluation of the performance of individual directors was 4.84 (out of 5), indicating that the overall performance of the Board of Directors has been good.

The overall average scores of the self-evaluation of the performance of the Audit Committee, the Remuneration Committee and the Risk Management Committee were, respectively, 5.00, 5.00 and 5.00 (out of 5), indicating that their overall performance has been good. For 2025, the results of the self-evaluation and comprehensive evaluation of the performance of the Board of Directors, individual directors and the functional committees were all at or above the level of "Excellent" and have met our expectations.

- (D) The objectives to strengthen the functioning of the Board of Directors (e.g., setting up the audit committee, improving the information transparency, etc.) in current and recent years, and the assessment of the implementation:
- a. The Board of Directors of the Company operates in accordance with the laws and regulations, the Articles of Incorporation of the Company, and the resolutions of Shareholders' meeting to exercise its functions and powers. In addition to having the professional knowledge, skills, and qualities necessary for performing their duties, all the directors shall follow the principle of loyalty, integrity, and duty of care to create the maximum benefits for all shareholders.
  - b. The Company has set up the Audit Committee, Remuneration Committee and Risk Management Committee to assist in performing the duties and supervision of the Board of Directors. To improve the supervision function and strengthen the management function, the "Rules of Procedure for Board of Directors' meeting" has been formulated, containing the main discussion contents, procedures, items to be stated, announcements, and other matters that should be followed to establish a good system for the Board of Directors.
  - c. According to the Regulations for Evaluation of the Performance of the Board of Directors, an evaluation shall be conducted by an external independent professional organization or an external team of experts or academics at least every three years. Our most recent external evaluation of performance was conducted in 2025, when we engaged "Da Lih Financial Consulting Co., Ltd." to conduct an evaluation of the effectiveness (including performance) of the Board of Directors. The company and its experts had not engaged in any business dealing with us and were independent, and it issued a report on the evaluation of the effectiveness of the Board of Directors on January 6, 2026. The result of the foregoing external evaluation was submitted in a report to the Board of Directors on January 14, 2026, and its implementation is detailed as follows:
    - (a) Period of evaluation: January 1 to December 31, 2025.
    - (b) Method of evaluation: The aforementioned company reviewed the required documents provided by us for the evaluation. On November 12, 2025, experts from the company arrived at Sysgration for a field visit, during which they interviewed the directors Lee I-Ren, the independent director He, Ju- Hsiang, the independent director Wei, Che-Chen and the independent director Lin Kuan-Chao, the chief corporate governance officer and the chief auditor.
    - (c) Content and scope of evaluation: The evaluation reviewed the operations of the Board of Directors in seven aspects, i.e., the members and structure of the Board of Directors, the quality of decision-making by the Board of Directors, the authority of

the Board of Directors, the supervision of the Board of Directors, communication and delivery of information by the Board of Directors, risk management, and other.

(d) Summary of the result of external evaluation of the performance of the Board of Directors

I. Conclusion:

1. The Board of Directors consists of seven members. In response to the company's development needs, three external professionals have been appointed as independent directors. The board members possess backgrounds in business management, industry, technology, and finance and accounting, and have a wide range of skills, knowledge, and experience. They also engage in continuous professional development, which helps the board make sound and appropriate decisions.
2. To enhance the functions of the Board of Directors, the Company has established not only a Remuneration Committee and an Audit Committee, but also a Sustainability Development Committee and a Risk Management Committee. These committees assist the Board in providing professional oversight and decision-making in specific areas, and submit reports or recommendations to the Board, thereby strengthening corporate governance. Independent directors and the head of internal audit communicate on an irregular basis, and a closed-door meeting is convened once a year to enhance the quality and efficiency of internal control.
3. The Company has consecutively received the Top 5% award among OTC-listed companies in the 9th through 11th Corporate Governance Evaluations. In the 11th evaluation (Fiscal Year 2024), it was further recognized as a benchmark enterprise, ranking in the Top 5% among listed and OTC companies with a market capitalization of NT\$5–10 billion. These achievements demonstrate the Company's strong commitment to corporate governance and its continuous self-improvement in line with international sustainability standards.

Overall, the performance of the Board of Directors is excellent.

II. Recommendation:

1. All seven members of the Company's Board of Directors are male. In consideration of gender equality and diversity in the composition of the Board, it is recommended that female director candidates be nominated in the next board election, with the proportion of female directors reaching at least one-third of the total board seats.
2. In pursuit of long-term corporate value and transformation, the Company should formulate and disclose its operating strategies and business plans, integrate sustainability-related information, and conduct analysis and evaluation of such information at the Board of Directors level.

III. Response:

The Company continues to be committed to increasing the proportion of female directors and enhancing board diversity, and has also incorporated plans to enhance corporate value into its overall planning.

### 3.2 Operation of the Audit Committee:

The professional qualifications of the members of the Audit Committee are as follows:

Name	Professional Qualifications and Experience
Lin Kuan-Chao	Master of Accounting, National Cheng chi University Taipei City Licensed CPA (since 1980) Chairman, PKF Taiwan (since 2001)
Wei Che-Chen	Bachelor, Department of Accounting, National Chengzhi University Chairman, Taiwan Life Asset Management (2009 to 2011) Senior Specialist, Taiwan Life Insurance Co., Ltd. (2011 to 2015)
He Ju-Hsiang	MBA, Asia Management College Manager for Internal Audit, BNP Paribas Taiwan (1984 to 1989) Vice President for Loans, Bank of America in Taiwan (1989 to 1994) Special Assistant to the Chairman, Taiwan Life Insurance Co., Ltd. (2000 to 2016)

The Audit Committee is composed of three independent directors, all of whom have educational experience in accounting or financial management. Lin Kuan-Chao is a practicing CPA holding a CPA license. Wei Che-Chen used to be the Chairman of Taiwan Life Asset Management. He Ju-Hsiang served as the Vice President for Loans at Bank of America in Taiwan and the Manager for Internal Audit at BNP Paribas Taiwan. All three members possess the work experience and professional skills necessary for finance and accounting-related business as required by law.

The Audit Committee has been established for the purpose of strengthening the supervisory functions of the Board of Directors and is responsible for supervising the fair presentation of our financial statements, the appointment (discharge), independence and performance of CPAs, the effective implementation of our internal control system, compliance with applicable laws and regulations, and the control of existing or potential risks. The main powers of the Audit Committee include:

- A. Establish or amend the internal control system in accordance with Article 14 (1) of the Securities and Exchange Act.
- B. Assess the effectiveness of the internal control system.
- C. Formulate or amend the procedures for the acquisition or disposal of assets, engaging in derivatives trading, lending funds to others, endorsing or providing guarantees for others, and the procedures of major financial business activities in accordance with Article 36-1 of the Securities and Exchange Act.
- D. Handle the matters involving the director's interests.
- E. Handle the material transaction of assets or derivatives.
- F. Handle the loans, endorsements, or provide guarantees for material assets.
- G. Raise, issue or place the private placement securities.
- H. Appoint and dismiss auditors.
- I. Appoint or dismiss the finance, accounting, or internal audit directors.
- J. Approve the annual audited financial report and approve the second quarterly financial report if certified and audited by the accountant.
- K. Address other major matters stipulated by the Company or the competent authority.

In the most recent year (2025), the Audit Committee has held 10 meetings (A). The attendance of the Independent Directors was as follows:

Position	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) [B/A]	Remark
Independent Director	Lin, Kuan-Chao	10	0	100	None
Independent Director	He, Ju-Hsiang	10	0	100	None
Independent Director	Wei, Che-Chen	10	0	100	None

Other matters:

A. If the operation of Audit Committee has any of the following circumstances, the meeting date, session and content of audit committee meeting, independent director's opposition or subject to qualified opinions or major suggestion, as well as audit committee's resolutions and the Company's response to the opinion of the Audit Committee shall be stated.

(A) The matters listed in Article 14-5 of the Securities Exchange Act.

(B) Other matters, other than those mentioned above, which have not been approved by the Audit Committee but have been approved upon by more than two-thirds of all the directors.

The motions of the Company's Audit Committee in 2024 related to Article 14-5 of the Securities Exchange Act are listed below. The Audit Committee had communicated with the relevant attended personnel on the relevant motions. All the motions were approved by the present members. There was no opposition or subject to qualified opinions, and there was also no motion not approved by the Audit Committee and subject to consent by more than two-thirds of all the directors.

Meeting Date	Motion Contents	Independent Director's opposition or subject to qualified opinions or major suggestion	Opinions of Committee and the Company's Response
2025/01/07 The 11 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	1. Case on Regular Assessment of Auditor Independence. 2. Approval of Bank Financing Limit for Subsidiary, Power Tank Energy Ltd. 3. Approval of Investment in Truewin Technology Co., Ltd.	None	Approved by all members in attendance.
2025/02/26 The 12 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	1. Approval of the 2024 Internal Control Effectiveness Assessment and Internal Control Statement. 2. Approval of the Revision of Procedures for Acquisition or Disposal of Assets. 3. Approval of Changing the Engagement Auditor to Accommodate Internal Adjustments at PwC. 4. Ratification by Subscription-Related Parties of the Second 2022 Private Placement of Common Stock. 5. Approval of the Private Placement of Common Stock Cash Capital Increase. 6. Approval of the 2024 Financial Statements and Business Report. 7. Approval of the 2024 Earnings Distribution Plan. 8. Approval of Cash Distribution from Capital Surplus. 9. Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Power Tank Energy Ltd. 10. Approval of the Classification of Accounts Receivable as Non-Financing Nature for Receivables Overdue More Than Three Months Due to Business Transactions and of Significant Amount as of December 31, 2024.	None	Approved by all members in attendance.

Meeting Date	Motion Contents	Independent Director's opposition or subject to qualified opinions or major suggestion	Opinions of Committee and the Company's Response
2025/03/12 The 13 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	1.Approval of Real Estate Acquisition. 2.Approval of Investment in S&T Group Co., Ltd. Equity.	None	Approved by all members in attendance.
2025/05/07 The 14 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	1.Approval of the Q1 2025 Consolidated Financial Statements. 2.Approval of Classification of Significant Accounts Receivable as Non-Financing Nature as of March 31, 2025, Overdue More Than Three Months Due to Business Transactions. 3.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Sysgration (Zhenjiang) Co., Ltd. 4.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Power Tank Energy Ltd.	None	Approved by all members in attendance.
2025/06/18 The 15 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	1.Approval of Continued Acquisition of Shares in Celxpert Energy Corporation. 2.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Sysgration (Zhenjiang) Co., Ltd. 3.Approval of Providing Endorsement and Guarantee for Bank Financing of Subsidiary, Power Tank Energy Ltd.	None	Approved by all members in attendance.
2025/07/18 The 16 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	Approval of Waiving Participation in Cash Capital Increase of Subsidiary, Power Tank Energy Ltd.	None	Approved by all members in attendance.
2025/08/13 The 17 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	1.Approval of the Q2 2025 Consolidated Financial Statements. 2.Approval of Additional Investment in U.S. Subsidiary.	None	Approved by all members in attendance.
2025/09/17 The 18 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	Approval of Issuance of the 6th and 7th Domestic Unsecured Convertible Bonds.	None	Approved by all members in attendance.
2025/10/23 The 19 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	1.Approval of the 2026 Audit Plan. 2.Approval of Revision of the Accounting Policies. 3.Approval of the Public Offering of the First Phase of 2022 Private Placement of Common Stock.	None	Approved by all members in attendance.
2025/11/12 The 20 <sup>th</sup> Meeting of 3 <sup>rd</sup> Session	1.Approval of the Q3 2025 Consolidated Financial Statements. 2.Approval of Resignation of the Chief Financial Officer. 3.Approval of Appointment of the Chief Financial Officer.	None	Approved by all members in attendance.

B. If Independent Directors withdraw motions in conflict of interest, shall state the Independent Director's name, content of the motion, reason for the withdrawal, and the voting situation: no such situation exists.

C. Communication between the Independent Directors and the internal audit supervisor, and the CPAs (including the key issues of financial and business status of the Company, methods, and results of the communication).

(A) The Audit Committee of the Company shall be composed of all independent directors. It shall hold at least one meeting a quarter and may be convened at any time as necessary.

(B) Communication between the internal audit supervisor and the Audit Committee:

The Company's Audit Committee maintains good communication with internal audit supervisor. The main communication and interactions are as follows:

a. The internal audit supervisor shall attend each Audit Committee and Board meeting to report on the findings of the audit and the improvement progress of abnormal matters during the period, reply to any questions raised by the Independent Directors, and strengthen the audit work according to the instructions, to ensure the effectiveness of the internal control system

and give full play to the supervision function.

- b. Internal audit supervisor shall regularly report on any abnormal matters found in the audit to the Audit Committee, review the internal rules and regulations, and moderately revise the relevant measures to continuously optimize the operating process.
- c. The meeting dates and matters communicated by the Independent Directors and the internal audit supervisor through the Audit Committee in 2025 were as follows. In addition to providing the audit progress report and deficiency tracking report to the Independent Directors for reference, the internal audit supervisor also report and reply to any questions raised by the Independent Director make improvements and follow up according to the suggestions made by the Independent Directors.

Date	Attendants	Communication items	Results
2025/01/07 Audit Committee Meeting	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Chief Auditor: Liu, Hsueh-Ju	1.Internal Audit Execution for October–December 2024. 2.Internal Audit Execution for Q4 2024 of Mainland China Subsidiary.	Approved without objection.
2025/02/26 Audit Committee Meeting	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Chief Auditor: Liu, Hsueh-Ju	2024 Assessment of Internal Control Effectiveness and Discussion on the Internal Control Statement.	Approved without objection.
2025/05/07 Audit Committee Meeting	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Chief Auditor: Liu, Hsueh-Ju	1.Internal Audit Execution for January–March 2025. 2.Internal Audit Execution for Q1 2025 of Mainland China Subsidiary.	Approved without objection.
2025/08/13 Audit Committee Meeting	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Chief Auditor: Liu, Hsueh-Ju	1.Internal Audit Execution for April–June 2025. 2.Internal Audit Execution for Q2 2025 of Mainland China Subsidiary.	Approved without objection.
2025/10/23 Audit Committee Meeting g	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Chief Auditor: Liu, Hsueh-Ju	1.2026 Annual Audit Plan. 2.Internal Audit Execution for July–September 2025. 3.Internal Audit Execution for Q3 2025 of Mainland China Subsidiary .	Approved without objection.

(C) Communication between the CPAs and the Audit Committee:

The Company has organized meetings for the independent directors and auditing CPAs regularly every year, to communicate at completion stage annually or semi-annually, and to report to the independent directors as for auditing procedures, internal control deficiency findings, significant adjustment, and other material communication matters in financial statements. Communication between the CPAs and the Audit Committee in 2025:

Date	Attendants	Communication items	Results
2025/01/07 Pre-meeting Conference	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Auditor CPA Chih, Ping-Chiun	Description of the Audit Quality Indicators (AQIs) for the last three years.	No violation against CPAs' independence and competence found, according to the audit results.
2025/01/17 Audit Committee Meeting	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Auditor CPA Chih, Ping-Chiun	<ol style="list-style-type: none"> <li>1. Description of the Audit Quality Indicators (AQIs) for the last three years.</li> <li>2. Assessment of the independence and competence of the engaged CPAs.</li> </ol>	No violation of independence found.
2025/02/26 Pre-meeting Conference	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Auditor CPA Chih, Ping-Chiun	<ol style="list-style-type: none"> <li>1. Types of audit activities conducted with regard to each constituent entity, and the level and materiality of participation in the audit activities conducted by auditors with regard to each constituent entity.</li> <li>2. The type of audit report issued in 2024 was one with unqualified opinions.</li> <li>3. The assessment of key audit matters, audit procedures of the CPAs, and audit result.</li> <li>4. Whether there is any material adjusting entries.</li> <li>5. Other matters for communication.</li> </ol>	The audit result was considered fair and approved without objection.
2025/02/26 Audit Committee Meeting	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Auditor CPA Chih, Ping-Chiun	CPA's audit results for the 2024 consolidated and parent company only financial statements.	The audit result was considered fair and approved without objection.
2025/08/13 Pre-meeting Conference	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Auditor CPA Chih, Ping-Chiun	<ol style="list-style-type: none"> <li>1. Types of review activities conducted in 2025Q2 with regard to each constituent entity, and the level and materiality of participation in the audit activities conducted by auditors with regard to each constituent entity.</li> <li>2. The assessment of key audit matters, audit procedures of the CPAs, and audit result.</li> <li>3. No material adjusting entry.</li> <li>4. Other matters for communication.</li> </ol>	The review result was considered fair and approved without objection.
2025/08/13 Audit Committee Meeting	Independent Directors: Lin, Kuan-Chao Wei, Che-Chen He, Ju-Hsiang Auditor CPA Chih, Ping-Chiun	Report on CPA's review results for the 2025Q2 consolidated financial statements.	Approved without objection.

### 3.3 The difference between the operation of corporate governance and the Code of Practice on Corporate Governance for Listed Companies and the reasons

Evaluation Item	Implementation Status			Situation and Reasons for Differences from Code of Practice on Corporate Governance for Listed Companies
	Y	N	Explanation	
1. Has the Company established and disclosed the code of practice on corporate governance in accordance with the Code of Practice on Corporate Governance for Listed Companies?	✓		The Company has established and disclosed the code of practice on corporate governance on its website, as well as relevant regulations for shareholders' equity safeguard, board of directors' function reinforcement, perform of audit committee function, regard of interested parties' rights, and promotion of information transparency.	Compliance with the Code of Practice on Corporate Governance without significant differences.
2. Company's equity structure and shareholders' equity				
(1) Has the Company established the internal operating procedures to deal with shareholder suggestions, doubts, disputes, and lawsuits and implemented them in accordance with the procedures?	✓		The Company has various internal operating procedures. Shareholders may contact the Company at any time by telephone, e-mail, or mail correspondence if they have any suggestions or doubts. If any dispute or lawsuit is true, they may notify the Company in accordance with the legal procedures. The Company will request its appointed legal counsel to assist in managing the matter.	Compliance with the Code of Practice on Corporate Governance without significant differences.
(2) Does the Company keep a list of the major shareholders who control the Company and the ultimate controllers of the major shareholders?	✓		The Company keeps a list of the major shareholders and the ultimate controllers of the major shareholders and shall report relevant information according to the provisions.	Compliance with the Code of Practice on Corporate Governance without significant differences.
(3) Has the Company established and implemented the risk control and firewall mechanism with affiliated enterprises?	✓		The Company has also set up proper organizational control framework, to supervise and manage subsidiary's major financial and business operations at all times and make regular checks on its relevant affairs in accordance with internal control system for maintaining effective corporate risk control and firewall mechanism.	Compliance with the Code of Practice on Corporate Governance without significant differences.
(4) Has the Company adopted the internal regulations to prohibit its insiders from trading securities by undisclosed information in the market?	✓		We have established the "Procedures for Management of Material Internal Information" and the "Procedures Governing the Prevention of Insider Trading," which specifically prohibit insiders from using non-public market information to trade securities. On October 18, 2022, the Board of Directors approved an amendment to the "Procedures Governing the Prevention of Insider Trading," adding the requirement that none of our directors may trade our shares during the closure period 30 days prior to publication of an annual financial report or 15 days prior to publication of a quarterly financial report. We also organize relevant awareness training sessions and sending alert emails each year.	Compliance with the Code of Practice on Corporate Governance without significant differences.
3. Composition and duties of the Board of Directors				

<p>(1) Has the Board of Directors drawn up and implemented a diversity policy on the composition of its members?</p>	✓	<p>The Company has formulated and implemented the "Code of Practice on Corporate Governance" to draw up and implement a diversity policy on the Board's membership. Furthermore, the nomination and selection of the Board members shall be conducted following the provisions of the Articles of Incorporation of the Company. In addition to assessing the candidates' academic experience and qualifications, the "Code of Practice on Corporate Governance" and the "Method for Election of Directors" shall be observed to ensure the diversity and independence of the directors. The Company's board of directors shall possess abilities of operation judgement, accounting and financial analysis, operating management, crisis management, industry knowledge, global market view, leadership, decision-making capacity, risk management, corporate governance experience, and etc. to implement company's diversity principles, including gradually add board of directors members with corporate governance, environment sustainability, enterprise social responsibility, legal aspects concepts and backgrounds for better supervising and guiding the company's development under international trend. Furthermore, the company's directors have achieved diversity requirements, and it will continuously review and strengthen during re-election to meet the needs of future development.</p>	<p>Compliance with the Code of Practice on Corporate Governance without significant differences.</p>												
<p>(2) In addition to the Remuneration Committee and Audit Committee, does the Company voluntarily set up other functional committees?</p>	✓	<p>In addition to establishing the Remuneration Committee and the Audit Committee in accordance with the law, in order to actively promote and implement a risk management mechanism, the Company set up the Risk Management Committee on August 8, 2023. The current Committee consists of three members, two of whom are independent directors. All three members have more than 20 years of experience in business management and risk management. Their educational and professional experience, as well as risk management capabilities, are as follows:</p> <table border="1" data-bbox="775 963 1648 1295"> <thead> <tr> <th>Title</th> <th>Name</th> <th>Educational and Professional Experience</th> </tr> </thead> <tbody> <tr> <td>Convener</td> <td>Director Hsieh, Tung-Fu</td> <td>Industrial knowledge, business management, purchasing ability, international market vision and ability in corporate governance.</td> </tr> <tr> <td>Committee Member</td> <td>Independent Director Lin, Kuan-Chao</td> <td>Finance, accounting, business management and ability in corporate governance.</td> </tr> <tr> <td>Committee Member</td> <td>Independent Director Wei, Che-Chen</td> <td>Securities, finance, accounting, business management and ability in corporate governance.</td> </tr> </tbody> </table> <p>The primary responsibilities of the Risk Management Committee are as follows:</p> <ol style="list-style-type: none"> <li>1. Reviewing risk management policies.</li> <li>2. Reviewing the adequacy of the risk management framework.</li> <li>3. Reviewing material risk management strategies, including risk appetite or tolerance.</li> </ol>	Title	Name	Educational and Professional Experience	Convener	Director Hsieh, Tung-Fu	Industrial knowledge, business management, purchasing ability, international market vision and ability in corporate governance.	Committee Member	Independent Director Lin, Kuan-Chao	Finance, accounting, business management and ability in corporate governance.	Committee Member	Independent Director Wei, Che-Chen	Securities, finance, accounting, business management and ability in corporate governance.	<p>Compliance with the Code of Practice on Corporate Governance without significant differences.</p>
Title	Name	Educational and Professional Experience													
Convener	Director Hsieh, Tung-Fu	Industrial knowledge, business management, purchasing ability, international market vision and ability in corporate governance.													
Committee Member	Independent Director Lin, Kuan-Chao	Finance, accounting, business management and ability in corporate governance.													
Committee Member	Independent Director Wei, Che-Chen	Securities, finance, accounting, business management and ability in corporate governance.													

		<p>4. Reviewing management reports on material risk issues and supervising improvement mechanisms.</p> <p>5. Regularly reporting the implementation of risk management to the Board of Directors.</p> <p>The Risk Management Committee convenes at least once a year and may also hold meetings at any time, as needed. In 2025, the Risk Management Committee convened one meeting, with an attendance rate of 100%. The resolutions adopted at the meeting are as follows:</p> <table border="1" data-bbox="772 406 1677 576"> <thead> <tr> <th data-bbox="772 406 999 443">Meeting Date</th> <th data-bbox="999 406 1677 443">Motion Content</th> </tr> </thead> <tbody> <tr> <td data-bbox="772 443 999 576">2025/11/12 The 3<sup>rd</sup> Meeting of 1<sup>st</sup> Session</td> <td data-bbox="999 443 1677 576"> <ol style="list-style-type: none"> <li>1. 2025 Legal Risk Assessment and Intellectual Property Management.</li> <li>2. Information security management in 2025.</li> <li>3. Ethical management in 2025.</li> </ol> </td> </tr> </tbody> </table> <p>The proposals referred to above were passed unanimously by the attending members without any dissenting or qualified opinion from any member recorded or stated in written form.</p>	Meeting Date	Motion Content	2025/11/12 The 3 <sup>rd</sup> Meeting of 1 <sup>st</sup> Session	<ol style="list-style-type: none"> <li>1. 2025 Legal Risk Assessment and Intellectual Property Management.</li> <li>2. Information security management in 2025.</li> <li>3. Ethical management in 2025.</li> </ol>	
Meeting Date	Motion Content						
2025/11/12 The 3 <sup>rd</sup> Meeting of 1 <sup>st</sup> Session	<ol style="list-style-type: none"> <li>1. 2025 Legal Risk Assessment and Intellectual Property Management.</li> <li>2. Information security management in 2025.</li> <li>3. Ethical management in 2025.</li> </ol>						
<p>(3) Has the Company formulated the performance evaluation methods and evaluation measures, conducted the annual performance evaluation, and reported performance evaluation results to the Board of Directors for reference in the salaries and remuneration of individual directors and the nomination for renewal of office?</p>	<p>✓</p>	<p>On January 14, 2021, the Board of Directors adopted the “Regulations for Evaluation of the Performance of the Board of Directors,” requiring that an internal evaluation be conducted at least annually and an external evaluation be carried out every three years.</p> <p>The results of self-evaluation of the performance of the Board of Directors and the functional committees and the actions taken for improvement in 2025:</p> <ol style="list-style-type: none"> <li>1. Period of evaluation: January 1 to December 31, 2025.</li> <li>2. The result of evaluation of the performance of individual directors: The performance of directors has met our expectations.</li> <li>3. The result of evaluation of the overall performance of the Board of Directors and the functional committees: The overall performance of the Board of Directors, the Remuneration Committee, the Audit Committee and Risk Management Committee has met our expectations.</li> <li>4. The results of evaluation of the performance of the Board of Directors, the Remuneration Committee, the Audit Committee and Risk Management Committee were submitted in a report to the Board of Directors on January 14, 2026.</li> </ol> <p>External evaluation of the performance of the Board of Directors in 2025: In 2025, we engaged “DALEE Finance Consulting Co., Ltd.” to conduct an external evaluation of the effectiveness (including performance) of the Board of Directors. The company and its experts had not engaged in any business dealing with us and were independent. A report on the external evaluation of the Board of Directors was submitted to the Board of Directors on January 14, 2026, for review of its result and suggestions for improvement.</p>	<p>Compliance with the Code of Practice on Corporate Governance without significant differences.</p>				

			The above results of evaluation will be used as reference for the remuneration for individual directors and their nomination for re-election.	
(4) Does the Company regularly evaluate the independence of the auditing CPAs?	✓		<p>The Company evaluates the independence and competence of the auditing CPAs appointed and submits to the Audit Committee and the Board of Directors for approval annually. On January 14, 2026 the Audit Committee and the Board of Directors evaluated the independence and competence of CPAs Chih, Ping-Chiun and Hsu, Ming-Chuan of PricewaterhouseCoopers Taiwan.</p> <p>The main assessment procedures include:</p> <p>1. Company evaluation:</p> <p>The Company, in reference to the framework of the “Audit Quality Indicators” (AQI), evaluated 13 indicators covering 5 scopes: professionalism, quality control, independence, monitoring, and creativity of the CPA, had the audit firm communicate with and report to the Audit Committee with regard to relevant data covered:</p> <p><i>A. Audit Professionals:</i> including experience, training and continuing education, manpower turnover and professional support.</p> <p><i>B. Audit Quality:</i> including workload, use of the work of specialists, Audit firms' internal quality review and planning capability.</p> <p><i>C. Independence:</i> including ratio of non-auditing service fee to auditing fee and familiarity with client.</p> <p><i>D. Enforcement and litigation:</i> including regulatory compliance and enforcement, and record of monitoring and remediation.</p> <p><i>E. Innovation:</i> including competence, project management and commitment.</p> <p>In addition, we reviewed whether each of those two attesting CPAs meets each of the 16 evaluation items stipulated in the “Evaluation Form for the Independence and Suitability of the Attesting CPA” of the Company, and submitted the forms and results to the Audit Committee and the Board of Directors for their review.</p> <p>① Is currently employed by the client to perform routine work for which he or she receives a fixed salary, or currently serves as a director or supervisor thereof.</p> <p>② Has previously served for the client as a director, supervisor, managerial officer, or an employee with material influence over attestation, and has been separated from the position for less than two years.</p> <p>③ Has a financial and business relationship other than the CPA business with the client.</p> <p>④ Is a spouse, lineal relative, direct relative by marriage, or a collateral relative within the second degree of kinship of any responsible person or managerial officer of the client.</p> <p>⑤ Himself or herself, or the spouse or a minor child thereof, has invested in the client, or shares in financial gains therewith.</p> <p>⑥ Himself or herself, or the spouse or a minor child thereof, possesses shares,</p>	Compliance with the Code of Practice on Corporate Governance without significant differences.

		<p>corporate bonds, or other negotiable securities of the client.</p> <ul style="list-style-type: none"> <li>⑦ Himself or herself, or the spouse or a minor child thereof, has lent or borrowed funds to or from the client.</li> <li>⑧ Provides management consulting or other non-attestation services that affect his or her independence.</li> <li>⑨ Other relationships with related persons pursuant to the applicable regulations governing the preparation of financial reports adopted by the competent authority for the relevant industry.</li> <li>⑩ Other situations where, pursuant to the regulations of laws or as proven by factual evidence, either party directly or indirectly controls the personnel, financial, or business affairs of the other party.</li> <li>⑪ Practices under the name of another CPA.</li> <li>⑫ Takes advantage of one's position as a CPA to engage in improper industrial or commercial competition.</li> <li>⑬ Solicits business in an improper means.</li> <li>⑭ Discloses the Company's financial and business secrets, or disclose other attestation clients' financial and business secrets to the Company.</li> <li>⑮ Was disciplined by the competent authority in the past two years such that it could tarnish his or her reputation.</li> <li>⑯ Was involved in a pending or concluded lawsuit in the past two years that could tarnish his or her reputation.</li> </ul> <p>2. Self-assessment by the accounting firm:  Through the certified public accountant law and rule of internal independence of the accounting firm, the inspectors in charge of the self-assessment and accountants shall assess themselves in compliance with the independent provisions. The firm shall issue the written documents to verify the independence of the accountant with respect to its evaluation contents and the results and submit them to the Audit Committee and the Board of Directors as the basis for evaluation.  After evaluation, the situation where the Company did not change the attesting CPA for 7 consecutive years or where the attesting CPA was disciplined or losing independence does not exist.</p>	
--	--	---	--

<p>4. Does the listed company configure the corporate governance personnel of competency and in the appropriate number, and specifies the corporate governance director responsible for corporate governance-related matters (including but not limited to providing required data for directors and supervisors to perform business, assisting the directors and supervisors in following the law, carrying out the matters related to the meeting of the Board of Directors and Shareholders in accordance with the law, and making the minute records for the meetings of Board of Directors and Shareholders, etc.)?</p>	✓	<p>On November 12, 2025, the Board of Directors approved the appointment of the CFO Yang, Lan-Tai as the Chief Corporate Governance Officer, the top manager responsible for corporate governance affairs. As the top manager responsible for corporate governance affairs, she has at least three years of experience in serving as the manager in charge of financial affairs and shareholder services at a public company and has thus met the criteria of qualification. Her main responsibilities include managing affairs for Board of Directors meetings and shareholders' meetings as required by law, coordinating and directing the preparation of minutes for Board of Directors meetings and shareholders' meetings, assisting directors in taking office and continuing training, providing the information required for directors to perform their duties, assisting directors in ensuring compliance, and other matters stipulated by the Articles of Incorporation or contracts.</p> <p>The status of governance in 2025 is as follows:</p> <ol style="list-style-type: none"> <li>1. Managed affairs for 12 Board of Directors meetings and the 2025 annual shareholders' meeting as required by law, and promptly provided the minutes of the Board of Directors meetings and the shareholders' meeting to all directors after the meetings.</li> <li>2. Amended the Company's "Articles of Incorporation," and "Procedures for Acquisition or Disposal of Assets", and "Rules of Procedure for Board Meetings" to improve the strength of corporate governance.</li> <li>3. Assisted 7 directors to take 45 hours of continuing education courses in 2025; these hours of c complied with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies".</li> <li>4. Provided the information needed for the directors to perform their duties and assisted them in complying with laws and regulations. The Company's corporate governance in 2025 was implemented in accordance with laws and regulations, and no violations of laws or regulations occurred.</li> </ol> <p>The status of continuing training of the chief corporate governance officer in 2025:</p> <table border="1" data-bbox="772 1082 1682 1217"> <thead> <tr> <th>Training institution</th> <th>Date</th> <th>Course title</th> </tr> </thead> <tbody> <tr> <td>Accounting Research and Development Foundation</td> <td>2025/05/22 ~ 2025/05/23</td> <td>Continuing Education Program for Corporate Governance Officers.</td> </tr> </tbody> </table>	Training institution	Date	Course title	Accounting Research and Development Foundation	2025/05/22 ~ 2025/05/23	Continuing Education Program for Corporate Governance Officers.	<p>Compliance with the Code of Practice on Corporate Governance without significant differences.</p>
Training institution	Date	Course title							
Accounting Research and Development Foundation	2025/05/22 ~ 2025/05/23	Continuing Education Program for Corporate Governance Officers.							

5. Has the Company established communication channels with stakeholders (including, but not limited to, shareholders, employees, customers, and suppliers) and designated section for stakeholders on the Company website to respond to key CSR issues concerned by interested parties properly?	✓		The Company has a spokesperson and deputy spokesperson system, and a specific section for stakeholders on the Company website. Shareholders, employees, customers, suppliers, and any important corporate responsibility issues or opinions are responded to by dedicated personnel to serve as a channel for communication with stakeholders. Brief descriptions of stakeholders' concerned issues and communication channels are as described in summary (12) below.	Compliance with the Code of Practice on Corporate Governance without significant differences.
6. Does the Company appoint a professional shareholder service agency to handle the shareholders' affairs?	✓		The Company's stock affairs and matters related to the shareholders' meeting are entrusted to professional shareholder agency, Grand Fortune Securities Co., Ltd. to handle.	Compliance with the Code of Practice on Corporate Governance without significant differences.
7. Information disclosure				
(1) Has the company set up a website to disclose the information on its financial standing and corporate governance?	✓		The Company has a website in both Chinese and English, where it discloses the financial, business, and corporate governance information related to the Company.	Compliance with the Code of Practice on Corporate Governance without significant differences.
(2) Does the Company implement other ways of disclosing information (such as setting up an English website, assigning a special person to collect and disclose the Company's information, implementing a spokesman system, and webcasting investor conferences) ?	✓		The Company sets an English website to disclose financial, business, as well as corporate governance information, and also designates specific persons to collect and disclose company information, with its own spokesperson to state company financial and business conditions to the outside. Besides, corporate briefing information is published on company website as prescribed for investors' understanding.	Compliance with the Code of Practice on Corporate Governance without significant differences.
(3) Does the company announce and report its annual financial report within two months after the end of each fiscal year, and announce and report the financial report of the first, second, and third quarters and the operating situation of each month before the prescribed time ?	✓		The Company's 2025 financial statements were announced and reported on 03/10/2026. The Company publishes the financial reports for the first, second, and third quarters and the annual financial reports and the operating situation of each month within the prescribed time limit.	Compliance with the Code of Practice on Corporate Governance without significant differences.
8. Is there other important information that helps to understand the status of the corporate governance operation of the Company (including, but not limited to, the employees' rights and interests, employee care, relations of investors and suppliers, rights of stakeholders, directors' and supervisors' further education, risk management policy and execution of risk measurement, execution of customer	✓		Other important information to help to understand the operation of corporate governance is described in the following summary.	Compliance with the Code of Practice on Corporate Governance without significant differences.

policy, and purchase of liability insurance for directors and supervisors of the Company, etc.) ?				
---	--	--	--	--

Summary :

- (1) Employee rights and interests: The Company holds regular labor and management meetings so that the employees' opinions can be valued and communicated.
- (2) Employee care: The Company has established a good relationship of mutual trust with its employees through various welfare systems, including education and training, and various activities organized from time to time.
- (3) Investor relations: The Company's website indexes the public data observation station, through which the investors can understand the Company's relevant information, and it has a spokesperson and deputy spokesperson system as the way to contact the Company.
- (4) Supplier relations: The Company communicates with suppliers smoothly and communicates with integrity.
- (5) Rights of stakeholders: The Company lists relevant contact information and windows on its website to protect the rights and stakeholders and maintain smooth communication channels.
- (6) Continuing education for Directors: To strengthen the implementation of corporate governance, the Company actively encourages the directors to participate in continuing their education and discloses the information in the corporate governance area of the Open Information Observatory. Continuing Education for Directors of the Company in the Most Recent Year.

Title	Name	Training Organizer	Training course	Training hours	Total training hours	In compliance with the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies"?
Director	Lee, I-Ren	Taiwan Corporate Governance Association	Mastering the Key Drivers of Industrial Holding and Group Operations.	3	6	Yes
		Taiwan Institute of Directors	Benchmark Practices in the Era of Co-Governance.	3		
Director	Hsieh, Tung-Fu	Taiwan Corporate Governance Association	Everything is Connected, Everything Can Be Hacked – IoT Security Starts With You and Me.	3	6	Yes
		Taipei Foundation Of Finance	Corporate Governance – Sustainable Governance – Trends in Sustainable Development and Governance.	3		
Director	Li, Cheng- Han	Taiwan Corporate Governance Association	Practical Operations of Board Functional Committees.	3	6	Yes
			Global Trend Analysis – Risks and Opportunities.	3		
Director	Tai, Feng-Yi	Business Council for Sustainable Development	Corporate Governance and Securities Regulations – An Analysis of Corporate Governance Risks from the Regulator's Perspective.	3	6	Yes
		Taiwan Investor Relations Institute	A New Perspective on Corporate Governance in 2026 – Embracing Change.	3		
Independent	He, Ju- Hsiang	Taiwan Corporate	A Macro Perspective on Global Corporate Sustainability – From Vision 2050 to Action 2025.	3	6	Yes

Director		Governance Association	Trends and Risk Management in Digital Technology and Artificial Intelligence.	3		
Independent Director	Lin, Kuan- Chao	CPA Associations R.O.C. (Taiwan)	The Starting Point of Sustainability Data: Greenhouse Gas Inventory and Data Quality.	6	9	Yes
			Anti-Money Laundering Law from a Judicial Practice Perspective.	3		
Independent Director	Wei, Che- Chen	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations – Board and Executive Understanding of Regulatory Oversight in Listed Companies.	3	6	Yes
			Corporate Integrity and Executive Accountability: International Trends and Experience Sharing.	3		

(7) Implementation of risk management policies and risk measurement standards :

The Company’s Board of Directors had adopted its risk management organizational framework and “Risk Management Policies and Procedures” on 2021/10/26. The Company reported its 2022 implementation of risk management to the Board of Directors on November 12, 2025 meeting.

In 2025, after identification, measurement and assessment, the primary sources and scope of possible risks include supply chain risks, operational risks, information security risks and management of intellectual property. The following measures have been taken for management of such risks:

A. Supply chain risks

Our primary measures include building safety stock with suppliers, keeping constant track of the status of production by suppliers, concluding purchase contracts and MOUs guaranteeing supplies, engaging in direct transactions, allocating materials for the factories in Taiwan and Mainland China on a flexible basis, and making early preparations according to customer needs. These measures, designed to ensure smooth supplies, keep stable purchase prices and control supply chain risks in response to the problems of raw materials shortage and rising costs faced by us, are described as follows:

- a. Direct transactions: We establish a relationship with the main suppliers of key parts and components for direct transaction and acquisition of resources.
- b. Ensuring stable supply of raw materials: To ensure smooth supplies, we conclude relevant contracts and MOUs guaranteeing supplies and, at the same time, search for alternative supply sources and market sources of available goods.
- c. Ensuring stable prices of raw materials: To ensure stable prices of raw materials, we obtain customer commitments for stock or price difference with regard to materials of special specifications or high unit prices.
- d. Building safety stock and placing early orders: For key parts and components and our main models, we maintain safety stock that lasts 1.5 to 2 months; for materials with a long delivery time, we place orders with our suppliers based on a forecast of demand for the next 3 to 6 months.
- e. Keeping constant track of the status of production by suppliers: We follow up on daily output reports and coordinate with the customers and OEMs via periodic conference calls to ensure stable production.
- f. Mitigating delivery risks: Implementation of Second Source and development of local supply chains.

B. Operational risks

- a. Shortage of labor: We have continued to work with external employment agencies to employ short-term workers as a solution, and we have been seeking an additional workforce through various channels, e.g. the 104 Job Bank, government employment programs, cooperative education programs at universities, the labor market in Mainland China, referral by employees and indirect support from employees. Moreover, we have gradually introduced automated production lines and made optimized adjustments to our salary structure and employee benefits to attract more talents, aiming to solve the problem of labor shortage with a multi-pronged approach.
- b. Power interruption during peak hours :

① Establish a night shift mechanism to reduce the impact of power interruptions with flexible adjustment plans.

② Existing solar power planning and introduction for plant use.

c. Material shortage :

① Continuous monitoring of market supply chain conditions and proactive strategic material preparation.

② Development of alternative suppliers.

③ Development of alternative parts.

C. Information security risks

In addition to the implementation of group-wide automated backup and audit management for outbound emails, the adoption of a cloud-based working environment, control of portable storage devices, monitoring of network activities and instant messaging records, deployment of next-generation cloud endpoint protection, and establishment of network redundancy mechanisms, a major achievement in 2025 was the successful attainment of ISO 27001 certification. During the year, the Group also established a comprehensive vulnerability scanning mechanism and conducted simulated external attack exercises to identify and remediate potential hidden endpoint vulnerabilities, thereby further strengthening overall information security protection. Meanwhile, continuous information security training programs were provided to employees to enhance security awareness across the organization, reduce information security risks, and ensure the delivery of safe and reliable services.

The implementation was as follows :

Cyber Security Management Actions	Implementation Outcomes	Implementation
Systems and measures Educational training	1.Number of persons participate in information security training (including online learning).	369 persons
	2.Promoted information security policy, regulations, information security awareness.	12 times
Cybersecurity Protection	1.Strengthening Defenses Against External Cyber Intrusions.	Number of Threats / Infections: 35 / 0
	2. Effective Defense Against Malware on Office Devices and Host Systems.	Number of Threats / Infections: 1,740 / 0
Disaster backup and contingency	1. Perform backup and recovery drills.	2 times
	2. Backup and Recovery: Production and Operations Critical Systems.	<4 hours
	3. Data loss.	<4 hours

D. Management of intellectual property

a. In order to maintain product competitiveness and safeguard research and development achievements, the Company has established a comprehensive intellectual property management framework and R&D roadmap that are fully aligned with its operational objectives. Through the implementation of internal audit mechanisms, incentive programs, intellectual property management practices, and talent development initiatives, the Company effectively protects its R&D and sustains its technological leadership position. As of the end of 2025, the cumulative number of patents approved worldwide is 775, along with 87 patent applications and 34 approved trademarks.

- ① Through the Intellectual Property Committee, we have established a system for review and approval based on the quality of patent applications and the strategies of patent planning, enabling us to continue receiving high-quality patent protection and gradually create solid intellectual property rights.
- ② To encourage bold attempts and innovations on the part of our employees, we have established the “Regulations for Patent Application and Reward” to offer timely rewards to patent applicants and employees who have received patents.
- ③ With respect to the trademarks held by the Company, trademarks are systematically classified and inventoried, and relevant statutory deadlines are regularly reviewed together with maintenance assessments to ensure the continued validity and effectiveness of trademark rights in alignment with the Company’s operational objectives.
- ④ To enhance employees’ awareness of trade secrets, information security, and patent rights, and to strengthen the Company’s intellectual property management practices, the Company conducted both online and in-person internal intellectual property management training programs in 2025, totaling 2,125.5 participant-hours. Training topics included the protection and promotion of intellectual property rights, protection and awareness of trade secrets, foundational and practical patent training courses, and the protection and awareness of personal data privacy.

b. The Company is progressively establishing a comprehensive education and training program and mechanism management framework aligned with its objectives for the protection of intellectual property rights.

- ① The Company continues to advance the planning and implementation of its trade secret protection framework. By integrating and complementing this framework with the ISO 27001 information security management system, the Company aims to strengthen corporate governance, enhance risk management, and support its long-term sustainable development objectives.
- ② The Company obtained ISO/IEC 27001 Information Security Management System certification on March 10, 2025. Through the regular implementation of relevant education and training programs, the Company aims to foster a culture of awareness and continuously strengthen protection and awareness initiatives related to personal data privacy, intellectual property rights, and trade secrets, as well as to provide foundational and practical patent training. These efforts are intended to enhance and reinforce employees’ fundamental knowledge, protective capabilities, and overall awareness.

(8) Implementation of consumer protection policies: The Company has sale force team responsible for providing services to customers to ensure a timely response to customers' needs.

(9) Situation of the Company-purchased liability insurance for the directors: The Company has purchased the liability insurance for the directors.

Item	Insured Object	Insurance Company	Insured period
1	All the directors	Nan Shan General Insurance Company	From July 1, 2024, to July 1, 2025
2	All the directors	Nan Shan General Insurance Company	From July 1, 2025, to July 1, 2026

(10) Succession Planning for Board Members and Key Management Personnel: The Company’s succession planning for board members focuses on identifying distinguished professionals across various fields who possess expertise and specialized knowledge. For key management personnel, succession planning involves selecting high-potential subordinate managers and cultivating their decision-making and judgment capabilities. Through challenging assignments and learning opportunities in their current roles, these talents are developed to effectively support the Company’s succession objectives.

In 2025, the Company organized a diverse range of training programs totaling 239 hours, covering topics such as sustainable business practices, corporate governance, greenhouse

gas management, business management, quality management, legal affairs, intellectual property rights, insider shareholding and insider trading regulations, trade secrets, information security, responsible business alliance codes of conduct, and health management. These programs were designed to develop and prepare executives as potential successors for key management positions.

(11) Training of insiders on laws governing securities trading:

- A. On March 27, 2025 and July 22, 2025, the Company sent emails to its directors and insiders containing the document “Relevant Regulations and Compliance Considerations for Insider Shareholding Changes” to promote compliance with laws and regulations governing insider equity transactions.
- B. The Company’s “Procedures Governing the Prevention of Insider Trading” explicitly stipulates that none of our directors may trade our shares during the closure period 30 days prior to publication of an annual financial report or 15 days prior to publication of a quarterly financial report. The Company reminded the directors by e-mail before the announcement of the financial report that they should not trade during the closure period. There were no transactions by directors during the closure period in 2025.

(12) Information regarding communication with stakeholders was submitted in a report to the Board of Directors on November 12, 2025. The issues concerning each type of stakeholders and the channels of communication with them are described as follows:

Stakeholders	Issues of concern	Form and frequency of communication	Channels of communication	Our responses
Shareholders and Investors	1. Corporate Governance 2. Risk Management 3. Economic Performance	1. Shareholders’ meeting (annual) 2. Investor conference (non-periodic) 3. Publication of revenue (monthly) 4. Market Observation Post System (real-time update) 5. Our website (real-time update) 6. Sustainability report	1. Held 1 annual shareholders’ meeting. 2. Held 3 investor conferences. 3. Our financial and business information is periodically disclosed on the MOPS and our website. 4. We have appointed a spokesperson and a deputy spokesperson to give timely responses regarding the issues concerning investors. 5. We have published the Chinese and English versions of the 2024 Sustainability Report on the MOPS and our website. 6. Contact: Deputy Spokesperson Dai Yi-Ying Telephone: (02) 2790-0088 Email: sys5309@sysgration.com	1. We have continued to improve our operating performance. 2. The Company continues to communicate its business growth strategies and profit outlook to investors through investor briefings.
Customers	1. Customer Privacy and Information Security 2. Innovation and R&D 3. Product Quality and Safety 4. Sustainable Development	1. Customer visits and review meetings (non-periodic) 2. Customer satisfaction survey (annual) 3. Our website (non-periodic) 4. Customer and supplier meeting (non-periodic)	1. Annual survey of the satisfaction of important customers. 2. We disclose the latest product technologies on our website. 3. We attend the technology forums of important customers to give reports on our R&D results. 4. We regularly attend the customer and supplier meeting each year. 5. In accordance with the requirements and audits of our customers for products, environment and labor rights, we cooperate with them in preventing relevant risks and are committed to continually	1. We will provide timely services for design, engineering and customization to help our customers quickly acquire complete, timely information. 2. We have added automated production lines to increase the production volume of our products and the stability of their quality. 3. We will continue to engage in R&D and enhance the protection of our product patents.

			enhancing our ESG activities. 6. Contact: Telephone: (02) 2790-0088 Email: sales@sysgration.com	4.We will enhance our investment in and management of information security software and hardware to ensure proper protection of the privacy and information of our customers.
Employees	1.Friendly workplace 2.Occupational Health and Safety 3.Employee Training and Development	1.Labor–management committee meeting (quarterly) 2.Employee Welfare Committee meeting (non-periodic) 3.Training (non-periodic) 4.Communication with departments and working meetings (non-periodic) 5.Publication of internal information (non-periodic) 6.Employee complaint hotline (promptly) 7.Occupational Safety and Health Committee meeting (quarterly)	1.Held 4 labor–management committee meeting. 2.Held 5 regular Employee Welfare Committee meetings. 3. Conducted training programs covering topics such as ESG and intellectual property rights. 4.We held 50 weekly management meetings to understand our operations and improve the effectiveness of communication. 5. 0 employee complaint call was received. 6.Held 4 Occupational Safety and Health Committee meetings. 7.Contact: Telephone: (02) 2790-0088 ext.1830 Email: opinion@sysgration.com	1.We have strengthened our internal channels of communication for our employees to understand the prospects of our development. 2.We organize training sessions on health and safety and periodically provide information on health and healthcare to build a friendly workplace. 3.We periodically maintain equipment and conduct fire safety checks.
Suppliers & Contractors	1.Risk Management 2.Economic Performance 3.Quality management	1.Supplier audit (non-periodic) 2.Requirements of supplier code of conduct (annual) 3.Requirements of declaration on non-use of conflict minerals (non-periodic) 4.Supplier meeting (annual)	1.The supplier conference is held once a year to communicate Sysgration’s operational strategy development and ESG goals with suppliers. 2.16 suppliers have been audited in 2025. 3.100% of our suppliers have signed a declaration on non-use of conflict minerals. 4.Contact: Telephone: (02) 2790-0088 ext.2020 Email: scm@sysgration.com	1.We will improve the safety and health of the supply chain environment and honor outstanding suppliers. 2.We have planned digital courses and required our suppliers to complete the online training of “Courses on the Requirements of Supplier Code of Conduct” each year.
Government Agencies	1.Corporate Governance 2.Ethical Corporate Management 3.Regulatory Compliance	1.Responding to government agency requests (promptly) 2.Updating the information on our website and the MOPS (monthly) 3.Undergoing evaluation by government agencies (annual) 4.Participating in the activities of government agencies (non-periodic)	1.We periodically provide relevant reports and respond to questions in accordance with government laws and regulations. 2.Contact: Telephone: (02) 2790-0088 ext.1854 Email: sys5309@sysgration.com	1.In the 2025 corporate governance evaluation, Sysgration was ranked among the top 5% and top 5% TPEX-listed companies with market capitalization of \$5 billion to \$10 billion. 2.Continue to strengthen information disclosure, with the goal of maintaining as a top 5% benchmark company of corporate governance evaluations.
Media	1.Economic Performance	1.Investor conference (non-	1.3 investor conferences were held.	1.We have continued to improve our

	2. Innovation and R&D 3. Customer Relationship Management	periodic) 2. Investor interview (promptly) 3. Press release (promptly) 4. Media interview (non-periodic)	2. Occasional interview with corporate shareholders. 3. 12 press release issued. 4. 3 media interviews. 5. Contact: Deputy Spokesperson Dai Yi-Ying Telephone: (02) 2790-0088 Email: sys5309@sysgration.com	operating performance. 2. We will continue to communicate our business growth strategies and prospects of profitability to investors at each quarterly investor conference.
Communities and Non-profit Organizations	1. Care for vulnerable groups 2. Community services	1. Donation (non-periodic) 2. Social services (non-periodic)	1. Active Aging & Public Welfare Activities: The headquarters participated in the "When You Grow Old, Let Me Love You" Mother's Day Appreciation Event organized by the Huashan Social Welfare Charity Foundation. The Nangang Plant hosted the "Lighting Up Love, Joining Hands for Charity" initiative, while the Huizhou Plant took part in the Daya Bay Taiwanese Business Association's Elderly Care Visit Program. 2. Socially Responsible Procurement: Purchased gift sets from the Down Syndrome Foundation, R.O.C., with total purchases amounting to approximately NTD 76,000. 3. Charitable Donations: Donated approximately NTD 50,000 to the Taiwan Cancer Clinical Research and Development Foundation. 4. Contact: Telephone: (02) 2790-0088 ext.1830 mail: hr@sysgration.com	By providing funds, materials and services, we have engaged in charitable programs focusing on care for vulnerable groups and promotion of diversified education, and will continue to invest resources in closing urban-rural gaps and improving the economic condition of vulnerable groups.
Schools	1. Low-carbon Green Products 2. Circular Economy 3. Industry-academia collaboration	1. Industry-academia collaboration projects and progress meetings (non-periodic) 2. Presentation of the results of industry-academia collaboration (annual)	1. NTU International Mentorship Program: In both 2024 and 2025, the Company provided two internship opportunities each year, aiming to help international talents gain deeper insights into Taiwan. Through the Company's business operations and core values, the program seeks to contribute to the achievement of the Sustainable Development Goals (SDGs). 2. Donated two sets of RealWear smart glasses to the Department of Mechanical Engineering, National Taiwan University. 3. Technology R&D Collaboration: ① Collaborated with National Taiwan University of Science and Technology to focus on smart tire algorithms, optimizing technology through tire pressure monitoring data to drive innovation in intelligent vehicle technologies.	In light of the latest technologies and trend of the industry, we will initiate collaboration with universities in technology, experiment and R&D, and we will continue to improve our automobile electronic and energy management activities in response to the challenge of climate change.

			<p>② Jointly developed tire pressure monitoring devices and key tire technologies with Nanchang University, strengthening the Company's competitive advantages in high-tech enterprise certification and serving as an effective approach to overcoming R&amp;D bottlenecks in tire pressure monitoring and tire technologies.</p> <p>③ Partnered with the Huizhou Research Institute of Sun Yat-sen University to focus on special pressure-sensitive adhesive technologies, aiming to address issues related to strong odors after AB adhesive mixing. The collaboration also included the introduction and promotion of green factory certification, highlighting its benefits and associated government incentives.</p> <p>4.Educational Promotion &amp; Public Welfare Support:</p> <p>① Provided smart glasses and conducted a special lecture at Chung Yuan Christian University, aiming to offer students practical guidance and help them gain a comprehensive understanding of future workplace requirements and challenges.</p> <p>② Hosted an educational lecture at San Min Junior High School titled "Introduction to the Metaverse with Smart Glasses and Applications of Artificial Intelligence", inspiring students' interest in the field of technology.</p> <p>5.Contact: Telephone: (02) 2790-0088 Email: hr@sysgration.com</p>	
--	--	--	--	--

(13) Intellectual Property Management Policy:

The Company adheres to "quality and innovation" as its product development concept and establishes a complete management system of product intellectual property and a R&D road map combining company's goals to maintain its advanced technologies and differentiate from other products, thus maintaining competitiveness advantages of company product as well as R&D achievements. The Company reported to the Board of Directors on the protection of trade secrets and the strengthening of intellectual property management on November 12, 2025.

Internal educations and trainings related to intellectual property management in 2025 are as below:

Date	Content	Training Hours	Person-times Trained
2025/02/20	Legal awareness training (Intellectual Property, Trade Secrets, and Personal Data Protection)	0.5 hour	14
Digitalized new employee training	Legal awareness training (Intellectual Property, Trade Secrets, and Personal Data Protection)	0.5 hour	83

2025/10/17	Patent Fundamentals and Practical Training Course	3 hours	266
2025/10/21	Intellectual Property Rights Protection and Awareness	2 hours	297
2025/10/23	Protection and Awareness of Trade Secrets	1 hour	319
2025/10/30	Protection and Awareness of Intellectual Property, Trade Secrets, and Personal Data	1.5 hours	233

9. Please state the improved situation based on the corporate governance evaluation results released by the corporate governance center of the Taiwan Stock Exchange in the recent year and prioritize the improvement issues and measures for those who have not been improved.
- Sysgration was ranked top 5% TPEX listed companies and top 5% market value between NT 5 – 10 billion of TWSE& TPEX listed company of 11th Corporate Governance Evaluation. We continue to strengthen the disclosure of our financials, business, and corporate governance through our website and public information observatory to comply with the Code of Practice on Corporate Governance.

### 3.4 Composition, responsibilities, and operation of the Remuneration Committee

The Remuneration Committee of the Company is responsible for evaluating the salary and compensation of the directors and managers of the Company. It provides the Board of Directors with the performance evaluations and compensation decisions of the directors and managers. The composition and operation of the Remuneration Committee for the most recent year and up to the date of the Annual Report are as follows:

#### A. Professional qualifications and independence analysis of Remuneration Committee members

#### Information on the members of the Remuneration Committee

As of February 28, 2026

Identity (Note 1)	Qualification Name	Professional Qualification and Experience (Note 2)	Independence Condition (Note 3)	Number of concurrent positions as members of the remuneration committee of other public offering companies
Convener	Wei, Che-Chen	Chairman, TLG Asset Management Co. (2009-2011) Special committee member, Taiwan Life Insurance Co.(2011- 2015)	Without items that stipulated in sub-item 1~9 of item 1 in Article 3 of Public Company Independent Director Provision and Compliance, which is conformed to independence. condition.	0
Committee Member	He, Ju-Hsiang	Internal audit manager, BNP Paris (1984-1989) Deputy general manager, American commercial Banks (1989-1994) Chairman Special assistant, Taiwan Life Insurance Co. (2000- 2016)	Without items that stipulated in sub-item 1~9 of item 1 in Article 3 of Public Company Independent Director Provision and Compliance, which is conformed to independence. condition.	1
Committee Member	Lin, Kuan-Chao	Chief of Accounting Firm PKF, Taiwan (2011 to now)	Without items that stipulated in sub-item 1~9 of item 1 in Article 3 of Public Company Independent Director Provision and Compliance, which is conformed to independence. condition.	1

Note 1: Please state each remuneration committee member's period of service, professional qualification and experience as well as independence condition in the table, and remark if he or she is an independent director (if he or she is the convener, please note).

Note 2: Professional qualification and experience: describe individual remuneration committee member's professional qualification and experience.

Note 3: Please refer to the best practical reference example in Taiwan Stock Exchange Corporate Governance Center website for the manner of disclosure.

B. Operation of the Remuneration Committee

(A) The Company's Remuneration Committee consists of three members.

(B) The term of the current members: From April 27, 2023, to April 26, 2026.

The Remuneration Committee held 5 meetings (A) in the most recent year. The attendance record of Remuneration Committee members was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) [B/A]	Remark
Convener	Wei, Che-Chen	5	0	100	None
Committee member	He, Ju-Hsiang	5	0	100	None
Committee member	Lin, Kuan-Chao	5	0	100	None

Other items:

- a. If the Board of Directors does not accept or amend the suggestion of the Remuneration Committee, it should state the meeting date of the Board of Directors, session, motion content, resolution of the Board of Directors, and response of the Company to the Remuneration Committee opinion (if the remuneration approved by the Board of Directors is superior to the suggestion of the Remuneration Committee, it shall state the difference and reason): No such situation exists.
- b. Resolutions of the Remuneration Committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: No such situation exists.

The Company's Remuneration Committee's resolutions and results of the most recent year and as of the annual report publication date are as follows: All the resolutions have been approved by the members present without objection or qualified opinion.

Meeting date	Motion content	Resolutions of the Remuneration Committee's meetings and response of the Company to the Remuneration Committee's opinions
2025/01/07 8 <sup>th</sup> meeting of 5 <sup>th</sup> Session	Approval of the 2024 Year-End Bonus Distribution for Managers.	Approved by all committee members in attendance.

Meeting date	Motion content	Resolutions of the Remuneration Committee's meetings and response of the Company to the Remuneration Committee's opinions
2025/02/26 9 <sup>th</sup> meeting of 5 <sup>th</sup> Session	<ol style="list-style-type: none"> <li>1.Approval of the Compensation Plan for Newly Appointed Managers.</li> <li>2.Approval of the Employee Stock Ownership Trust (ESOT) Plan Executed by the Manager.</li> <li>3.Approval of the 2024 Employee Compensation and Director Remuneration Allocation.</li> <li>4.Approval of the 2024 Detailed Allocation of Director Remuneration.</li> <li>5.Approval of the 2024 Detailed Allocation of Employee Compensation for Managers.</li> <li>6.Approval of the 2024 Fourth Quarter Operational Bonus for Managers.</li> </ol>	Approved by all committee members in attendance.
2025/05/07 10 <sup>th</sup> meeting of 5 <sup>th</sup> Session	<ol style="list-style-type: none"> <li>1.Approval of the Compensation for Newly Appointed Managers.</li> <li>2.Approval of the 2025 First Quarter Operational Bonus for Managers.</li> </ol>	Approved by all committee members in attendance.
2025/09/17 11 <sup>th</sup> meeting of 5 <sup>th</sup> Session	<ol style="list-style-type: none"> <li>1.Approval of the Dismissal of Senior Executives and the Removal of Restrictions on Managers".</li> <li>2.Approval of the Adjustment of Managerial Compensation.</li> </ol>	Approved by all committee members in attendance.
2025/11/12 12 <sup>th</sup> meeting of 5 <sup>th</sup> Session	<ol style="list-style-type: none"> <li>1.Approval of the Compensation for Newly Appointed Managers.</li> <li>2.Approval of the Allocation of Remuneration for Directors Serving as Legal Representative Directors in Other Companies.</li> </ol>	Approved by all committee members in attendance.
2026/01/14 13 <sup>th</sup> meeting of 5 <sup>th</sup> Session	<ol style="list-style-type: none"> <li>1.Approved the 2025 Fiscal Year Year-End Bonus Distribution Plan for Managers.</li> <li>2.Approved the First Share Buyback and Transfer of Treasury Shares to Employees.</li> </ol>	Approved by all committee members in attendance.
2026/03/10 14th meeting of 5th Session	<ol style="list-style-type: none"> <li>1. Approved the remuneration plan for the newly appointed manager(s).</li> <li>2. Approved the distribution plan for employee compensation and directors' remuneration for 2025.</li> <li>3. Approved the adjustment of directors' attendance fee payments and the weighting of directors' remuneration.</li> <li>4. Approved the detailed allocation of directors' remuneration for 2025.</li> <li>5. Approved the detailed allocation of employee compensation for managers for 2025.</li> <li>6. Approved the amendment to the operational bonus management regulations.</li> </ol>	Approved by all committee members in attendance.

### C. Responsibilities of the Remuneration Committee

The Remuneration Committee of the Company evaluates the remuneration and compensation policies and systems for the directors and executive managers of the Company professionally and objectively and makes recommendations to the Board for its decision making. The main responsibilities

are as follows:

- (A) To formulate and regularly review the policies, systems, standards, and structures of performance evaluation and the remuneration of directors and managers.
- (B) To regularly evaluate and formulate the remuneration of directors and executive managers.
- (C) To regularly evaluate the achievement of performance objectives of the directors and managers of the Company, and to determine the contents and amounts of their individual salaries and remuneration.

**3.5 Promotion of sustainable development, differences with the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies, the reasons for such differences, and the climate-related information which must be disclosed by a company meeting certain criteria:**

Evaluation Item	Implementation Status		Explanation	Situation and Reasons for Differences from Code of Practice on Sustainable Development for Listed Companies																
	Y	N																		
1. Whether the Company has set up a sustainable development management structure, as well as relevant special (part-time) unit to follow up related matters under the supervision of executive managers authorized by Board of Directors.	✓		At Sysgration, the Board of Directors is responsible for supervising the promotion of sustainable development, and we have established an ESG organization that promotes sustainable development to be the department in charge of promoting and coordinating sustainability activities, with the President acting as the general coordinator and task forces formed according to relevant issues. Each task force consists of a leader and several members, with a total of 60 members. The organization and responsibilities of the ESG task forces:	Conform to Code of Practice on Sustainable Development, without significant difference.																
			<table border="1"> <thead> <tr> <th>Name of task force</th> <th>Work plan and responsibilities</th> </tr> </thead> <tbody> <tr> <td>Corporate Governance Team</td> <td>Ethical management, organizational strategy and vision, risk management, compliance, protection of shareholders' rights and interests, information transparency and economic performance.</td> </tr> <tr> <td>Employee Care Team</td> <td>Employee salary, employee welfare, competency management, labor-management relations, training, employment environment, human rights, compliance and complaint mechanism.</td> </tr> <tr> <td>Social Care Task Team</td> <td>Social care, community participation, charitable activities, corporate image, complaint mechanism.</td> </tr> <tr> <td>Environmental Sustainability Team</td> <td>Environmental sustainability policies, management of corporate carbon reductions, promotion of environmental sustainability, management of raw materials/energy/water resources, greenhouse gas and other gas emissions, management of wastewater and waste, environmental investment expenditure.</td> </tr> <tr> <td>Customer Care Team</td> <td>Confidentiality of customer information, protection of consumer rights, maintenance of customer relationship, compliance and complaint mechanism.</td> </tr> <tr> <td>Supply Chain Team</td> <td>Supplier management, ESG policy and management, supplier meeting, Non-use Conflict Minerals, RBA compliance.</td> </tr> <tr> <td>TCFD Team</td> <td>Policies and regulations, market research, and physical risk topics.</td> </tr> </tbody> </table>		Name of task force	Work plan and responsibilities	Corporate Governance Team	Ethical management, organizational strategy and vision, risk management, compliance, protection of shareholders' rights and interests, information transparency and economic performance.	Employee Care Team	Employee salary, employee welfare, competency management, labor-management relations, training, employment environment, human rights, compliance and complaint mechanism.	Social Care Task Team	Social care, community participation, charitable activities, corporate image, complaint mechanism.	Environmental Sustainability Team	Environmental sustainability policies, management of corporate carbon reductions, promotion of environmental sustainability, management of raw materials/energy/water resources, greenhouse gas and other gas emissions, management of wastewater and waste, environmental investment expenditure.	Customer Care Team	Confidentiality of customer information, protection of consumer rights, maintenance of customer relationship, compliance and complaint mechanism.	Supply Chain Team	Supplier management, ESG policy and management, supplier meeting, Non-use Conflict Minerals, RBA compliance.	TCFD Team	Policies and regulations, market research, and physical risk topics.
			Name of task force		Work plan and responsibilities															
			Corporate Governance Team		Ethical management, organizational strategy and vision, risk management, compliance, protection of shareholders' rights and interests, information transparency and economic performance.															
			Employee Care Team		Employee salary, employee welfare, competency management, labor-management relations, training, employment environment, human rights, compliance and complaint mechanism.															
			Social Care Task Team		Social care, community participation, charitable activities, corporate image, complaint mechanism.															
			Environmental Sustainability Team		Environmental sustainability policies, management of corporate carbon reductions, promotion of environmental sustainability, management of raw materials/energy/water resources, greenhouse gas and other gas emissions, management of wastewater and waste, environmental investment expenditure.															
			Customer Care Team		Confidentiality of customer information, protection of consumer rights, maintenance of customer relationship, compliance and complaint mechanism.															
			Supply Chain Team		Supplier management, ESG policy and management, supplier meeting, Non-use Conflict Minerals, RBA compliance.															
			TCFD Team		Policies and regulations, market research, and physical risk topics.															
On August 15, 2025, we published the Chinese version of the 2024 sustainability report. On August 20, 2025, we published the English version of the sustainability report on the MOPS and our website. On November.																				

12, 2025, we submitted a report to the Board of Directors and conducted a review regarding the plan and status of sustainability promotion at Sysgration in 2025, described as follows:

- 1, The Company shall prepare the 2024 Sustainability Report in both Chinese and English by the end of August, in accordance with the 2021 edition of the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) Standards for the Electrical & Electronic Equipment and Components Industry, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board, and the 'Regulations Governing the Preparation and Filing of Sustainability Reports by TPEX-Listed Companies' promulgated by the Taipei Exchange. The Sustainability Report shall be subject to assurance in accordance with Statement of Assurance Engagements No. 3000, 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information,' issued by the Accounting Research and Development Foundation of the Republic of China.
2. The Board of Directors shall regularly receive reports from the management team on a quarterly basis. Management is required to propose the Company's strategies to the Board, and the Board shall evaluate the likelihood of success of such strategies, regularly review their progress, and urge management to make adjustments when necessary.
3. The Board of Directors, at least once each year, receives reports and holds discussions on the following material issues of sustainability:
  - (1) Identifying issues concerning stakeholders and proposing action plans in response.
  - (2) Establishing and amending the goals and policies related to sustainable management.
  - (3) Identification and management of risks.
  - (4) Information security management.
  - (5) Ethical corporate management.
  - (6) Management of intellectual property.
4. The Board of Directors oversees the specific implementation plans and progress of sustainability as follows:
  - (1) The Company reported on the implementation of its GHG inventories on 2025/02/26, 2025/05/07, 2025/08/13 and 2025/11/12, as set out in the initial plan.
  - (2) We have contracted Pojen General Hospital for its professional physicians and nurses to visit Sysgration to provide periodic health consultation to our employees. In addition to providing routine employee health examinations every year, special lung examinations are also provided for certain operational personnel. Employee health examination were provided in 2025.
  - (3) On 2025/01/17, in accordance with the Audit Quality Indicators (AQIs) and the internal assessment table for independence and suitability, the audit quality and the independence and suitability of the CPAs were evaluated.
  - (4) On January 14, 2026, the management team reported the internal and external performance evaluation results of the Board of Directors and its functional committees for Fiscal Year 2025.
  - (5) The Company was recognized as one of the enterprises aligned with the 1.5°C temperature control target at the 2nd 'Corporate 1.5°C Forum' organized by Commonwealth Magazine and was awarded the 1.5°C Label Certificate.

		<p>(6) The Company actively expands the application of low-carbon and green products and services. Taking energy storage systems as an example, their applications cover semiconductor fabs, manufacturing plants, telecommunications base stations, cloud data centers, community energy storage, and industrial energy storage, thereby assisting various types of customers in utilizing renewable energy more efficiently.</p> <p>(7) All operating sites of the Company have obtained ISO 9001:2015 Quality Management System certification. In addition, the Nangang Plant and the Huizhou Plant have obtained IATF 16949:2016 Automotive Quality Management System certification, while the Nangang Plant and the Zhenjiang Plant have obtained IECQ QC 080000:2017 Hazardous Substance Process Management System certification.</p> <p>(8) The Company has obtained ISO 27001 Information Security Management System certification.</p> <p>(9) The Company was awarded the Bronze Award in the ASRA Asia's Best Supply Chain Reporting Award.</p> <p>(10) On 2025/08/13, the management team reported on the liability insurance status of directors and managers.</p> <p>(11) On 2025/11/12, the management team reported on the progress of sustainable development in 2025, in the following aspects: ethical corporate management, information security management, intellectual property management, risk management, and stakeholder communication.</p> <p>(12) In 2024, the Company has once again won the dual honor of being in the top 5% for corporate governance evaluation in both the TPEX companies and all listed companies with a market capitalization of 5 to 10 billion.</p>	
<p>2. Whether the Company has conducted risk assessments on operating environment, society and governance issues according to materiality principles, and stipulated relevant risk management policies or strategies?</p>	<p>✓</p>	<p>On October 26, 2021, the Board of Directors adopted the structure of the risk management organization and the "Risk Management Policy and Procedures," which incorporate the operation-related risks of environmental, social and corporate governance issues into our operating strategy according to the materiality principle. On November 12, 2025, a report was given to the Board of Directors regarding the status of risk management in 2025.</p> <p>Our risk management seeks to clearly define the scope of operational risks through risk identification, risk assessment, risk measurement, risk monitoring, communication and other management processes, and take appropriate measures to efficiently allocate limited resources to relevant activities for management of operational risks. In order to define appropriate sources of possible risks and the primary scope of risk management, we have established operational risk indicators and a mechanism for reporting of operational risk events, compiled the information of all business activities, conducted independent analysis of relevant results and trends, and provided regular reports to the management on the monitoring of operational risks.</p> <ol style="list-style-type: none"> <li>1. For the status of our risk management, see "(VII) Implementation of risk management policies and risk measurement standards" under the summary of "Implementation of corporate governance, differences with the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such differences."</li> <li>2. For our risk management policies, see the detailed description in "(VII) Other important information useful for understanding the status of promotion of sustainable development" below.</li> </ol>	<p>Conform to Code of Practice on Sustainable Development, without significant difference</p>

<p>3. Environmental issues</p> <p>(1) Has the Company established an appropriate environmental management system according to its industrial characteristics?</p>	✓		<p>To protect the natural environment and maintain our policies of sustainable development and management, we have continued moving in an eco-friendly direction in terms of product design, R&amp;D and production, and we have received the following certifications:</p> <ol style="list-style-type: none"> <li>1. We passed the external certification of URS and received the certification of ISO 14001:2015 for environmental management system (validity period: January 8, 2026 to January 7, 2029 and June 19, 2025 to July 3, 2028 and January 16, 2025 to January 15, 2028), the scope of which covers all of our products.</li> <li>2. We reduce or eliminate hazardous substances to ensure environmental sustainability. We passed the external certification of ARES and received certification for hazardous substance free process management system IECQ QC08000 (validity period: April 11, 2023 to April 10, 2026 and January 31, 2023 to January 31, 2026) with regard to the electrical and electronic parts and products of all organizations under the supply chain.</li> </ol>	Conform to Code of Practice on Sustainable Development, without significant difference																				
<p>(2) Whether improve energy service efficiency and apply the low environmental load impact recycling materials?</p>	✓		<p>We strictly adhere to domestic environmental laws and have participated in international campaigns for green products. Currently, renewable or reusable materials are given priority to be used as our packaging materials to reduce environmental burden.</p> <p>Following an assessment by the relevant internal departments of the likelihood of occurrence and the level of impact of climate-related risks and opportunities, we have identified the risk issues and opportunities below:</p>	Conform to Code of Practice on Sustainable Development, without significant difference.																				
<p>(3) Whether the Company has evaluated potential influences and opportunities from climate change and adopted relevant countermeasures</p>	✓		<p>The company has evaluated climate-related risks and opportunities through relevant internal departments, assessing their likelihood and impact. The identified risks and opportunities are outlined in detail in the 2024 Sustainability Report, with further reference to the "Climate-related Information Implementation" section.</p>	Conform to Code of Practice on Sustainable Development, without significant difference.																				
<p>(4) Whether the Company has counted greenhouse gas discharge amount, water consumption and total wastes amount of past two years, and formulated greenhouse gas and water consumption reduction or other wastes management policy?</p>	✓		<p>Greenhouse gas (GHG) emissions during the most recent three years:</p> <table border="1" data-bbox="678 866 1827 1078"> <thead> <tr> <th>GHG emission</th> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Scope 1 (tCO<sub>2</sub>e) (Note)</td> <td>25.59</td> <td>26.11</td> <td>206.80</td> </tr> <tr> <td>Scope 2 (tCO<sub>2</sub>e) (Note)</td> <td>2,345.33</td> <td>2,590.18</td> <td>2,348.97</td> </tr> <tr> <td>Total emission (tCO<sub>2</sub>e)</td> <td>2,370.92</td> <td>2,616.29</td> <td>2,555.77</td> </tr> <tr> <td>Emission intensity (tCO<sub>2</sub>e/revenue of NTD million)</td> <td>0.69</td> <td>0.79</td> <td>0.76</td> </tr> </tbody> </table> <p>Note 1: For the calculation of GHG emissions, the method of operational control is adopted for inventory. The calculation uses the data of activities, with the values of emission factor based on the Table for Management of Greenhouse Gas Emission Factors published by the Environmental Protection Administration.</p> <p>Note 2: The scope of data includes the Taipei HQ, the Nankang Factory, Power Tank Energy Ltd, and the Zhenjiang Factory and Huizhou Factory in Mainland China.</p> <p>The calculation of our GHG emissions primarily focuses on Scope 2 (externally purchased power), accounting for 92% of the annual emission. With expansion of the size of our operations during the most recent three years, our GHG emissions have increased despite the improvement and replacement of relevant equipment for energy conservation and carbon reduction. However, the emission intensity per million NTD revenue has significantly decreased.</p>	GHG emission	2022	2023	2024	Scope 1 (tCO <sub>2</sub> e) (Note)	25.59	26.11	206.80	Scope 2 (tCO <sub>2</sub> e) (Note)	2,345.33	2,590.18	2,348.97	Total emission (tCO <sub>2</sub> e)	2,370.92	2,616.29	2,555.77	Emission intensity (tCO <sub>2</sub> e/revenue of NTD million)	0.69	0.79	0.76	Conform to Code of Practice on Sustainable Development, without significant difference.
GHG emission	2022	2023	2024																					
Scope 1 (tCO <sub>2</sub> e) (Note)	25.59	26.11	206.80																					
Scope 2 (tCO <sub>2</sub> e) (Note)	2,345.33	2,590.18	2,348.97																					
Total emission (tCO <sub>2</sub> e)	2,370.92	2,616.29	2,555.77																					
Emission intensity (tCO <sub>2</sub> e/revenue of NTD million)	0.69	0.79	0.76																					

		<p>The Company recognizes the impact of climate change on its business operations. In 2024 , ahead of the requirements imposed by Taiwan’s competent authorities, the Group implemented an organization-wide greenhouse gas (GHG) inventory. In accordance with the GHG Protocol methodology, the Company formally conducted an inventory of Scope 1 and Scope 2 greenhouse gas emissions. Through standardized procedures and more detailed identification of emission sources, the completeness, accuracy, and traceability of Scope 1 data were enhanced. During the inventory process, the coverage of fuel usage was expanded to include emission sources from both stationery and mobile equipment, thereby ensuring that the inventory results are more aligned with international standards and comparable across years. The Company has updated its emission reduction targets, using 2024 as the base year, with short- and medium-term goals of reducing Scope 1 and Scope 2 carbon emissions by 4.5% annually, achieving a cumulative reduction of 25% by 2030. The long-term goal is to achieve net-zero carbon emissions by 2050.</p> <p>Starting from Fiscal Year 2025, the Company began conducting Scope 3 greenhouse gas (GHG) inventory. In 2025, the Company first collected GHG activity data for Category 1 (Purchased Goods and Services), Category 6 (Business Travel), and Category 7 (Employee Commuting). The remaining categories are scheduled to be inventoried in 2026 and 2027, respectively.</p> <p>The Company has implemented various greenhouse gas reduction measures, including promoting a paperless office, procuring green products and raw materials, encouraging employees to bring their own reusable tableware, and upgrading obsolete equipment at the Nangang Plant and Huizhou Plant by adopting energy-efficient automated production lines and best production practices. Through the implementation of the aforementioned measures and initiatives, the Company aims to progressively reduce greenhouse gas emissions. With anticipated revenue growth, the Company will continue to advance toward its greenhouse gas management objectives.</p> <p>For the detailed information of our GHG management in 2022-2024, see pp. 76–77 of our 2024 sustainability report.</p> <p>Waste management:</p> <p>The waste currently generated by Sysgration consists of general industrial waste and hazardous industrial waste. General industrial waste mainly includes common office waste, wooden boxes used for international shipping of packaged parts and components, and electronic waste, while hazardous industrial waste= mainly includes waste circuit boards.</p> <p>Sysgration disposes of waste in accordance with the Waste Disposal Act and implements a recycling mechanism. Waste is disposed of through recycling and reuse by a qualified waste disposal company contracted by Sysgration. We sign a contract with a qualified disposal company to confirm the relevant requirements and methods of management, and the company will engage in periodic disposal of waste depending on its production. During the most recent year, the disposal company contracted by us had not violated the contract.</p>	
--	--	--	--

Categories of waste	2022	2023	2024
Hazardous industrial waste (tons)	2.28	4.26	6.93
Non-Hazardous industrial waste (tons)	138.00	80.05	73.22
Total waste disposed of (tons)	140.28	84.31	80.15
Waste intensity (tons/revenue of NTD million)	0.041	0.026	0.026

Note: The scope of data includes the Taipei HQ, the Nankang Factory, Power Tank Energy Ltd, and the Zhenjiang Factory and Huizhou Factory in Mainland China.

The Company implements waste reduction at the source through process design, technological improvements, and the continuous promotion of material reuse. Using 2021 as the base year, the Company had already achieved a 50% reduction in waste intensity per NT\$1 million revenue by 2024

Water resources management: The Company continues to carry out various waste reduction initiatives, including:

1. Continuing to promote source-based waste segregation and reduction through measures such as automated production lines, process technology improvements, raw material reduction, and on-site packaging material recycling.
2. Ensuring that all plant waste is managed in compliance with applicable regulations and implementing effective resource recycling mechanisms.
3. Implementing resource recycling and segregation for items such as spent batteries, toner cartridges, PET bottles, and paper.
4. Promoting company-wide initiatives to minimize overall waste generation.

“The Company’s waste intensity decreased from 0.052 tons per NT\$1 million revenue in 2021 to 0.041 tons in 2022, 0.026 tons in 2023, and remained at 0.026 tons in 2024, representing reductions of 21.1% and 50%, respectively. This demonstrates the effectiveness of the Company’s waste reduction initiatives. The Company continues to further minimize the environmental impact of waste on operations through process optimization and resource management.

Water resources management:

Currently, all of our water comes from municipal water, and all water used by our factories is for domestic rather than industrial purposes. In accordance with local regulations, such water converges and is then discharged from the wastewater treatment plant in the industrial park where the relevant factory is located.

Year	Taipei HQ (tons)	Nankang Factory (tons)	Huizhou Factory (tons)	Power Tank Energy Ltd (tons)	Zhenjiang Factory (tons)	Total Water Used (tons)	Water Use Intensity (tons /revenue of NTD million)
2022	2,772	6,892	5,832		1,640	17,136	5.03
2023	2,587	4,977	4,926	136	1,502	14,128	4.30
2024	2,686	4,762	3,823	254	1,691	13,216	4.25

		<p>The water intensity for fiscal years 2022, 2023, and 2024 decreased from 7.47 tons per NT\$1 million in revenue in fiscal year 2021 to 5.03 tons, 4.30 tons, and 4.25 tons, respectively. This represents reductions of 32.6%, 42.4%, and 43.1%, demonstrating that the Company’s water-use efficiency has improved year by year.</p>	
<p>4. Social issues (1) Has the Company formulated relevant management policies and procedures under the relevant laws and regulations and international human rights conventions?</p>	<p>✓</p>	<p>Human rights policies: With reference to the spirit and fundamental principles of human rights protection set forth in the “Universal Declaration of Human Rights,” “UN Global Compact,” “International Labor Conventions,” “Responsible Business Alliance Code of Conduct” and other international human rights conventions, we strive to incorporate the principles and spirit of human rights into our values and culture as our commitment to human rights protection and to establish human rights policies applicable to Sysgration. In order to fully prevent actions infringing upon and violating human rights, we provide a reasonable and safe workplace and ensure our employees are treated in a reasonable and dignified way.</p> <p>Assessment of human rights: Each year, we regularly review our operations, value chains and business activities through attention to major social issues, data monitoring and investigation to identify and assess the groups facing risks and the potential human rights risks. We develop a plan for control of human rights issues based on the potential risks and continue to supervise and improve the result of implementation of the plan. In 2024, human rights review and assessment were completed at all of our operating locations, including the Taipei HQ, the Nankang Factory and the Zhenjiang Factory and Huizhou Factory in Mainland China. Also, our group organizes periodic training on human rights to promote awareness of issues including the prevention of discrimination and sexual harassment, the management of working hours and occupational health and safety, and all new employees are required to complete courses on human rights awareness and compliance when they come on board.</p> <p>Measures for mitigation of human rights risks: We are committed to reasonably ensuring the safety of our employees and the working environment, that our employees feel respected and dignified, and that our operations contribute to environmental protection and are compliance with the law and ethics. To fulfill the commitment, with integrity as our basis, we respect our employees in a legal manner and have appointed specialized personnel to carry out occupational safety and health activities for our employees as required by law. In addition, we have continued to organize awareness and educational sessions to implement our human rights policies in daily operations, and we have established reasonable complaint channels.</p>	<p>Conform to Code of Practice on Sustainable Development, without significant difference.</p>

Our policies and specific plans for human rights management are summarized as follows:

Human rights management policy	Specific management plan
Providing a safe and healthy working environment	<ol style="list-style-type: none"> <li>1. All companies under our group have received the certifications of ISO 14001 (environmental management system) and ISO 45001 (occupational safety and health management system), and are active in preventing pollution and protecting environmental safety to reasonably ensure a safe working environment.</li> <li>2. We provide a safe and healthy working environment in accordance with the law, and we have established a department and a committee organization dedicated to occupational safety and health and engaged professional physicians and nurses. Moreover, we organize periodic training sessions on safety, health and fire safety, and we take necessary measures to prevent occupational accidents and reduce hazardous factors in the working environment.</li> </ol>
Prohibition of child labor	<ol style="list-style-type: none"> <li>1. We expressly prohibit the hiring of any employee under the age of 15. For recruitment, a job applicant is required to submit a basic information form indicating his/her birth date, and he/she must present an identity document at the time of his/her arrival to be verified by our human resources department to ensure accuracy of the information.</li> <li>2. We have strictly adhered to the relevant requirements. No child labor was employed in 2025.</li> </ol>
Prohibition of forced labor	<p>We do not force or coerce any unwilling employee to engage in labor activities. All of our regulations governing the daily and weekly normal working hours and extended working hours, regular leave, annual leave and other types of leave for an employee are compliance with the law. A function has been added in the attendance management system for any employee applying for overtime to be reminded that an overtime pay or compensatory leave will be provided after overtime work.</p>
Prevention of discrimination and sexual harassment	<p>In order to provide our employees with an equal and safe working environment, we strictly prohibit any act of sexual harassment at workplace, with the employee work rules and personnel regulations expressly setting out the relevant requirements. We organize non-periodic awareness sessions on prohibition of discrimination and sexual harassment, and we provide relevant channels including a complaint hotline, email and fax, through which cases will be handled by specialized personnel and referred to the Sexual Harassment Complaint Commission for investigation.</p>
Assisting employees in maintaining physical and mental health and work-life balance	<p>We provide funding to encourage our employees to participate in health activities, while our employees form clubs to build cohesion among them through club activities. Each year, we organize a year-end banquet, dinner parties and other events for our employees to relieve stress and build cohesion. We have also installed exercise and fitness equipment for our employees to use during break times.</p>

		<p>In 2025, we organized the following training courses related to actions for human rights protection:</p> <table border="1" data-bbox="667 169 1850 746"> <thead> <tr> <th>Training Field</th> <th>Actions for human rights protection</th> <th>Total hours</th> <th>Total attendees</th> </tr> </thead> <tbody> <tr> <td>Health and safety</td> <td>Including training on safety and health, quality management, emergency response and fire safety.</td> <td>163.5 hours</td> <td>2,279 persons</td> </tr> <tr> <td>Human rights training</td> <td>Including RBA training and human rights awareness.</td> <td>9 hours</td> <td>184 persons</td> </tr> <tr> <td>Integrity and ethics</td> <td>Educational and awareness sessions regarding the standards for daily behavior and ethics, including trade secrets, honest management and the prevention of short-swing trading and insider trading.</td> <td>2 hours</td> <td>773 persons</td> </tr> <tr> <td>Corporate sustainability</td> <td>Including relevant ESG awareness and training sessions on corporate governance, environmental protection and social responsibilities.</td> <td>18.5 hours</td> <td>133 persons</td> </tr> <tr> <td>Patents and legal affairs</td> <td>To increase patent and legal awareness and decrease the possibility of occurrence of relevant risks.</td> <td>46 hours</td> <td>649 persons</td> </tr> <tr> <td>New employee training</td> <td>Training sessions on compliance are organized for new employees, including the promotion of awareness of issues including the prevention of discrimination and sexual harassment, the management of working hours and occupational health and safety.</td> <td>29 hours</td> <td>207 persons</td> </tr> </tbody> </table>	Training Field	Actions for human rights protection	Total hours	Total attendees	Health and safety	Including training on safety and health, quality management, emergency response and fire safety.	163.5 hours	2,279 persons	Human rights training	Including RBA training and human rights awareness.	9 hours	184 persons	Integrity and ethics	Educational and awareness sessions regarding the standards for daily behavior and ethics, including trade secrets, honest management and the prevention of short-swing trading and insider trading.	2 hours	773 persons	Corporate sustainability	Including relevant ESG awareness and training sessions on corporate governance, environmental protection and social responsibilities.	18.5 hours	133 persons	Patents and legal affairs	To increase patent and legal awareness and decrease the possibility of occurrence of relevant risks.	46 hours	649 persons	New employee training	Training sessions on compliance are organized for new employees, including the promotion of awareness of issues including the prevention of discrimination and sexual harassment, the management of working hours and occupational health and safety.	29 hours	207 persons	
Training Field	Actions for human rights protection	Total hours	Total attendees																												
Health and safety	Including training on safety and health, quality management, emergency response and fire safety.	163.5 hours	2,279 persons																												
Human rights training	Including RBA training and human rights awareness.	9 hours	184 persons																												
Integrity and ethics	Educational and awareness sessions regarding the standards for daily behavior and ethics, including trade secrets, honest management and the prevention of short-swing trading and insider trading.	2 hours	773 persons																												
Corporate sustainability	Including relevant ESG awareness and training sessions on corporate governance, environmental protection and social responsibilities.	18.5 hours	133 persons																												
Patents and legal affairs	To increase patent and legal awareness and decrease the possibility of occurrence of relevant risks.	46 hours	649 persons																												
New employee training	Training sessions on compliance are organized for new employees, including the promotion of awareness of issues including the prevention of discrimination and sexual harassment, the management of working hours and occupational health and safety.	29 hours	207 persons																												
(2)Has the Company set and implemented reasonable measures for employee welfare (including remuneration, leave, and other benefits) and properly reflected its business performance or results in employee remuneration?	✓	<p>We not only actively implement humanized management and all kinds of welfare measures, but also are committed to the idea of sharing profit with our employees to attract and motivate outstanding talents, with the remuneration for employees determined based on the result of our operations.</p> <ol style="list-style-type: none"> <li>1. Based on the idea of a diversified and equal workplace, female employees accounted for 44.93% out of 592 employees at Sysgration as of the end of 2025, with female senior managers accounting for 23.67%.</li> <li>2. Based on the idea of sharing profit with our employees, the Article of Incorporation stipulates that where Sysgration has a profit in a year, it shall allocate 10% to 15% thereof as the remuneration for employees. For a detailed description of our employee welfare measures, see section of “5. Labor Relation” under “IV. Operations.” .</li> </ol>	Conform to Code of Practice on Sustainable Development, without significant difference.																												
(3)Does the Company provide employees with a safe and healthy working environment and regularly implement health and safety education for employees?	✓	<ol style="list-style-type: none"> <li>1. We comply with the requirements of relevant local laws concerning occupational safety and health to provide our employees with relevant training on occupational safety and health, the scope of which includes a description of occupational safety and health operations, legal requirements, the use and management of hazardous chemicals, health management and other courses. In 2025, we organized training courses on employee safety and health and health-related issues for a total of 163 hours attended by 2,279 persons.</li> <li>2. With regard to the health of employees, we conduct a health examination for our employees each year, and we have contracted Pojen General Hospital and Dacunquo Hospital for their professional physicians and nurses to visit Sysgration and its factories to provide health consultation for our employees and conduct services and awareness sessions for the maintenance of their health. To effectively prevent the occurrence of occupational illnesses and accidents, we supervise company-wide environmental safety and health and its improvement through internal and external audits. A zero-accident workplace is an indicator for our</li> </ol>	Conform to Code of Practice on Sustainable Development, without significant difference.																												

		<p>operations and management. For a detailed description of our measures for the protection of employee’s physical safety and the working environment, see “Labor–management relations” under “Overview of Operations” in this annual report.</p> <p>3. To ensure the safety of the working environment, we have obtained the relevant certifications:</p> <p>(1) The certification of ISO 14001 for environmental management system, covering all of our products.</p> <p>(2) The certification of ISO 45001 for occupational safety and health system, covering all of our factories.</p> <p>(3) The certification of IECQ QC 08000 for hazardous substance free process management system, covering the certification of the hazardous substance free process management system for the electrical and electronic parts and products of all organizations under the supply chain.</p> <p>As of the end of 2025, there had been no case of occupational injury or illness at Sysgration.</p>	
(4) Does the Company establish an effective career development training program for employees?	✓	<p>We encourage continuous training of our employees with the aim to nurture outstanding talents. In addition to organizing internal training, we also allow our employees to apply for external training to enhance their capabilities and develop their career skills. In 2025, we (including the subsidiaries under our group) organized training courses on topics including ESG, job skills, quality assurance, project management, patents, legal affairs, and management abilities for a total of 268 hours, with 4,225 attendees.</p>	Conform to Code of Practice on Sustainable Development, without significant difference.
(5) Regarding customer health and safety, customer privacy, and the marketing and labeling of products and services, does the Company follow relevant laws and international standards and formulate relevant policies and complaint procedures to protect the rights and interests of	✓	<p>Our products are those related to the industries of electronics, automobiles, and energy storage devices. All of our products are subject to strict requirements of international standards, and the marketing and labeling of our products fully conform to applicable laws and international standards. In addition, we have purchased product liability insurance for our products to protect consumer rights. If you have any questions about our products, you may contact us by telephone or email, and we will appoint specialized personnel to understand, coordinate and properly handle the relevant matters.</p>	Conform to Code of Practice on Sustainable Development, without significant difference.
(6) Does the Company have a supplier management policy requiring the suppliers to follow relevant standards in environmental protection, occupational health and safety, labor rights, and other issues, and what are the conditions of implementation?	✓	<p>We have established the “Instructions on the Management and Evaluation of Suppliers,” and we require all suppliers dealing with us to sign the “Supplier Code of Conduct for Corporate Social Responsibilities and the Environment” and the “Commitment to Ethics, Integrity, Environmental Protection and Social Responsibilities,” which require and promote that any supplier dealing with us work with us to fulfill corporate social responsibilities in regard to issues including environmental protection, occupational safety and health, labor rights and ethical management. We also evaluate our suppliers through daily interaction with and periodic assessment of them. If any supplier violates its corporate social responsibilities or causes significant environmental or social impact, our relationship with it will be terminated. If we receive any complaint, we will investigate and address it in a way that keeps confidentiality over the complainant.</p>	Conform to Code of Practice on Sustainable Development, without significant difference.
5. Whether the Company has referred international standards or guidelines for the preparation of reports, sustainable development report and other disclosure reports for company’s non-financial	✓	<p>In accordance with the GRI Standards issued by the Global Reporting Initiative, we have completed preparation of the sustainability report, for which we have obtained an assurance report from the third-party PricewaterhouseCoopers Taiwan based on the performance indicators in the Standard on Assurance Engagements No. 1. The Chinese and English versions of the 2024 sustainability report are published on the MOPS and our website.</p>	Conform to Code of Practice on Sustainable Development, without significant difference.

information? Whether the aforesaid report is certified or assured by a third verification unit?				
---	--	--	--	--

6. In case of the company has stipulated its sustainable development codes according to the Market Listed Corporate Code of Practice on Sustainable Development, please state its functions and differences:

The Company has already stipulated “Sustainable Development Best Practice Principles” and discloses relative information on its website, and strictly abides by during daily operation.

7. Other important information for understanding the Company’s sustainable development implementation:

(1) To promote sustainable development, except for the original environmental management levels, the company also adds labor safety and health risk assessments and measures, labor’s right promotion, and encourages the balance of work and leisure. Besides, the company officially forbids the sexual harassment on staffs, maintains occupational safety and staff physical and mental health, as well as obeys commercial ethics, protects intellectual property, trade secrets, etc..

(2) The Company has obtained the following certificates:

Certification	Plant Site	Certificate number	Verification unit	Verification date	Due date
IATF 16949:2016	Nankang	44 111 202142	TUV NORD	2023/11/28	2026/11/27
	Huizhou	0430662	NQA	2024/09/27	2027/09/26
ISO 9001:2015	Nankang	44 100 202142	TUV NORD	2023/11/28	2026/11/27
	Huizhou	45740	NQA	2024/08/05	2027/08/05
	Zhenjiang	FAP24Q1554R0	Shanghai Fuan Certification Co., Ltd.	2025/12/30	2027/12/16
ISO 14001:2015	Nankang	110255/A/0001/UK/En	URS	2026/01/08	2029/01/07
	Huizhou	U919125E30257R3M	Beijing Hangxing Quality Certification Center Co., Ltd.	2025/06/19	2028/07/03
	Zhenjiang	FAP24E0612R0	Shanghai Fuan Certification Co., Ltd.	2025/12/30	2028/01/15
ISO 45001:2018	Nankang	110255/B/0001/UK/En	URS	2026/01/08	2029/01/07
	Huizhou	U919115S30219R3M	HXQC	2025/06/19	2028/07/03
	Zhenjiang	FAP24S0531R0	Shanghai Fuan Certification Co., Ltd.	2025/12/30	2028/01/15
ISO 26262:2018	Nankang	ZP/C026-25	DEKRA	2025/06/25	2028/01/12
	Huizhou	ZP/C026-25	DEKRA	2025/06/25	2028/01/12
IECQ QC80000:2017	Nankang	IECQ-H ARES 23.0015	ARES	2023/04/11	2026/04/10
	Zhenjiang	IECQ-H NQAGB 23.0011	NQA	2023/01/31	2026/01/30
ANSI/ESD S20.20-2021	Nankang	TW23/00000114	SGS	2024/05/17	2025/05/16
ANSI/ESD S20.20-2021	Huizhou	E951 23 5662	TUV SUD AMERICA INC.	2024/03/10	2025/03/09

(3) Major issues and risk management policies:

Major issues	Risk assessment items	Risk management strategies
Environment	Occupational safety	1. Provide safe and health working environment to employees. 2. Reduce employee disabling injuries frequency and severity ratio. 3. Achieve zero accident and prevent occupational diseases.
	Wastes management	Continue to promote waste reduction at the source and recycling.
	Climatic change	Continue to implement greenhouse gas reduction measures.
	Energy management	Develop green-energy product and continue to improve energy-saving performance.
Society	Talent development	Plan and organize talent development to achieve sustainable development.
	Human rights	1. Assist staff maintaining physical and psychological health and balance between work and life. 2. Provide multiple opinion channels for staff to create a harmonious labor-employer relationship.
Corporate Governance	Commercial ethics	Ethical management in all aspects of business.
	Supplier sustainable management	Conduct supplier sustainable management appraisal.
	Customer service	Continue to provide more competitive products.
	Regulatory Compliance	Continue to reify laws and decrees to company polices and offer training courses to employees.

Note 1: If "Yes" is ticked, please describe the major policies, strategies, measures adopted and implemented; if "No" is ticked, please explain the reasons and how the relevant policies, strategies, and measures will be implemented in the future.

Note 2: If the Company has prepared a corporate social responsibility report, the summary should indicate how to consult the corporate social responsibility report and the page number of the index instead.

Note 3: The materiality principle refers to an issue of environment, society, and corporate governance that significantly impacts investors and other interested parties of the Company.

## Climate-related information implementation :

Evaluation Item	Implementation Status	
1. Describe the monitoring and governance of climate-related risks and opportunities by the board of directors and management.	In order to effectively manage climate-related risks and opportunities, the ESG-TCFD Committee of Sysgration is convened by the General Manager and has set up three ESG-TCFD Executive Teams, Policy and Regulation Team, the Market Research Team, and the Physical Risk Assessment Team respectively, to identify and manage climate change risks and opportunities. The ESG-TCFD Committee reports annually to the General Manager at executive management meetings on the results of identifying and assessing risks and opportunities, and formulates corresponding response strategies. Major climate-related risks and opportunities faced by the power system, along with response strategies, are regularly reported to the Board of Directors, enabling the Board to exercise full oversight and review of significant climate-related risk and opportunity issues, make relevant response and management policy decisions, and monitor their implementation status.	
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short-, medium-, and long-term).	For our risk management policies, see the detailed description in "10. Other important information helpful for understanding the status of climate-related information implementation (1)".	
3. Describe the financial impact of extreme climate events and transformation actions.	For our financial impact of extreme climate events and transformation actions, see the detailed description in "10. Other important information helpful for understanding the status of climate-related information implementation (2)".	
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	Climate Change Related Risks and Opportunities Identification and Assessment Process :	
	Filter out the climate-related risks and opportunities	Filter out the relevant climate-related risks and opportunities based on Sysgration's industrial characteristics and operating status.
	Company internal training and inventory	Convene TCFD Team members to organize education and training and workshops, to understand the definition of climate-related risks and opportunities related to Sysgration, research and analyze domestic and international laws and regulations, market and technology trends.
		Further conduct composite analysis on each issue, to understand the impact and influence of climate issues on Sysgration through factors of possibility, degree and period of impact.
	Identify significant risks and opportunities	Summarize the Company's significant climate-related risks and opportunities based on the content of the research and analysis, and assess the significance according to the possibility of impact and the degree of impact.
Inventory information and management strategies related to climate-related risks and opportunities, and summarize corresponding control measures and action plans.		
Senior Management Confirmation	In conclusion, the Senior Management reviews the identified results, confirms relevant climate-related risks and opportunities, and integrates them into the Company's risk management process for control.	

<p>5.If scenario analysis is used to evaluate resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be explained.</p>	<p>To demonstrate its commitment to climate risk management, the Company has fully implemented mechanisms for identifying climate-related risks and opportunities. Based on the potential short-, medium-, and long-term impacts of climate change, the affected operating sites, the likelihood of risk occurrence, and the severity of impacts on operations, the Company conducts analysis and assessment to establish a climate risk and opportunity matrix. This matrix enables a comprehensive identification, evaluation, and presentation of the impacts of various climate-related risks and opportunities on the Company's operations.</p> <p>1. Identification mechanism and analysis factors</p> <table border="1" data-bbox="654 395 2130 660"> <tr> <td rowspan="2">Analysis</td> <td>Introduce the Climate-related risk and opportunity identification mechanism.</td> </tr> <tr> <td>Identify climate-related risks and opportunities based on Sysgration's operation status and industry characteristics.</td> </tr> <tr> <td>Inventory</td> <td>Complete inventory and assess the impact of various climate-related risks and opportunities on the Company's operations.</td> </tr> <tr> <td>Strategies</td> <td>Propose corresponding control measures and action plans based on the impact of proposed climate-related risks and opportunities on the Company.</td> </tr> </table> <p>2. Impact on the operations of Sysgration</p> <table border="1" data-bbox="654 711 1827 1013"> <tr> <td rowspan="4">Risk Issues</td> <td>Costs to transition to lower emissions technology.</td> </tr> <tr> <td>Increased cost of raw materials.</td> </tr> <tr> <td>Changing customer behavior.</td> </tr> <tr> <td>Increased severity of extreme weather events as cyclones and floods.</td> </tr> <tr> <td rowspan="3">Opportunities Issues</td> <td>Carbon pricing mechanism.</td> </tr> <tr> <td>Access to new markets.</td> </tr> <tr> <td>Use of more efficient production and distribution processes.</td> </tr> <tr> <td></td> <td>Development and/or expansion of low emission goods and services.</td> </tr> </table>	Analysis	Introduce the Climate-related risk and opportunity identification mechanism.	Identify climate-related risks and opportunities based on Sysgration's operation status and industry characteristics.	Inventory	Complete inventory and assess the impact of various climate-related risks and opportunities on the Company's operations.	Strategies	Propose corresponding control measures and action plans based on the impact of proposed climate-related risks and opportunities on the Company.	Risk Issues	Costs to transition to lower emissions technology.	Increased cost of raw materials.	Changing customer behavior.	Increased severity of extreme weather events as cyclones and floods.	Opportunities Issues	Carbon pricing mechanism.	Access to new markets.	Use of more efficient production and distribution processes.		Development and/or expansion of low emission goods and services.
Analysis	Introduce the Climate-related risk and opportunity identification mechanism.																		
	Identify climate-related risks and opportunities based on Sysgration's operation status and industry characteristics.																		
Inventory	Complete inventory and assess the impact of various climate-related risks and opportunities on the Company's operations.																		
Strategies	Propose corresponding control measures and action plans based on the impact of proposed climate-related risks and opportunities on the Company.																		
Risk Issues	Costs to transition to lower emissions technology.																		
	Increased cost of raw materials.																		
	Changing customer behavior.																		
	Increased severity of extreme weather events as cyclones and floods.																		
Opportunities Issues	Carbon pricing mechanism.																		
	Access to new markets.																		
	Use of more efficient production and distribution processes.																		
	Development and/or expansion of low emission goods and services.																		
<p>6.If there is a transformation plan in place to manage climate-related risks, describe the content of the plan, and the indicators and objective to identify and manage physical risks and transformation risks.</p>	<p>The Company has introduced a climate-related risk and opportunity identification mechanism to identify the substantive impacts and quantitative indicators of risk issues based on current operations and industry characteristics, and propose corresponding control measures and action plans.</p> <p>(1) Physical Risk</p> <ol style="list-style-type: none"> <li>① Formulate emergency response measures, prepare fire-fighting and emergency rescue equipment in advance, conduct typhoon emergency response drills at least once every year, and set up the Emergency Command Center to conduct overall emergency response management after disasters, including the immediate purchase of raw materials on the spot and emergency personnel recruitment.</li> <li>② In response to flooding caused by extreme weather events, look for warehousing places in safe areas and OEMs to assist in production; choose the mode of shipment transportation that is least affected by extreme weather events.</li> <li>③ In the event of short-term power outages due to drought, diesel generators will be used for backup power generation during power outages to maintain uninterrupted production and manufacturing and avoid work suspension or production interruptions.</li> </ol>																		

	<p>④ Take out relevant insurance (i.e., as natural disaster insurance) to reduce losses.</p> <p>(2) Transition Risk Under effective management and control in past operations, there has been no production and logistics interruption or supply chain failure due to climate or natural disasters, and no impact on revenue for the time being. Sysgration is fully aware of the importance of climate risk management and actively establishes response measures for climate change. we followed the Task Force on Climate related Financial Disclosures (TCFD) to transparently disclose Sysgration's current management status of key climate change risks and opportunities according to four major frameworks of governance, strategy, risk management, metrics and targets, to achieve the goal of sustainable operation.</p>
<p>7.If internal carbon pricing is used as a planning tool, the basis for setting the price shall be explained.</p>	<p>The European Union will implement the CBAM Carbon Border Adjustment Mechanism starting October 1, 2023, with full implementation in 2026; Taiwan is expected to start collecting and introducing a carbon fee in 2025. Although the Company is not the first wave of taxation objects, we still need to pay close attention to regulatory changes and updates.</p> <p>(1) An ESG Committee has been established, along with a Sustainability and Environmental Task Force, to promote and oversee energy-saving and carbon-reduction initiatives, such as equipment replacement, paperless operations, and paper recycling and reuse. For any lighting repairs or replacements at all plants and office buildings, LED energy-efficient lamps or bulbs are adopted as a standard. In addition, smart electricity meters are being piloted on production lines to enable effective monitoring of electricity consumption status and usage distribution.</p> <p>(2) Establish the GHG Inventory Committee to perform an inventory of the emission sources of GHGs at all companies and plants within the Group and collect data on various emission activities for analysis for the benefit of promoting relevant carbon reduction plans.</p> <p>(3) Introduce ISO 14064-1 GHG Inventory, set the greenhouse gas reduction targets, and actively establish the Science Based Carbon Reduction initiative targets.</p> <p>(4) The Company continuously monitors global carbon trading market policies, as well as Taiwan's carbon fee and carbon tax policies. Annual greenhouse gas inventories are conducted, and short-, medium-, and long-term carbon emission reduction targets are established and regularly reviewed, enabling the Company to align with relevant government decarbonization policies in the future and to timely adjust its carbon reduction strategies and action plans.</p>
<p>8.If climate-related goals are set, the activities covered, scope of greenhouse gas emissions, planning period, and progress each year should be explained. If carbon offsets or renewable energy certificates (RECs) are used to achieve these goals, the source and amount of carbon reduction credits or RECs offset should be explained.</p>	<p>In accordance with the requirements of the GHG Protocol and the Greenhouse Gas Inventory Protocol, the Company has established a greenhouse gas (GHG) emissions inventory and conducts regular annual GHG emissions assessments. Through the gradual development of a comprehensive GHG emissions accounting and statistical system, the Company uses these results as a basis for energy conservation and carbon reduction initiatives. Actively responding to government policy trends, the Company formulates energy-saving and emission-reduction measures and targets on an annual basis. Using 2024 as the baseline year, the Company has set short- and medium-term targets to reduce Scope 1 and Scope 2 absolute carbon emissions by 4.5% annually. It is expected that GHG emissions will be reduced by 4.5% and 25% by 2025 and 2030, respectively, with the ultimate goal of achieving net-zero carbon emissions by 2050.</p> <p>The calculation of greenhouse gas emissions is primarily focused on Scope 2 (purchased electricity), which has accounted for more than 90% of total annual emissions over the past three years.</p>
<p>9.Greenhouse gas inventory and assurance, and reduction goals, strategies, and concrete action plans.</p>	

<p>(1)Greenhouse gas inventory information : State greenhouse gas emissions volume (metric tons CO2e), intensity (metric tons CO2e/NTD million) and data coverage for the most recent two years.</p>	<p>Statistics of Sysgration Greenhouse Gas Emission Data in the Past Two Years :</p> <table border="1" data-bbox="712 172 1715 360"> <thead> <tr> <th>Greenhouse Gas Emissions</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Scope 1(Note 1) (tCO2e)</td> <td>26.11</td> <td>206.80</td> </tr> <tr> <td>Scope 2(Note 2) (tCO2e)</td> <td>2,590.18</td> <td>2,348.97</td> </tr> <tr> <td>Total emission (tCO2e)</td> <td>2,616.29</td> <td>2,555.77</td> </tr> <tr> <td>(tCO2e / NT\$ million in revenue)</td> <td>0.79</td> <td>0.76</td> </tr> </tbody> </table> <p>Note: The greenhouse gas emission calculation adopts the operational control approach, and the emission is calculated by activity data*emission factors*GWP values (the source of coefficient refers to emission coefficient management table 6.0.4 announced by the Environmental Protection Administration (EPA) in 2019, and GWP value refers to IPCC fourth assessment report (2007). The greenhouse gas includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and nitrogen trifluoride.</p>	Greenhouse Gas Emissions	2023	2024	Scope 1(Note 1) (tCO2e)	26.11	206.80	Scope 2(Note 2) (tCO2e)	2,590.18	2,348.97	Total emission (tCO2e)	2,616.29	2,555.77	(tCO2e / NT\$ million in revenue)	0.79	0.76
Greenhouse Gas Emissions	2023	2024														
Scope 1(Note 1) (tCO2e)	26.11	206.80														
Scope 2(Note 2) (tCO2e)	2,590.18	2,348.97														
Total emission (tCO2e)	2,616.29	2,555.77														
(tCO2e / NT\$ million in revenue)	0.79	0.76														
<p>(2)Greenhouse Gas Assurance Information : Describe the status of assurance in the last 2 years, up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.</p>	<p>To achieve the Paris Agreement goal of limiting global temperature rise to well below 2°C, countries around the world have successively introduced net-zero transition policies. The Taiwanese government has actively responded, officially announcing the “2050 Net-Zero Emissions Pathway Blueprint” in March 2022. In 2023, in addition to amending and passing the Climate Change Response Act, the government also released the “Sustainable Development Action Plan for Listed and OTC Companies,” guiding enterprises toward net-zero transformation. Achieving the 2050 net-zero target requires the prior establishment of carbon reduction goals, for which greenhouse gas (GHG) inventories serve as a fundamental basis. In recent years, international sustainability assessments and ratings—such as CDP (Carbon Disclosure Project) and DJSI (Dow Jones Sustainability Indices)—have increasingly required the disclosure of climate-related information, including organizational GHG emissions. This trend further highlights the importance of transparent GHG inventory data disclosure. As a responsible global corporate citizen, System Electronics places great importance on this issue. In 2024, ahead of regulatory requirements, the Company implemented ISO 14064-1 organizational greenhouse gas inventories across the group, including subsidiaries consolidated in the parent company’s financial statements. Furthermore, System Electronics was recognized as one of the companies aligned with the 1.5°C temperature control target at the 2nd “Corporate 1.5°C Forum” hosted by CommonWealth Magazine, receiving the 1.5°C Certification Mark. This recognition demonstrates the Company’s concrete efforts in carbon reduction and its commitment to contributing to the global fight against climate change.</p>															

<p>(3)Greenhouse gas reduction goals, strategies and concrete action plans : Describe the greenhouse gas reduction base year and data, reduction goals, strategies, and concrete action plans and achievement of reduction goals.</p>	Greenhouse gas reduction goals, strategies and concrete action plans are described as follows :		
	Metrics	Targets	Implementation Status
	Low Carbon and Green Products	The Group's global energy storage installed capacity is targeted to exceed 300 MWh by 2025 and 3 GWh by 2026. The 2026 target represents a tenfold increase compared to the previous year.	The Company is committed to leveraging advanced technologies in the development and production of battery modules, providing solutions for electric vehicles, backup power systems, and energy management applications. From 2019 to 2024, the cumulative capacity of battery modules reached approximately 181 MWh, and sales are projected to reach 300 MWh in 2025.
	GHG Management	Using 2024 as the baseline year for greenhouse gas emissions: 1.Short- to medium-term: Achieve an annual reduction of 4.5% in absolute Scope 1 and Scope 2 carbon emissions, reaching a total reduction of 25% by 2030. 2.Long-term: Achieve net-zero carbon emissions by 2050.	The Group's total greenhouse gas emissions in 2024 amounted to 2,555.77 metric tons of CO <sub>2</sub> e.
Energy Saving Management	Electricity consumption management uses 2024 as the baseline year, with a target to reduce electricity-related emissions intensity by 20% by 2030.	In 2024, the Group's Scope 2 carbon emissions intensity was 0.76 metric tons of CO <sub>2</sub> e per NT\$1 million in revenue.	

10.Other important information helpful for understanding the status of climate-related information implementation :

(1)Climate-related Risks and Opportunities Identification Results :

Type of Risks and Opportunities		Issue Definition	Company Impact Description	Impact Period	Impacted Factories	Response Strategy
Transition Risk	Policy and Legal Risk	Carbon pricing mechanism	The European Union will implement the CBAM Carbon Border Adjustment Mechanism starting October 1, 2023, with full implementation in 2026; Taiwan is expected to start collecting and introducing a carbon fee in 2025. Although the Company is not the first wave of taxation objects, we still need to pay close attention to regulatory changes and updates. The national carbon emission	Medium-term (3~5 Years)	Company-wide	1. The Company has established an ESG Committee and a dedicated Sustainability & Environmental Taskforce responsible for promoting and overseeing energy-saving and carbon reduction initiatives. These initiatives include equipment upgrades, paperless operations, and paper recycling. For all factories and office buildings, any lighting repairs or replacements are conducted using energy-efficient LED tubes or bulbs. Additionally, smart electricity meters are being piloted on production lines to enable

			trading market in mainland China will be launched in 2021. The first industry to be included in the trading is the electric power industry, but it is still necessary to pay close attention to the policies and industries that are subject to regulation. In the future, when carbon emissions exceed the control value, an additional purchase is required. However, the price of carbon rights should be increased year by year, resulting in cost pressures on businesses.			<p>effective monitoring of electricity usage and distribution.</p> <ol style="list-style-type: none"> <li>2. Establish the GHG Inventory Committee to perform an inventory of the emission sources of GHGs at all companies and plants within the Group and collect data on various emission activities for analysis for the benefit of promoting relevant carbon reduction plans.</li> <li>3. Introduce ISO 14064-1 GHG Inventory, set the greenhouse gas reduction targets, and actively establish the Science Based Carbon Reduction initiative targets.</li> <li>4. The Company continuously monitors global carbon trading market policies, as well as Taiwan's carbon fee and carbon tax policies. It conducts annual greenhouse gas inventories, sets short-, medium-, and long-term carbon emission reduction targets, and regularly reviews them in order to align with relevant government decarbonization policies in the future and to timely adjust its carbon reduction strategies and action plans.</li> </ol>
	Market Risk	Increased cost of raw materials	Natural disasters affect raw material suppliers, and increase the cost of purchasing raw materials, resulting in increased production costs. For example, due to supply chain interruptions, products fail to be delivered as scheduled; the manufacturing locations of automotive electronic components are also in Europe and the United States. For example, winter storms severely damage the power grid, resulting in power outages or production capacity crowding out after power is restored. All of this	Short-term (0~3 Years)	Company-wide	<ol style="list-style-type: none"> <li>1. Understand the production base of the upstream supply chain and provide predictive orders to facilitate production capacity planning and adjustment.</li> <li>2. Disperse the proportion of materials used for electronic components through product design and supply chain management, not limited to one brand, and avoid production in the same area.</li> <li>3. Improve research and development efforts, introduce green design, optimize production methods, and use a new recyclable integrated simple packaging design to reduce the waste of redundant packaging materials, reduce the cost of raw materials,</li> </ol>

			will increase the costs and increase the pressure on the Company's operating costs.			<p>reduce the weight of the whole machine, reduce transportation costs, to achieve energy saving carbon reduction.</p> <p>4. Actively introduce raw material suppliers capable of implementing energy saving and carbon reduction.</p> <p>5. The Company has implemented ISO 20400 Sustainable Procurement and Supply Chain Management to ensure procurement decisions benefit both the organization and society, while minimizing environmental impacts.</p>
		Changing customer behavior	In order to reduce the impact on the environment, many customers have requested changes in their product manufacturing or design requirements, such as replacing the battery from lead-acid batteries to lithium batteries. In addition to saving maintenance costs, it also reduces the impact of lead acid on the environment. To effectively reduce the tire wear of customer fleets, tire manufacturers propose changes by providing a Fleet Management System and integrating a Tire Pressure Monitoring System.	Medium-term (3~5 Years)	Company-wide	<p>1. In the development and design of tire pressure monitoring, energy storage and automotive electronics, Sysgration works closely with chip manufacturers, with new chip integrated with the original wireless communication into the main chip, to reduce the PCB area and makes the overall chip size smaller and lighter, reducing the raw materials needed for production processes, and shortening the time required for manufacturing, achieving the carbon reduction benefits in the product life cycle.</p> <p>2. Establish a complete customer communication channel, formulate relevant standards for compliance, and provide customer feedback procedures to instantly understand customer needs for product specifications; at the same time, visit customers regularly to discuss cooperation and integration business matters to increase customer value differentiation and assist customers in expanding low carbon product market.</p>
	Technology Risk	Costs to transition to lower	1. Customers have increased demand for low-carbon and green energy-designed products,	Short-term (0~3 Years)	Company-wide	1. Set up Research and Development Departments for different product lines and combine the expertise and advantages of

		emissions technology	<p>such as Fleet Management System and Bluetooth Tire Pressure Monitoring System; and all countries have also begun to increase requirements for specific products and processes, such as Europe has required mandatory installation of Tire Pressure Monitoring System for trucks, hence, investment in product research and development and process improvement costs will increase.</p> <p>2. The carbon emission requirements of the countries where each operation location is located, such as the carbon fee levied by Taiwan's Climate Change Response Act and the carbon trading in the test pilot of the carbon trading market in mainland China. If low-carbon technology transformation is not implemented, the cost of carbon fees will increase.</p>			<p>supply chain manufacturers to continuously develop innovative technologies in the fields of Internet of Things, Internet of Vehicles, Energy Storage products, and Battery Energy.</p> <p>2. The development of the new Bluetooth TPMS will reduce the weight of the vehicle, reduce fuel consumption, reduce the possibility of tires being scrapped early due to insufficient tire pressure, and save fuel consumption while maintaining tire pressure.</p> <p>3. Actively encourage employees to expand the research and development achievements completed on the job, accumulate the Company's intellectual property rights, and arrange relevant innovative research and development courses combined with environmental sustainability at the same time.</p> <p>4. Actively engage in industry-academia exchanges and cooperation with the government, academic and research institutions, and colleges and universities to introduce new technologies and new talents to join the R&amp;D of low-carbon products.</p>
Physical Risk	Acute Risk	Increased severity of extreme weather events as cyclones and floods	<p>In recent years, the frequency of extreme weather events has increased and lasted longer. The factory buildings may be damaged by flooding, and employees may also suffer direct or indirect injuries; and the interruption of production may lead to interruption of the supply chain, obstruction of raw material delivery, and supply interruption. For example, when a typhoon</p>	Long-term (More than 5 Years)	Nankang Plant, Zhenjiang Plant, Huizhou Plant	<p>1. Formulate emergency response measures, prepare fire-fighting and emergency rescue equipment in advance, conduct typhoon emergency response drills at least once every year, and set up the Emergency Command Center to conduct overall emergency response management after disasters, including the immediate purchase of raw materials on the spot and emergency personnel recruitment.</p> <p>2. In response to flooding caused by extreme weather events, look for warehousing places</p>

			strikes, it may directly affect the transportation, delay the delivery date and shipping schedule of the supply chain, and thus unable to meet the customer delivery schedule.			<p>in safe areas and OEMs to assist in production; choose the methods of shipping transportation that are least affected by extreme weather events.</p> <p>3. In the event of short-term power outages due to drought, diesel generators will be used for backup power generation during power outages, to maintain uninterrupted production and manufacturing and avoid work suspension or production interruptions.</p> <p>4. Take out relevant insurance such as natural disaster insurance to reduce losses.</p>
Opportunity	Market Opportunities	Access to new markets	<p>1. With the increase of customers' demand for Fleet Management System, Sysgration's Bluetooth TPMS can be easily integrated with the Fleet Management System, to effectively manage fleet tire wear and reduce fuel consumption and carbon emissions. And, in response to the mandatory installation of tire pressure monitoring systems for trucks in Europe, the demand has increased.</p> <p>2. Climate change has prompted the global automobile market to rapidly shift to electric vehicles. Sysgration has experience in the development and production of automotive electronic products. The produced Internet of Things, Internet of Vehicles, Energy Storage products and Battery Energy technologies will achieve excellent results in the next few years.</p>	Medium-term (3~5 Years)	Company-wide	<p>1. Continue to expand and operate with major customers of European and American OE automobile manufacturers.</p> <p>2. The upstream and downstream integration and comprehensive deployment of the energy storage industry chain to bring in capital, technology, and strategic investors.</p> <p>3. The Company has set up a plant in the U.S. to secure and stabilize orders from customers in Europe and America, and the new business location can also shorten the transportation time and distance for shipping to major customers in Europe and America and reduce carbon emissions.</p> <p>4. Split the ESS department to establish the Power System Energy and expand the Energy Storage Equipment Construction market in 2023.</p> <p>5. Research and analyze market, customer, region, society, national policies, laws and regulations, and climate-related trends, grasp the product aspect market environment and changes in policies and laws and regulations with advance deployment to increase and speed up research and development efforts, and</p>

						accelerate product innovation.
		Use of more efficient production and distribution processes	Reduce the proportion of rework to increase the yield rate by increasing the proportion of automated production and testing and use big data to analyze the causes of production yield rate to implement improvement and preventive measures.	Medium-term (3~5 Years)	Company-wide	<ol style="list-style-type: none"> <li>1. Increase and improvement of automation equipment.</li> <li>2. Strengthen the integrity of generating big data collection.</li> <li>3. Implement personnel education and training.</li> <li>4. Nankang Plant is building a micro-grid in the factory, using the UPS System and Energy Storage System with EMS Energy Management System to effectively monitor and control the factory's power consumption, and then establish solar photovoltaics for self-generation and self-use. Using green electricity to reduce carbon can also reduce contract capacity and unit production costs.</li> </ol>
		Development and/or expansion of low emission goods and services	<ol style="list-style-type: none"> <li>1 Develop the distributed Energy Storage System, using lithium-ion batteries cooperated with solar photovoltaics.</li> <li>2 Compared with the traditional technology of Radio Frequency, the low-power Bluetooth TPMS can reduce the installation of materials, shorten the installation time, and make it easy to integrate with the customer's device without the need to purchase a signal amplifier.</li> <li>3 Develop smart glasses products, improve power saving and charging and discharging efficiency can effectively save energy, and turn to find ODM/OEM opportunities for smart glasses simultaneously.</li> </ol>	Short-term (0~3 Years)	Company-wide	<ol style="list-style-type: none"> <li>1. Strengthen the collection and research and development of new specification power supplies and power-saving design data and increase the percentage of using energy saving parts.</li> <li>2. Develop multiple technologies such as automatic positioning systems, to save customers installation time.</li> <li>3. Use mechanism design analysis software to assess, including heat dissipation, turbulence, etc., estimate the weight and size of the product, and plan the heat conduction design aiming at the position where the heat energy occurs,</li> </ol>

(2) Financial Impact Assessment of Significant Climate-related Risks and Opportunities :

Type of Risks and Opportunities		Issue Definition	Assessment Scope	Climate-related Scenarios	Impact Assessment Timeline	Financial Impact Assessment Results
Transition Risk	Market Risk	Increased cost of raw materials	Company-wide	According to the SSP5-8.5 scenario of IPCC AR6, analyze the impact of climate disasters on the disruption of system electricity production logistics and the inability of the supply chain of Sysgration is analyzed.	2046~2065 (mid-century)	Under effective management and control of the operations in past, there have been no interruptions in production logistics and supply chain inability to supply due to climate disasters, so there has been no impact on revenue temporarily.
	Technology Risk	Costs to transition to lower emissions technology		<ol style="list-style-type: none"> <li>1. In the process of lower emissions technology transition, when Sysgration's products fail to meet the latest low carbon and energy-saving specifications of customers or the government, will be likely caused orders decline.</li> <li>2. Based on the BAU (Business As Usual) and IEA-Net Zero scenarios (scenarios where global warming is expected to be controlled at 1.5°C), carbon fees or carbon trading expenses are levied on different operating factories to comply with the greenhouse gas emission policies of local authorities, and will be likely caused financial impact.</li> </ol>	2025	<ol style="list-style-type: none"> <li>1. If the product fails to lower emissions technology transition to meet the latest low-carbon energy-saving specifications of customers or the government, resulting in orders decline, the financial impact will account for 35.58% of the revenue.</li> <li>2. The financial impact of carbon fees or carbon trading expenses levied on operating factories in order to comply with the greenhouse gas emission policies of local authorities:                             <ol style="list-style-type: none"> <li>(1) BAU scenario: Financial impact accounts for 0.03% of the revenue.</li> <li>(2) Net Zero scenario: financial impact accounts for 0.10% of the revenue.</li> </ol> </li> </ol>
Opportunity	Market	Access to new markets		The planned and estimated growth scenario is based on Sysgration's entry into new markets such as Bluetooth TPMS, Internet of Vehicles, and Energy Storage products.	2026, 2030 (Short - and Mid -term)	Short-term: Expected to the profit of NT\$6.1 billion to new markets. Mid-term: Expected to the profit of NT\$7.3 billion to new markets.

### 3.6 Performance of ethical management and implementation measures:

Evaluation Item	Operation Condition			Situation and Reasons for Differences from Code of Integrity Management for Listed Companies
	Y	N	Explanation	
1. Establishment of a policy and plan of integrity management				
(1) Has the company formulated a policy of ethical management approved by the Board of Directors and clearly stated the policy and practice of ethical management in the rules and regulations and external documents, as well as the commitment of the Board of Directors and executive management to actively implement the business policy?	✓		The Company, based on integrity and ethical operation principle, has stipulated the “Ethical Management Guidelines” and “Code of Ethics” to as principles for its business, directors, senior managers, and group staffs to obey and build up good commercial operation modes. The “ Ethical Management Guidelines” is disclosed on its website for reference to the public.	Conform to Code of Practice on Sustainable Development, without significant difference.
(2) Has the Company established a risk assessment mechanism for dishonest conduct, regularly analyzed and evaluated the business activities within the scope of business with a high risk of dishonest conduct, and based on this, formulated a plan to prevent dishonest conduct, which shall at least cover the preventive measures for the conduct in Paragraph 2 of Article 7 of the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies"?	✓		The internal rules of the Company, such as the operating rules for preventing insider trading and the employee handbook, stipulate that all employees shall not engage in or be involved in any dishonest business activities, and the audit unit shall conduct regular audits and prevent such activities through internal reporting.	Conform to Code of Practice on Sustainable Development, without significant difference.
(3) Has the Company defined the operating procedures, conduct guidelines, punishment, and reporting system for violations to prevent dishonest acts and implement, and regularly reviewed the plan for revising and exposing the violations?	✓		The Company has a " Code of Ethics" and relevant internal measures and policies. The punishment and appeal system for violations has been defined, advocated, and implemented through internal education and training.	Conform to Code of Practice on Sustainable Development, without significant difference.
2. Implementation of ethical management				
(1) Has the Company assessed the ethical record of its dealing parties and has included in the contracts entered into with its dealing parties a clause on ethical conduct?	✓		The Company requires its business associates to sign a "Letter of Commitment on Integrity, Environmental Protection, and Social Responsibility," which stipulates that the business associates shall abide by integrity and shall not grant or receive improper benefits to the employees of the Company. They also regularly assess the integrity of their business operations and whether they violate their ethical records to ensure that their business operations are transparent and fair.	Conform to Code of Practice on Sustainable Development, without significant difference.

Evaluation Item	Operation Condition			Situation and Reasons for Differences from Code of Integrity Management for Listed Companies
	Y	N	Explanation	
(2) Does the Company set up a dedicated unit under the Board of Directors to promote the honest operation, and regularly (at least once a year) report to the Board of Directors its policy of honest operation and the plan to prevent dishonest behavior and supervise its implementation?	✓		<p>The Human Resources Department is the coordinating unit for ethical management, which is responsible for implementing and supervising our ethical management policies and the activities for prevention of unethical behavior, while the audit department is tasked with daily supervision and audit of the implementation of ethical management by our operating departments to ensure compliance with our internal control system.</p> <p>On November 12, 2025, a report on the implementation of ethical management was submitted to the Board of Directors as follows:</p> <ol style="list-style-type: none"> <li>1. Provide employee training and incorporate principles of integrity as one of the criteria in employee performance evaluations..</li> <li>2. All employees, as well as all new suppliers, annually sign the Code of Conduct on Integrity, Environmental Protection, and Social Responsibility, achieving a 100% completion rate.</li> <li>3. Suppliers and Company employees shall not, for the purpose of securing a transaction or fulfilling a contract, offer or provide any bribes or other improper benefits, nor directly or indirectly confer any advantage to Company employees or their related parties.</li> <li>4. All suppliers complete the signing of the Integrity and Ethical Business Conduct documents, achieving a 100% signing rate.</li> <li>5. Suppliers are regularly assessed for any violations of integrity standards, and in 2025, no supplier violations were recorded.</li> <li>6. All Board members strictly adhere to the principles of ethical business conduct, with 100% completion in signing the Declaration of No Violations of the Code of Integrity.</li> </ol>	Conform to Code of Practice on Sustainable Development, without significant difference.

Evaluation Item	Operation Condition			Situation and Reasons for Differences from Code of Integrity Management for Listed Companies
	Y	N	Explanation	
			7. The Company's Insider Trading Prevention Procedures stipulate that Board members are prohibited from trading Company shares during the 30-day blackout period prior to the announcement of annual financial statements and the 15-day blackout period prior to the announcement of quarterly financial statements. The Company sends advance email notifications to remind all Board members of the blackout periods. In 2025, no Board member engaged in any trading during these blackout periods.	
(3) Has the Company formulated and implemented a policy to prevent conflict of interest and provided appropriate channels for presentation?	✓		The Company conducts all business activities in accordance with the law and will release important information in accordance with the law to achieve information transparency; if there is a conflict of interest in the vote of the Board of Directors, the person shall be withdrawn.	Conform to Code of Practice on Sustainable Development, without significant difference.
(4) Has the Company established an effective accounting system and internal control system for the implementation of ethical management? Has the internal audit unit drawn up relevant audit plans based on the assessment results of the risks of dishonest conduct and checked the compliance of the plan to prevent the dishonest conduct, or entrust an accountant to conduct the audit?	✓		The Company has established an effective accounting formulation and internal control system. The Company's internal audit unit shall conduct the audit according to the annual audit plan approved by the Board of Directors, submit the report to the Audit Committee, report the implementation of its audit to the Audit Committee and the Board of Directors, and report to the competent authority according to the relevant provisions.	Conform to Code of Practice on Sustainable Development, without significant difference.

Evaluation Item	Operation Condition			Situation and Reasons for Differences from Code of Integrity Management for Listed Companies																												
	Y	N	Explanation																													
(5) Does the Company regularly hold internal and external education and training on ethical management?	✓		The Company held external and internal training courses on the related subjects of ethical management in 2025, a total of 9.5 course hours and 1,510 head counts been trained.	Conform to Code of Practice on Sustainable Development, without significant difference.																												
			<table border="1"> <thead> <tr> <th>Date</th> <th>Contents</th> <th>Hours</th> <th>Attendees</th> </tr> </thead> <tbody> <tr> <td>2025/02/20</td> <td>Intellectual Property, Trade Secrets, and Personal Data Protection</td> <td>1</td> <td>97</td> </tr> <tr> <td>2025/10/17</td> <td>Patent Fundamentals and Practical Training Course</td> <td>3</td> <td>266</td> </tr> <tr> <td>2025/10/21</td> <td>Protection and Awareness of Intellectual Property</td> <td>2</td> <td>297</td> </tr> <tr> <td>2025/10/23</td> <td>Protection and Awareness of Trade Secrets</td> <td>1</td> <td>298</td> </tr> <tr> <td>2025/10/28</td> <td>Personal Data Privacy Protection and Awareness</td> <td>1</td> <td>319</td> </tr> <tr> <td>2025/10/30</td> <td>Protection and Awareness of Intellectual Property, Trade Secrets, and Personal Data</td> <td>1.5</td> <td>233</td> </tr> </tbody> </table>		Date	Contents	Hours	Attendees	2025/02/20	Intellectual Property, Trade Secrets, and Personal Data Protection	1	97	2025/10/17	Patent Fundamentals and Practical Training Course	3	266	2025/10/21	Protection and Awareness of Intellectual Property	2	297	2025/10/23	Protection and Awareness of Trade Secrets	1	298	2025/10/28	Personal Data Privacy Protection and Awareness	1	319	2025/10/30	Protection and Awareness of Intellectual Property, Trade Secrets, and Personal Data	1.5	233
			Date		Contents	Hours	Attendees																									
			2025/02/20		Intellectual Property, Trade Secrets, and Personal Data Protection	1	97																									
			2025/10/17		Patent Fundamentals and Practical Training Course	3	266																									
			2025/10/21		Protection and Awareness of Intellectual Property	2	297																									
			2025/10/23		Protection and Awareness of Trade Secrets	1	298																									
			2025/10/28		Personal Data Privacy Protection and Awareness	1	319																									
2025/10/30	Protection and Awareness of Intellectual Property, Trade Secrets, and Personal Data	1.5	233																													
3. Operation of the Company's reporting system																																
(1) Has the Company formulated a specific reporting and reward system, established a convenient reporting channel, and designated an appropriate person in charge of handling the report?	✓		The Company has formulated a specific whistleblowing system and was disclosed on the Company's website, with proper officers for effectively perform the appeal. An informer may prosecute through letter, e-mail and telephone and etc., of which, whistleblowing on shareholders, investors or other stakeholders are accepted by spokesperson or deputy spokesperson, while that on internal employees, clients, or suppliers are processed by human resource department.	Conform to Code of Practice on Sustainable Development, without significant difference.																												
(2) Has the Company set the standard operating procedures to investigate complaints, the follow-up measures to be taken after the investigation is completed, and a relevant confidentiality mechanism?	✓		The company shall process whistleblowing events based on "Whistleblowing Procedures", in which stipulated corresponding operating procedures and secrecy mechanism, to maintain informer's rights and privacy.	Conform to Code of Practice on Sustainable Development, without significant difference.																												
(3) Has the Company taken measures to protect the informant from improper treatment due to reporting?	✓		The Company's whistleblowing Procedures expressly stipulate that the accepting unit shall not disclose informer's identity, to effectively maintain appeal system and prevent informer from improper treatments.	Conform to Code of Practice on Sustainable Development, without significant difference.																												

Evaluation Item	Operation Condition			Situation and Reasons for Differences from Code of Integrity Management for Listed Companies
	Y	N	Explanation	
4. Strengthened information disclosure Does the Company disclose the content and effectiveness of its ethical management on its website and on its Open Information Observatory?	✓		The Company's Code of Ethical Management is disclosed on its website and on the Open Information Observatory.	Conform to Code of Practice on Sustainable Development, without significant difference.
5. If the Company has its own code of ethical management based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please state the difference between its operation and the code: No differences exist.				
6. Other important information that will help us to understand the ethical management operation of the Company: The Company has an accounting system, internal audit, and other operations. It has formulated the "Corporate Governance Principles" and "Ethical Management Guidelines" for the Company's executive management and employees to follow. The internal auditors also regularly report to the Audit Committee and the Board of Directors on the Company's internal control system and various audits. In addition, the Audit Committee and the Board of Directors will be informed of any work or content revision that needs to be strengthened so that the ethical management system can be effectively implemented.				

**3.7 Other important information which is sufficient to enhance the understanding of the operation of corporate governance may be disclosed:**

The company has established the "Internal Major Information Handling Procedures" to create a sound mechanism for processing and disclosing significant internal information, prevent improper leakage of information, and ensure the consistency and accuracy of the information the company publishes externally.

### 3.8 Implementation of the internal control system

#### A. Statement of internal control

##### Statement of the internal control system

Date: March 10, 2026

The Company's internal control system of 2025, based on the results of its own assessment, is hereby stated as follows:

1. The Company acknowledges that the establishment, implementation, and maintenance of the internal control system is the responsibility of the Board of Directors and the management team of the Company, and the Company has established such a system. The objective is to provide reasonable assurance of the effectiveness and efficiency of operations (including profitability, performance, and asset safety, etc.), reliability, timeliness, transparency of reporting, and compliance with relevant regulations.
2. The internal control system has its innate limitations, no matter how perfect the design is. An effective internal control system can only provide a reasonable assurance for achieving the above three objectives. Moreover, due to the change in the environment, the effectiveness of the internal control system may change. However, The Company has a self-monitoring mechanism for its internal control system. Once any deficiencies are identified, the Company shall take corrective action.
3. The Company judges whether the design and implementation of the internal control system are effective or not according to the "Guidelines for Handling the Establishment of Internal Control System by Public Offering Companies" (hereinafter referred to as the "Guidelines for Handling"). The internal control system used in the "Guidelines for Handling" is the process of management control. The internal control system is divided into five components: 1. Control environment, 2. Risk assessment, 3. Control operation, 4. Information and communication, and 5. Supervision operation. Each component includes several items. For the foregoing items, please refer to the "Guidelines for Handling."
4. The Company has adopted the above internal control system judgment items and evaluated the effectiveness of the design and implementation of the internal control system.
5. Based on the results of the foregoing assessment, the Company considers that the internal control system of the Company as of December 31, 2025 (including the supervision and management of the subsidiaries), including an understanding of the effectiveness of operations and the extent to which efficiency objectives are achieved, and the report is reliable, timely, transparent, and in compliance with relevant codes and relevant regulations with relevant internal control systems, so the design and implementation are effective and can reasonably ensure that the above objectives are achieved.
6. This Statement will be the main content of the Company's annual report and prospectus and will be disclosed publicly. Any false or concealment of the above information will be subject to the legal liability of Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement is approved by the Board of Directors of the Company on March 10, 2026. Among the seven directors present, there are no opposing opinions, and they agree with the contents of this Statement and hereby declare as such.

Sysgration Ltd.  
Chairman: Lee, I-Ren  
General Manager: Hsieh, Tung-Fu

- B. If an accountant is entrusted with reviewing the internal control system professionally, the audit report of the accountant shall be disclosed: None.

**3.9 Important resolutions from the shareholders’ and the Board of Directors meeting in the most recent year, as of the publication date of the annual report:**

A. Contents and implementation of material resolutions of the meeting of shareholders

Date	Material resolution of shareholders’ meeting	Implementation
2025/05/07	1. Ratification of the 2024 business report, financial statements and consolidated financial statements.	The 2024 financial statements were approved by the shareholders’ meeting and have been published on the MOPS as reference for investors.
	2. The 2024 Profit Appropriation Proposal.	It has been completed in accordance with the resolution of the shareholders' meeting.
	3. Approval of the ratification case for the subscribers involved in the second private cash capital increase of common shares in 2022.	Executed in accordance with the resolution of the Shareholders’ Meeting.
	4. Resolution to Lift the Director's Non-Compete Restriction.	Resolution of the shareholders' meeting, Chairman Lee, I-Ren without prejudice to the interests of the Company, the non-compete restrictions shall be relieved if investing in or operating other companies with the same or similar business scope or acting as a director or manager.
	5. Amendment to the “Articles of Incorporation”.	Handled in accordance with the revised Articles of Incorporation.
	6. Amendment to “Procedures for Acquisition or Disposal of Assets”.	Handled in accordance with the revised procedures.
	7. Handling of Private Placement of Common Shares.	Executed in accordance with the resolution of the Shareholders’ Meeting.
	8.The Company may proceed stock release operations for Power Tank Energy Ltd.("PTE") and waive participation in PTE's cash capital increase in line with PTE's future IPO plan.	Executed in accordance with the resolution of the Shareholders’ Meeting.

B. Material resolutions of the Board of Directors

Date	Material Resolutions of the Board of Directors
2025/01/07	1.The 2025 operational plan and budget. 2.Periodic assessment of the independence of CPAs. 3.Adopted record date of employee stock option execution and conversion of the 5th domestic unsecured convertible bonds. 4.Approved the provision of endorsement and guarantees for bank credit of the subsidiary, Power Tank Energy Ltd.

	<p>5. Adopted investment of Taiwan Truewin Technology Co., Ltd.</p> <p>6. Convening of the 2025 annual shareholders' meeting.</p> <p>7. Distribution of 2024 year-end bonuses to managers.</p>
2025/02/26	<p>1. 2024 Internal Control System Effectiveness Assessment and Internal Control System Statement.</p> <p>2. Proposal to Amend the Company's Articles of Incorporation.</p> <p>3. Proposal to Amend the Company's "Procedures for Acquisition or Disposal of Assets".</p> <p>4. Proposal to Change the Signing Certified Public Accountant in Response to Internal Adjustments at PwC.</p> <p>5. Proposal for Ratification of Related Parties' Participation in the Second Private Placement of Common Shares for Cash Capital Increase in 2022.</p> <p>6. Proposal to Conduct a Private Placement of Common Shares for Cash Capital Increase.</p> <p>7. Proposal, in Connection with the Future Listing (or OTC Listing) Plan of the Subsidiary, PTE, for the Company to Conduct a Share Disposal of PTE and to Waive Participation in PTE's Cash Capital Increase.</p> <p>8. 2024 financial Statements and Business Report.</p> <p>9. Proposal for 2024 Profit Distribution.</p> <p>10. Proposal for Cash Distribution from Capital Surplus.</p> <p>11. Proposal for Bank Credit Facility.</p> <p>12. Proposal to Provide Endorsement and Guarantee for Bank Financing Facilities of the Company's Subsidiary, PTE.</p> <p>13. Proposal to Update the Reported Matters for the 2025 Annual General Meeting Agenda.</p> <p>14. Proposal to Classify Accounts Receivable as Non-Financing in Nature for Significant Receivables Arising from Business Transactions That Have Exceeded Normal Credit Terms of Three Months as of December 31, 2024.</p> <p>15. Proposal to Lift the Restriction on Directors' Non-Compete Obligations.</p> <p>16. Proposal to Lift the Restriction on Managers' Non-Compete Obligations.</p> <p>17. Proposal for the Appointment of Senior Executives.</p> <p>18. Proposal for the Remuneration of Newly Appointed Managers.</p> <p>19. Proposal for Managers' Participation in the Employee Stock Ownership Trust Plan.</p> <p>20. Proposal for the Allocation of Employee and Director Remuneration for 2024.</p> <p>21. Proposal for the 2024 Detailed Allocation of Remuneration for Each Director.</p> <p>22. Proposal for the 2024 Detailed Allocation of Employee Remuneration for Managers.</p> <p>23. Proposal for the Payment of Managers' Operating Bonus for Q4 2024.</p> <p>24. Proposal to Amend the "Payroll Cycle – Salary Operations" Section of the Internal Control System.</p>
2025/03/12	<p>1. Adopted acquisition of real estate.</p> <p>2. Adopted bank loan credit.</p> <p>3. Adopted the provision of endorsement and guarantees for bank credit of the subsidiary, Sysgration Technology (Zhenjiang) Ltd.</p> <p>4. Adopted the provision of endorsement and guarantees for bank credit of the subsidiary, Power Tank Energy Ltd.</p> <p>5. Adopted acquisition of S&amp;T Group shares.</p>

2025/04/10	<ol style="list-style-type: none"> <li>1.Proposal for the First Buyback of Company Shares and Transfer to Employees to Motivate and Enhance Employee Engagement.</li> <li>2.Proposal for Investment in Dyaco International Inc.</li> </ol>
2025/04/24	<ol style="list-style-type: none"> <li>1.Proposal to Amend the Procedures for Share Buyback and Transfer to Employees.</li> <li>2.Proposal for Strategic Equity Investment.</li> </ol>
2025/05/07	<ol style="list-style-type: none"> <li>1.Proposal for the Consolidated Financial Statements for Q1 2025.</li> <li>2.Proposal to Set the Record Date for the Capital Increase Resulting from the Exercise of Employee Stock Warrants.</li> <li>3.Proposal to Classify Accounts Receivable as Non-Financing in Nature for Significant Receivables Arising from Business Transactions Exceeding Normal Three-Month Credit Terms as of March 31, 2025.</li> <li>4.Proposal to Establish a Sustainability Committee and Formulate Its Organizational Rules.</li> <li>5.Proposal for the Appointment of Members of the Sustainability Committee.</li> <li>6.Proposal for Bank Credit Facility.</li> <li>7.Proposal to Provide Endorsement and Guarantee for Bank Financing Facilities of the Company's Subsidiary, System Electronics Technology (Zhenjiang) Co., Ltd.</li> <li>8.Proposal to Provide Endorsement and Guarantee for Bank Financing Facilities of the Company's Subsidiary, PTE.</li> <li>9.Proposal for the Appointment of Senior Executives.</li> <li>10.Proposal for the Remuneration of Newly Appointed Managers.</li> <li>11.Proposal for the Payment of Managers' Operating Bonus for Q1 2025.</li> </ol>
2025/06/18	<ol style="list-style-type: none"> <li>1.Proposal to Continue Acquiring Shares of Celxpert Energy Corporation.</li> <li>2.Proposal for Bank Credit Facility.</li> <li>3.Proposal to Provide Endorsement and Guarantee for Bank Financing Facilities of the Company's Subsidiary, System Electronics Technology (Zhenjiang) Co., Ltd.</li> <li>4.Proposal to Provide Endorsement and Guarantee for Bank Financing Facilities of the Company's Subsidiary, PTE.</li> </ol>
2025/07/18	Proposal to Waive Participation in the Cash Capital Increase of the Subsidiary, PTE.
2025/08/13	<ol style="list-style-type: none"> <li>1.Proposal to Set the Record Date for Capital Increase upon the Exercise of Employee Stock Warrants and the Domestic Fifth Unsecured Convertible Bonds Conversion into New Shares.</li> <li>2.Proposal to Lift the Restriction on Directors' Non-Compete Obligations.</li> <li>3.Proposal to Lift the Restriction on Managers' Non-Compete Obligations.</li> <li>4.Proposal for the 2024 Sustainability Report.</li> <li>5.Proposal for the Consolidated Financial Statements for Q2 2025.</li> <li>6.Proposal for Bank Credit Facility.</li> <li>7.Proposal to Increase Investment in the U.S. Subsidiary.</li> </ol>
2025/09/17	<ol style="list-style-type: none"> <li>1.Proposal for the Issuance of the Sixth and Seventh Domestic Unsecured Convertible Bonds.</li> <li>2.Proposal to Lift the Restriction on Directors' Non-Compete Obligations.</li> <li>3.Proposal to Lift the Restriction on Managers' Non-Compete Obligations.</li> <li>4.Proposal for the Dismissal of Senior Executives and the Removal of Restrictions on Managers.</li> </ol>

	5.Proposal for Adjustment of Managers’ Remuneration.
2025/10/23	1.Proposal for the Company’s 2026 Audit Plan. 2.Proposal to Amend the “Rules of Procedure for the Board of Directors”. 3.Proposal to Amend the “Accounting System”. 4.Proposal for the Retroactive Public Offering of the First Private Placement of Common Shares in 2022. 5.Proposal to Amend the “Approval Authority Matrix”.
2025/11/12	1.Proposal for the Consolidated Financial Statements for Q3 2025. 2.Proposal to Set the Record Date for Capital Increase upon the Exercise of Employee Stock Warrants and the Conversion of the Fifth Domestic Unsecured Convertible Bonds into New Shares. 3.Proposal for the Resignation of the Chief Financial Officer. 4.Proposal for the Appointment of the Chief Financial Officer. 5.Proposal for the Remuneration of Newly Appointed Managers. 6.Proposal for the Allocation of Remuneration to Directors Serving as Legal Representative Directors of Other Companies.
2026/01/14	1.Proposal for the Regular Assessment of the Independence and Competence of the External Auditor. 2.Proposal to Amend Certain Provisions of the Articles of Incorporation. 3.Proposal for the Complete Re-Election of Directors. 4.Matters Relating to the Convening of the Company’s 2026 Annual General Meeting of Shareholders. 5.Proposal for the 2026 Budget and Operational Plan. 6.Proposal to Set the Record Date for Capital Increase upon the Exercise of Employee Stock Warrants and the Conversion of the Fifth Domestic Unsecured Convertible Bonds into New Shares. 7.Proposal for Bank Credit Facility. 8.Proposal for the Payment of Managers’ Year-End Bonus for 2025. 9.Proposal for the Transfer of Treasury Shares to Employees. 10.Proposal to Amend the Internal Control System for the New Payroll Cycle – Salary Operations.
2026/02/05	1.Approved the determination of the price and payment period, and other related matters, for the first private placement in 2025. 2.Approved the determination of the price, payment period, and other related matters for the second private placement in 2025.
2026/03/10	1.The 2025 “Internal Control System Effectiveness Assessment” and “Internal Control System Statement” case. 2.The 2025 financial statements and business report case. 3.The 2025 profit distribution plan. 4.The case of distributing cash from capital surplus. 5.The case regarding accounts receivable as of December 31, 2025, that have been outstanding for more than three months due to business transactions and involve significant amounts, proposed to be classified as non-financing in nature. 6.The case regarding bank credit facilities. 7.The case proposing to provide endorsement guarantees and promissory note guarantees for the bank financing facilities of the Company’s subsidiary, Power Tank Energy Ltd. 8.The case proposing to provide endorsement guarantees for the bank financing facilities of the Company’s subsidiary, Sysgration Technology (Zhenjiang) Ltd.

	<p>9.The case regarding the nomination and resolution of the list of director candidates, including independent directors.</p> <p>10.The case regarding the removal of non-compete restrictions for newly appointed directors.</p> <p>11.The case regarding the convening of the Company’s 2026 Annual General Meeting of Shareholders.</p> <p>12.The case regarding the public offering of the second tranche of private common shares for 2022.</p> <p>13.The case regarding the establishment of the “Commission Expenditure Management Regulations.”</p> <p>14.The case regarding the remuneration of newly appointed managers.</p> <p>15.The 2025 employee compensation and directors’ remuneration distribution plan.</p> <p>16.The case regarding the adjustment of directors’ attendance fee payments and the weighting of directors’ remuneration.</p> <p>17.The detailed allocation of directors’ remuneration for 2025.</p> <p>18.The detailed allocation of managerial staff compensation for 2025.</p> <p>19The 2026 discussion case regarding the scope of rank-and-file employees.</p> <p>20.The case proposing amendments to the Company’s Operational Bonus Management Regulations.</p>
2026/03/18	<p>1.The case regarding the issuance of restricted new shares to employees.</p> <p>2.The case regarding the addition of matters for convening the 2026 Annual General Meeting of Shareholders.</p>

**3.10 In the most recent year, as of the publication date of the annual report, the directors or supervisors have different opinions on the adoption of material resolutions by the Board of Directors, and there is a record or written statement:** None.

#### 4 Information On CPA’s Services Fees

##### 4.1 Audit Services Fee

Unit: NT\$ 1,000

Accounting Firm	Accountant name	Accountant audit period	Audit Fees	Non-Audit Fees	Total	Remark
PricewaterhouseCoopers	Chih, Ping-Chiun Hsu, Ming-Chuan	2025/01/01~2025/12/31	4,000	3,176	7,176	None.

Note: In 2025, we paid a total of NTD3,176 thousand as non-audit fees, including NTD170 thousand as fees for registration of change, NTD 524 thousand for GHG inventory guidance fee, NTD250 thousand for transfer pricing report, NTD 2,217 thousand for sustainability report consulting service, and NTD 15 thousand for US company incorporation consulting services.

**4.2 Where the accounting firm is changed and the amount of audit fees paid in the year of the change is less than that in the year before the change, the amount of audit fees and the reasons before and after the change shall be disclosed:** None.

**4.3 Where the audit fees have been reduced by more than 10% compared with the previous year, the amount, proportion, and reasons for the reduction of audit fees shall be disclosed:** None.

**5 Information of Replacement of CPA:** None.

**6 Information To Be Disclosed Regarding The Chairman, General Manager, Or Chief Manager In Charge Of The Financial Or Accounting Affairs Of The Company Who Has Worked For Auditing Accounting Firm Or Its Affiliated Companies Within The Last One Year:** None.

**7 Changes Of Shareholding And Pledge Of Directors, Supervisors, Executive Managers, And Shareholders Holding More Than 10% Of The Shares.**

**7.1 Changes in shareholding**

Title	Name	2025		as of February 28, 2026	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairman	Lee, I-Ren	0	0	0	0
Director	Lee, Cheng-Han	36,000	0	5,000	0
Director	Tai, Feng-Yi	0	0	0	0
Director /General Manager	Hsieh, Tung-Fu	0	0	5,000	0
Independent Director	Lin, Kuan-Chao	0	0	0	0
Independent Director	Wei, Che-Chen	0	0	0	0
Independent Director	He, Ju-Hsiang	0	0	0	0
Vice President	Wang, Yen-Cheng	0	0	5,000	0
Vice President	Lin, Shih-Chi (Note 3)	(46,000)	0	0	0
Vice President	Li, Fang-Mao	(69,000)	0	5,000	0
Vice President	Hsing, Chien	34,000	0	5,000	0
Vice President	Chang, Ming-Chun	0	0	5,000	0
Vice President	He, Yao-Hong (Note 3)	0	0	0	0
Senior Director	Yang, Lan-Tai (Note 3)	0	0	3,000	0
Director Manager	Wang, Hua-Wei	0	0	5,000	0
Director Manager	Wu, Jeng-Ru	36,000	0	(40,000)	0
Director Manager	Lin, Mu-Sen	(3,000)	0	3,000	0
Director Manager	Tsai, Hsiu-Mei (Note 3)	0	0	0	0
Director Manager	Lo, Hua-Mei (Note 3)	0	0	0	0
Director Manager	Su, Feng-Hsin (Note 3)	0	0	5,000	0

Note 1: The shareholders holding more than 10% of the Company's total shares shall be marked as major shareholders and listed separately.

Note 2: If the relative person of shares transfer or pledged is a related party, the following table should be completed.

Note 3: Mr. Lin, Shih-Chi resigned on 2025/09/01, Mr. He, Yao-Hong resigned on 2025/12/31, Mr. Yang, Lan-Tai appointed on 2025/11/12, Mrs. Tsai, Hsiu-Mei resigned on 2025/11/12, Mrs. Lo, Hua-Mei resigned on 2025/02/17, and Mr. Su, Feng-Hsin appointed on 2025/02/17.

**7.2 Transfer of shares information:** None.

**7.3 Pledge of shares information:** None.

## 8 Relationship Among The Top Ten Shareholders

As of February 28, 2026

Name	Current Shareholding		Spouse's/Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Second Degree of Kinship		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Pegatron Corporation	22,000,000	9.55%	0	0.00%	0	0.00%	Tung, Tzu-Hsien	Company representative	None
Representative: Tung, Tzu-Hsien	0	0.00%	0	0.00%	0	0.00%	Pegatron Corporation	Company representative	None
Lee, I-Ren	12,880,210	5.59%	2,782,097	1.45%	6,804,673	3.55%	Wu, Cui-Ying	Spouse	None
Lin, Yu-Yeh	7,360,000	3.20%	700,000	0.30%	0	0.00%	None	None	None
Talent Investment Co., Ltd.	6,804,673	2.95%	0	0.00%	0	0.00%	Lee, I-Ren	Company representative	None
Baldwin Asset Management Co., Ltd.	3,200,000	1.39%	0	0.00%	0	0.00%	Wu, Pao-Shun	Company representative	None
Representative: Wu, Pao-Shun	0	0.00%	0	0.00%	0	0.00%	Baldwin Asset Management Co., Ltd.	Company representative	None
Wu, Cui-Ying	2,782,097	1.21%	12,880,210	5.59%	0	0.00%	Lee, I-Ren	Spouse	None
Wu, Hsi-Kun	2,000,000	0.87%	0	0.00%	0	0.00%	None	None	None
Barclays Capital SBL/PB investment account under the custody of Citi Bank	1,903,000	0.83%	0	0.00%	0	0.00%	None	None	None
Hsuan-Tse Investment Co., Ltd.	1,600,000	0.70%	0	0.00%	0	0.00%	Lin, I-Hsuan	Company representative	None
Representative: Lin, I-Hsuan	0	0.00%	0	0.00%	0	0.00%	Hsuan-Tse Investment Co., Ltd.	Company representative	None
CTBC Venture Capital Co., Ltd	1,400,000	0.61%	0	0.00%	0	0.00%	Hsieh, Tai-Hsiang	Company representative	None
Representative: Hsieh, Tai-Hsiang	0	0.00%	0	0.00%	0	0.00%	CTBC Venture Capital Co., Ltd	Company representative	None

Note 1: All the top ten shareholders must be listed. The names of the corporate shareholders and the names of the representatives shall be listed if they are corporate shareholders.

Note 2: The calculation of the shareholding ratio refers to calculating the shareholding ratio in the name of oneself, spouse, minor child, and by nominee arrangement.

Note 3: The shareholders listed above, including the institutional shareholders and natural persons, shall disclose their relationships according to the issuer's financial statement

reporting standards.

## 9 Ownership Of Shares In Affiliated Enterprises

Unit: share; %, as of December 31, 2025

Affiliated Enterprises (Note 2)	Ownership by the Company		Direct or Indirect Ownership by the Directors, Supervisors, and Executive Managers		Comprehensive Ownership	
	Shares	%	Shares	%	Shares	%
Power Tank Energy Ltd.	30,186,800	72.41%	0	0%	30,186,800	100%
Sysgration Technology (Samoa) Ltd. (Note 1)	0	0%	21,800,000	100%	21,800,000	100%
Sysgration (Samoa) Ltd.	15,938,000	100%	0	0%	15,938,000	100%
Sysgration USA. Inc.	300,000	100%	0	0%	300,000	100%
Sysgration International Inc.	30,000,000	100%	0	0%	30,000,000	100%
Sysgration America Corporation (Note 2)	0	0%	30,000,000	100%	30,000,000	100%
Leadray Energy Co., Ltd	14,593,028	38.20%	0	0%	14,593,028	38.20%
Sysgration Technology (Zhenjiang) Ltd. (Note 1)	Note 4	0%	Note 4	100%	Note 4	100%
Sysgration Technology (Huizhou) Ltd. (Note 3)	Note 4	0%	Note 4	100%	Note 4	100%

Note 1: The subsidiary, Powertank Energy Ltd., fully owns Sysgration Technology Samoa Ltd., which has invested in Sysgration Technology (Zhenjiang) Ltd.

Note 2: Sysgration America Corporation is 100% held by Sysgration International Inc. °

Note 3: Sysgration Technology (Huizhou) is 100% held by Sysgration (Samoa) Ltd

Note 4: No shares issued.

### III. Capital Overview

#### 1. Capital And Shares

##### 1.1 Source of capital

###### A. Capitalization information

Unit: NT\$1,000; 1,000 shares

Year/Month	Issuance Price (NT\$/share)	Authorized Capital		Paid-In Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Capital Increase by Assets Other than Cash	Others
2023/02	ESOP NT\$33.8/ NT\$10 CB Conversion price NT\$ 35/ NT\$ 34.5	300,000	3,000,000	168,023	1,680,232	CB conversion \$ 136 ESOP execution \$ 827	No	ZSSJ No.11230011760
2023/04	Private placement price: NT\$ 35	300,000	3,000,000	180,623	1,806,232	Private placement \$12,600	No	ZSSJ No.11230056000
2023/06	ESOP NT\$33.8/ NT\$10 CB : Conversion price NT\$34.5	300,000	3,000,000	181,179	1,811,794	CB conversion \$ 461 ESOP execution \$ 95	No	ZSSJ No.11230087570
2023/08	ESOP NT\$33.8/ NT\$10 CB Conversion price NT\$34.1	300,000	3,000,000	182,558	1,825,577	CB conversion \$ 1,194 ESOP execution \$ 185	No	ZSSJ No.11230164590
2023/12	ESOP NT\$33.8/ NT\$10 CB Conversion price NT\$34.1	300,000	3,000,000	184,585	1,845,849	CB conversion \$ 1,842 ESOP execution \$ 185	No	ZSSJ No.11230220700
2024/02	ESOP NT\$33.8/ NT\$10 CB Conversion price NT\$34.1	300,000	3,000,000	190,179	1,901,786	CB conversion \$ 5,507 ESOP execution \$ 87	No	ZSSJ No.11330015850
2024/05	ESOP NT\$33.1/ NT\$10	300,000	3,000,000	190,329	1,903,291	ESOP execution \$ 150	No	ZSSJ No. 11330083480
2024/12	ESOP NT\$33.1 CB Conversion price NT\$38.9	300,000	3,000,000	190,936	1,909,364	CB conversion \$ 2 ESOP execution \$ 605	No	ZSSJ No.11330208290
2025/02	ESOP NT\$33.1 CB Conversion price NT\$38.9	300,000	3,000,000	191,474	1,914,744	CB conversion \$ 218 ESOP execution \$ 320	No	ZSSJ No.11430008970
2025/06	ESOP NT\$33.1	300,000	3,000,000	191,781	1,917,814	ESOP execution \$ 307	No	ZSSJ No.11430072140
2025/09	ESOP NT\$33.1 CB Conversion price NT\$38.2	300,000	3,000,000	191,872	1,918,719	CB conversion \$ 79 ESOP execution \$ 12	No	ZSSJ No.11430139570
2025/11	ESOP NT\$33.1/ NT\$37.1 CB Conversion price NT\$38.2	300,000	3,000,000	204,424	2,044,238	CB conversion \$ 11,196 ESOP execution \$ 1,356	No	ZSSJ No.11430188010
2025/02	ESOP NT\$37.1 CB Conversion price NT\$38.2	300,000	3,000,000	205,000	2,049,998	CB conversion \$ 474 ESOP execution \$ 102	No	ZSSJ No. 11530012630

2026/03	Private placement price: NT\$ 55	300,000	300,000	230,000	2,299,998	Private placement \$25,000	No	ZSSJ No. 11530025720
---------	----------------------------------	---------	---------	---------	-----------	-------------------------------	----	-------------------------

Note 1: Information for the year as of the date of publication should be completed.

Note 2: The effective (approved) date and document number of the capital increase shall be noted.

Note 3: The shares issued under par value shall be marked in a prominent manner.

Note 4: In the case of a private placement, it shall be marked in a prominent manner.

Note 5: From January 1, 2026, to February 29, 2026, 60,000 employee stock options were exercised and 306,000 shares were converted from corporate bonds. As of March 20, 2026, the total number of shares actually outstanding is 230,366,000. The company plans to apply for a capital change registration after the end of the second quarter of 2026.

## B. Stock Type

Unit: share, As of February 28, 2026

Stock Type	Authorized Capital			Total	Remark
	Outstanding Shares		Unissued Shares		
	Listed	Unlisted			
Registered Common Stock	230,366,063	47,850,000	• 69,633,937	300,000,000	None

Note: The listed common shares, including shares from exercised employee stock options and corporate bond conversions that have not yet completed the registration change, total 366,278 shares. The company plans to apply for a capital change registration after the end of Q1 2026. The unlisted outstanding shares are common shares of private placement.

## C. Information of Self Registration: None.

## 1.2 List of major shareholders

Unit: share As of February 28, 2026

Name of Shareholder	Shares	Shareholding	
		shares	%
Pegatron Corporation		22,000,000	9.55%
Lee, I-Ren		12,880,210	5.59%
Lin, Yu-Yeh		7,360,000	3.20%

Talent Investment Co., Ltd.	6,804,673	2.95%
Baldwin Asset Management Co., Ltd.	3,200,000	1.39%
Wu, Cui-Ying	2,782,097	1.21%
Wu, Hsi-Kun	2,000,000	0.87%
Barclays Capital SBL/PB investment account under the custody of Citi Bank	1,903,000	0.83%
Hsuan-Tse Investment Co., Ltd.	1,600,000	0.70%
CTBC Venture Capital Co., Ltd	1,400,000	0.61%

### 1.3 Dividend policy and implementation status

A. Dividend policy stipulated in the Articles of Incorporation:

If there is a surplus in the annual gross final accounts of the Company, the taxes shall be withheld firstly, and previous losses shall be made up. The subsequent deduction of 10% shall be the statutory surplus reserve unless the statutory surplus reserve has reached the Company's paid-up capital. In addition, a special surplus reserve shall be set aside according to the operational needs of the Company and the provisions of laws and regulations. If there is still a surplus and the surplus has not been distributed at the beginning of the period, the Board of Directors shall draw up a surplus distribution plan and submit it to the shareholders' meeting for resolution to distribute or keep the surplus. In order to meet the Company's long-term business development, future capital needs, and long-term business planning, no more than 90% of the distributable earnings shall be allocated annually as the distribution of dividends to shareholders, except that the accumulated distributable earnings are less than 5% of the paid-in capital. The cash dividend shall not be less than 10% of the total dividend, but if the amount of cash dividend allocated is less than NT\$0.5 per share, it may be paid out in share dividend.

B. The proposed dividend distribution at this shareholders' meeting:

On March 10, 2026, the Company's Board of Directors resolved to distribute cash dividends from the distributable earnings of Year 114 (2025) totaling NT\$45,894,213, at NT\$0.2 per share. In addition, NT\$68,841,319 from the capital surplus arising from the issuance of shares above par value will be distributed in cash at NT\$0.3 per share. Based on the shareholders recorded in the register as of the ex-dividend date, the total cash distribution amounts to NT\$0.5 per share. Payments will be rounded down to the nearest whole NT dollar, and any fractional amounts resulting from the distribution will be recorded under other income. The board has authorized the Chairman to handle matters related to the ex-dividend date and other relevant matters. In the future, should there be any changes in the dividend distribution rate due to the conversion of convertible bonds into common stock, the repurchase of company shares, treasury stock transfers, cancellations, cash capital increases, the exercise of employee stock options, the issuance of restricted employee rights shares, or other factors caused by laws and regulations, the Chairman is authorized to manage and make necessary adjustments.

### 1.4 Impact of proposed share dividends at this shareholders' meeting on the Company's operating performance and earnings per share

Not applicable, no share dividend allotment is proposed at this shareholders' meeting.

### **1.5 The remuneration of employees, directors, and supervisors**

- A. If the Company has annual profits, it shall appropriate ten percent (10%) to fifteen percent (15%) thereof as employee remuneration and no more than three percent (3%) as directors' remuneration. However, if the Company has accumulated losses, an amount sufficient to cover such losses shall be reserved in advance.

Of the employee remuneration referred to in the preceding paragraph, no less than two percent (2%) shall be allocated for distribution to rank-and-file employees.

The recipients of the employee remuneration referred to in the first paragraph, whether distributed in the form of shares or cash, may include employees of subsidiary companies who meet certain conditions. Such conditions and the method of distribution shall be determined by the Board of Directors.

- B. The basis for estimating the profit-sharing remuneration distribution of employees, directors, and supervisors, and the accounting treatment in the event of any discrepancy between the actual amount allocated and the estimated amount:

(A) The estimation basis for the amounts of employees' and directors' remuneration for the current period: The amounts are estimated based on the current year's profit and certain percentages within the range specified in the Articles of Incorporation. The amounts appropriated for employees' and directors' remuneration are approved and put on record by the Board of Directors.

(B) The basis for calculating the number of shares to be distributed as stock dividends: Not applicable.

(C) In case of any difference between the actual distributed amount and the estimated amount: the difference is recognized as gains or losses for the following year.

- C. Remuneration distribution approved by the Board of Directors:

(A) If there is any difference between the amount of cash or stock allotment as remuneration to employees and remuneration to directors and supervisors, and the annual estimated amount of recognized expenses, the amount of the difference, reasons for the difference, and treatment shall be disclosed: In 2025, the Company estimated employees' remuneration at NT\$ 7 million and directors' remuneration at NT\$ 2 million and expected to distribute them in cash, which was approved by the Board of Directors on 03/10/2026.

(B) The ratio of employees' profit-sharing stock remuneration to net income of parent company only: Not applicable.

- D. If there is any difference between the actual distribution of remuneration to employees, directors, and supervisors in the previous year (including the number of shares allocated, the number of shares allocated, and the share price), and the recognized remuneration to employees, directors, and supervisors, the number of the difference, reasons for the difference, and treatment shall be stated as follows:

The Company's remuneration to employees and to directors in 2024 was NT\$ 14 million and NT\$ 4 million, respectively, and there was no difference between the actual distributed amount and the original estimate.

### **1.6 Buy-back of treasury stock:**

The execution status of the Company's share repurchase is presented in the table below:

Repurchase Period	First Repurchase
Date of Board Resolution	2025/4/10
Purpose of Repurchase	Transfer of Shares to Employees
Planned Repurchase Period	2025/4/11~2025/6/10
Type and Number of Shares to Be Repurchased	3,000,000 Common Shares
Planned Repurchase Price Range	At a price range of NT\$28 to NT\$36 per share, the Company will continue to repurchase shares when its stock price falls below the lower limit of the specified repurchase price range.
Actual Repurchase Period	2025/4/11~2025/6/10
Type and Number of Shares Actually Repurchased	2,115,000 Common Shares
Actual Repurchase Amount	NT\$73,951,941
Average Repurchase Price per Share	NT\$34.97
Number of Shares Cancelled or Transferred	1,220,000 Shares Transferred to Employees
Number of Shares Not Yet Transferred	895,000 Shares
Percentage of Shares Not Yet Transferred to Total Issued Shares (%)	0.39%
Reason for Incomplete Execution	Not Applicable

## 2. Corporate Bonds

### 2.1 Information related to corporate bonds issued

The Company's fifth domestic unsecured convertible corporate bonds have been approved by the Financial Supervisory Commission (FSC) under document number Jin Guan Zheng Fa Zi No. 1120348153 dated July 20, 2023, with a total issuance amount of NT\$500 million.

Additionally, the Company's sixth domestic unsecured convertible corporate bonds have been approved by the FSC under document number Jin Guan Zheng Fa Zi No. 1140362010 dated November 12, 2025, with a total issuance amount of NT\$700 million.

Furthermore, the Company's seventh domestic unsecured convertible corporate bonds have been approved by the FSC under document number Jin Guan Zheng Fa Zi No. 11403620101 dated November 12, 2025, with a total issuance amount of NT\$500 million.

Type of Corporate Bond	The 5 <sup>th</sup> domestic unsecured convertible corporate bonds	The 6 <sup>th</sup> domestic unsecured convertible corporate bonds	The 7 <sup>th</sup> domestic unsecured convertible corporate bonds
Issue Date	August 8, 2023	December 12, 2025	December 15, 2025
Face Value	NT\$100,000 per voucher	NT\$100,000 per voucher	NT\$100,000 per voucher
Issuing and Trading Location	Domestic TPEX	Domestic TPEX	Domestic TPEX
Issue Price	Issued at 100.5% of par value	Issued at 100.5% of par value	Issued at 116.91% of par value
Total Issue Amount	NT\$500 million	NT\$700 million	NT\$500 million
Coupon Rate	0%	0%	0%
Tenor	Three years. Maturity date: August 8, 2026	Five years. Maturity date: December 12, 2030	Three years. Maturity date: December 15, 2028
Guarantee Agency	None.	None.	None.
Trustee	Hua Nan Commercial Bank Ltd.	Hua Nan Commercial Bank Ltd.	Hua Nan Commercial Bank Ltd.
Underwriter	President Securities Corporation	Fubon Securities Co., Ltd.	Fubon Securities Co., Ltd.
Certified Lawyer	Handsom Attorney-at-law: Lawyer Qiu, Ya-Wen	Handsom Attorney-at-law: Lawyer Qiu, Ya-Wen	Handsom Attorney-at-law: Lawyer Qiu, Ya-Wen
CPAs	PricewaterhouseCoopers Taiwan: Accountant Chih, Ping-Chiun, Chiu, Chao-Hsien.	PricewaterhouseCoopers Taiwan: Accountant Chiu, Chao-Hsien, Hsu, Ming-Chuan.	PricewaterhouseCoopers Taiwan: Accountant Chiu, Chao-Hsien, Hsu, Ming-Chuan.
Repayment Method	The term is three years; unless converted or redeemed according to the conversion method, the bond shall be repaid in a lump sum in cash at maturity according to the face value of the bond.	The term is five years; unless converted or redeemed according to the conversion method, the bond shall be repaid in a lump sum in cash at maturity according to the face value of the bond.	The term is three years; unless converted or redeemed according to the conversion method, the bond shall be repaid in a lump sum in cash at maturity according to the face value of the bond.
Un-Repaid Amount	None.	None.	None.
Redemption or Early Repayment Clause	1. From the next day of issuance of the convertible corporate bonds (November 9, 2023) three months after and ending on the 40 <sup>th</sup> day before the maturity date (June 29, 2026), if the closing price of the Company's common shares exceeds the then- conversion price by 30% for thirty	1. Starting from the day following the completion of three months from the issuance of this convertible corporate bond (March 13, 2026) until forty days prior to the maturity of the issuance period (November 2, 2030), if the closing price of the Company's common stock	1. Starting from the day following the completion of three months from the issuance of this convertible corporate bond (March 16, 2026) until forty days prior to the maturity of the issuance period (November 5, 2028), if the closing price of the Company's common stock exceeds the

	<p>consecutive business days (included), the Company may, within thirty business days thereafter, send by registered mail to the bondholders a "Notice of Recall" for the expiry of thirty days and request the TPEX for notice.</p> <p>2. From the next day of issuance of the convertible corporate bonds (November 9, 2023) three months after and ending on the 40<sup>th</sup> day before the maturity date (June 29, 2026), if the circulating balance of the converted bonds is less than 10% of the total amount originally issued, the Company may, at any time thereafter, send by registered mail to the bondholders a "Notice of Recall" for the expiry of thirty days and request the TPEX for notice.</p>	<p>exceeds the conversion price by 30% (inclusive) for thirty consecutive trading days, the Company may, within the following thirty trading days, send a "Notice of Bond Redemption" by registered mail with a thirty-day maturity period (the aforementioned period shall be calculated from the date of the Company's mailing, and the expiration date of such period shall serve as the reference date for bond redemption; the aforementioned period shall not coincide with the suspension of conversion period specified in Article 9) to the bondholders (as per the bondholder register five trading days prior to the mailing of the "Notice of Bond Redemption"; for bondholders acquiring the convertible corporate bonds thereafter through trading or other means, such notice shall be made by public announcement). The redemption price shall be the face value of the bonds, and all bonds shall be repurchased in cash. The Company shall also request the OTC (Over-The-Counter) Center to make a public announcement of the redemption.</p> <p>2. Starting from the day following the completion of three months from the issuance of this convertible corporate bond (March 13, 2026) until forty days prior to the maturity of the issuance period (November 2, 2030), if the outstanding balance of this convertible corporate bond in circulation falls below 10% of the original total face value, the Company may, at any time thereafter, send a "Notice of Bond Redemption" by registered mail with a thirty-day maturity period (the aforementioned period shall be calculated from the date of the Company's mailing, and the expiration date of such period shall serve as the reference date for bond</p>	<p>conversion price by 30% (inclusive) for thirty consecutive trading days, the Company may, within the following thirty trading days, send a "Notice of Bond Redemption" by registered mail with a thirty-day maturity period (the aforementioned period shall be calculated from the date of the Company's mailing, and the expiration date of such period shall serve as the reference date for bond redemption; the aforementioned period shall not coincide with the suspension of conversion period specified in Article 9) to the bondholders (according to the bondholder register five trading days prior to the mailing of the "Notice of Bond Redemption"; for bondholders acquiring the convertible corporate bonds thereafter through trading or other means, such notice shall be made by public announcement). The redemption price shall be the face value of the bonds, and all bonds shall be repurchased in cash. The Company shall also request the OTC (Over-The-Counter) Center to make a public announcement of the redemption.</p> <p>2. Starting from the day following the completion of three months from the issuance of this convertible corporate bond (March 16, 2026) until forty days prior to the maturity of the issuance period (November 5, 2028), if the outstanding balance of this convertible corporate bond in circulation falls below 10% of the original total face value, the Company may, at any time thereafter, send a "Notice of Bond Redemption" by registered mail with a thirty-day maturity period (the aforementioned period shall be calculated from the date of the Company's mailing, and the expiration date of such period shall serve as the reference date for bond redemption; the</p>
--	---	--	--

		<p>redemption; the aforementioned period shall not coincide with the suspension of conversion period specified in Article 9) to the bondholders (as per the bondholder register five trading days prior to the mailing of the “Notice of Bond Redemption”; for bondholders acquiring the convertible corporate bonds thereafter through trading or other means, such notice shall be made by public announcement).The redemption price shall be the face value of the bonds, and all bonds shall be repurchased in cash. The Company shall also request the OTC (Over-The-Counter) Center to make a public announcement of the redemption.</p>	<p>aforementioned period shall not coincide with the suspension of conversion period specified in Article 9) to the bondholders (according to the bondholder register five trading days prior to the mailing of the “Notice of Bond Redemption”; for bondholders acquiring the convertible corporate bonds thereafter through trading or other means, such notice shall be made by public announcement).The redemption price shall be the face value of the bonds, and all bonds shall be repurchased in cash. The Company shall also request the OTC (Over-The-Counter) Center to make a public announcement of the redemption.</p>
Restrictive Clause	<ol style="list-style-type: none"> <li>1. If the holders of the convertible bonds request the conversion during January 1 of the current year to the 15<sup>th</sup> business days (excluded) prior to the date of the cessation of transfer of cash dividends required by the Company in the current year, they may participate in the cash dividend (stock dividend) distribution of the previous year decided on the shareholders' meeting of the current year.</li> <li>2. From the 15<sup>th</sup> business days before the record date of cash dividends (included) to ex- dividend date (included), the conversion of the convertible corporate bonds shall be stopped.</li> <li>3. If the holders of the convertible corporate bonds who request the conversion during the day following ex-dividend date to December 31 (included) of the current year, shall not be entitled to the cash dividend of the previous year by the resolution of the shareholders' meeting of the current year but may participate in the cash dividend (stock dividend) of the next year.</li> </ol>	<ol style="list-style-type: none"> <li>1. Holders of this convertible corporate bond who request conversion from January 1 of the relevant year up to fifteen trading days prior to the ex-dividend date for the Company’s cash dividends in that year (excluding the fifteenth day) shall be entitled, upon conversion, to receive the cash dividends for the previous year that are approved at the shareholders’ meeting of that year.</li> <li>2. From fifteen trading days prior to the ex-dividend record date of the Company’s cash dividends in the relevant year (inclusive) until the cash dividend record date (inclusive), conversion of this convertible corporate bond shall be suspended.</li> <li>3. Holders of this convertible corporate bond who request conversion from the day following the cash dividend record date of the relevant year up to December 31 of the same year (inclusive) shall not be entitled to receive the cash dividends for the previous year approved at the shareholders’ meeting of that year. However, they shall be</li> </ol>	<ol style="list-style-type: none"> <li>1. Holders of this convertible corporate bond who request conversion from January 1 of the relevant year up to fifteen trading days prior to the ex-dividend date for the Company’s cash dividends in that year (excluding the fifteenth day) shall be entitled, upon conversion, to receive the cash dividends for the previous year that are approved at the shareholders’ meeting of that year.</li> <li>2. From fifteen trading days prior to the ex-dividend record date of the Company’s cash dividends in the relevant year (inclusive) until the cash dividend record date (inclusive), conversion of this convertible corporate bond shall be suspended.</li> <li>3. Holders of this convertible corporate bond who request conversion from the day following the cash dividend record date of the relevant year up to December 31 of the same year (inclusive) shall not be entitled to receive the cash dividends for the previous year approved at the shareholders’ meeting of that year. However, they shall be</li> </ol>

		<p>entitled to participate in the cash dividends for the relevant year approved at the shareholders' meeting of the following year.</p> <p>4. Holders of this convertible corporate bond who request conversion from January 1 of the relevant year up to fifteen trading days prior to the ex-rights date for the Company's stock dividends in that year (excluding the fifteenth day) shall be entitled, upon conversion, to receive the stock dividends for the previous year that are approved at the shareholders' meeting of that year.</p> <p>5. From fifteen trading days prior to the ex-rights record date for the Company's stock dividends in the relevant year (inclusive) until the ex-rights record date (inclusive), conversion of this convertible corporate bond shall be suspended.</p> <p>6. Holders of this convertible corporate bond who request conversion from the day following the ex-rights record date for the Company's stock dividends in the relevant year up to December 31 of the same year (inclusive) shall not be entitled to receive the stock dividends for the previous year approved at the shareholders' meeting of that year. However, they shall be entitled to participate in the stock dividends for the relevant year approved at the shareholders' meeting of the following year.</p>	<p>entitled to participate in the cash dividends for the relevant year approved at the shareholders' meeting of the following year.</p> <p>4. Holders of this convertible corporate bond who request conversion from January 1 of the relevant year up to fifteen trading days prior to the ex-rights date for the Company's stock dividends in that year (excluding the fifteenth day) shall be entitled, upon conversion, to receive the stock dividends for the previous year that are approved at the shareholders' meeting of that year.</p> <p>5. From fifteen trading days prior to the ex-rights record date for the Company's stock dividends in the relevant year (inclusive) until the ex-rights record date (inclusive), conversion of this convertible corporate bond shall be suspended.</p> <p>6. Holders of this convertible corporate bond who request conversion from the day following the ex-rights record date for the Company's stock dividends in the relevant year up to December 31 of the same year (inclusive) shall not be entitled to receive the stock dividends for the previous year approved at the shareholders' meeting of that year. However, they shall be entitled to participate in the stock dividends for the relevant year approved at the shareholders' meeting of the following year.</p>
Name of Credit Rating Agency, Rating Date, and Corporate Bond Rating Result	Not applicable.	Not applicable.	Not applicable.
The amount of common stock, overseas depositary receipts, or other securities that have been converted (exchanged or subscribed) as of the date of the annual	NT\$ 469,100,000	NT\$ 0	NT\$ 0

report publication.			
Issuance and Conversion (Method of Exchange or Subscription)	Please refer to the bond issuance data in the bond information area of the Open Information Observatory.	Please refer to the bond issuance data in the bond information area of the Open Information Observatory.	Please refer to the bond issuance data in the bond information area of the Open Information Observatory.
Possible Dilution of shareholding due To Bond Issuance and Con-version, Exchange, Subscription, and Term; and Impact on Existing Shareholders' Equity.	None.	None.	None.
Name of Custodian Institution for Exchanged Objective	Not applicable.	Not applicable.	Not applicable.

## 2.2 Data of convertible corporate bonds

Type of Corporate Bonds( Note 1)		The 5 <sup>th</sup> domestic unsecured convertible corporate bonds	
Item	Year	2025	Current year ended on February 28, 2026 (Note 4)
Market price of the convertible corporate bond (Note 2)	Highest	212.00	184.00
	Lowest	97.80	171.00
	Average	135.43	175.62
Conversion price		38.20	38.20
Issue date and conversion price at issuance		August 8, 2023; NT\$39.70	
Conversion methods (Note3)		Issue of new shares	

Note 1: Fields are adjusted according to actual transaction.

Note 2: If the overseas corporate bonds have more than one trading place, they shall list separately by trading places.

Note 3: Delivery of issued shares or issue of new shares.

Note 4: The information for the year ending the publication date of the annual report should be provided.

**2.3 Data on exchangeable corporate bonds:** None.

**2.4 Information on shelf registration of corporate bonds:** None.

**2.5 Information on corporate bonds with warrants:** None.

**3. Preferred Stocks:** None.

**4. Overseas Depositary Receipts:** None.

**5. Employee Stock Options:** Please refer to Page 104 to Page 105 for details.

**6. New Restricted Employee Shares:** As of the printing date, it has not yet been processed; however, it has already been submitted for discussion at the 2026 Annual Shareholders' Meeting.

**7. New Shares Issuance in Connection with Merger And Acquisition:** None.

## 8. Implementation Of The Financing Plan

### 8.1 The status of the execution of the fund utilization plan for the funds raised from the Company's domestic corporate bond issuance that has not yet been completed as of the fourth quarter of 2025 is described as follows

#### A. Content of plan

##### (A) Approval date and reference number issued by the competent authority

The Company's sixth domestic unsecured convertible corporate bonds were approved by the Financial Supervisory Commission on November 12, 2025, under Approval No. FSC-Securities-Issuance-1140362010.

The Company's seventh domestic unsecured convertible corporate bonds were approved by the Financial Supervisory Commission on November 12, 2025, under Approval No. FSC-Securities-Issuance-11403620101.

##### (B) Proceeds from the offering

The total amount of funds raised from the Company's sixth and seventh domestic unsecured convertible corporate bond offerings amounted to NT\$1,208,500 thousand.

##### (C) Plan for the utilization of funds

The proceeds are to be used for strengthening working capital in the amount of NT\$908,500 thousand and for repayment of bank borrowings in the amount of NT\$300,000 thousand.

#### B. Execution status

(A) Execution status of the planned use of funds for the Company's sixth and seventh domestic unsecured convertible corporate bond issuances: Of the total NT\$908,500 thousand allocated for strengthening working capital, NT\$500,000 thousand and NT\$408,500 thousand were planned to be disbursed in the first and second quarters of 2026, respectively. The objective is to improve the Company's financial structure, enhance debt repayment capacity indicators, moderately reduce the financial burden, and decrease reliance on financial institutions, thereby contributing to the overall operational development and competitiveness of the Company. As of the fourth quarter of 2025, the funds have not yet been disbursed in accordance with the original utilization plan.

(B) Execution status of the planned use of funds for the Company's sixth and seventh domestic unsecured convertible corporate bond issuances: Of the total NT\$300,000 thousand allocated for repayment of bank borrowings, the entire amount was planned to be disbursed in the first quarter of 2026. The purpose is to improve the Company's financial structure, enhance debt repayment capacity indicators, moderately reduce the financial burden, and decrease reliance on financial institutions, thereby contributing to the overall operational development and competitiveness of the Company. As of the fourth quarter of 2025, the funds have not yet been disbursed in accordance with the original utilization plan.

### 8.2 Recent annual year and up to the date of publication of this annual report, the status of the execution of the plan for the utilization of funds

**raised through private placement of securities is explained as follows**

A. Content of plan

(A) At the shareholders' meeting held on May 7, 2025 (ROC Year 114), it was approved to issue no more than 25,000,000 common shares.

(B) Number of shares to be issued and total funds required under this plan:

For the first private placement, 22,000,000 common shares were issued; for the second private placement, 3,000,000 common shares were issued, totaling 25,000,000 shares. The shares were issued at NT\$55 per share, raising a total of NT\$1,375,000 thousand.

(C) Use of funds:

To seek opportunities for technical cooperation or strategic alliances with major domestic and international industry leaders, and to supplement working capital.

B. Execution status

Scheduled to commence in the first quarter of 2026.

**Employee stock options:**

A. The Company's unexpired employee stock options shall be disclosed for the status as of the publication date of the annual report and its impact on shareholders' equity.

Employee Stock Options

As of February 28, 2026

Type of Employee Stock Option	The 8 <sup>th</sup> Employee Stock Option	The 9 <sup>th</sup> Employee Stock Option
Approval Date	November 08, 2022	November 08, 2022
Grant Date	July 7, 2023	September 6, 2024
Shares Granted	7,000,000 shares	3,000,000 shares
The Ratio of Shares to be issued To the Total Outstanding Shares	3.04%	1.30%
Duration	Five years.	Five years.
Delivery Method	By issuing new shares.	By issuing new shares.
Vesting Condition and Schedule	40% vested after 2 years. 70% vested after 3 years. 100% vested after 4 years.	40% vested after 2 years. 70% vested after 3 years. 100% vested after 4 years.
Number of Shares Issued for Exercised Option	1,035,200 shares	0 shares
Total Amount of Options been Exercised	NT\$ 38,405,920	NT\$ 0
Outstanding Shares of Option to be Exercised	4,276,600 shares	2,536,000 shares
Exercise Price of the Outstanding Shares of Option to be Exercised	NT\$37.10	NT\$35.10
The Ratio of Outstanding Shares of Option to be Exercised to the Total Number of Shares Issued	1.86%	1.10%
Impact on Shareholders' Equity	The option grant is a five-year time-base vesting schedule with 2 years cliff, and is expected to have little impact on shareholders' equity.	The option grant is a five-year time-base vesting schedule with 2 years cliff, and is expected to have little impact on shareholders' equity.

Note 1: The employee stock options include an employee stock option of a public offering and private placement in process. The public offering employee stock option in process refers to those approved to be effective by the Commission; private equity employee stock option in process refer to those approved by the shareholders' meeting.

Note 2: Fields are adjusted according to actual transaction.

Note 3: Delivery of issued shares or issue of new shares should be indicated.

Note 4: Fill separately if issuing (handling) date is different.

Note 5: In the case of a private placement, it shall be marked in a prominent manner.

B. List of executive managers and the Top ten employees been granted with stock option.

As of February 28, 2026

Category	Title	Name	Shares Granted (in thousands of shares)	The Ratio of Shares Granted to the Total Number of Shares Issued	Exercised				Unexercised			
					Shares Exercised (in thousands of shares)	Exercise Price (in dollars)	Amount (in thousands of NTD)	The Ratio of Shares exercised of the Total Number of Shares Issued	Shares Exercised (in thousands of shares)	Exercise Price (in dollars)	Amount (in thousands of NTD)	The Ratio of Shares exercised of the Total Number of Shares Issued
Managers	C.S.O.	Lee, I - Ren	The seventh 610	0.26%	574	32.50	18,655	0.25%	0	32.50	0	0.00%
	G.M.	Hsieh, Tung-Fu										
	V.P.	He, Yao-Hong (Note)										
	V.P.	Li, Fang-Mao										
	V.P.	Lee, Cheng-Han										
	V.P.	Hsing, Chien	The eighth 1,845	0.80%	36	37.10	1,336	0.02%	1,809	37.10	67,114	0.79%
	V.P.	Wang, Yen-Cheng										
	V.P.	Lin, Shih-Chi (Note)										
	V.P.	Chang, Ming-Chun										
	Senior Director	Yang, Lan-Tai (Note)										
	Director	Wang, Hua-Wei	The ninth 1,270	0.55%	0	35.10	0	0.00%	1,270	35.10	44,577	0.55%
	Director	Tsai, Hsiu-Mei (Note)										
	Director	Wu, Jeng-Ru										
	Director	Li, Mu- Sen										
Director	Lo, Hua-Mei (Note)											
Director	Su, Feng-Hsin (Note)											
Employee	Sr. Div. Manager	Hsieh, Chen-Chen	The seventh 424	0.18%	343	32.50	11,146	0.15%	0	32.50	0	0.00%
	Sr. Div. Manager	Shen, Hung-Kuang										
	Div. Manager	Zhang, Jia-Lin										
	Div. Manager	Liu, Tien-Hao	The eighth 774	0.34%	0	37.10	0	0.00%	774	37.10	28,715	0.34%
	Div. Manager	Dai, Yi-Zhen										
	Div. Manager	Li, Pin-Ju										
	Div. Manager	Li, Cheng-Da	The ninth 490	0.21%	0	35.10	0	0.00%	490	35.10	17,199	0.21%
	Div. Manager	Yu, Chih-Wei										
	Div. Manager	Chen, Po-Shen										
Jr. Div Manager	Wu, Chia-Ling											

Note: Ms. Lo, Hua-Mei resigned on 2025/02/17, Mr. Lin, Shih-Chi resigned on 2025/09/01, Ms. Tsai, Hsiu-Mei resigned on 2025/11/17, Mr. He, Yao-Hong resigned on 2025/12/31, Mr. Su, Feng-Hsin appointed on 2025/02/17, Mr. He, Yao-Hong appointed on 2025/04/07 and Mr. Yang, Lan-Tai appointed on 2025/11/12.

## IV. Operation

### 1. Business Content

#### 1.1 Business scope

A. The main contents of the Company's business:

The Company is committed to providing the best quality products for the IoT related and Internet of vehicles (IoV) solutions, and automotive electronics solutions, and power management solutions with advanced technology. By providing technology integration, we continue to assist customers in technology development, design and manufacturing, quality cost management, and certification of integrated solutions.

B. Product Segmentation

Unit: NT\$1,000

Product Category	Revenue of Year 2025	Ratio To Total Revenue
Automotive electronics products	2,710,891	79.88%
Power management products	487,077	14.35%
others	195,903	5.77%
Total	3,393,871	100.00%

C. Current products (services) of the Company:

The Company's main business operations include automotive tire pressure monitoring systems (TPMS), rugged industrial edge computing computers, unmanned aerial vehicle (UAV) products and components, industrial uninterruptible power supply (UPS) backup batteries, as well as AI data center battery backup units (BBU).

D. New products (services) planned to be developed

(A) Automotive and Industrial Electronic Products:

- (a) Embedded automotive computers.
- (b) IoV and autonomous driving applications.
- (c) Rugged portable industrial computers.
- (d) Various types of unmanned vehicles.
- (e) AI edge computing device.

(B) Tire pressure monitoring system:

- (a) OE ULP Bluetooth BLE tire pressure monitor system.
- (b) Retrofit ULP Bluetooth BLE tire pressure monitor system for passenger car, motorbike, heavy truck, and motor bus.
- (c) Multi-frequency and single-machine replacement tire pressure monitor system.
- (d) Analysis and application of tire pressure monitor system and IoV Big Data.

(e) Tire pressure monitoring system and car networking cloud APP.

(C) Energy, electric power environmental protection products:

(a) Power supply for key equipment such as medical devices, semiconductor production processes, and financial transaction data.

(b) Green building backup power supply.

(c) Battery Backup Systems for AI Data Center Applications.

(d) Battery systems for SMR power supply for 4G and 5G base station communication.

## 1.2 Industry overview

A. Current situation and development of the industry

(A) Automotive electronics industry market

The automobile industry has developed over more than a hundred years. The complexity of the functional requirements of a car has also increased, and a large proportion of automotive electronics is attributed to sensors. Vehicle sensors must pass rigorous mechanical or physical verifications, including dust, humidity, salt, fuel additives, vibration, and severe impact. Therefore, strict standards are a necessity. Temperature is also an important consideration. Usually, the vehicle sensors need to withstand temperature variations from - 40 °C to 120 °C and maintain a considerable degree of accuracy. There are few types of automobile components, but they are large in quantity and standardized, with the development and integration of communication, electronics, optoelectronics, and other technologies. The proportion of automotive electronic components and product applications in automobiles is increasing day by day. Most product demands have no common standard and show customization characteristics. To enhance the degree of differentiation, the development of automotive electronic products is a symbol of technical energy. The relative mode of production is based on the principle of variety and small quantities. The cost of automotive electronic products is high, and the compatibility is low. Reducing the production cost of the products will be a key determining factor in whether they can be introduced into the market in large quantities.

Automotive electronics is different from the general electronics industry. The operating temperature range, power consumption size, and noise resistance of automotive electronic products have specific requirements by each manufacturer, which must meet the stringent standards of each manufacturer. Manufacturers also require a basic technical capability in the field of automotive electronics. As the automobile electronic components usually go through a development time of several years, automobile electronic products have extended from single- component products to systematic products in the past, combining the mechanical, optical, and electronic control system. The associated technologies are extensive, whose development processes must cooperate with the mechanical systems or control parameters of cars. The automobile electronic products have special properties, with excellent shock resistance, weather resistance, and reliability. Automotive electronic products are closely related to the safety of vehicles, so the development cost is high, and the product verification time is long. Automotive electronics require continuous onboard testing for tens of thousands of kilometers or very long periods to find problems in the ongoing testing process. When problems arise in the testing process, appropriate troubleshooting is required. Repeated testing and a large amount of verification time are the biggest characteristics of automotive electronic products.

## (B) Automotive and Industrial Computers

Both the automotive computer market and the industrial computer market require computing reliability technology and domain knowledge-related technology. The automotive computer market can be classified as a special-purpose industrial computer market that, to an extremely large extent, requires industry knowledge. This type of markets is a niche market with long development time, a high entry threshold, continuous growth, and high value accumulation. At the same time, it is also an essential market.

Automotive electronics are different from general electronics. The operating temperature, power consumption, and anti-interference requirements for automotive computer products are very specific and can vary across types of vehicles. They must meet the strict standards of a variety of carmakers and models. These are the basic technical capabilities required for automotive electronics manufacturers. Due to the booming development of electric vehicles, the Internet of Vehicles, and autonomous driving, automotive electronics have expanded from single sensor control components to high-performance computing system products that combine mechanical, optical, systems, and electronic control, etc., and there is a wide range of associated technologies. The development process must be aligned with vehicles' mechanical systems or control parameters. Automotive electronic products are specialized: they must have excellent shock resistance, weather resistance, and reliability. They also have high development costs and long product verification times. Automotive electronic products need to be tested on vehicles for long, continuous periods of time in order to find issues. Once an issue is discovered during testing, integrated troubleshooting must be done. Repeated and time-consuming testing and verification are among the biggest features of automotive electronic products.

## (C) Tire pressure monitoring systems (TPMS)

A tire pressure monitoring system is an important safety device for automobiles. In addition to the United States, Europe, China, and other major passenger car sales areas which have fully equipped passenger vehicles, many countries around the world are also proposing that tire pressure monitoring system be listed as regulation standard accessories so that the global TPMS market will flourish, and OE is key for the future market. An important development trend in this market is to create a battery that has a long life but compact in size. On the other hand, with the compulsory and widespread application of TPMS in passenger vehicles, the safety awareness of users should be enhanced. In the future, TPMS will be able to be gradually introduced into the commercial vehicle sector, including logistics vehicles, heavy trucks, tractor-trailers, and buses, etc., and become a necessary safety component. Due to their much longer bodies and harsher weather conditions, the transmission distance, data acceptability, and reliability under high and low temperatures and humidity will be the fundamental focus of technology development. At the same time, compared to passenger vehicles whose owners are mostly individual car owners, commercial vehicle owners are mostly fleet companies, so this type of TPMS must also meet the needs of various fleet management, provide flexible pairing and big data management, and integrate the logistics services and other added values.

In Asia, Korea had stipulated to install TPMS onto passenger vehicles below 3.5 tons in 2014, while Taiwan had also incorporated M1 and N1 vehicle types into regulations in the half of 2016. With more attention is paid to the traffic safety around the world, the mainland China also required strictly in laws since 2017 that future's new vehicles must be installed with tire pressure monitoring system, which became the fifth country with TPMS after America, European Union, South Korea, and Taiwan. At present, the global TPMS shipment is about 300 million pieces a year, and if it was estimated by mainland China's annual vehicles output,

namely more than 20 million, the demands for TPMS are about 100 million pieces, which reveals that the growth potential in the global market is amazing! Besides the mainland China, Japan, India, etc. had also finished their TPMS installation on new vehicles.

(D) Battery Backup Systems for AI Data Center Cloud Computing Facilities (UPS & BBU)

Driven by the growing demand for generative AI training and inference, global hyperscale cloud providers continue to expand data centers and increase rack power density, thereby boosting investment in power infrastructure and backup power systems. According to CreditSights (Dec 2025) estimates of capital expenditures (CapEx) for the top five hyperscalers (AWS, Microsoft, Alphabet, META, Oracle), spending is projected to reach approximately USD 256 billion in 2024, USD 443 billion in 2025, and USD 602 billion in 2026, with an estimated 75% (around USD 450 billion) of 2026 CapEx allocated to AI-related infrastructure. Regarding the overall market size, IoT Analytics (2025) estimates that the global data center equipment and infrastructure market will reach around USD 1.01 trillion by 2030, highlighting the strong growth momentum in AI data center investments. This reflects the continuously expanding demand for data center construction and upgrades. At the same time, McKinsey & Company (Oct 2025) noted that the average rack power density in AI-ready data centers increased from 8 kW/rack to 17 kW/rack over two years and is expected to reach up to 30 kW/rack by 2027. The increase in power density amplifies the risk cost of power interruptions, further driving demand for backup power architectures, including UPS and BBUs.

In terms of backup architecture, data center battery backup typically encompasses: ① the “UPS battery system” used by Uninterruptible Power Supply (UPS) systems (e.g., centralized battery cabinets, battery modules, or battery rooms), and ② the distributed “BBU (Battery Backup Unit)” installed at the rack/server level. For example, under the Open Compute Project Open Rack V3 specification, BBUs are modules installed in BBU shelves, designed to supply DC power to system loads during AC power outages.

B. Relevance of upstream, midstream, and downstream products

Upstream	Product	Downstream
PCB factory, electronic parts, metal and plastic components, button batteries	Tire pressure monitoring system for vehicles	Auto factory, vehicle refitting factory, tire factory, wheel frame factory, vehicle accessory channel retailers
PCB factory, electronic parts, wire, LCD panel, loader	Automobile electronic system	Auto factory, vehicle refitting factory, tire factory, auto parts channel retailers, RV manufacturers
Positive electrode material, negative electrode material, electrolyte, and isolation module	Battery Backup System (BBS)	Battery module system assembly plant and terminal battery module application plant

C. Product development trends and competition

(A) Automotive electronics industry

Electronic products for vehicles and vehicle laws and regulations have been complementary to each other. Using advanced technology to reduce traffic accidents is the focus of attention of all countries. However, the government's relevant regulations for vehicle electronic safety systems are becoming increasingly stricter and more complicated. Through the combination of cameras and a variety of sensors, automotive electronic products with both driving safety and comfort meet users' needs in a variety of situations to provide a safer driving experience. According to Gartner, in the automotive electronics market in 2018, the car body market had the largest value of US\$7.37 billion. With the increasing demand for safe driving assistance, it is expected that the market value of Advanced Driver Assistance Systems (ADAS) will surpass the market value of audio-video entertainment multimedia (US\$6.72 billion) to become the second-largest application in 2020, with a market value of US\$7.75 billion. Moreover, in 2021, the market value of ADAS is expected to be US\$10.95 billion, which will surpass the market value of car bodies of US\$9.68 billion and become the largest product application market for automotive semiconductors. The market size of ADAS will also rise to US\$16.69 billion by 2023. In addition, IEK estimates that the global automotive electronics market size will reach US\$355 billion in 2023.

Automotive electronics refers to the electronic products used in automobiles, involving the application of machinery manufacturing, motors and electronics, information, communication, audio and video, sensing, network control, and other technologies. The current application of automotive electronics products is the "onboard audio-video navigation host," "backseat entertainment system," "road deviation warning system," "front vehicle collision avoidance warning system," "head-up display," "landscape detection system," "traffic recorder," "night vision function," "Bluetooth communication module," "digital TV module," "tire pressure monitoring system" and "power management system." In addition to the tire pressure monitor system product line, other major automotive electronic products of the Company are mainly based on the power management system and combined image identification, data collection and analysis, power integration management and Internet of Things (IoT) management, and other requirements. The aim is to integrate the original separate electronic products in the same host, considering the cost and the configuration of an

appealing design. Through the process of parts integration, we can also achieve the purpose of reducing the cost and the efficiency of data analysis and convenient management. In addition, the new lifestyle in the post-epidemic era means that consumers buy the campers with suites or trail with cars or pickups to live in the wild and take vacations.

#### (B) Automotive and industrial computers

The transformation of automotive and industrial computing can be summarized into four major aspects, known as C.A.S.E: the Internet of Everything (Connected), autonomous driving (Autonomous), shared services (Shared), and electrification (Electrified). This has not only brought about a revolution in traditional industry but will also create unprecedented opportunities and business models for enterprises.

IoT (Connected): The Internet of Everything is not a new concept. Over the past decade, it has been oriented towards driving value through applications, data collection, remote assistance, asset tracking and management, process monitoring optimization, expert digitization, and more. Wired/wireless communication networking technology is the core technology, and special vehicle network communication, 5G, and WiFi 6E, are critical technologies.

Autonomous driving: The definition of autonomous driving varies for different vehicles. Generally, for passenger cars, self-driving is narrowly defined as autonomous or semi-autonomous road driving. However, work on developing the functions of autonomous/semi-autonomous vehicles is considered to be part of autonomous driving in general. Critical technologies for autonomous driving include precise positioning, millimeter wave radar, inertial measurement, and high-speed AI image recognition.

Shared and subscription services: In recent years, the sharing economy and subscription services have become very popular business models, and such models have also affected the automotive computer and industrial computer industries, such as HaaS & MaaS (Hardware/Mobility as a Service). In order to help meet the demand for such business models, it is necessary to design products for easy refurbishment and configuration, and the core technology for modular systems design must be able to meet the requirements of rapid refurbishment and reconfiguration.

#### (C) Tire pressure monitoring system for vehicles

The tire pressure monitoring system (TPMS) is an electronic system that monitors the air pressure inside inflatable tires of various types of vehicles and provides tire pressure information to the driver timeously through an instrument diagram or simple low-pressure warning light to avoid the occurrence of traffic accidents caused by an under-inflated tire. Based on the consideration of vehicle safety, various countries have legislated that TPMS should be installed as a necessary device for new cars, and it has become the standard equipment for new cars. The United States is the first country in the world to legislate TPMS as standard equipment. The legislation was passed in 2005, and since September 2007, the four-wheel commercial vehicles and passenger vehicles must be equipped with TPMS. Apart from the US market, tire pressure monitoring systems have been made standard for all vehicle models in the EU since the end of 2014. With 10 million new cars sold in the EU every year, it is estimated that the market demand for Original Equipment Manufacturing (OEM) will be about 40 million. According to Frost & Sullivan's research report, the market size of TPMS in the EU will reach €532 million by 2020 with an annual compound growth rate of 30.40%.

In Asia, South Korea stipulated in 2014 that passenger vehicles under 3.5 tons must be installed with TPMS, while Taiwan began to include the new types of small vehicles (minibuses and pickup trucks) in its TPMS installation regulations in the second half of 2016. With increased international

attention to vehicle safety performance, Mainland China also legislated in 2017 that from 2020, new cars must be equipped with TPMS, becoming the fifth region in the world after the United States, the European Union, South Korea, and Taiwan to require the new cars to be equipped with TPMS. In the future, Japan, India, and other countries will also begin to regulate the installation of TPMS on new cars, which will drive market opportunities. According to QY Research, the global market for tire pressure monitor systems is expected to reach US\$3,630.65 million by 2024. TPMS batteries are non-replaceable disposable batteries. The ideal design is 10 years of service life, but the actual situation will depend on the owner's driving conditions. Under different driving environments, the general service life falls between 5 and 7 years. After the United States and the European Union made TPMS a standard accessory in 2007 and 2012, respectively, the replacement peak period will be after 2017. The global installation demand for used vehicles and the rising market demand in Mainland China will drive the rapid expansion of TPMS demand. Since each tire pressure monitoring system has a special ID number, the driving computer can identify the installation position and device information such as tire pressure and temperature; however, it needs to readjust after replacement because the ID number is different. The Company develops a universal type TPMS, which can copy the ID number in the driving computer to a new detector, applicable to the specific models, and it has successfully occupied the sales market in the United States.

In recent years, the Company has been committed to the development of tire pressure monitoring systems of vehicle safety components. In addition to actively expanding the RF Replacement market in the United States and Europe, the world's first Bluetooth tire pressure monitoring system (BLE TPMS) with many patents has also successfully entered the automotive OE market (Original Equipment). It has been successively produced in large quantities to the world-famous vehicle manufacturers. Additionally, we will continue to expand the RF Replacement parts market in the US and Europe and continue to expand BLE TPMS application in the OE market in the US, Europe, and Japan, including the fleet management applications of vehicles, motorcycles, pickup trucks, heavy trucks, and buses. Since the Chinese government has made the tire pressure monitoring system a standard part of passenger cars, and the United States is considering the mandatory installation of tire pressure sensors on trucks and large vehicles, the TPMS market has considerable room for development in the future.

### **1.3 Technology and research overview**

#### **A. The technical level and research development of the business**

To maintain a high level of competitiveness in the market, the Company has been actively recruiting outstanding R&D personnel. It has also invested in developing new products and breakthroughs in key technologies, thus gradually expanding the R&D organization. At present, the R&D department is divided into the automotive electronics, power management, IoT products, and battery storage management units. The Company also has the layout of links between mobile devices and intelligent devices and even an intelligent network of the Internet of Vehicles, developing the low-power Bluetooth module and low-power WIFI modules.

B. Education background of R&D personnel

As of the end of February 2026, the Company has a total of 166 R&D personnel, including 160 persons with college degrees or above, accounting for 96% of the total number of R&D personnel. Their educational backgrounds are as follows:

As of February 28, 2026					
Education background	doctorate degree	Master's degree	College Degree	High School Graduate	Total
Number of employees	3	61	96	6	166
Ratio	1.8%	36.8%	57.8%	3.6%	100.0%

C. R&D expenses in the last two years

Unit: NT\$1,000

Year	2024	2025
R&D expenses	329,461	377,098
Ratio to revenue	10.59%	11.11%

D. Important R&D achievements

The Company's R&D department has many important achievements in new products and technologies, including the research and development of hardware circuits, software programs, product appearance, mechanism improvement, reliability testing, and design of production and testing equipment. Since the company's establishment, the R&D department has been the key department, and its R&D results include several domestic and foreign patents and inventions, which ensures the Company's competitiveness in the industry. The successfully developed products are as follows:

(A) Battery Backup System:

- a. AI Data Center Cloud: 48V BBU Options – 3 kW, 5.5 kW, 7 kW.
- b. AI Data Center Cloud: High-Voltage 189V Mini-UPS BBU.
- c. AI Data Center Cloud: High-Voltage DC (HVDC) 800V BBU – 16 kW, 27 kW, 35 kW.
- d. Industrial UPS Backup Batteries and Battery Cabinets.
- e. Battery Systems for 4G/5G Communication Base Station Power (SMR Batteries).

(B) Tire pressure monitor system:

- a. Multi-frequency standalone universal tire pressure monitoring system
- b. Retrofit low-power Bluetooth BLE tire pressure monitoring system for passenger cars, motorcycles, heavy trucks, and buses.
- c. Front-loaded OE tire pressure monitoring system installed in the car factory.
- d. Big data analysis and application of tire pressure monitoring system and Internet of Vehicles

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

### A. short-term development plan

#### (A) Product strategy

- a. Develop a thin, compact, and long-acting electric tire pressure monitoring system and integrate with big data analysis application and APP to expand the depth and breadth of research and development of tire pressure detection products more comprehensively.
- b. Focus on the battery pack's weight, systematization, and modularization to reduce the cost and shorten the development period by creative or functional integration, improving the product functional quality, and creating product competitiveness.

#### (B) Production strategy

- a. Improve the ability of self-made automated test equipment to increase the production yield and quality and effectively control the inventory.
- b. According to the needs of different customers, provide a new vehicle battery pack design, research and development in line with different models and prices, and organize the processing and production, supplemented by the early warning system extending from ERP to KPI, to timeously detect the anomalies, prevent unexpected events, and effectively control the inventory. Expand the leading distance ahead of competitors of the same industry and form an absolute competitive advantage.
- c. Strengthen the diversified modular production, shorten the production cycle to meet the short lead-time needs of customers, and improve operation turnover.

#### (C) Marketing strategy

- a. Provide the production process advantages to conform to RoHS and other environmental protection requirements, win cooperation with large factories, and expand the market share. Using technology, quality, innovation, product differences, and patent protection to provide customers with competitive products and maintain a long-term relationship with customers.
- b. Based on the existing product line, actively explore potential customers, and develop the third-world markets.
- c. Provide more value-added services to customers based on the original products and services and actively understand customers' needs and pain points to achieve customer satisfaction.

- d. Establish the marketing dealer alliance in Europe, America, and China, make full use of the existing distribution channels to create well-known products, strive for cooperation with big factories, and expand the market share.
- e. In line with global geopolitical and economic trends, we are expanding automated production capacity at our Texas facility in the U.S., enabling customers in both Asia and the Americas to quickly access cost-effective products.

## B. Long-term development plan

### (A) Product strategy

- a. Tire pressure monitoring system products for vehicles:
  - (a) Expand the application of tire pressure monitoring systems for vehicles and extend the product application from the current passenger cars and large commercial vehicles to the general locomotive and heavy locomotive groups.
  - (b) Move towards lightweight, thin, and long-lasting battery products for wide application to meet the specifications of different vehicle types.
  - (c) Develop multifrequency standalone replacement tire pressure monitoring system products.
  - (d) Reach out to Retrofit and AM markets to improve the awareness and popularity of the Company's products.
  - (e) Retain the excellent R&D personnel, improve the technology and innovation capabilities, and strengthen the depth and breadth of existing product lines, to provide for greater market demands.
- b. Automotive and industrial computers.
  - (a) Continue research and development of high-performance computing platforms and communication control technologies, expand knowledge of various vehicle industries, and introduce IoV solutions to all types of vehicles.
  - (b) Combine low-power, high-performance platforms and miniaturization technologies to gradually expand from industrial portable computing to industrial wearable computing devices.
- c. Battery Packs and Backup Battery Products
  - (a) We continue to develop high-energy-density, high-power-density BBU battery pack products, offering AI data center and industrial customers high-quality, high-performance solutions at competitive prices.
  - (b) By utilizing advanced fire-retardant thermal materials and state-of-the-art simulation software, we significantly enhance the safety of our backup battery products, ensuring compliance with international UL1973 and UL9540A standards for propagation-prevention.
  - (c) Through product redesign, we reduce material costs to offer customers products and services with a cost advantage.
  - (d) Integrate into the supply chains of major international corporations to enhance the visibility and recognition of the company's products.

### (B) Production strategy

- a. Vertically integrate the key raw materials, increase the proportion of automation production in the factory, and shorten the supplier's material delivery time for comprehensive cost control and quality improvement.
- b. Consider the safety and quality of the product's design, continue to improve the production process, adopt a pipelined production mode, enhance the proportion of automation production in the factory, and shorten the supplier material delivery time for comprehensive cost control

and quality improvement.

- c. In response to global geopolitical and economic trends, we are expanding automated production capacity at our Texas facility, enabling customers in both Asia and the Americas to quickly access cost-effective products.

(C) Digital media system services

- a. Continue to open up new sales areas and cultivate the market intensively.
- b. Provide the high quality and low-cost products to achieve a win-win situation for the Company and customers.
- c. Seek suitable marketing partners in major overseas marketing regions, make full use of their understanding of local markets and customers, and quickly expand the sales points and areas of products.

## 2. Overview Of The Market, Production, And Marketing

### 2.1 Market analysis

#### A. Sales Regions

Unit: NT\$1,000

Sales Regions	2024		2025	
	Amount	%	Amount	%
Taiwan	288,320	9.27%	720,515	21.23%
Asia	1,120,818	36.04%	1,082,073	31.88%
North America	1,516,004	48.75%	1,373,068	40.46%
Others	184,806	5.94%	218,215	6.43%
Total	3,109,948	100.00%	3,393,871	100.00%

#### B. Market share and growth of the market

##### (A) Market share

Since the Company is currently engaged in precision OEM product design and manufacturing, such as power supply and UPS products, automotive electronic products, power products, and energy storage system products, the key product component suppliers are scattered. The one-stop processing manufacturers such as PCB factory, wire material, injection molding, and transformers are limited. In addition, there is very complicated processing and assembly of the end products, so there are no complete and objective market share statistics for reference.

##### (B) Future supply and demand and growth of the market

In terms of automotive electronics, IC Insight predicts that the market share of automotive electronics in global electronic system products will continue to grow slowly over the next few years, with automotive electronics accounting for 9.8% of global electronic system sales by 2021. IC Insights also predicts that industrial electronic systems will be the second- fastest-growing application category through 2021, with an average

CAGR of 4.6%.

In terms of tire pressure monitoring system products, the major sales areas of the United States, Mainland China, Europe, Japan, and India have included TPMS in their specifications. In addition to the current TPMS regulations in various countries in the new car market, with the mandatory requirements of TPMS as standard equipment as the market demand, the future replacement demand in the new car market and the existing vehicle additional installation AM market will also be the future growth of TPMS operators, so the future TPMS market has considerable potential.

In terms of new vehicle energy battery packs and energy storage products, the global battery pack market is expected to double from US\$2.02 billion in 2017 to US\$8.73 billion in 2023, with a compound annual growth rate (CAGR) of 27.6%, due to the booming electric vehicle market and the rise of in-place energy storage applications. According to the statistics of Germany TÜ V Rhein land, by the end of 2017, the cumulative installation scale of energy storage projects in operation worldwide was 175.4GW, with an annual growth rate of 3.9%. In the future, energy storage has great development space and infinite potential, and the price is key to the commercial application of energy storage. Researched by Germany TÜ V Rhein land, with the improvement of subsidy policies in various countries and a cost reduction, once the cost of energy storage batteries and systems is reduced, renewable energy and traditional petrochemical energy will have the opportunity to achieve parity competition. Especially with the rapid development of new energy, Germany, the United States, Japan, Australia, and other countries have introduced preferential subsidy policies to encourage the development and utilization of new energy power generation combined with energy storage technology. With the support of energy storage policies in various countries, the future growth of energy storage products is positive.

Driven by the development of the Industrial IoT and Industry 4.0, the output value of the global industrial computer market has been rising year on year recently. According to KBV Research, an industry research institute, the output value of the global industrial computer market will grow at a compound annual rate of 8.3% and will reach USD 7.2 billion by 2027. According to market research companies in various fields, the compound annual growth rate of the market for autonomous, semi-autonomous and partially autonomous vehicles will reach 17% in the next decade.

#### C. Competition

- (A) The Company focuses on the field of ODM/OEM and establishes direct contact channels with existing international manufacturers. Through the interaction with customers, we can understand future product development and the market demand trend of customers.
- (B) The Company sets up research and development departments for different product lines. Also, it has research and development engineering teams in Huizhou and Zhenjiang of Mainland China to continuously improve the existing products and reduce design costs, to accelerate product development speed and timeously respond to the diverse needs and changes of the market and customers.
- (C) The company operates manufacturing facilities in Taiwan, China, and the United States, leveraging the specialized expertise and capabilities of global material suppliers. This approach not only enables effective control over product cost, quality, and lead time, but also allows production to be adjusted based on customer location and requirements, enhancing the competitiveness of our products in terms of price and service.

#### D. Favorable and unfavorable factors and countermeasures of development prospects

##### (A) Favorable factors

##### a. Vehicle electronics

Auto after-sales service market pays increasingly more attention to the automotive component balance between quality and price, as

consumers become more attentive to vehicle driving comfort and security. Additionally, the increasing proportion of automotive electronic components to the whole vehicle cost must be considered because car manufacturers want to reduce the manufacturing costs and increase differentiation. Thus, the global automotive electronic components will continue to grow moderately.

Emerging regions, such as Mainland China and India, are witnessing rapid growth in the auto market, conducive to the company's growth of automotive electronic components. In addition, the industrial structure of domestic electronics and the IC semiconductor industry is complete, with the close coordination of upstream, midstream, and downstream systems, and the industrial supply chain is also complete. Under the complete cluster effect of this industry, the Company will have access to abundant resources and strong support for technological development. Also, the domestic electronics industry has always been world-famous for innovation and cost control. In the highly competitive automobile market, the company's speed of product research and development should be accelerated.

b. Battery Backup System for AI Data Center / Cloud Computing Center

In recent years, the rapid expansion of generative AI applications has driven global cloud providers and data center operators to continuously expand their facilities and increase rack power density, making power reliability and uninterrupted service capabilities critical competitive factors. As data center power loads rise and downtime costs escalate, investment demand for backup power architectures has grown in parallel. Backup solutions have also evolved from traditional centralized uninterruptible power systems (UPS) to distributed rack- or server-level battery backup units (BBUs), creating a parallel deployment trend of “UPS battery systems + rack-level BBUs.”

Moreover, data center customers’ requirements for backup batteries have shifted from mere capacity to full lifecycle reliability, operational efficiency, and safety—including system-level capabilities such as monitoring and alarms, status management, thermal management, and modular maintenance. With the ongoing expansion and architectural upgrades of global data centers, demand for backup batteries is expected to maintain strong growth momentum, providing positive support for the company’s industrial UPS backup batteries and AI data center BBU product lines.

(B) Unfavorable factors and countermeasures:

- a. The delivery time of some key parts is lengthy.
- b. Mainland China manufacturers are competitive in price.
- c. The shortage of workers and rising wages of Mainland China.
- d. The electronic component industry has entered a mature period.
- e. As the component suppliers embrace the Internet of Vehicles, the demand for initial parts exceeds the supply in the short- and medium-term.

Countermeasures:

Actively simplify the design; adopt modular production and mass procurement to reduce costs; improve processes and equipment and improve the automation and capacity to balance the impact of increased labor costs; strategically make alliances with major suppliers, to create a win-win partnership; facilitate the cost control and development of high value-added products, to improve profit margins.

Expand the overseas marketing base; quickly grasp the customer demand and market development trends; serve customers nearby and cooperate with upstream and downstream manufacturers; and improve efficiency. Focus on reducing the costs, improving R&D capabilities and

market share to increase the barriers for competitors to enter the market.

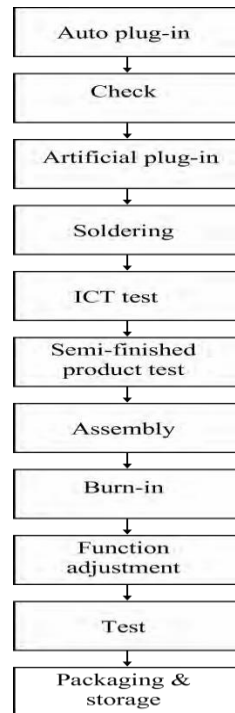
## 2.2 Application and the manufacturing process of main products

### A. Scope of application of main products

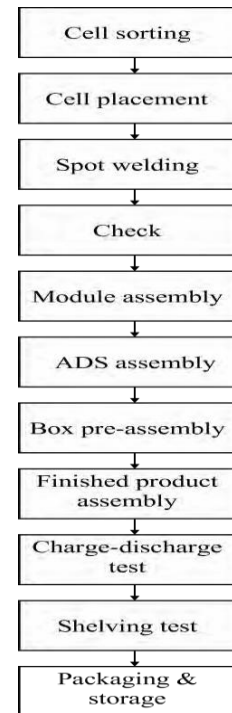
Products	Scope of application	Key function
Automotive and industrial computers	Various types of vehicles and industrial computing.	Automotive communication, monitoring and control, autonomous driving assistance, and data collection and analysis for the IoV; data collection, real-time computing, and data analysis for industrial fields.
Tire pressure monitoring systems	Passenger cars, trucks, trailers, locomotives, etc.	Detection of tire pressure and tire temperature during driving.
Battery Backup Systems for AI Data Centers and Industrial UPS	Semiconductor plants, factories, communications base stations, cloud data centers, community and industrial energy storage.	Provision of backup power and electricity.

### Production process

#### Automotive product



#### Energy Management product



### 2.3 Supply status of main raw materials

The Company's main source of raw materials is mainly obtained from the place of production. Under the policy of abundant sources and maintaining at least 2 suppliers, the Company promotes supplier coordination, quality improvement, and stable and reasonable prices.

### 2.4 Data of suppliers and customers accounting for more than 10% of the total purchases (sales) in the last two years

#### A. Information of major suppliers in the last two years

Unit: NT\$1,000

Item	2024				2025			
	Name	Amount	Ratio to annual net purchases (%)	Relation with issuer	Name	Amount	Ratio to annual net purchases (%)	Relation with issuer
1	Supplier A	351,323	18.24	None	Supplier A	268,810	13.32	None
2	Supplier B	203,303	10.55	None	Supplier C	209,076	10.36	None
3	Others	1,371,919	71.21	None	Others	1,539,472	76.32	None
	Net Purchase	1,926,545	100.00		Net Purchase	2,017,358	100.00	

Note 1: List the supplier's name and purchase amount and proportion with more than 10% of the net purchase amount in the last two years, but if the supplier's name shall not be disclosed due to contractual agreement or the transaction object is an individual and is not a related person, it can be the codename.

Note 2: If the most recent financial information of a company listed or whose shares have been traded at the securities exchange as of the date of the publication of the annual report has been audited or reviewed by CPAs, it shall also be disclosed.

#### B. Information of major customers in the last two years

Unit: NT\$1,000

Item	2024				2025			
	Name	Amount	Ratio to annual net sales (%)	Relation with issuer	Name	Amount	Ratio to annual net sales (%)	Relation with issuer
1	Customer A	1,059,049	34.05	None	Customer A	1,041,550	30.69	None
2	Customer B	915,856	29.45	None	Customer C	635,921	18.74	None
3	Customer C	272,784	8.77	None	Customer B	468,942	13.82	None
4	Customer D	151,013	4.86	None	Customer D	428,336	12.62	None
5	Others	711,246	22.87	None	Others	819,122	24.13	None
	Net sales	3,109,948	100.00		Net sales	3,393,871	100.00	

Note 1: List the customer's name and sales amount and proportion with more than 10% of the net sales amount in the last two years, but if the customer's name shall not be disclosed due to contractual agreement or the transaction object is an individual and is not a related person, it can be the codename.

Note 2: If the most recent financial information of a company listed or whose shares have been traded at the securities exchange as of the date of the publication of the annual report has been audited or reviewed by CPAs, it shall also be disclosed.

### 3. Human Resource

Year		2024	2025	Current year ended at 02/28/2026
Number of employees	Direct labor	153	114	120
	Indirect labor	195	195	200
	Other staff	232	283	282
	Total	580	592	602
Average age		40.98	42.43	41.22
Average service years		5.00	6.27	6.13
Educational background (%)	Ph.D.	0.5	0.8	0.8
	Master's degree	16.7	20.3	19.8
	College degree	45.4	50.0	50.2
	High school graduate	22.2	17.6	18.1
	Below high school	15.2	11.3	11.1

### 4. Environmental protection expenditure information

In the most recent fiscal year and up to the publication date of the annual report, the losses caused by environmental pollution (including compensation) and total disposal, and explaining its future response strategies (including improvements) and possible expenditures (including the estimated amount of potential losses, penalties, and compensations for failure to take countermeasures; if unable to estimate reasonably, it shall state the fact of unable to estimate reasonably): No such situation exists.

### 5. Labor Relation

#### 5.1 List the Company's employee welfare, further education, training, and retirement system and their implementation, as well as the agreements between employers and employees and maintenance measures to protect the employees' rights and interests.

We not only actively implement humanized management and all kinds of welfare measures, but also are committed to the idea of sharing profit with our employees to attract and motivate outstanding talent, with the remuneration of employees determined based on the result of our operations. The Articles of Incorporation stipulates that where Sysgration has a profit in a year, 10% to 15% thereof shall be allocated as the remuneration of employees. The Company has always treated its employees with integrity. Through the welfare system that provides a satisfying and stable life for its employees and regular labor and management meetings, the Company has established a good relationship of mutual trust and mutual reliance with its employees. Therefore, although there is no union organization, the Company's employees can still display a team spirit, coordinate with the Company in making decisions, and cooperate with each other, to impregnate an atmosphere of harmony between labor and management.

A. Employee welfare measures and their implementation

The Company has set up an Employee Welfare Committee in accordance with the Employee Welfare Fund Regulations and allocate the welfare fund to handle welfare matters. The current welfare system includes labor insurance and national health insurance, group insurance and employee dependent insurance, birthday gifts or coupons, employee wedding and funeral allowance, travel allowance, employee car parking allowance, birthday celebrations, and year-end party, etc.

B. Status of advanced study and training and their implementation

The Company arranges educational training from time to time according to the needs of the heads and employees of each department. In order to promote and develop human resources, in addition to orientation provided to new employees, vocational training is also provided according to different functions to cultivate employees' professional skills. In 2025, the Company held training courses covering the scope of ESG, work skills, quality assurance, project management, intellectual property, and legal and management skills, totaling 268 hours and involving 4,225 employees.

C. Retirement system and its implementation

(A) Percentages and status of contribution under the new and old systems:

In 2025, the old retirement system was not applicable to any of our employees, and thus no contribution of pension under the old system was made. For any employee who has met the pension requirements under the new system, we will make a contribution equal to 6% of his/her monthly salary according to the "Labor Pension Act," while the employee may, based on his/her personal will, voluntarily allocate 0%–6% thereof as pension and deposit into a personal pension account. Our factories in Mainland China will take out pension insurance for their employees in accordance with local regulations and make sufficient contributions. The percentage of the employees of our group participating in retirement plans is 100%. In 2025, the total amount of pension allocated by our group was NT\$ 26.08 million.

(B) Criteria of application for retirement: In accordance with the "Labor Pension Act."

a. Any of our employees who has met any of the following criteria may voluntarily apply for retirement:

- (a) He/She has served for at least 15 years and is at the age of 55 or older.
- (b) He/She has served for at least 25 years.
- (c) He/She has been employed for at least 10 years and is at the age of 60 or older.

b. Any of our employees who has met any of the following criteria may be subject to mandatory retirement:

- (a) He/She is at the age of 65 or older.
- (b) He/She is not suitable for work due to mental insanity or physical disability.

(C) Procedures for retirement application and benefits:

Any employee who has met the above criteria for retirement application must fill out a retirement application form and go through the retirement process after approval of the form.

D. Agreement between labor and employer and maintenance measures to protect employees' rights and interests:

The Company adheres to the concept of "integration of labor and management," holds regular labor meetings, establishes smooth communication channels, maintains good relations between labor and management, jointly creates productivity, shares profits, and establishes stable and harmonious relations between labor and management. In addition, the Employee Welfare Committee of the Company is responsible for handling various employee welfare issues. It holds various activities from time to time to enhance the harmonious working atmosphere and cohesion between the Company and the employees, as explained below:

- (A) Regularly hold departmental communication meetings to communicate with colleagues about the Company and department's operation plan, business overview, and market conditions.
- (B) Formulate sexual harassment prevention measures, complaints, and disciplinary measures to maintain a good working relationship and interaction between the sexes and avoid gender discrimination or harassment.
- (C) Set up labor and management meetings, hold regular labor and management meetings for communication and consultation and promote harmonious labor and management relations.
- (D) Set up the staff welfare committee, organize regular league health activities, and handle
- (E) welfare matters.
- (F) Set up a flexible working hour system to benefit the work-life balance of employees.
- (G) On top of the basic protection of labor health insurance, the Company provides group of insurance for the employees additionally so that the life safety, medical treatment, and family of employees can obtain greater protection.

E. Measures for protection of the working environment and the safety of employees:

We have engaged in long-time efforts in environmental protection, energy conservation and employee care, hoping that we are able to fulfill social responsibilities as our company grows to move toward sustainable management. In addition to compliance with applicable laws, the following measures have been implemented:

- (A) We have received the following international certifications to ensure the safety of our employees:

Certification item	Plant Site	Validity Period
ISO 14001:2015	Nankang	2026/01/08 - 2029/01/07
	Huizhou	2025/06/19 - 2028/07/03
	Zhenjiang	2025/01/16 - 2028/01/15
ISO 45001:2018	Nankang	2026/01/08 - 2029/01/07
	Huizhou	2025/06/19 - 2028/07/03
	Zhenjiang	2025/01/16 - 2028/01/15
IECQ QC80000:2017	Nankang	2023/04/11 - 2026/04/10
	Zhenjiang	2023/01/31 - 2026/01/30

(B) Focusing on source management

At the time of installation of equipment and facilities, we think about how to prevent all possible hazards. Based on the characteristics of our manufacturing processes and important safety specifications, we have established safety requirements for machines and equipment. For the safety of on-site operation during the phase of their operation, the best feasible method and technology are adopted following identification and assessment of hazards to carry out hazard prevention and risk control activities to protect the safety of employees at work.

In 2025, we organized training sessions on health and safety for a total of 163 hours attended by 2,279 persons.

(C) Promotion of a safety culture

We have continued to promote a safety culture, hoping that our employees will play their respective safety roles in different positions to actually integrate safety awareness into their work and life to achieve the vision of a zero-accident team.

(D) Strengthening of communication and training regarding hazard prevention

In order to effectively enhance the safety and health awareness of our employees, we have planned relevant courses for our employees at all levels concerning topics including environmental protection, safety and health, emergency response, management system, risk management, social responsibilities and green products, with the expectation that our employees will be able to become aware of hazards and implement the standard safety procedures. Besides training, a mechanism of departmental officers for environmental safety has been established for periodic collection of employees' on-job safety and health needs and the communication of measures and information of safety and health management to ensure good two-way communication.

In 2025, we organized communication and training sessions on the strengthening of hazard prevention for a total of 184 hours attended by 2,665 persons.

(E) Promotion of employee health

We have contracted Pojen General Hospital and Dacunkuo Hospital for their professional physicians and nurses to visit Sysgration to provide periodic health consultation for our employees and conduct annual health examination for them, while mailing weekly magazines covering medical and health information on a semi-monthly basis to plan for a comprehensive health management program. In response to the possible impact of contagious diseases in recent years to Sysgration and its employees, we have not only continued to monitor relevant information, but also established comprehensive response organizations and procedures to carry out pandemic prevention or disaster mitigation activities, protect the health of our employees and prevent impact to our operations.

In 2025, we organized a health examination attended by 453 persons and a health consultation attended by 126 persons. We also sent 38 articles for promotion of health management to all employees via email.

(F) Establishment of a framework for emergency response

In order to prevent any emergency accident from causing major impact to our operations, aside from daily arrangements and training for emergency response, an organization of emergency response center has been established for us to keep constant track of the situation in our factories. We have established a comprehensive emergency response plan, the scope of which includes the emergency preparations and plans for fire, chemical leakage, earthquake, flood and other accidents. We have also conducted relevant exercises to familiarize our employees with

relevant procedures so that we are able to lessen the impact to personnel and property in the event of an emergency accident.

In 2025, we conducted exercises concerning emergency response to accidents for a total of 36 hours attended by 694 persons.

(G) Continuous monitoring and auditing

With regard to the status of environmental safety at our factories, we have conducted environmental inspections and measurement of the working environment of our employees, and we have established comprehensive auditing procedures. In addition to conducting daily inspections, checks of high-risk activities and manager-led inspections, we have set up environmental safety management organizations at company-wide and factory levels, whose meetings are convened by senior managers or the top managers of factories for periodic review of environmental safety matters, review of their operations and determination of relevant targets and directions in order to ensure continuous improvement and enhance environmental safety performance.

In 2025, we held 4 meetings of the Occupational Safety and Health Committee for review of its operations and continued improvement of environmental safety.

F. Succession plan for key management:

The identification and development of successors for the management is critical to the sustainable management of a company. A succession plan aims to keep business management in pace with the times and provide the human resources necessary for the sustainable management of a company. When developing a succession plan, we in particular focus on the requirements for a successor to possess outstanding executive skills and for his/her values and personal traits to meet our expectations, including integrity and innovation. Outstanding employees will continue to have their adaptability and management abilities tested in different business areas and locations on a non-periodic basis.

The training of planned successors to senior management focuses on the development of comprehensive management abilities, professional competencies and personal development plan, with the training schedule customized based on personal job requirements and learning condition. Through training on professional competencies and all relevant aspects, a trainee will learn the integrated use of the foregoing to develop his/her abilities in decision-making and judgment.

In 2025, to train officers who are likely to become members of the management in the future, we organized training sessions for a total of 61 hours covering a variety of topics including sustainable development, quality management, legal affairs, patent rights, insiders' shareholdings, trade secrets, cyber security and the Responsible Business Alliance Code of Conduct.

G. Gender equality and a diversified and friendly workplace

Sysgration is committed to providing its employees with a dignified and safe working environment. We have implemented policies on diversity in employment and fairness in remuneration and promotion opportunities to ensure no employee will be discriminated, harassed or treated unequally as a result of his/her race, gender, religion, age or political orientation or under any other circumstances protected by applicable laws. Junior employees employed in the same type of position are given equal treatment. For persons with relevant professional and job experience, treatment is determined based on the educational and job experience, specialties and certificates of those employed. No one will be treated differently due to his/her gender or ethnicity.

Indicator for gender equality and diversity		Percentage
Female employees among all employees		44,93 %
Female senior managers among all senior managers		23.67%
ROC (Taiwan) nationals among all employees		65.37 %
Foreign nationals among all employees		34.63 %
Employees with disabilities among all employees		0.7 %
Age (years old)	< 30	9.97 %
	30 ~ 50	70.44 %
	> 50	19.59 %
	Total	100.0 %

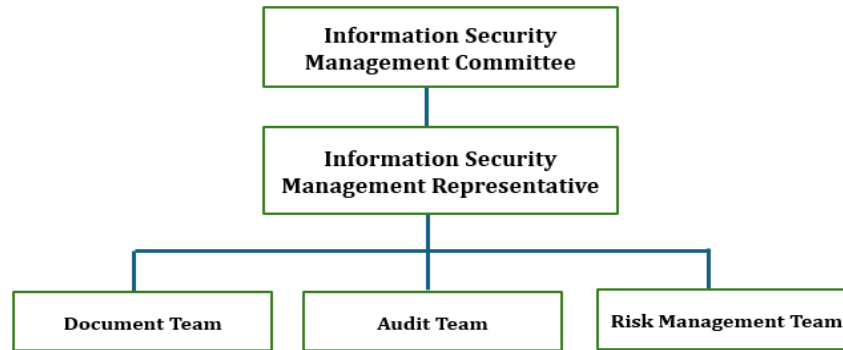
Committed to the care for female employees and enabling them to live up to their full potential, we hope to create a “gender-friendly workplace.” We have set up lactation rooms at the workplace for the convenience of female employees and to demonstrate the importance we have placed on the “protection of maternal health,” making sure female employees can actually enjoy a comfortable and healthy work environment. Valuing employee diversity, we have hired 3 employees with physical or mental disabilities. Regarding foreign employees, we respect their cultures and customs, provide them with recreational and sports areas, arrange for consultants to visit them at the factories, and organize year-end dinner parties for them. No violation of their working rights and human rights has occurred.

**5.2 List the losses suffered from labor disputes in the most recent year and up to the date of the publication of the annual report, and disclose the current and future estimates of the amount and measures to be taken in response to the disputes. If it cannot be reasonably estimated, it shall state the fact that they cannot be reasonably estimated:** No such situation exists.

## 6. Cyber Security Management

### 6.1 State cyber security management structure, policies, detailed management schemes and resources invested on cyber security, etc.

#### A. Cyber security management structure



#### B. Cyber security management policies:

- (A) Set up cyber asset supervisory and control mechanism, and all staffs are responsible for protecting relevant cyber properties, to maintain the confidentiality, validity, and availability of company's information security assets.
- (B) Staffs' job duties must be appropriately differentiated and authorize limited access to information required by work only.
- (C) Employed staffs must be verified with relevant signed job specifications, to maintain and guarantee cyber security management during daily work.
- (D) Establish business continuing operation management mechanism, to maintain its serviceability.
- (E) The Company's cyber security management measures shall conform to legal norms and information security policy; and establishment and modification of all cyber security management standards or procedures must follow information safety management system.
- (F) Ensure internal data protection, proper storage and safety, and prevent improper intentions and illegal conditions.
- (G) If an accident happened to cause damage of the rights and interests, make timely and proper response and treatment.

#### C. Detailed implementation measures:

The Company had reported 2024 implementation of security management to the Board of Directors on November 12, 2025.

- (A) Set up independent backup network segment, to automatically back up and recover each service host data.
- (B) PC operating system upgrade to cloud OS.
- (C) Automatic backup for outgoing emails and check to verify before sending out. Replace latest defense system and include PC and service host into control.
- (D) Mobile storage control: except for special application, it is prohibited to use external storage device.

- (E) Record individual's external website behaviors.
- (F) Prohibit to send files by using real-time communication software.
- (G) Conducting a group-wide awareness session on information security by email each month.
- (H) Virtualization of servers to eliminate the interruption of system services caused by any external attack or hardware failure.
- (I) Controlling desktops remotely to address the problems of personal computers at all locations in a prompt and secure manner.
- (J) Resources invested in information and communication security:

D. Investment in Information Security Resources:

Sysgration places great emphasis on information security and continues to increase investment in personnel and resources related to cybersecurity. This includes software and hardware for information security protection infrastructure. Currently, the company has 7 cybersecurity personnel. Additionally, in 2025, the total amount invested in cybersecurity-related software and hardware was approximately NT\$18.82 million, reflecting the company's strong commitment to information security.

**6.2 As of the publication date of the annual report, any damages, possible influences, and countermeasures due to significant cyber security events, which are unable to estimated reasonably, shall state the facts:**

The Company had no significant cyber security event occurred.

**7. Significant contracts:** None.

## V. Review of the Financial Status and Financial Performance and Risk Management

### 1. Analysis Of The Financial Status

#### 1.1 Comparative analysis of financial performance

Unit: NT\$1,000

Item	Year	2024	2025	Variance	
				Amount	%
Current assets		3,215,314	4,248,746	1,033,432	32.14
Non-current assets		1,863,283	3,076,673	1,213,390	65.21
Total assets		5,078,597	7,325,419	2,246,822	44.24
Current liabilities		1,548,312	1,452,880	(95,432)	(6.16)
Non-current liabilities		244,838	1,626,015	1,381,177	564.12
Total liabilities		1,793,150	3,078,895	1,285,745	71.70
Share Capital		1,909,364	2,044,238	134,874	7.06
Advance receipts for share capital		5,380	5,760	380	7.06
Capital surplus		953,517	1,745,779	792,262	83.09
Retained earnings		277,072	229,355	(47,717)	(17.22)
Other equity interest		(68,452)	(175,272)	(106,820)	(156.05)
Interest attributable to owner of the parent		3,078,881	3,849,860	772,979	25.12
Total equity		3,285,447	4,246,524	961,077	29.25

Note: If the change ratio is more than 20% and the change amount is more than NT\$10,000 thousand, the reasons for the change shall be analyzed.

#### 1.2 The main causes of major changes in assets, liabilities, and shareholders' equity in the last two years and their impacts. If the impact is significant, the future response plans should be provided.

- A. Increase in current assets: due to an increase in cash and cash equivalents.
- B. Increase in non-current assets: due to increase in property, plant and equipment.
- C. Increase in non-current liabilities: due to an increase in bonds payable.
- D. Increase in capital surplus: due to the premium on bonds issued, employee stock subscription premium, and recognition of changes in subsidiaries' equity in proportion to shareholding.
- E. Increase in Other equity interest: due to the exchange differences arising from the translation of financial statements of foreign operations and the decrease in the unrealized gains and losses on financial assets measured at fair value through other comprehensive income.

## 2. Review Of Financial Performance

### 2.1 Analysis of financial performance

Unit: NT\$1,000

Item	Year	2024	2025	Variance	
				Amount	%
Operating revenue		3,109,948	3,393,871	283,923	9.13
Gross profit from operations		751,831	798,481	46,650	6.20
Operating profit		52,924	(16,989)	(69,913)	(132.10)
Non-operating income and expenses		59,461	44,285	(15,176)	(25.52)
Profit before income tax		112,385	27,296	(85,089)	(75.71)
Profit attributable to owner of the parent		116,045	52,939	(65,106)	(54.38)
Other comprehensive income for the year		52,943	(36,233)	(89,176)	(168.44)
Total comprehensive profit attributable to owner of the parent		168,988	15,265	(153,723)	(90.97)

### 2.2 If the variance is more than 20% and the change amount is more than NT\$10,000 thousand the reasons for the change shall be analyzed.

- A. Decrease in operating income: due to an increase in operating expenses.
- B. Decrease in non-operating income and expenses: due to a reduction in interest income.
- C. Decrease in pre-tax profit and net income attributable to owners of the parent: due to an increase in operating expenses.
- D. Decrease in other comprehensive income for the period and comprehensive income attributable to owners of the parent: due to a reduction in exchange differences arising from the translation of financial statements of foreign operations..

### 2.3 Expected sales volume and its basis, possible impact on the Company's future financial business, and a response plan.

Looking forward to 2026, based on the existing customers of tire pressure monitoring systems, we will actively expand the tire pressure monitoring system replacement market beyond the United States, Europe, and Japan. At the same time, we will develop a standalone dual- frequency tire pressure monitoring system that is compatible with the original manufacturers of American, European, and Japanese cars and further expand to the OE market. In addition, we will accelerate our Retrofit market in Mainland China and the United States, increase our dealer channels in Mainland China, and continue to expand the application of low power Bluetooth (BLE) TPMS in the market for general passenger cars, motorcycles, heavy trucks, pickup trucks, and buses.

The Chinese government has specified tire pressure monitoring systems as the standard configuration of general passenger vehicles. The Company is actively planning to accelerate the development of tire pressure monitoring systems for special vehicles in Mainland China to seize the opportunity in

the front assembly market of car manufacturers in Mainland China. The TPMS will inevitably become standard equipment of automobiles. With 100 million new cars shipped out of the factory every year and 100 million old cars needing to replace the TPMS every year, it is estimated that the global market will have a demand of nearly 800 million TPMS every year. The market size is large, and future revenue growth should be prosperous. Sysgration Integrates IoT experience and technology and applies it in the automotive electronics industry to successfully develop Recreation Vehicles' internal central control system. This system can assist users in controlling all electrical appliances and equipment in the car through the cloud, mobile phone, and central control panel. At present, the system has been successfully integrated with two major camping vehicle factories in the United States and successfully introduced into mass production. In addition to seeking cooperation with other camping vehicle manufacturers in the United States, we are also actively expanding our market share in Europe, Australia, and Japan. Furthermore, the Company also uses its original energy storage and management technology to develop special solar power storage and an uninterrupted power system for camping vehicles to expand revenue. In the area of energy management, the Company will continue to develop uninterrupted power systems. Based on the original product, there are upgrades from low-level manufacturing to high-capacity and high-end UPS to meet customer needs in specific markets. In addition, we also assist customers in introducing the lithium-ion battery application technology to replace the original lead-acid battery used in UPS. The Company has developed a battery backup power system for industrial use and has made good progress. The Company also plans to use existing technology to develop solar energy storage systems suitable for use in ordinary homes, buildings, or remote areas. The Company will continue to invest the manpower and resources.

In addition to developing various battery modules for industrial or factory use, it will also extend its business scope to the Battery Management System with the marketing of battery packs to enhance the added value and expand the market niche. With the increase of market application, it is expected that it can improve the market space of products.

### 3. Cash Flow

Unit: NT\$1,000

Balance of cash and cash equivalent at beginning of the year	Annual net cash flow from operating activities	Annual cash inflow (outflow)	Cash surplus (deficiency)	Remedy for cash deficiency	
				Investment plan	Financial plan
1,797,789	84,858	814,504	2,612,293	None	None

#### 3.1 Analysis of cash flow changes this year:

- A. Net cash inflow from operating activities of NT\$84,858 thousand: primarily due to a decrease in accounts payable.
- B. Net cash outflow from investing activities of NT\$1,410,876 thousand: primarily due to an increase in the acquisition of property, plant, and equipment, and the purchase of financial assets measured at fair value through profit or loss.
- C. Net cash inflow from financing activities of NT\$2,148,554 thousand: primarily due to the issuance of convertible bonds.

#### 3.2 Remedy for cash deficiency and liquidity analysis:

The Company has sufficient cash in operation and has no shortage of cash.

### 3.3 Analysis of cash liquidity in the coming year:

It is expected that the operating cash will still be abundant in the next year under a stable operation situation.

#### 4. Impact Of Significant Capital Expenditure On Financial Operations In The Most Recent Year.

The Company had no significant capital expenditures in the most recent fiscal year.

#### 5. Reinvestment Policy For The Most Recent Year, Main Reasons For Profit Or Loss, Improvement Plan, And Investment Plan For The Next Year.

Unit: NT\$1,000

Description Company	Profits (losses) recognized in the most recent year	Policy	Main reasons for profit or loss	Improvement plan	Future investment plans
Power Tank Energy Ltd.	(75,390)	Spin-off energy storage products business	Mainly due to the recognition of the losses of the invested company in Mainland China, Sysgration (Zhenjiang) Ltd., and the need to develop operations due to the initial spin-off.	We will actively develop different markets for our products, and increase the production of energy storage products with existing technologies and production capacity to improve operations.	None
Sysgration Technology (Samoa) Ltd.	(16,390)	Overseas holding	Mainly recognized the losses from its invested Sysgration Ltd. (Zhenjiang) in mainland China.	We will actively develop different markets for our products, and increase the production of energy storage products with existing technologies and production capacity to improve operations.	None
Sysgration (Samoa) Ltd.	35,630	Overseas holding	Mainly recognized the profits from its invested Sysgration Ltd. (Huizhou) in mainland China.	None	None
Sysgration Usa Inc.	146	North America area marketing and after-sales service	The Company recognized reinvestment profit for current year.	None	None
Sysgration International Inc.	(30,100)	Overseas holding	The U.S. subsidiary experienced increased expenses due to preparations for commencing operations.	None	None
Sysgration America Corporation	(32,606)	Manufacturing and selling of electronic products.	The U.S. subsidiary experienced increased expenses due to preparations for commencing operations.	None	None
Leadray Energy Ltd.	(16,932)	Complementarity of businesses in the industry chain to achieve operating synergy.	The Company recognizes investment gains (losses) in proportion to the shareholding ratio.	Synergize companies' advantages in industrial resources to increase market share.	None

#### 6. Risk Assessment For The Most Recent Year And As Of The Publication Date Of The Annual Report

##### 6.1 Impact of interest rate, exchange rate change, and inflation on the Company's profit and loss, and future countermeasures:

Unit: NT\$1,000

I	2025
Net interest income (expense)	(6,392)
Net exchange gain (loss)	(3,979)
Ratio of net interest income (expense) to operating revenue	(0.19%)
Ratio of net interest income (expense) to profit (loss) before tax	(23.42%)
Ratio of net exchange gain (loss) to operating revenue	(0.12%)
Ratio of net exchange gain (loss) to profit (loss) before tax	(14.58%)

**A. Impact of the interest rate change on profit and loss of the Company and future countermeasures:**

(A) Impact on profit and loss of the Company: By the end of 2025, the Company's short-term borrowings subject to interest rate changes were NT\$ 317,984 thousand. If the market interest rate changes, the effective interest rate of such financial commodities will also change. A 1% increase in the market interest rate will increase the Company's annual interest expense by NT\$ 3,180 thousand.

(B) Future countermeasures: Since the Company's cash and financial assets minus liabilities are the net part, the increase in interest rates will be more beneficial to the Company's short-term fund application. In the future, the Company will continue to pay attention to the interest rate changes of various currencies and increase the fixed deposits of currencies favorable to the Company.

**B. Impact of an exchange rate change:**

(A) Impact on profit and loss of the Company: The Company has the capital transactions in foreign currency-denominated import and export business. Exchange rate fluctuations affect the foreign currency-denominated assets and liabilities. At the end of 2025, the financial assets and liabilities of USD to NTD subject to the risk of exchange rate fluctuations are USD34,766 thousand and USD10,137 thousand; the financial assets and liabilities of USD to RMB are USD15,092 thousand and USD5,837 thousand, respectively; the financial assets of HKD to NTD are HKD686 thousand, and the financial liabilities of HKD to RMB are HKD1,762 thousand. The change in the market exchange rate will change the fair value of such financial assets or liabilities. A 1% appreciation in the market exchange rate of the US dollar will increase the Company's profit by approximately NT\$7,741 thousand.

(B) Future countermeasures: The specific measures taken by the Company in response to exchange rate fluctuations are to refer to relevant correspondent banks with information on exchange rate fluctuations and take the hedging pre-sale forward foreign exchange measures for the Company's foreign currency assets and liabilities. When quoting customers, the business units should consider the price adjustment caused by exchange rate fluctuations to reduce the impact of exchange rate fluctuations on the Company.

**C. Impact of inflation:**

(A) Impact on profit and loss of the Company: The Group's main sources of purchase are Taiwan and Mainland China. In recent years, Taiwan's inflation rate is about 1.31% in 2025 according to the statistics of DGBAS, so the inflation risk has a limited impact on the Company's profit and loss. In

addition, since the Company is engaged in the related industries of electronics and automobile power components, the electronic products and raw materials are characterized by long-term price decline. The Company will continue to carry out stricter cost and expense control to reduce the risks caused by possible inflation.

- (B) Future countermeasures: In addition to grasping the price changes of the upstream raw materials, we will pay close attention to the cost control and quotation and timeously adjust the product price and raw materials inventory, to reduce the impact of inflation on the rise of raw materials cost.

## **6.2 Policies for engaging in high-risk, highly leveraged investments, lending of funds to others, endorsement guarantees and derivative commodity trading, main causes of profits or losses, and future countermeasures.**

- A. The Company did not engage in high-risk and highly leveraged investments in the past year, and all investments were executed after careful evaluation.
- B. The Company's capital lending to others and endorsement guarantee in this year were subject to the subsidiary of reinvestment and were handled in accordance with the Company's "Operation Procedures for Lending Funds to Others" and "Endorsement Guarantee Operation Procedures."
- C. The Company adheres to the principle of the conservative and prudent policy of engaging in derivatives trading, mainly focusing on the forward foreign exchange to avoid the risk of changes in real foreign exchange rates. It handles in accordance with the "Procedures for Handling the Acquisition or Disposal of Assets" and the "Procedures for Handling Derivatives Trading" set by the Company. And to timely and correctly announce all trading information according to the law and regulations, there is no loss this year.

## **6.3 Future R&D plan and estimated R&D expenditure**

Aiming at the current development of the Company's products, the Company will continue to actively cultivate and recruit the R&D talents, to not only commit to improve the product quality to meet international demands and obtain the certification according to the national rules and regulations, and also enhance the ability of product design, including the application of new technology, development of wireless communication software and mobile phone APP, etc., to meet the customer demand, create value for customers, and enhance own competitiveness.

- A. Continue to optimize the hardware design of universal tire pressure monitoring systems, including thin and compact, long-distance wireless transmission, minimum power consumption, and reduction in the number of parts. Software development focuses on the humanization and intelligence of man-machine interface and seamless system integration with mobile phones, clouds, and big data.
- B. Cooperate with third parties to establish independent software development tools and strengthen the market competitiveness of replacement.
- C. Develop the US truck fleet management system by cooperating with customers through wireless transmission of tire pressure monitoring systems via Bluetooth.
- D. Use solar energy charging technology to develop special energy storage and a power generation system for camping vehicles.
- E. Continue developing the battery pack management system to improve battery life and reduce the battery's internal temperature to reduce accidents such as battery combustion and explosion.
- F. Continue to develop energy storage power generation systems to improve the power supply efficiency.

The actual R&D expenditure in 2025 was NT\$377,098 thousand, accounting for about 11.11% of the annual revenue. In 2026, according to the new product development plan, it is estimated to invest NT\$400 million - 450 million in research and development.

#### **6.4 Impact of major domestic and foreign policy and legal changes on the Company's financial business and countermeasures**

The Company has internally set up chairman office, general manager office, accounting department and legal affairs unit, to keep close to the policies and decrees that may influence company's financial business. In addition, the company's internal operating procedures are in strict performance of relevant acts and regulations, to ensure its business and financial operations rightful. The tariff issue in 2019 Sino-US trade and COVID - 19 outbreak of latest years have also influenced a lot on its electronics industry corporations in mainland China, as well as the Company's products in there. Therefore, only the Company's Nankang Factory in Taiwan can replace the original mainland factories' production and export to America, which mitigates against the impacts of the two issues mentioned above.

#### **6.5 Impact of technological change and industrial change on financial business of the Company and countermeasures**

The Company has committed to product research and development to meet the market demand, and provide its clients with full-scale and professional OEM and manufacturing services. It also quickly responses to technology demands and changes, so as to reduce market risk and maintain the long-term and stable development of company financial business. Furthermore, it also commits to strengthen with manpower and resources to protect client data and prevent any improper human attempts and illegal acts.

#### **6.6 Impact of corporate image change on corporate crisis management and countermeasures**

- A. The Company has been established for more than 45 years. It has always adhered to regular operation, committed to R&D and innovation, and maintained a good credit relationship and reputation review. In the most recent year, as of the date of publication, there were no incidents in which the Company faced crisis management due to an image change.
- B. The Company also has a crisis management team which is organized by its chairman office, general manager office and legal affairs unit, to take countermeasures for possible crisis.

**6.7 Expected benefits, possible risks, and countermeasures of a merger and acquisition:** None.

**6.8 Expected benefits, possible risks, and countermeasures of plant expansion:** None.

**6.9 Risks and countermeasures faced in purchasing or selling concentratedly:** None.

**6.10 Impact of large shares transfers or replacements by directors, supervisors, or major shareholders holding more than 10% of the shares on the Company, risks, and countermeasures:** None .

**6.11 Impact of management change on the Company, risks, and countermeasures:** None.

**6.12 For the litigation or non-litigation, the Company and its directors, supervisors, President, substantive persons in charge, major shareholders holding more than 10% of the shares of the Company and its affiliated companies have been determined by judgment or are still under the jurisdiction of major litigation, non-litigation or administrative dispute litigation, shall be listed. Should the outcome be likely to have a material impact on shareholders' equity or securities prices. In that case, it shall disclose the facts of the dispute, the target amount, the commencement date of the lawsuit, the principal parties involved, and the disposition as of the publication date of the annual report:** None

**6.13 Other major risks and countermeasures:** None

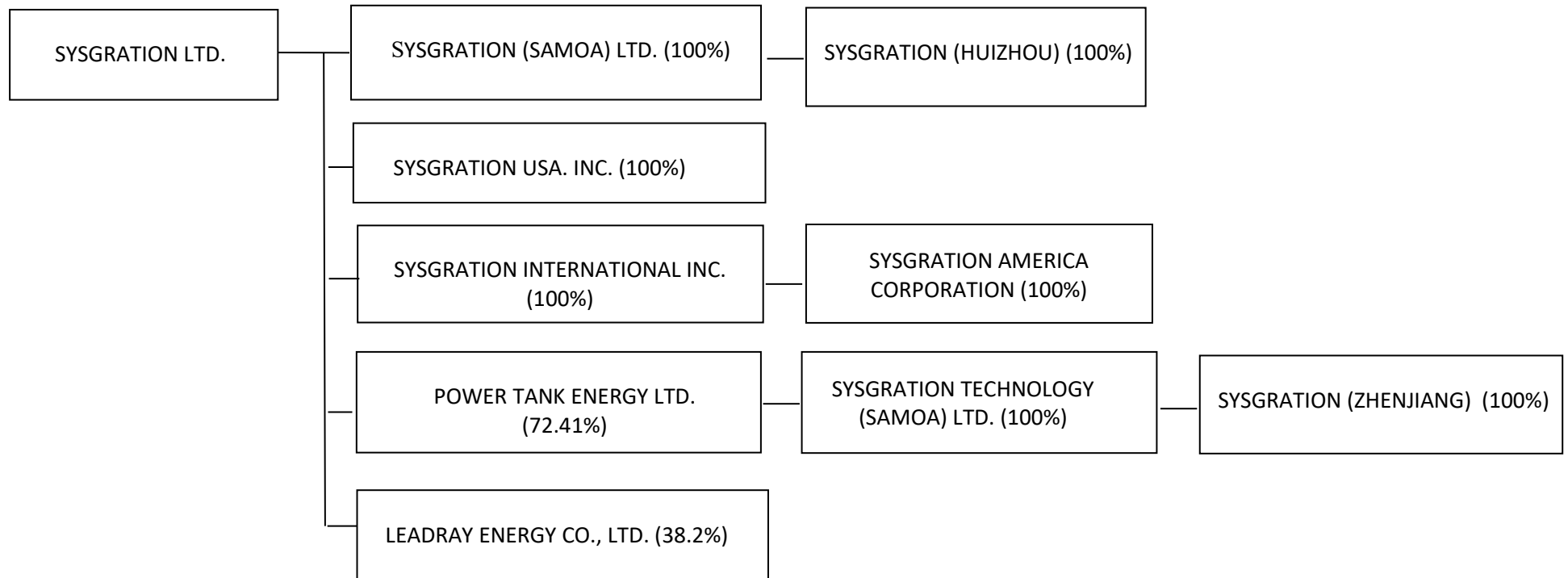
**7. Other Important Matters:** None.

## VI. Special Disclosure

### Sysgration Ltd. 2025 Consolidated Business Report of Affiliated Enterprise

#### 1. Related Information Of Affiliated Enterprises

##### 1.1 Organization profile of affiliated enterprises



## 1.2 Basic information of affiliated enterprises

Unit: NT\$1,000/US\$ 1,000 As of December 31, 2025

Name of enterprise	Date of Incorporation	Address	Paid-in capital	Major business or products
Sysgration Ltd.	1977/10/14	6F., No. 1, Sec. 1, Tiding Blvd., Neihu Dist., Taipei City	2,049,998	Manufacturing and selling of electronic products.
Power Tank Energy Ltd.	2023/05/04	3F-1., No. 1, Sec. 1, Tiding Blvd., Neihu Dist., Taipei City	416,868	Manufacturing and selling of energy storage. products.
Sysgration Technology (Samoa) Ltd.	2012/10/29	Offshore Chambers, P.O. Box 217, Apia, SAMOA	218,659	Overseas holding company.
Sysgration (Samoa) Ltd.	1998/09/29	Offshore Chambers, P.O. Box 217, Apia, SAMOA	505,131	Overseas holding company.
Sysgration USA. Inc.	2003/01/15	1043 Segovia Circle, Placentia, CA 92870, USA	10,062	Electronic product trading.
Sysgration International Inc.	2023/03/28	3524 Silverside Road, Suite 35B, Wilmington, DE 19810	USD 30,000	Overseas holding company.
Sysgration America Corporation.	2023/07/07	5301 Southwest Parkway STE 400, Austin, TX 78735	USD 30,000	Manufacturing and selling of electronic products.
Leadray Energy Co., Ltd	1999/04/08	No. 101, Gongye Rd., Toufen City, Miaoli County., Taiwan (R.O.C.)	382,037	Manufacturing and selling of lighting equipment.
Sysgration Technology (Zhenjiang) Ltd.	2013/01/08	Floor 2, No. 5, Aerospace Industrial Park, No. 33, Yangtze Road, Dagang New Area, Zhenjiang	678,888	Manufacturing and selling of energy storage products.
Sysgration Technology (Huizhou) Ltd.	2015/08/01	Floor 3, Yuxin Science and Technology Park, Longshan 7th Road, Xiangshui River Industrial Zone, Daya Bay, Huizhou	116,291	Manufacturing and selling of electronic products.

### 1.3 Same shareholder information of presumable control and subordination relation: None.

### 1.4 Industry covered by the business of overall affiliated enterprises.

The Company and its affiliated enterprises mainly engage in the manufacturing, processing, and trading of electronic products, automotive electronic battery packs, and energy storage products. A small number of affiliated enterprises also engage in the investment business. As a whole, the Company and its affiliated enterprises achieve mutual benefits and maximize the profits of the Group through the mutual assistance of technology, manufacturing, marketing, and service.

### 1.5 Information of the Director, Supervisor, and General Manager of each affiliated enterprise

Unit: NT\$1,000; share; %

As of December 31, 2025

Name of enterprise	Position	Name or representative	Shareholding	
			Shares	%
Power Tank Energy Ltd.	Director	Sysgration Ltd. Representative: Lee, I-Ren	30,186,800	72.41%
	Director	Sysgration Ltd. Representative: Hsieh, Tung-Fu		
	Director	Sysgration Ltd. Representative: Lee, Cheng-Han		
	Supervisor	Hu Han-Ming		
Sysgration Technology (Samoa) Ltd.	Director	Sysgration Ltd. Representative: Lee, I-Ren	21,800,000	100%
Sysgration (Samoa) Ltd.	Director	Sysgration Ltd. Representative: Lee, I-Ren	15,938,000	100%
Sysgration USA. Inc.	Director	Sysgration Ltd. Representative: Lee, I-Ren	300,000	100%
Sysgration International Inc.	Director	Sysgration Ltd. Representative: Lee, I-Ren	30,000,000	100%
Sysgration America Corporation	Director	Sysgration Ltd. Representative: Lee, I-Ren	30,000,000	100%
Leadray Energy Co., Ltd	Director& CEO	Sysgration Ltd. Representative: Lee, I-Ren	14,593,028	38.20%
	Director	Sysgration Ltd. Representative: Hsieh, Tung-Fu		
	Director	Sysgration Ltd. Representative: Lin, Shih-Chi		
Sysgration Technology (Zhenjiang) Ltd.	Chairman	Sysgration Ltd. Representative: Lee, I-Ren	0	100%
	Director	Chang, Ming-Chun	0	0%
	Director	Lee, Cheng-Han	0	0%
	Supervisor	Hsieh, Tung-Fu	0	0%
	President	Chang, Ming-Chun	0	0%
Sysgration Technology (Huizhou) Ltd.	Chairman	Sysgration Ltd. Representative: Hsieh, Tung- Fu	0	100%
	Director	Li, Fang-Mao	0	0%
	Director	Lee, I-Ren Lee	0	0%
	Supervisor	Lee, Cheng-Han Li,	0	0%
	President	Li, Fang-Mao	0	0%

## 1.6 Operation profile of affiliated enterprises

Unit: NT\$1,000 As of December 31, 2025

Name of enterprise	Paid-in Capital	Total Assets	Total Liabilities	Net Worth	Operating Revenue	Profit (Loss) From Operations	Profit (Loss) After Tax	Earnings Per Share (NT\$)
Power Tank Energy Ltd.	416,868	794,098	107,981	686,117	435,471	(77,273)	(91,284)	(2.19)
Sysgration Technology (Samoa) Ltd.	218,659	136,959	0	136,959	0	(49)	(15,339)	N/A
Sysgration (Samoa) Ltd.	505,131	342,053	0	342,053	0	(48)	34,612	N/A
Sysgration USA. Inc.	10,062	4,714	66	4,648	2,914	146	146	N/A
Sysgration International Inc.	942,900	1,367,933	241	1,367,692	0	200	2,506	N/A
Sysgration America Corporation	942,900	1,365,761	38,587	1,327,174	0	(35,104)	(32,606)	N/A
Leadray Energy Co., Ltd	382,037	464,986	162,401	302,585	197,716	(43,251)	(43,800)	(0.15)
Sysgration Technology (Zhenjiang) Ltd.	678,888	184,624	48,322	136,302	440,747	(14,468)	(15,297)	N/A
Sysgration Technology (Huizhou) Ltd.	116,291	728,144	449,188	278,956	1,065,169	45,996	31,908	N/A

## 1.7 Consolidated financial statements of affiliated enterprises.

For the year 2025 (from January 1, 2025, to December 31, 2025), according to the "Affiliated Enterprises' Consolidation Business Report, Consolidated Financial Statements, and Guidelines for Report Preparation of Affiliated Enterprises," the enterprises to which the Consolidated Financial Statement of Affiliated Enterprises are incorporated are the same enterprises to which the Consolidated Financial Statement of the Parent Company and Subsidiaries are incorporated in accordance with IAS 10. Relevant information to be disclosed in the Consolidated Financial Statement of Affiliated Enterprises has been disclosed in the Consolidated Financial Statement of Parent Company and Subsidiaries previously disclosed. Thus, the Consolidated Financial Statement of Affiliated Enterprises shall not be prepared separately. The Company Consolidated Financial Statement is outlined in Appendix 1 of this Annual Report.

## 1.8 Relationship report

The Company is not a subsidiary of the other company stipulated in the affiliated enterprise chapter of Company Law, so it is not required to prepare the relationship report with the controlling company.

## 2. Private Placement Issuance:

Item	2025 First Private Placement Issuance Date: March 17, 2026	2025 Second Private Placement Issuance Date: March 17, 2026																									
Type of Privately Placed Securities	Common Stock	Common Stock																									
Date and Amount Approved by the Shareholders' Meeting	The Company, pursuant to the approval of the Shareholders' Meeting on May 7, 2025, may issue up to 25,000,000 common shares, to be issued in two tranches within one year from the date of the Shareholders' Meeting resolution. For this issuance, 22,000,000 common shares will be issued.	The Company, pursuant to the approval of the Shareholders' Meeting on May 7, 2025, may issue up to 25,000,000 common shares, to be issued in two tranches within one year from the date of the Shareholders' Meeting resolution. For this issuance, 3,000,000 common shares will be issued.																									
Basis and Reasonableness of Price Determination	<p>1. The subscription price for this private placement shall not be lower than 80% of the higher of the following two calculated reference prices on the pricing date:</p> <p>(1) The simple average closing price of the common shares for 1, 3, or 5 business days prior to the pricing date, after adjusting for stock dividends, ex-rights and ex-dividends, and adding back any share reduction adjustments; or</p> <p>(2) The simple average closing price of the common shares for the 30 business days prior to the pricing date, after adjusting for stock dividends, ex-rights and ex-dividends, and adding back any share reduction adjustments.</p> <p>2. Based on the above pricing method, using February 5, 2026 as the pricing date, the simple average closing prices of the common shares for 1, 3, and 5 business days prior were NT\$65.9, NT\$66.1, and NT\$64.7, respectively, and the simple average for the preceding 30 business days was NT\$66.9. The higher value of NT\$66.9 was used as the reference price for this private placement. The actual private placement price was set at NT\$55, which is 82.21% of the reference price, and not lower than 80% of the minimum price approved by the Shareholders' Meeting.</p>																										
Method for Selecting Specific Offerees	The method for selecting specific offerees was fully authorized to the Chairman by the Shareholders' Meeting on May 7, 2025. The selection is limited to specific offerees in compliance with Article 43-6 of the Securities and Exchange Act, the Financial Supervisory Commission's letter No. Jin-Guan-Zheng-Fa-Zi 1120383220 dated September 12, 2023, and other relevant regulations on private placements by publicly listed companies.																										
Necessity of Conducting the Private Placement	Considering the conditions of the capital market, issuance costs, the timeliness and feasibility of raising funds through a private placement, and the restriction that privately placed shares cannot be freely transferred within three years, a private placement is deemed more suitable to ensure and strengthen a closer long-term cooperative relationship with strategic investors. Therefore, a public offering will not be used, and the shares are proposed to be issued through a private placement.																										
Date of Completion of Payment	2026/2/12																										
Registration Change Reference Number	Ministry of Economic Affairs, Letter No. 11530025720, March 12, 2026.																										
Subscriber Information	<table border="1"> <thead> <tr> <th>Private Placement Offerees</th> <th>Eligibility Criteria</th> <th>Subscription Quantity (Shares)</th> <th>Relationship with the Company</th> <th>Involvement in Company Operations</th> </tr> </thead> <tbody> <tr> <td>Pegatron</td> <td>Article 43-6, Paragraph 1, Subparagraph 2 of the Securities and Exchange Act</td> <td>22,000,000</td> <td>None</td> <td>None</td> </tr> </tbody> </table>	Private Placement Offerees	Eligibility Criteria	Subscription Quantity (Shares)	Relationship with the Company	Involvement in Company Operations	Pegatron	Article 43-6, Paragraph 1, Subparagraph 2 of the Securities and Exchange Act	22,000,000	None	None	<table border="1"> <thead> <tr> <th>Private Placement Offerees</th> <th>Eligibility Criteria</th> <th>Subscription Quantity (Shares)</th> <th>Relationship with the Company</th> <th>Involvement in Company Operations</th> </tr> </thead> <tbody> <tr> <td>Red Leaf Investment Co., Ltd.</td> <td>Article 43-6, Paragraph 1, Subparagraph</td> <td>1,400,000</td> <td>None</td> <td>None</td> </tr> <tr> <td>Hsuan Tse Investment Co., Ltd.</td> <td>2 of the Securities and Exchange Act</td> <td>1,600,000</td> <td>None</td> <td>None</td> </tr> </tbody> </table>	Private Placement Offerees	Eligibility Criteria	Subscription Quantity (Shares)	Relationship with the Company	Involvement in Company Operations	Red Leaf Investment Co., Ltd.	Article 43-6, Paragraph 1, Subparagraph	1,400,000	None	None	Hsuan Tse Investment Co., Ltd.	2 of the Securities and Exchange Act	1,600,000	None	None
Private Placement Offerees	Eligibility Criteria	Subscription Quantity (Shares)	Relationship with the Company	Involvement in Company Operations																							
Pegatron	Article 43-6, Paragraph 1, Subparagraph 2 of the Securities and Exchange Act	22,000,000	None	None																							
Private Placement Offerees	Eligibility Criteria	Subscription Quantity (Shares)	Relationship with the Company	Involvement in Company Operations																							
Red Leaf Investment Co., Ltd.	Article 43-6, Paragraph 1, Subparagraph	1,400,000	None	None																							
Hsuan Tse Investment Co., Ltd.	2 of the Securities and Exchange Act	1,600,000	None	None																							
Actual Subscription Price	NT\$55 per share.																										
Difference Between Actual Subscription Price and Reference Price	The actual subscription price for this issuance is NT\$55 per share, which represents 82.21% of the reference price.																										
Impact of the Private Placement on Shareholders' Equity	By introducing strategic investors, a strategic partnership between both parties can be established, reducing the Company's operational risks; meanwhile, it will strengthen operating capital and enhance the benefits of the Company's future operational performance.																										
Use of Private Placement Funds and Progress of Plan Implementation	The total amount of this plan is NT\$1,210,000,000, which will be used to strengthen operating capital upon completion of the fundraising.	The total amount of this plan is NT\$165,000,000, which will be used to strengthen operating capital upon completion of the fundraising.																									
Effectiveness of the Private Placement	Engage in technical cooperation and strategic alliances with leading domestic companies, while also strengthening operating capital.																										

3. **Other Necessary Additional Notes:** None.
4. **For The Most Recent Year And Up To The Date Of The Publication Of The Annual Report, The Occurrence Of Events That Have A Material Impact On Shareholders' Equity Or Securities Prices As Provided For In Paragraph 2, Item 2, Article 36 Of Securities Exchange Act.:** None.

**SYSGRATION LTD.  
LEE, I-REN**