

PRIMAX

Primax Electronics Ltd.

Stock Code :4915

2025 Annual Report

Bring Experience to Life.



Taiwan Stock Exchange Market Observation Post System:
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Company Website: <https://www.primax.com.tw>
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Chapter 1. Letter to Shareholders

Dear shareholders,

In 2025, the global economic environment remained highly uncertain and fast evolving. The United States continued to adjust tariff policies toward major trading partners, highlighting volatility in the global trade and increasing pressure on supply chain restructuring. Meanwhile, geopolitical tensions showed no clear signs of easing. Issues including U.S.-China relations and security challenges across the Eurasian region continued to affect multinational corporations, both directly and indirectly, reshaping supply chain structures and weighing on market confidence. In addition, the appreciation of the New Taiwan dollar during 2025 posed headwinds for export-oriented companies, emphasizing the importance of greater operational flexibility and stronger risk management.

In response to these challenges, PRIMAX leveraged its well-established strategic foundation and agile market execution, demonstrating strong operational resilience and responsiveness. The Company worked closely with key customers to proactively adjust production and shipment strategies, enabling an effective response to evolving tariff policies. It also aligned with customers' supply chain relocation strategies to mitigate the potential impact on operating performance. At the same time, the Company accelerated the optimization of its product portfolio. For vision-related products, momentum from core customers remained solid, and new customer projects were secured in conferencing systems and AI surveillance. In the interface segment, revenue achieved double-digit year-over-year growth, supported by the continued market share gains of major customers. Meanwhile, the Company further strengthened its key material processes to support product lines expansion. Tymphany, the Company's subsidiary, expanded its business with leading global brands through multiple new project wins in 2025, expected to gradually contribute to the Group's revenue.

In 2025, PRIMAX delivered steady growth across its key financial metrics. Consolidated revenue, gross margin, and earnings per share all increased compared with 2024, demonstrating the Company's strong adaptability and sustained profitability amid market demand fluctuations, exchange rate impacts, and trade policy challenges. In addition to its financial performance, PRIMAX has also received recognition for its corporate sustainability governance and social responsibility practices, earning the Excellence distinction of the "CommonWealth Corporate Citizenship Award," further demonstrating the Company's long-term commitment to sustainable development and corporate governance.

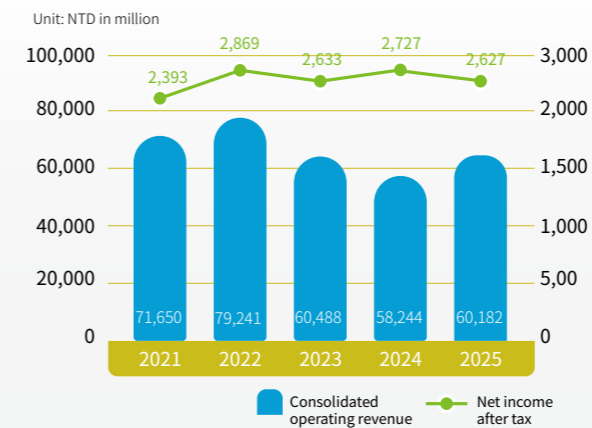
The following is an overview of the Company's 2025 performance.

1. 2025 Results of Operations

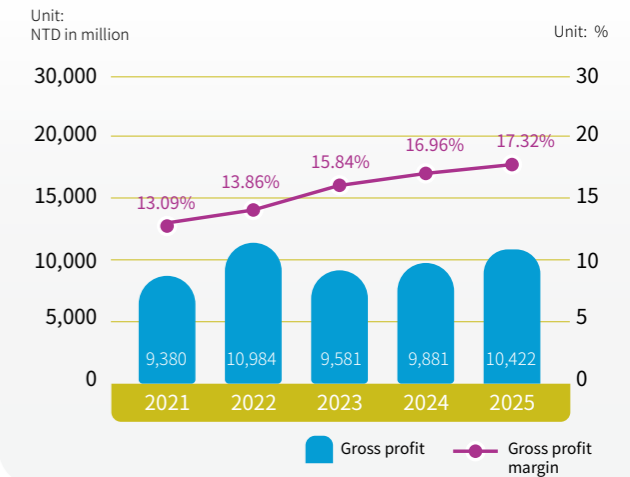
(1) Implementation Results of Business Plan

The Company's consolidated operating revenue for 2025 was NT \$60,181,706 thousand, which was a 3.3% increase from NT \$58,243,661 thousand in 2024. Consolidated net income totaled NT\$2,626,722 thousand in 2025, representing a 3.7% decrease compared to the NT\$2,727,124 thousand in 2024.

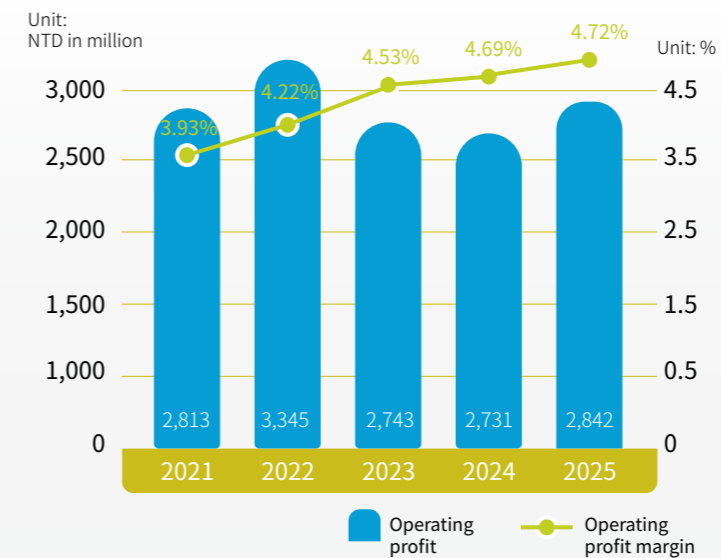
Trend chart of consolidated operating revenue and net income after tax



Trend chart of gross profit and gross profit margin



Trend chart of operating profit and operating profit margin



(2) Budget execution status

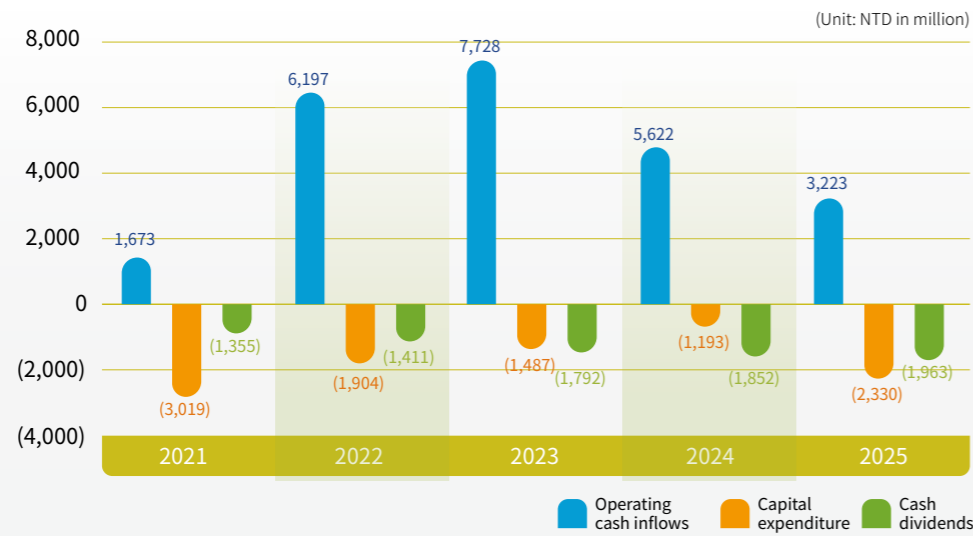
The Company did not disclose financial forecasts for 2025, so it is not applicable.

(3) Cash flow analysis

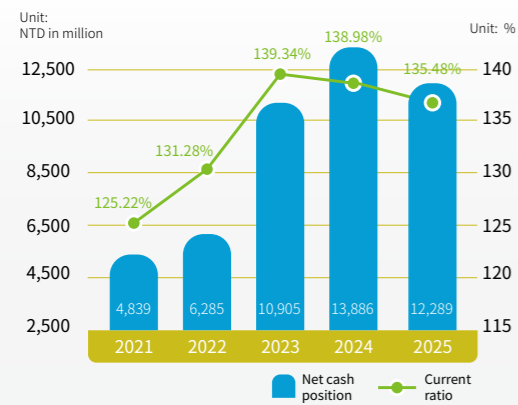
Unit: NT\$1,000

Item	2025	2024	Net change
Net cash inflows from operating activities	3,222,633	5,621,528	(2,398,895)
Net cash outflows from investing activities	(2,550,946)	(1,269,618)	(1,281,328)
Net cash outflows from financing activities	(2,054,228)	(2,079,897)	25,669

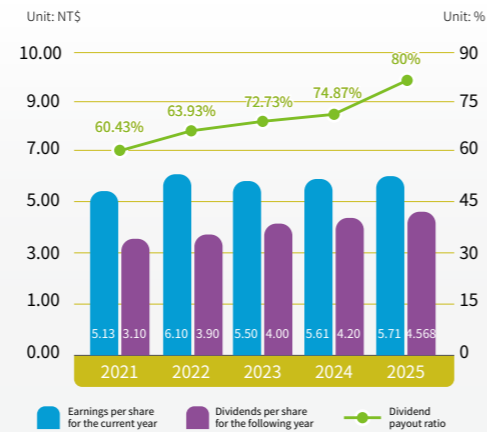
Operating cash and its major purpose distribution diagram



Trend chart of net cash position and current ratio



Trend chart of earnings per share, dividends per share and dividend payout ratio



Note: The surplus distribution for 2025 will be handled in accordance with the regulations after the resolution was adopted at the general shareholders' meeting on May 29, 2026.

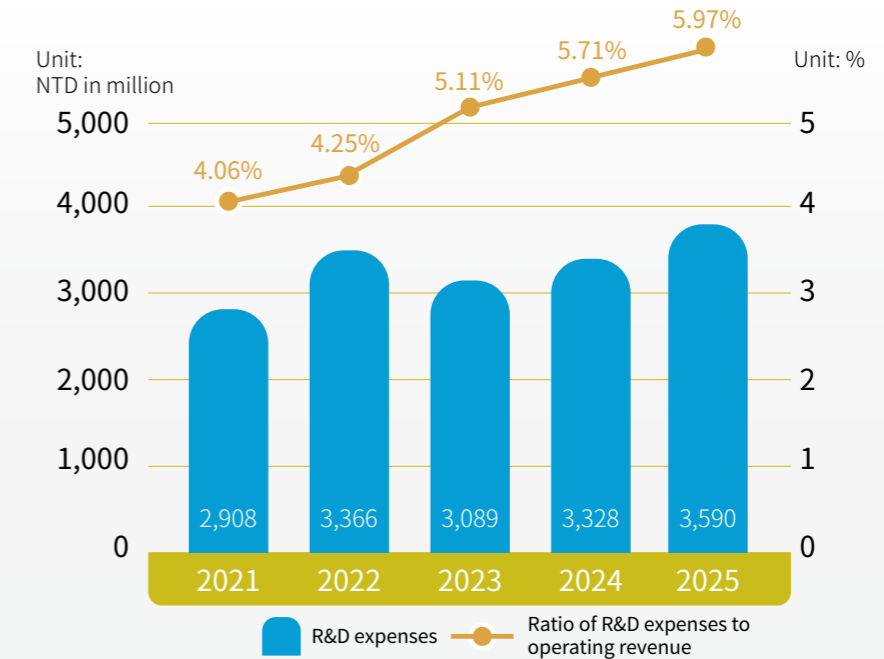
(4) Profitability analysis

Item	2025	2024
Return on shareholders' equity (%)	13.02	14.01
Ratio of operation profit to paid-in capital (%)	60.32	58.64
Ratio of income before tax to paid-in capital (%)	70.18	73.15
Net profit margin (%)	4.36	4.68
Earnings per share (NT\$)	5.71	5.61

(5) Research and development

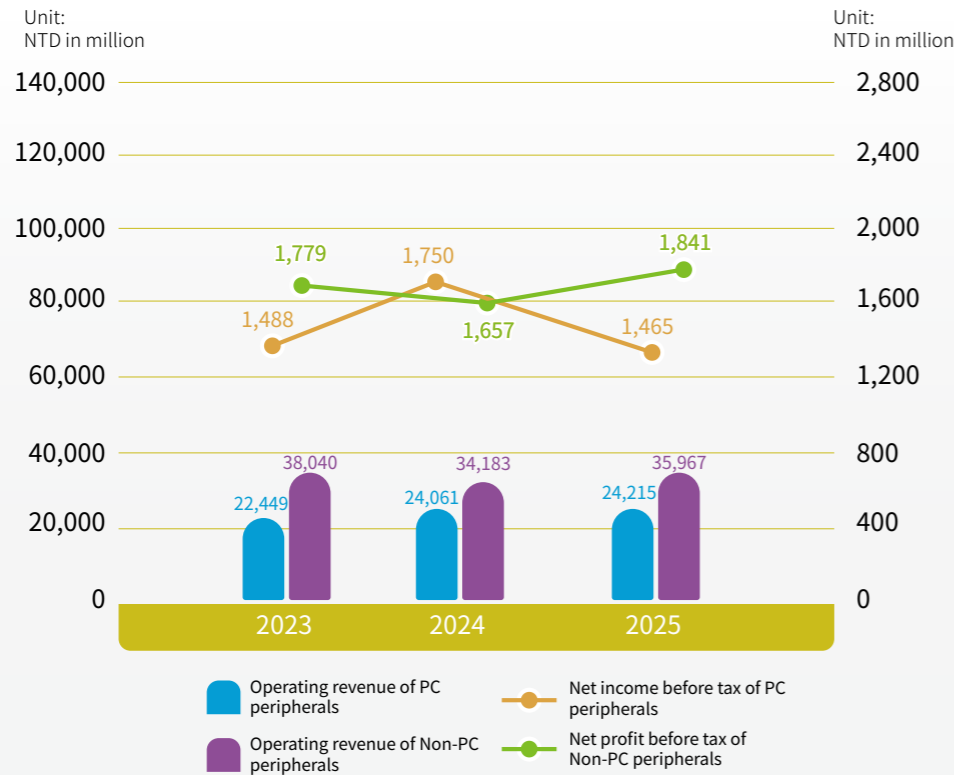
To further maintain its technological lead and enhance competitiveness, the Company invested NT\$3,590,188 thousand in R&D in 2025 for the development of new technologies and products, while resources were also allocated for automation to upgrade and improve the production processes.

Trend chart of R&D expenses and its ratio to operating revenue



2. 2026 Business Plan and Business Development Strategies

Trend chart of the development of PC peripherals and Non-PC peripherals



(1) Advancing the commercialization of X-in-1 and AISF technologies to drive the growth in vision and acoustics businesses

Looking ahead to 2026, PRIMAX will continue to focus on "X-in-1 Sensory Fusion" as its core technological development strategy, further expanding the scale of its vision and acoustics businesses. The Company will accelerate the development and platformization of key AISF (AI Sensor Fusion) modules, enabling customers to integrate diverse sensing modules into system-level designs, thereby enhancing product value and strengthening customer engagement. At the same time, PRIMAX will advance X-in-1 technology from proof of concept to full commercialization, gradually translating it into revenue contributions.

(2) Accelerating the Group's "1+1" strategy across key industries


In advancing its key industry initiatives, PRIMAX will leverage vertical integration from modules to complete system products to strengthen its system design and mass production capabilities. The Company will deepen engagement with key customer projects through differentiated strategies, further expanding its market share and presence in the automotive and video conferencing markets. Through the integrated deployment of products, manufacturing, and services, PRIMAX aims to enhance technological differentiation and build long-term partnerships in key industries, realizing the Group's "1+1 greater than 2" synergy while driving shipment momentum and supporting sales performance in 2026.

(3) Enhancing global manufacturing deployment and advancing strategic investments to build new growth engines

In response to customers' increasing demand for supply chain diversification and localization, PRIMAX will continue to enhance its global manufacturing footprint and strengthen its "region for region" production strategy. The Company will implement advanced automation and further optimize manufacturing processes to improve productivity and quality consistency, reduce labor and operating costs, and strengthen the flexibility and responsiveness of regional operations. At the same time, PRIMAX will accelerate strategic investments to drive new business growth and the deployment of key technologies, laying a solid foundation for the Group's next phase of growth.

(4) Strengthening sustainable operations and organizational resilience as the foundation for long-term development

In addition to continuously strengthening operational performance and growth momentum, PRIMAX regards sustainable operations as a core cornerstone of its long-term development. The Company continues to invest in ESG initiatives, including corporate governance, environmental protection, and social responsibility, while integrating sustainability principles into its daily operations, supporting effective risk management and long-term value creation as it pursues sustainable growth.

Chairman and CEO




Chapter 2. Corporate Governance Report

1. Profiles of the Board Directors, General Manager, Vice Presidents, Directors, Head of Each Department, and Branch Officers

(1) Information on Directors

Information on Directors (1)

February 28, 2026; Unit: share; %

Title	Nationality/ Place of Registration	Name	Gender/Age	Date Elected	Term (Years)	Date First Elected	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Education and Work Experiences	Other Positions Concurrently Held at the Company or Other Companies	Other Executives, Directors, or Supervisors Who Are Spouses or within the Second Degree of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman and CEO	TW	Pan, Yuan-Chung	Male/61~70 years old	2024.5.24	3 years	103.9.5	6,004,046	1.30	6,140,046	1.30	165,000	0.04	0	0	<ul style="list-style-type: none"> B.S. in Electronic, Feng Chia University General Manager of Business Department of PRIMAX 	Note 1	Vice Chairman and General Manager of Business Department	Pan, Yung-Tai	Brothers	Note 10
Vice Chairman and General Manager of Business Department	TW	Pan, Yung-Tai	Male/71~80 years old	2024.5.24	3 years	103.9.5	5,010,599	1.08	3,826,599	0.81	815,517	0.17	0	0	<ul style="list-style-type: none"> B.S. in Mechanical Engineering, Chung Yuan Christian University General Manager of Business Department of PRIMAX 	Note 2	Chairman and CEO	Pan, Yuan-Chung	Brothers	-
Director	TW	Duh, Jia-Bin	Male/61~70 years old	2024.5.24	3 years	110.7.13 (Note 11)	66,000	0.01	400,000	0.08	0	0	0	0	<ul style="list-style-type: none"> MBA, Kellogg School of Management at Northwestern University USA MBA, Faculty of Business and Economics, The University of Hong Kong Chairman of Foxcent Technology Co., Ltd. 	Note 3	-	-	-	-
Director	TW	Green Land Investment Limited (Note 12)	-	2024.5.24	3 years	110.7.13	1,030,000	0.22	544,000	0.12	-	-	-	-	-	None	-	-	-	-
Director	TW	Representative: Lee, Ji-Ren	Male/61~70 years old	2024.5.24	3 years	110.7.13	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> Ph.D. in Business Administration, University of Illinois, Urbana-Champaign Associate Dean of Teaching and Resource Development, College of Management, National Taiwan University 	Note 4	-	-	-	-
Independent Director	TW	Wu, Chun-Pang	Male/61~70 years old	2024.5.24	3 years	107.10.25	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> MBA, University of Missouri LL.B., National Taiwan University General Manager, Taiwan Branch, Deutsche Bank 	Note 5	-	-	-	-
Independent Director	TW	Wang, Jia-Qi	Female/51~60 years old	2024.5.24	3 years	108.6.18	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> MBA, Kellogg School of Management, Northwestern University, USA Managing Director and Director of Zenith Consulting Company Limited 	Note 6	-	-	-	-
Independent Director	TW	Ma, Hui-Fan	Female/61~70 years old	2024.5.24	3 years	112.5.25	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> MBA in International Business, National Taiwan University Vice President of Human Resources, TSMC 	Note 7	-	-	-	-
Independent Director	TW	Huang, Shiou-Chuan	Male/71~80 years old	2024.5.24	3 years	113.5.24	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> B.S. in Electrical Engineering, Tatung University Chairman of VIZIONFOCUS INC. 	Note 8	-	-	-	-
Independent Director	TW	Lai, Fei-Pei	Male/61~70 years old	2024.5.24	3 years	113.5.24	0	0	0	0	0	0	0	0	<ul style="list-style-type: none"> Ph.D., Computer Science, University of Illinois Professor, Department of Computer Science & Information Engineering and Department of Electrical Engineering, National Taiwan University 	Note 9	-	-	-	-

Note 1. Representative of Institutional Director and director of Primax Ind. (HK) Ltd., Representative of Institutional Director and director of Primax Tech. (Cayman Holding) Ltd., Representative of Institutional Director of Primax Ind. (Cayman Holding) Ltd., Representative of Institutional Director of Destiny Tech. Holding Co., Ltd., Director of Tymphony Logistics, Inc., Executive director of Dongguan Tymphony Acoustic Technology Co., Ltd., Chairman of Tymphony Acoustic Technology Limited, Representative of Institutional Director of Diamond (Cayman) Holdings Ltd., Representative of Institutional Director and executive director of Tymphony Worldwide Enterprises Ltd., Director of Tymphony HK Ltd., Chairman of Tymphony Acoustic Technology (Huizhou) Co., Ltd., Director of Tymphony Acoustic Technology HK Ltd., Director of Gratus Technology Corp., Director of Tymphony Acoustic Technology (Thailand) Co., Ltd., Representative of Institutional Director of Primax AE (Cayman) Holdings Ltd., Director of Primax Electronics (Singapore) Pte. Ltd., Director of Primax Electronics (Thailand) Co., Ltd., Director of Tymphony Acoustic Technology (Singapore) Pte. Ltd., Director of Primax Destiny Co., Ltd., Representative of Institutional Director of Dongguan Primax Electronic & Telecommunication Products Ltd., Director of TYP Enterprises, Inc.

Note 2. Representative of Institutional Director of Tymphony Acoustic Technology Limited, Director of Tymphony Acoustic Technology (Thailand) Co., Ltd., Director of Primax Electronics (Singapore) Pte. Ltd., Director of Primax Electronics (Thailand) Co., Ltd.

Note 3. Director of LAOWANG HOLDING LIMITED TAIWAN BRANCH (CAYMAN).

Note 4. Chairman of Cheng Zhi Education Foundation, Chairman of B Current Impact Investment Fund3, Representative of Institutional Director of Longchen Paper & Packaging Co., Ltd., Director of Commonwealth Magazine Co., Ltd., Director of Commonwealth Education Media and Publishing Co., Ltd., Independent Director of Airoha Technology Corp., Director of Advantech Co., Ltd., Independent Director of MAYO Human Capital Inc.

Note 5. Representative of Institutional Director of Far Eastern International Bank, Independent Non-Executive Director of Asia Cement (China) Holdings Corporation.

Note 6. Managing Director and Director of Zenith Consulting Company Limited, Managing Partner of CITIC Capital Holdings Limited.

Note 7. Chairman of Yi An Co., Ltd., Independent Non-Executive Director of Stella International Holdings Ltd.

Note 8. Chairman of VIZIONFOCUS INC.

Note 9. Secretary-General of the National Taiwan University Alumni Association, Chairman of the Taiwan Information Technology Development Education Foundation, Independent Director of QNAP Systems, Inc.

Note 10. Description of the reasons, reasonableness, necessity, and response measures where the Chairman and the General Manager are same person:
 1. Reason and necessity: In response to the rapid changes in the industry, it can accelerate global expansion and decision-making efficiency.
 2. Rationality: Mr. Pan, Yuan-Chung has served as a senior executive and director of the Company and its subsidiaries. With over 35 years of industry-related experience, he possesses a comprehensive understanding of both the industry and the Company.
 3. Countermeasures:
 (1) More than half of the Directors of the Board of Directors do not serve as employees or managerial officers concurrently, and the number of Independent Directors have been increased to strengthen the structure of the Board of Directors.
 (2) Considering the needs for long-term corporate governance, the Board of Directors has passed a succession plan and is actively training candidates for the succession of the General Manager, and will appoint a candidate as the General Manager at an appropriate time according to actual needs.

Note 11. Did not serve as a director of the Company during November 18, 2022 to May 24, 2023.

Note 12. Dismissed on March 27, 2026.

Major Shareholders of Corporate Shareholders

February 28, 2026

Corporate Shareholder	Major Shareholders of Corporate Shareholders
Green Land Investment Limited	Liang, Li-Sheng (80%) and Yang, Chun-Ling (20%)

Information on Directors (2)

1. Qualifications and Independence Status of Directors (Including Independent Directors):

February 28, 2026

Qualification	Qualifications and Experience	Independence Status	Number of Other Public Companies Where the Individual Concurrently Serves as an Independent Director
Name			
Pan, Yuan-Chung	He has served as a Director, Chairman, and General Manager of the Company and its subsidiaries. With more than 35 years of service in the PRIMAX Group, he also served for many years as General Manager of a business unit of PRIMAX. He possesses comprehensive professional expertise and extensive industry knowledge, enabling him to effectively integrate Group resources, leverage the advantages of overall Group leadership, and uphold the PRIMAX Group's firm commitment to "collaboration as the core and sustainability as the vision." In 2024, he served as the Convener of the Company's second Sustainability Development and Risk Management Committee, leading the Company to rank in the top 5% (Tier 1) among listed companies in the 11th Corporate Governance Evaluation. In 2025, the Company was further recognized with three sustainability awards presented by CommonWealth Magazine, including the "CommonWealth Corporate Citizenship Award," the "CommonWealth Talent Sustainability Award," and the "CommonWealth Parenting-Friendly Workplace Award," demonstrating the PRIMAX Group's comprehensive commitment to environmental, social, and governance (ESG) practices. Possesses leadership decision-making, operational management, risk management, and information technology-related capabilities. There are no matters specified in Article 30 of the Companies Act.	Non-independent director	None
Pan, Yung-Tai	He has served as a senior executive and director of the Company and its subsidiaries, with over 37 years of experience in the industry, R&D, management, and company operations. He personally leads the Company's R&D team, integrates the Group's R&D resources, and is deeply committed to technological development. In addition, he serves as a member of the Company's Sustainability Development and Risk Management Committee, guiding the Company to promote sustainable development through pragmatic actions and continuously introducing innovative green design and low-carbon manufacturing processes, demonstrating PRIMAX's firm commitment to climate action. Possesses leadership decision-making, operational management, risk management, and information technology-related capabilities. There are no matters specified in Article 30 of the Companies Act.		None
Duh, Jia-Bin	He has worked as director, Chairman of the Board, General Manager, and Chief Strategy Officer of the Company. He was Chairman of Foxcent Technology Co., Ltd., Chairman of Mobinnova Co., Ltd., and CEO of Cisco Systems, Inc., possessing a wealth of industry knowledge from more than 30 years of work experience in the industry, R&D, marketing, and management. Possesses leadership decision-making, operational management, risk management, information technology, and financial accounting capabilities. There are no matters specified in Article 30 of the Companies Act.		None

Qualification	Qualifications and Experience	Independence Status	Number of Other Public Companies Where the Individual Concurrently Serves as an Independent Director
Name			
Lee, Ji-Ren	He has served as Vice Dean engaging in Teaching and Resource Development, Vice Dean of the School of Management, and Executive Director of the EMBA program at National Taiwan University. With nearly 30 years of expertise in strategy and business management research, teaching, and industry consulting, he has helped corporate organizations establish mid-to-long-term growth strategies, develop organizational capabilities and leadership talent, and drive business transformation. With over 20 years of hands-on experience in corporate board governance and strategic development, he provides professional insights to support the Company's board in decision-making. Possesses leadership decision-making, operational management, risk management, and financial accounting capabilities. He has served as Manager of Marketing Service Department of Boehringer Ingelheim Taiwan Ltd., Chairman of Cheng Zhi Education Foundation, legal representative and Director of AXR Entrepreneurship and Business Consulting Co., Ltd., Chairman of B Current Impact Investment Fund3, Director of Social Enterprise Insights Co., Ltd., Independent Director of Delta Electronics Inc., Independent Director of Acer Incorporated, Independent Director of VIVOTEK Inc., Director of Commonwealth Education Media and Publishing Co., Ltd., Legal representative and director of Longchen Paper & Packaging Co., Ltd., Director of Commonwealth Education Media and Publishing Co., Ltd., Director of Commonwealth Magazine Co., Ltd., and Independent Director of Emerging Capital Co., Ltd. There are no matters specified in Article 30 of the Companies Act.	Non-independent director	2
Wu, Chun-Pang	He possesses more than 35 years of relevant experience in marketing, finance, management, and banking operations. With many years of deep involvement in the financial industry, he has accumulated extensive practical experience in corporate governance and risk management. He also serves as a member of the Company's Sustainability Development and Risk Management Committee. During his tenure as an Independent Director of the Company, he has continuously pursued further education in sustainability-related topics, including carbon management, climate change, and corporate governance, thereby enhancing his diverse professional expertise. He has a Bachelor of Law degree from National Taiwan University with legal expertise and relevant skills in leadership, decision making, business management, risk management, and financial accounting, and can enhance the supervision function of the Board of Directors and functional committees. He was the General Manager of Deutsche Bank Taipei, Vice Chairman of Citibank, Head of Fidelity Investments Taiwan, Head and Managing Director of Bankers Trust New York Corporation, Vice General Manager of Chase Bank, Representative of Institutional Director of Far Eastern International Bank. There are no matters specified in Article 30 of the Companies Act.	The five independent directors listed herein, during the two years before their appointment and throughout their tenure, all meet the qualification requirements set forth by the Financial Supervisory Commission's "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and Article 14-2 of the Securities and Exchange Act. Furthermore, these independent directors have been granted the right to fully participate in decision-making and express their opinions in accordance with Article 14-3 of the Securities and Exchange Act, thereby executing their relevant duties independently.	None
Wang, Jia-Qi	She has more than 30 years of relevant experience in finance, risk management, financial accounting, and management, and possesses extensive practical experience in financial and risk management. He also serves as a member of the Company's Sustainability Development and Risk Management Committee. During his tenure as an Independent Director of the Company, he has continuously pursued further education in sustainability-related topics, including energy policy, labor rights, ESG compliance, and corporate governance, thereby enhancing his diverse professional expertise. He has demonstrated leadership in decision-making, business management, risk management, information technology, and financial accounting, and can enhance the quality and supervision function of the Board of Directors and functional committees. She served as a mentor of the direct investment department of Ping An Trust of China, a global senior partner of Egon Zehnder International and general manager of its consumer electronics industry department, an associate of the corporate development department of PRIMAX, a consultant of McKinsey (Hong Kong/Shanghai), a project manager of P&G Taiwan, managing director of Zenith Consulting Company Limited, and an operating partner of CITIC Capital Holdings Limited. There are no matters specified in Article 30 of the Companies Act.		None
Ma, Hui-Fan	She has more than 30 years of work experience in information technology, risk, and management. She was Human Resources Director of NCR Corporation, Senior Vice President of Human Resources at Trend Micro Inc., and Senior Vice President of Human Resources at TSMC. She can contribute to the quality of the board of directors and the supervision of its committees, with good command of leadership, decision-making, management, risk management, and information technology. There are no matters specified in Article 30 of the Companies Act.		None
Huang, Shiou-Chuan	He is currently the chairman of VIZIONFOCUS INC., and has served as the vice president and vice chairman of many multinational companies such as HP Taiwan Information Technology Ltd., Hon Hai Precision Industry Co., Ltd., and Innolux Corporation. He participated in many company growth plans and was committed to electronics-related industries. With nearly 40 years of experience in the electronics industry, he has capabilities in leadership, decision-making, operation and management, risk management, information technology, and financial accounting. There are no matters specified in Article 30 of the Companies Act.		None
Lai, Fei-Pei	He is a professor at the Graduate Institute of Biomedical Electronics and Bioinformatics, Department of Computer Science & Information Engineering, and Department of Electrical Engineering at National Taiwan University. He has rich industry experience, and has served as an advisor of China Medical University Hospital, Chairman of the Taiwan Information Technology Development Education Foundation, and Independent director of QNAP Systems, Inc. Possesses leadership, decision-making, risk management, and information technology capabilities. There are no matters specified in Article 30 of the Companies Act.		1

2. Board Diversity and Independence Status:

(1) Board Diversity:

The Company values the diversity of the composition of its directors, and has set specific stage targets for the diversity of the board: the ratio of female or foreign directors will reach more than 10% (achieved) before 2020, reaching more than 20% (achieved) in the period of 2024-2027. The Company has proactively added a female director in 2023, achieving a female board representation of 22%. The Company conducted a full re-election of its Board of Directors in 2024. The Nomination Committee selected director candidates based not only on professional qualifications and essential criteria but also on the Company's future development needs and management objectives. Factors considered include whether candidates possess diverse expertise and experience, enabling them to provide professional insights on the Company's future development strategy from different perspectives. Based on the aforementioned considerations, the proposed board consists of nine directors, including two female directors, representing 22% of the board. This ratio has yet to reach one-third of the total board seats. The Company will actively seek female director candidates, aiming to achieve over 30% female board representation in the 2027 board election. This initiative will enhance gender diversity and enrich the board's strategic perspectives and communication dynamics.

At the end of 2025, the Board of Directors of the Company had a total of 9 members, including 5 independent directors (accounting for 56%). Three of the independent directors is given a term of less than three years, and two a term of six to nine years. There are seven male directors (accounting for 78%) and two female director (accounting for 22%). There are two directors aged 71 to 80 (accounting for 22%), six aged 61 to 70 (accounting for 67%), and one aged 51 to 60 (accounting for 11%), showing the gradual succession from one generation to another.

In terms of the professional backgrounds of directors, all nine of them have management backgrounds (accounting for 100%), and seven have industry backgrounds (accounting for 78%), four have research and development backgrounds (accounting for 44%), six have marketing backgrounds (accounting for 67%), and two have financial backgrounds (accounting for 22%). As for their expertise and professional knowledge, all nine have leadership and management skills (accounting for 100%), eight operation and management (accounting for 89%), seven risk management (accounting for 78%), five information technology and financial accounting (accounting for 56%), and one legal knowledge (accounting for 11%).

Title	Name	Basic Information				Experience					Expertise and Skills					
		Gender	Nationality	Age	Term of Independent Director	Industry	R&D	Marketing	Finance	Management	Leadership and Decision-making	Business Administration	Risk Management	Information Technology	Finance and Accounting	Law
Chairman	Pan, Yuan-Chung	Male	Republic of China	61~70		√		√		√	√	√	√			
Director	Pan, Yung-Tai	Male	Republic of China	71~80		√	√			√	√	√		√		
Director	Duh, Jia-Bin	Male	Republic of China			√	√	√		√	√	√	√	√	√	
Director	Green Land Investment Limited Representative: Lee, Ji-Ren	Male	Republic of China	61~70		√		√		√	√	√	√		√	
Independent Director	Wu, Chun-Pang	Male	Republic of China		6~9 years			√	√	√	√	√	√		√	√
Independent Director	Wang, Jia-Qi	Female	Republic of China	51~60	6~9 years				√	√	√	√	√		√	
Independent Director	Ma, Hui-Fan	Female	Republic of China	61~70	Less than 3 years	√				√	√	√				
Independent Director	Huang, Shiou-Chuan	Male	Republic of China	71~80	Less than 3 years	√	√	√		√	√	√	√	√	√	
Independent Director	Lai, Fei-Pei	Male	Republic of China	61~70	Less than 3 years	√	√	√		√	√		√	√		

(2) Independence status:

- The total number of directors of the Company is 9, of which 5 are independent directors, accounting for 56%. All independent directors maintain full independence, including but not limited to the following: neither they, their spouses, nor relatives within the second degree of kinship serve as directors, supervisors, or employees of the Company or its affiliated enterprises; they do not hold any shares of the Company; they do not serve as directors, supervisors, or employees of entities with specific relationships with the Company; they have not received remuneration in the past two years for providing business, legal, financial, or accounting services to the Company or its affiliated enterprises; and they do not fall under any of the conditions specified in Article 30 of the Company Act.
- Except that Pan, Yuan-Chung and Pan, Yung-Tai, the directors of the Company are brothers, and amongst the other directors there are no relative relations. So there is no violation of the provisions in paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.



(2) Profiles of the General Manager, Vice Presidents, Directors, head of each department, and branch officers

February 28, 2026; Unit: share; %

Title	Nationality	Name	Gender	Date Taking Office	Shareholding		Spouse/Minor Shareholding			Shareholding by Nominees		Education and Work Experiences	Other Positions Concurrently Held at Other Companies	Managers Who Are Spouses or within the Second Degree of Kinship			Remarks
					Shares	%	Shares	%		Shares	%			Title	Name	Relation	
Chairman and CEO	TW	Pan, Yuan-Chung	Male	2024.05.24	6,140,046	1.30	165,000	0.04		0	0	<ul style="list-style-type: none"> ■ B.S. in Electronics, Feng Chia University ■ General Manager of Business Department of PRIMAX 	Note 1	Vice Chairman and General Manager of Business Department	Pan, Yung-Tai	Brothers	Note 8
Vice Chairman and General Manager of Business Department	TW	Pan, Yung-Tai	Male	2007.12.28 (Note 7)	3,826,599	0.81	815,517	0.17		0	0	<ul style="list-style-type: none"> ■ B.S. in Mechanical Engineering, Chung Yuan Christian University ■ General Manager of Business Department of PRIMAX 	Note 2	Chairman and CEO	Pan, Yuan-Chung	Brothers	—
General Manager of Finance and Investment Department	TW	Hsiao, Yin-Yi	Male	2016.09.19	748,000	0.16	0	0		400,000	0.08	<ul style="list-style-type: none"> ■ EMBA, Swiss Business School ■ CFO of CMC Magnetics Co., Ltd. 	Note 3	-	-	-	-
General Manager of Business Department	TW	Chou, Yen-Chou	Male	2011.01.17	365,000	0.08	0	0		0	0	<ul style="list-style-type: none"> ■ Ph.D. in Industrial Engineering, University of Cincinnati ■ Senior Vice President, PRIMAX 	Note 4	-	-	-	-
Vice President	TW	Chiang, Yan-Ying	Female	2015.04.01	338,106	0.07	0	0		0	0	<ul style="list-style-type: none"> ■ B.A. in Labor Relations, Chinese Culture University ■ EMBA, National Chengchi University ■ Senior Director, PRIMAX 	None	-	-	-	-
Vice President	TW	Chang, Ching-Kai	Male	2015.04.01	562,703	0.12	0	0		0	0	<ul style="list-style-type: none"> ■ B.S. in Information Engineering, Tamkang University ■ Senior Director, PRIMAX 	None	-	-	-	-
Vice President	TW	Wei, Hao-San	Male	2015.10.07	935,732	0.20	187,000	0.04		0	0	<ul style="list-style-type: none"> ■ M.S. in Electrical Engineering, California State University, Long Beach ■ Senior Director, PRIMAX 	Note 5	-	-	-	-
Vice President	TW	Chang, Chen-Te	Male	2020.04.15	363,880	0.08	0	0		0	0	<ul style="list-style-type: none"> ■ B.S. in Mechanical Engineering, China University of Science and Technology ■ Senior Director in Administration Management, PRIMAX 	Note 6	-	-	-	-
Vice President	TW	Wang, Ching-Der	Male	2020.10.05	107,000	0.02	0	0		0	0	<ul style="list-style-type: none"> ■ B.S. in Mechanical Engineering, University of California at Berkeley ■ Vice President, Accton Technology Corporation 	None	-	-	-	-
Vice President	TW	Hsueh, Ya-Lin	Female	2022.04.01	282,000	0.06	0	0		0	0	<ul style="list-style-type: none"> ■ M.S. in Human Resources Management, National Changhua University of Education ■ Global Chief HR Officer, Mobile Phone Subgroup A, Hon Hai Technology Group 	None	-	-	-	-
Vice President	TW	Hsu, Chia Chih	Male	2022.10.01	391,500	0.08	0	0		0	0	<ul style="list-style-type: none"> ■ M.S. in Finance and Banking, University of Texas at Arlington ■ Senior Director, PRIMAX 	None	-	-	-	-
Vice President	TW	Hu, Ching-Yuan	Male	2022.10.01	147,500	0.03	0	0		0	0	<ul style="list-style-type: none"> ■ MBA, Thunderbird School of Global Management ■ Senior Director, PRIMAX 	None	-	-	-	-
Vice President	TW	Wang, La-Yung	Male	2024.08.06	12,000	0	0	0		0	0	<ul style="list-style-type: none"> ■ B.S. in Physics, Tamkang University ■ Senior Vice President, Atrust Computer Corporation 	None	-	-	-	-
Vice President	TW	Shih, Tzu-Chiang	Male	2024.10.21	52,000	0.01	0	0		0	0	<ul style="list-style-type: none"> ■ B.S. in Electrical Engineering, National Taiwan Institute of Technology ■ Senior Director, PRIMAX 	None	-	-	-	-
Vice President	TW	Lin, Chih-Hung	Male	2024.11.04	0	0	0	0		0	0	<ul style="list-style-type: none"> ■ M.S. in Applied Mechanics, National Taiwan University ■ General Manager, Kiwi Technology Inc. 	None	-	-	-	-
Vice President	TW	Chen, Chi-Liang	Male	2025.07.01	0	0	0	0		0	0	<ul style="list-style-type: none"> ■ EMBA, Finance, National Taiwan University ■ General Manager, Vietnam Operations Center, Pegatron Corporation 	None	-	-	-	-
Accounting Supervisor	TW	Chang, Shu-Chuen	Female	2017.11.15	172,000	0.04	0	0		0	0	<ul style="list-style-type: none"> ■ M.S. in Accounting, National Cheng Kung University ■ Director, Finance Department, Lian Hwa Foods Corp. 	None	-	-	-	-
Corporate Governance Officer	TW	Li, Jui-Hua	Female	2025.01.20	0	0	0	0		0	0	<ul style="list-style-type: none"> ■ EMBA, College of Technology Management, National Tsing Hua University ■ Director, PRIMAX 	None	-	-	-	-

Note 1. Representative of Institutional Director and director of Primax Ind. (HK) Ltd., Representative of Institutional Director of Primax Ind. (Cayman Holding) Ltd., Representative of Institutional Director and director of Primax Tech. (Cayman Holding) Ltd., Representative of Institutional Director of Destiny Tech. Holding Co., Ltd., Director of Tymphony Logistics, Inc., Executive director of Dongguan Tymphony Acoustic Technology Co., Ltd., Chairman of Tymphony Acoustic Technology Limited, Representative of Institutional Director of Diamond (Cayman) Holdings Ltd., Representative of Institutional Director of Tymphony Worldwide Enterprises Ltd., Director of Tymphony HK Ltd., Executive director of Tymphony Acoustic Technology (Huizhou) Co., Ltd., Director of Tymphony Acoustic Technology HK Ltd., Director of Gratus Technology Corp., Director of Tymphony Acoustic Technology (Thailand) Co., Ltd., Representative of Institutional Director of Primax AE (Cayman) Holdings Ltd., Director of Primax Electronics (Singapore) Pte.Ltd., Director of Primax Electronics (Thailand) Co., Ltd., Director of Tymphony Acoustic Technology (Singapore) Pte. Ltd., Director of Primax Destiny Co., Ltd., Representative of Institutional Director of Dongguan Primax Electronic & Telecommunication Products Ltd., Director of TYP Enterprises, Inc.

Note 2. Representative of Institutional Director of Tymphony Acoustic Technology Limited, Director of Tymphony Acoustic Technology (Thailand) Co., Ltd., Director of Primax Electronics (Singapore) Pte. Ltd., Director of Primax Electronics (Thailand) Co., Ltd.

Note 3. Representative of Institutional supervisor of Dongguan Primax Electronic & Telecommunication Products Ltd., Representative of Institutional supervisor of Primax Electronics (KunShan) Corp., Ltd., Representative of Institutional supervisor of Primax Electronics (ChongQing) Corp., Ltd., Representative of Institutional Director of Beijing Destiny Electronic Technology Co., Ltd., Director of Primax Destiny Co., Ltd., Director of Primax Tech. (Cayman Holding) Ltd., Supervisor of Dongguan Tymphony Acoustic Technology Co., Ltd., Supervisor of Tymphony Acoustic Technology Limited, Director of Polaris Electronics, Inc., Director of Gratus Technology Corp, Director of Primax Electronics (SINGAPORE) PTE.LTD., Independent Director of AM-POWER Machine International Enterprise Co., Ltd.

Note 4. Representative of Institutional Director of Primax Electronics. (KunShan) Co., Ltd., Representative of Institutional Director of Primax Electronics (ChongQing) Co., Ltd., Chairman of Beijing Destiny Electronic Technology Co., Ltd., Supervisor of Primax Destiny Co., Ltd., Director of Polaris Electronics, Inc., Chairman of Primax Security Technology Inc., Director of Primax Electronics (Thailand) Co., Ltd..

Note 5. Representative of Institutional Director of Beijing Destiny Electronic Technology Co., Ltd., Director of Primax Destiny Co., Ltd..

Note 6. Representative of Institutional chairman of Dongguan Primax Electronic & Telecommunication Products Ltd., Representative of Institutional supervisor of Beijing Destiny Electronic Technology Co., Ltd.

Note 7. The date of appointment is based on the base date of merger of former PRIMAX.

Note 8. Description of the reasons, reasonableness, necessity, and response measures where the Chairman and the General Manager are same person:

- Reason and necessity: In response to the rapid changes in the industry, it can accelerate global expansion and decision-making efficiency.
- Rationality: Mr. Pan, Yuan-Chung has served as a senior executive and director of the Company and its subsidiaries. With over 35 years of industry-related experience, he possesses a comprehensive understanding of both the industry and the Company.
- Countermeasures:
 - More than half of the Directors of the Board of Directors do not serve as employees or managerial officers concurrently, and the number of Independent Directors have been increased to strengthen the structure of the Board of Directors.
 - Considering the needs for long-term corporate governance, the Board of Directors has passed a succession plan and is actively training candidates for the succession of the General Manager, and will appoint a candidate as the General Manager at an appropriate time according to actual needs.

2. Remuneration paid to Directors, General Managers and Vice Presidents in the most recent year:

(1) Remuneration paid to the general Directors and Independent Directors in the most recent year (2025)

Unit: NT\$1,000/thousand shares

Title	Name	Remuneration to Directors								Sum and Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 1)	Relevant Remuneration Received by Directors Who Are Also Employees								Sum and Ratio of Total Remuneration (A+B+C+D+E+F+G) to Net Income (%) (Note 1)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiaries or Parent Company	
		Remuneration(A) (Note 4)		Pension(B)		Remuneration to Directors(C) (Note 2) (Note 5)		Business Expense(D) (Note 6)			Salary, Bonus, and Allowances(E)		Pension (F)		Employee Bonus(G) (Note 3)				The Company	All Companies Listed in the Consolidated Financial Statements		
		The Company	All Companies Listed in the Consolidated Financial Statements	The Company	All Companies Listed in the Consolidated Financial Statements	The Company	All Companies Listed in the Consolidated Financial Statements	The Company	All Companies Listed in the Consolidated Financial Statements		The Company	All Companies Listed in the Consolidated Financial Statements	The Company	All Companies Listed in the Consolidated Financial Statements	Cash	Stock	Cash	Stock				
Chairman and CEO	Pan, Yuan-Chung	18,312	18,312	0	0	7,519	7,519	0	0	25,831 0.98%	25,831 0.98%	5,469	5,469	0	0	0	0	0	0	31,300 1.19%	31,300 1.19%	0
Vice Chairman and General Manager of Business Department	Pan, Yung-Tai																					
Director	Duh, Jia-Bin	0	0	0	0	15,500	15,500	98	98	15,598 0.60%	15,598 0.60%	25,917	25,917	216	216	0	0	0	0	41,731 1.59%	41,731 1.59%	0
Director	Green Land Investment Limited Representative: Lee, Ji-Ren (Note 7)																					
Independent Director	Wu, Chun-Pang																					
Independent Director	Wang, Jia-Qi																					
Independent Director	Ma, Hui-Fan	0	0	0	0	26,000	26,000	86	86	26,086 0.99%	26,086 0.99%	0	0	0	0	0	0	0	0	26,086 0.99%	26,086 0.99%	0
Independent Director	Huang, Shiou-Chuan																					
Independent Director	Lai, Fei-Pei																					

- Independent Directors' remuneration policies, procedures, standards and structure, as well as the linkage to responsibilities, risks, and time spent:
The remuneration policy, procedures, standards, and structure of Independent Directors shall be governed by the "Remuneration Plan for Independent Directors" approved by the Board of Directors. A fixed amount of remuneration shall be paid to independent directors on a monthly basis. According to the Articles of Association, remuneration paid to directors every year shall be no more than 2% of annual profits. The rationality of remuneration for independent directors shall be reviewed by the Remuneration Committee and the Board of Directors. The remuneration system shall also be reviewed in a timely manner according to the operations and relevant laws and regulations to balance the Company's sustainable development and risk management.
- In addition to the remuneration disclosed in the table above, remuneration received by the Directors for services in the most recent year (e.g., serving as external consultants of the parent company/all companies listed in the financial statements/reinvestment companies): None.

Note 1. In 2025, the Company's net income after tax attributable to the parent company was NT\$2,626,722 thousand.

Note 2. Refers to the earnings distribution proposal in the most recent year (2025) resolved by the Board (2026.02.25); the remuneration distributed to directors amounted to NT\$49,019 thousand; the amount to be distributed in the current year is estimated based on the proportion of the amount actually distributed last year.

Note 3. Refers to the earnings distribution proposal in the most recent year (2025) resolved by the Board (2026.02.25); the remuneration distributed to employees amounted to NT\$98,038 thousand; the amount to be distributed in the current year is estimated based on the proportion of the amount actually distributed last year.

Note 4. The remuneration to the Chairman is proposed by the Human Resource Department based on the considerations for the competitive environment and operational risks and in line with the corporate management policy and bonus plan and then is sent to the Board of Directors for resolution after the Remuneration Committee evaluates the performance results and approves the proposal.

Note 5. The net income before the remuneration to employees and directors is deducted in 2025 is NT\$3,115,949 thousand, and the proportion of remuneration to directors is 1.5%. After being approved by the Remuneration Committee, the remuneration proposal is submitted to the Board of Directors; then, the remuneration is distributed after the resolution is adopted at the shareholders' meeting.

Note 6. Reimbursement of meals, accommodation, and transportation is based on actual expenses.

Note 7. Dismissed on March 27, 2026

Range of Remuneration Paid to Directors	Name of Director			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	All Companies Listed in the Consolidated Financial Statements	The Company	All Companies Listed in the Consolidated Financial Statements
Less than NT\$1,000,000				
NT\$1,000,000 (inclusive) to 2,000,000 (not inclusive)				
NT\$2,000,000 (inclusive) to 3,500,000 (not inclusive)				
NT\$3,500,000 (inclusive) to 5,000,000 (not inclusive)	Duh, Jia-Bin; Huang, Shiou-Chuan; Lai, Fei-Pei	Duh, Jia-Bin; Huang, Shiou-Chuan; Lai, Fei-Pei	Huang, Shiou-Chuan; Lai, Fei-Pei	Huang, Shiou-Chuan; Lai, Fei-Pei
NT\$5,000,000 (inclusive) to 10,000,000 (not inclusive)	Green Land Investment Limited; Pan, Yung-Tai; Wu, Chun-Pang; Wang, Jia-Qi; Ma, Hui-Fan	Green Land Investment Limited; Pan, Yung-Tai; Wu, Chun-Pang; Wang, Jia-Qi; Ma, Hui-Fan	Green Land Investment Limited; Duh, Jia-Bin; Wu, Chun-Pang; Wang, Jia-Qi; Ma, Hui-Fan	Green Land Investment Limited; Duh, Jia-Bin; Wu, Chun-Pang; Wang, Jia-Qi; Ma, Hui-Fan
NT\$10,000,000 (inclusive) to 15,000,000 (not inclusive)				
NT\$15,000,000 (inclusive) to 30,000,000 (not inclusive)	Pan, Yuan-Chung	Pan, Yuan-Chung	Pan, Yung-Tai	Pan, Yung-Tai
NT\$30,000,000 (inclusive) to 50,000,000 (not inclusive)			Pan, Yuan-Chung	Pan, Yuan-Chung
NT\$50,000,000 (inclusive) to 100,000,000 (not inclusive)				
More than NT\$100,000,000				
Total	NT\$67,515 thousand	NT\$67,515 thousand	NT\$99,117 thousand	NT\$99,117 thousand

(2) Remuneration paid to General Manager and Vice Presidents in the most recent year (2025)

Unit: NT\$1,000/thousand shares

Title	Name	Salary(A)		Pension(B)(Note 6)		Bonus and Allowances(C)		Amount of employee remuneration(D)(Note 1)				Sum and Ratio of Total Remuneration (A+B+C+D) to Net Income (%) (Note 2)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiaries or Parent Company	
		The Company	All Companies Listed in the Consolidated Financial Statements	The Company	All Companies Listed in the Consolidated Financial Statements	The Company	All Companies Listed in the Consolidated Financial Statements	The Company		All Companies Listed in the Consolidated Financial Statements		The Company	All Companies Listed in the Consolidated Financial Statements		
								Cash	Stock	Cash	Stock				
Chairman and CEO	Pan, Yuan-Chung														
Director and General Manager of Business Department	Pan, Yung-Tai														
General Manager of Business Department	Chou, Yen-Chou														
General Manager of Finance and Investment Department	Hsiao, Yin-Yi														
Vice President	Wei, Hao-San														
Vice President	Hu, Ching-Yuan														
Vice President	Chiang, Yan-Ying														
Vice President	Chang, Ching-Rai														
Vice President	Hsu, Chia-Chih	61,638	61,638	2,764	2,764	210,320	210,320	0	0	0	0	274,723 10.46%	274,723 10.46%	None	
Vice President (Note 3)	Zhuo, Yi-Li														
Vice President	Chang, Chen-Te														
Vice President	Wang, Ching-Der														
Vice President	Wang, La-Yung														
Vice President (Note 4)	Cho, Yu-Shan														
Vice President	Shih, Tzu-Chiang														
Vice President	Lin, Chih-Hung														
Vice President	Hsueh, Ya-Lin														
Vice President (Note 5)	Chen, Chi-Liang														

Note 1. Refers to the most recent year's (2025) earnings distribution proposal approved by the Board of Directors (2026.02.25) to distribute remuneration to employees totaling NT\$98,038 thousand. As of the publication date of this report, the remuneration paid to the General Manager and Vice General Managers has not been discussed by the Remuneration Committee; thus, the amount to be distributed in the current year is based on the proportion of the actual amount distributed last year.

Note 2. In 2025, the Company's net income after tax attributable to the parent company was NT\$2,626,722 thousand.

Note 3. Stepped down on March 31, 2025.

Note 4. Stepped down on June 30, 2025.

Note 5. Appointed on July 1, 2025.

Note 6. Pensions funded according to applicable law.

Range of Remuneration Paid to the General Manager and Vice General Managers	Name of General Manager and Vice President	
	The Company	All Companies Listed in the Consolidated Financial Statements
Less than NT\$1,000,000		
NT\$1,000,000 (inclusive) to 2,000,000 (not inclusive)	Zhuo, Yi-Li	Zhuo, Yi-Li
NT\$2,000,000 (inclusive) to 3,500,000 (not inclusive)		
NT\$3,500,000 (inclusive) to 5,000,000 (not inclusive)	Cho, Yu-Shan	Cho, Yu-Shan
NT\$5,000,000 (inclusive) to 10,000,000 (not inclusive)	Chiang, Yan-Ying; Chang, Chen-Te; Wang, La-Yung; Chen, Chi-Liang	Chiang, Yan-Ying; Chang, Chen-Te; Wang, La-Yung; Chen, Chi-Liang
NT\$10,000,000 (inclusive) to 15,000,000 (not inclusive)	Chang, Ching-Kai; Shih, Tzu-Chiang; Lin, Chih-Hung	Chang, Ching-Kai; Shih, Tzu-Chiang; Lin, Chih-Hung
NT\$15,000,000 (inclusive) to 30,000,000 (not inclusive)	Pan, Yung-Tai; Wei, Hao-San; Hu, Ching-Yuan; Hsu, Chia-Chih; Wang, Ching-Der; Hsueh, Ya-Lin; Pan, Yuan-Chung	Pan, Yung-Tai; Wei, Hao-San; Hu, Ching-Yuan; Hsu, Chia-Chih; Wang, Ching-Der; Hsueh, Ya-Lin; Pan, Yuan-Chung
NT\$30,000,000 (inclusive) to 50,000,000 (not inclusive)	Chou, Yen-Chou; Hsiao, Yin-Yi	Chou, Yen-Chou; Hsiao, Yin-Yi
NT\$50,000,000 (inclusive) to 100,000,000 (not inclusive)		
More than NT\$100,000,000		
Total	NT\$274,723 thousand	NT\$274,723 thousand

(3) Names of managerial officers who receive employee remuneration and the distribution in the most recent year (2025)

Unit: NT\$1,000/thousand shares

Title	Name	Value of Shares (Note 1)	Amount of Cash (Note 1)	Total	Total Remuneration as a Percentage of Net income after Tax (%) (Note 2)
Chairman and CEO	Pan, Yuan-Chung				
Director and General Manager of Business Department	Pan, Yung-Tai				
General Manager of Business Department	Chou, Yen-Chou				
General Manager of Finance and Investment Department	Hsiao, Yin-Yi				
Vice President	Wei, Hao-San				
Vice President	Hu, Ching-Yuan				
Vice President	Chiang, Yan-Ying				
Vice President	Chang, Ching-Kai				
Vice President	Hsu, Chia Chih				
Vice President (Note 3)	Zhuo, Yi-Li	0	0	0	0%
Vice President	Chang, Chen-Te				
Vice President	Wang, Ching-Der				
Vice President	Wang, La-Yung				
Vice President (Note 4)	Cho, Yu-Shan				
Vice President	Shih, Tzu-Chiang				
Vice President	Lin, Chih-Hung				
Vice President	Hsueh, Ya-Lin				
Vice President (Note 5)	Chen, Chi-Liang				
Corporate Governance Officer (Note 6)	Li, Jui-Hua				
Accounting Supervisor	Chang, Shu-Chuen				

Note 1. Refers to the most recent year's (2025) earnings distribution proposal approved by the Board of Directors (2026.02.25) to distribute remuneration to employees totaling NT\$98,038 thousand. As of the publication date of this report, the remuneration paid to the General Manager and Vice General Managers has not been discussed by the Remuneration Committee; thus, the amount to be distributed in the current year is based on the proportion of the actual amount distributed last year.

Note 2. In 2025, the Company's net income after tax attributable to the parent company was NT\$2,626,722 thousand.

Note 3. Stepped down on March 31, 2025.

Note 4. Stepped down on June 30, 2025.

Note 5. Appointed on July 1, 2025.

Note 6. Assumed office on January 20, 2025

(4) Analysis of the proportion of total remuneration to net income after tax

Separate comparisons and descriptions of total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by the Company and all other companies included in the consolidated financial statements during the past two fiscal years to Directors, the General Manager and Vice Presidents, with analysis and description of remuneration policies, standards, and packages, procedure for determining remuneration, and its linkage to operating performance and future risks

1. Analysis of total remuneration of Directors, the General Manager and Vice President as a percentage of net income after tax during the past two fiscal years:

Personal Status	Ratio of Total Remuneration to Net Income (Loss) after Tax			
	2024		2025	
	The Company	Consolidated	The Company	Consolidated
Directors	2.43%	2.43%	2.57%	2.57%
General Manager / Vice Presidents	10.49%	10.49%	10.46%	10.46%

2. The remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risks:

- The Company's remuneration to Directors includes Directors' remuneration and compensation.
 - In accordance with Article 21 of the Company's Articles of Incorporation, the remuneration of all directors is authorized to be determined by the Board of Directors based on the industry standards.
 - The remuneration to Directors is stipulated in Article 25 of the Company's Articles of Association. No more than 2% of profit, if applicable, shall be allocated as remuneration to Directors. After the Remuneration Committee approves the remuneration proposal, it shall be submitted to the Board of Directors for resolution and reported to the shareholders' meeting.
 - Reasonable remuneration to Directors shall be given based on the Company's operating results and sustainable development as well as each Director's contribution to the Company's performance and the results of the Board's performance evaluation.
 - The remuneration to the Chairman is proposed according to the corporate management policy and bonus plan and then is sent to the Board of Directors for resolution after the Remuneration Committee evaluates the performance results and approves the proposal.
 - Indicators of remuneration include the following, but are not limited to:
 - Operating performance, such as revenue, gross profit, earnings per share, etc.
 - External evaluation, such as corporate governance evaluation, etc.
 - Corporate sustainability indicators, such as carbon reduction strategies and compliance status.

Such performance evaluation and the reasonableness of remuneration are reviewed by the Remuneration Committee and the Board of Directors. The remuneration system is also reviewed constantly based on actual business operations and applicable laws.

- The remuneration policy for the General Manager and Vice President of the Company is proposed by the Human Resources Department based on the position held, the operating scale, the competitive environment, the salary standard in the industry, the Company's overall operating performance, and individual performance achievement rate and in line with the corporate management policy and bonus plan; after evaluation and approval by the Remuneration Committee, the proposal is sent to the Board of Directors for resolution. The remuneration consists of fixed salary and variable rewards. The fixed salary is the basic salary of employees, and the variable rewards are mainly linked to the Company's (or various business units') operational performance and strategic goal achieving status, and there are short-term and long-term incentives, deferred compensation, and peer company comparison mechanisms, to avoid risks caused by managerial officers' excessive pursuit of short-term benefits, to effectively guide long-term business performance, and to increase the Company's value. The main operating performance and strategic objectives covered include but are not limited to:
 - Revenue, gross profit, net income, free cash flow, return on invested capital, productivity, earnings per share (EPS), and return on shareholders' equity (ROE).
 - Achieving specific strategic goals for specific important technologies, products, clients, and markets within a specified period.
 - Other major ESG-related strategic objectives, such as carbon reduction product design and development, manufacturing base carbon reduction rate, talent development plan, etc.

The aforementioned performance evaluation and reasonableness of the remuneration to the General Manager, Vice President, and managerial officers are all reviewed by the Remuneration Committee and the Board of Directors, and the remuneration system is reviewed at any time according to the actual operating conditions and relevant laws and regulations.

3. Status of Corporate Governance

(1) Operations of the Board of Directors

In 2025 (6 times) and 2026 (2 times) as of the publication date of this Annual Report, the Company's Board of Directors held a total of 8 meetings; the attendance of the Directors is as follows:

Title	Name	Number of Attendance Required in Person (A)	Actual attendance in Person (B)	By Proxy	Actual Attendance Rate(%) (B/A)	Remarks
Chairman	Pan, Yuan-Chung	8	8	0	100%	
Director	Pan, Yung-Tai	8	8	0	100%	
Director	Duh, Jia-Bin	8	8	0	100%	
Director	Green Land Investment Limited Representative: Lee, Ji-Ren	8	8	0	100%	Dismissal on March 27, 2026
Independent Director	Wu, Chun-Pang	8	8	0	100%	
Independent Director	Wang, Jia-Qi	8	8	0	100%	
Independent Director	Ma, Hui-Fan	8	8	0	100%	
Independent Director	Huang, Shiou-Chuan	8	7	1	88%	
Independent Director	Lai, Fei-Pei	8	7	1	88%	

Other matters:

- I. With regard to the operation of the Board of Directors, if any of the following circumstances occur, the date, term of the meetings, content of motions, all independent directors' opinions and the Company's handling of such opinions shall be specified:
 - (1) Matters specified in Article 14-3 of the Securities and Exchange Act: The Company has established an Audit Committee and is therefore not subject to the provisions of Article 14-3 of the Securities and Exchange Act.
 - (2) In addition to the aforementioned matter, other resolutions at the Board meetings about which independent directors expressed objection or reservations, which are recorded on the record or in a written statement: None
- II. For avoidance of any resolution involving a director's conflicts of interest, the director's name, the content of the resolution, the reason for the avoidance of conflicts of interest, and participation in voting shall be specified: The Company's Directors attendance at meetings encountered no problem and participated in voting based on their powers and responsibilities; the following is the implementation of avoidance of proposals involving personal conflicts of interest:
 - (1) On January 20, 2025, for the 10th proposal discussed by the Board of Directors on 2024 bonus plan for senior executives, Director Pan, Yung-Tai as an interested party, recused himself from the proposal and did not participate in the discussion and voting, the remaining attending Directors agreed to pass the proposal. For the 11th proposal for 2024 Chairman's bonus plan, Chairman Pan, Yuan-Chung and Director Pan, Yung-Tai, as an interested party, recused themselves from the discussion. The remaining attending directors approved the proposal.
 - (2) On February 26, 2025, for the 16th proposal discussed by the Board of Directors on the Company's second issuance of restricted employee shares granted to non-executives, the 17th proposal regarding the 2024 second issuance of restricted employee shares granted to executives, the 18th proposal regarding the 2025 senior executive remuneration survey report and 2025 salary adjustment proposal, and the 19th proposal regarding the 2025 senior executive and important leaders bonus plan, Director Pan, Yung-Tai as an interested party, recused himself from the discussion, and the remaining attending directors approved the proposal; for the 20th proposal on the Company's Chairman remuneration plan, the 21st proposal on the 2025 Chairman's performance standards and bonus plan, Chairman Pan, Yuan-Chung and Director Pan, Yung-Tai, as an interested party, recused themselves from the discussion. The remaining attending directors approved the proposal.
 - (3) At the Board meeting held on August 7, 2025, the 1st proposal discussed by the Board of Directors on the Company's 2025 Restricted Shares to managers. Director Pan, Yung-Tai as an interested party, recused himself from the discussion. The remaining attending directors approved the proposal. The 2nd proposal regarding the third allocation of the Company's 2024 Restricted Shares and the first allocation of the Company's 2025 Restricted Shares to non-managerial employees. Director Pan, Yung-Tai as an interested party, recused himself from the discussion. The remaining attending directors approved the proposal.
 - (4) At the Board meeting held on January 20, 2026, the 8th proposal discussed by the Board of Directors on the distribution of the Company's 2025 bonuses for senior executives. Director Pan, Yung-Tai as an interested party, recused himself from the discussion. The remaining attending directors approved the proposal. The 9th proposal regarding the Company's 2025 bonus for the Chairman. Chairman Pan, Yuan-Chung and Director Pan, Yung-Tai, as an interested party, recused themselves from the discussion. The remaining attending directors approved the proposal.
 - (5) At the Board meeting held on February 25, 2026, the 14th proposal discussed by the Board of Directors on the second allocation of the Company's 2025 Restricted Shares to non-managerial employees; the 15th proposal regarding the second allocation of the Company's 2025 Restricted Shares to managers; and the 16th proposal regarding the Company's 2025 senior executive compensation survey report and the 2026 salary adjustment plan. Director Pan, Yung-Tai as an interested party, recused himself from the discussion. The remaining attending directors approved the proposal.

III. Evaluation of the performance of the Board of Directors

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once per year	January 1, 2025 to December 31, 2025	Performance Evaluation of the Board of Directors	Internal self-evaluation	1. Participation in the Company's operations 2. Improvement of the quality of the Board's decision-making 3. Composition and structure of the Board 4. Election and continuing education of the Directors 5. Internal control
		Performance Evaluation of the Board Members		1. Alignment of the Company's goals and tasks 2. Awareness of Director's duties. 3. Participation in the Company's operations 4. Management of internal relationship and communication 5. The Director's professionalism and continuing education 6. Internal control
		Performance Evaluation of the Audit Committee		1. Participation in the Company's operations 2. Awareness of the Audit Committee's duties 3. Improvement of the decision-making quality of the Audit Committee 4. Composition of the Audit Committee and Election of Its Members 5. Internal control
		Performance Evaluation of the Remuneration Committee		1. Participation in the Company's operations 2. Awareness of the Remuneration Committee's duties 3. Improvement of the decision-making quality of the Remuneration Committee 4. The composition of the Remuneration Committee and the election of committee members
		Performance Evaluation of the Nomination Committee		1. Participation in the Company's operations 2. Awareness of the Nomination Committee's duties 3. Improvement of the decision-making quality of the Nomination Committee 4. The composition of the Nomination Committee and the election of committee members
		Performance Evaluation of the Sustainable Development and Risk Management Committee		1. Participation in the Company's operations 2. Awareness of the Sustainable Development and Risk Management Committee's duties 3. Improvement of the decision-making quality of the Sustainable Development and Risk Management Committee 4. The composition of the Sustainable Development and Risk Management Committee and the election of committee members
		Performance Evaluation of the Board of Directors		External evaluation: The external evaluation was conducted by Taiwan Investor Relations Institute (TIRI) as the external unit of evaluating the Company's board performance.
Performance Evaluation of the Board Members	1. Management of the goals and missions of the Company 2. Awareness of Director's duties. 3. Participation in the Company's operations 4. Management of internal relationship and communication 5. The Director's professionalism and continuing education 6. Internal control			
Performance Evaluation of the Functional Committees	1. Participation in the Company's operations 2. Awareness of functional committees' duties 3. Improvement of the decision-making quality of functional committees 4. The composition of the functional committees and the election of their members 5. Internal control			
Once every three years	January 1, 2023 to December 31, 2023			

The Company completed the internal performance evaluation of the Board of Directors and its functional committees at the end of 2025. The evaluation was conducted by the Finance and Administration Division and carried out through a questionnaire-based assessment. The results of the internal performance evaluation for 2025 were reported to the Board of Directors on January 20, 2026.

1. The overall average score of the Board of Directors performance evaluation was 4.98 (out of 5).
2. The overall average score of the individual Directors' performance evaluation was 4.77 (out of 5).
3. The overall average score of the Audit Committee performance evaluation was 4.76 (out of 5).
4. The overall average score of the Remuneration Committee performance evaluation was 4.96 (out of 5).
5. The overall average score of the Nomination Committee performance evaluation was 4.93 (out of 5).
6. The overall average score of the Sustainability Development and Risk Management Committee performance evaluation was 5.00 (out of 5).

IV. Goals for strengthening the functions of the Board of Directors (such as establishing an Audit Committee and enhancing information transparency) in the current and the most recent fiscal year and assessing implementation thereof.

1. Goals for strengthening the functions of the Board of Directors

- (1) The Company established the Remuneration Committee upon approval by the Board of Directors on January 12, 2011; the Audit Committee was established by all Independent Directors on July 7, 2015; the Nomination Committee was established on March 7, 2017; and the Risk Management Committee was established on November 4, 2021. On May 8, 2024, the Board of Directors approved the renaming of the Risk Management Committee to the Sustainability Development and Risk Management Committee. These functional committees assist the Board of Directors in fulfilling its supervisory responsibilities.
- (2) In addition to specifying the powers of the Board of Directors in the Company's Articles of Incorporation, the Company has also established regulations including the "Regulations Governing Procedure for Board of Directors Meetings", the "Procedures for Handling Material Inside Information and Prevention of Insider Trading," the "Standard Operating Procedures for Handling Directors' Requests," the "Rules Governing the Scope of Powers of Independent Directors," the "Corporate Governance Best Practice Principles," and the "Sustainable Development Best Practice Principles," to strengthen the operation of the Board of Directors and corporate governance.
- (3) Directors' further training: The Company arranges further training sessions on a yearly basis for Directors to obtain relevant information in order to maintain their core values and professional advantages and capabilities.
- (4) In response to the rapidly changing macro environment and industry competition, the Company has established an Annual Board Strategy Meeting starting in 2024. This initiative enables directors to quickly understand and stay informed about the Company's status, strengthens two-way communication between the Board and management, and helps shape the Company's long-term strategic direction. Additionally, directors leverage their expertise and experience to provide effective guidance to the management team.

2. Assessment of the implementation: The Company upholds the principle of operational transparency and posts important resolutions on the Market Observation Post System (MOPS) right after a Board meeting to protect shareholders' rights.

(2) Performance of Audit Committee:

The Audit Committee primarily assists the Board in carrying out its supervision responsibilities and the responsibilities under the Companies Act, the Securities and Exchange Act and other relevant laws. The audit committee of the Company is composed of all of the independent directors. The committee operates in accordance with the organizational rules applicable to the audit committee of the Company, and has an effective and close communication and contact with internal auditors and CPA of the Company.

1. The key points that the Audit Committee reviews annually.

- (1) Proper presentation of the Company's financial statements.
- (2) Appointment, resignation, independence, competence and performance of CPA.
- (3) Effective implementation of internal controls within the Company.
- (4) The laws and regulations the company shall comply with
- (5) Control of the Company's existing or potential risks.
- (6) Performance of the Company's internal audit department.

2. The Company's Audit Committee consists of five members. The current term of office is from May 24, 2024 to May 23, 2027.

3. There were six meetings of the Audit Committee in 2025 and one meetings held as of the issue date of this Annual Report in 2025; the Audit Committee of the Company held a total of 7 meetings. The attendance of independent directors is as follows:

Title	Name	Number of Attendance Required in Person (A)	Actual Attendance in Person (B)	By Proxy	Actual Attendance Rate (%) (B/A)	Remarks
Independent Director	Wu, Chun-Pang	7	7	0	100%	
Independent Director	Wang, Jia-Qi	7	7	0	100%	
Independent Director	Ma, Hui-Fan	7	7	0	100%	
Independent Director	Huang, Shiou-Chuan	7	6	1	86%	
Independent Director	Lai, Fei-Pei	7	6	1	86%	

Other matters:

I. If the Audit Committee has any of the following circumstances, the date, session, and proposal content of the meeting held by the Audit Committee, Independent Directors' objections or reservations or recommendations, resolutions of the Audit Committee, and the Company's response toward the Audit Committee's opinions shall be specified.

- (1) Matters listed according to in Article 14-5 of the Securities and Exchange Act: As of the publication date of this Annual Report, the resolutions of the Audit Committee of the Company were approved by all Audit Committee members present.

Key Points	Implementation Status				
	Conference Date	Proposal	Opinions of independent directors	Resolutions	The Company's Response to the Audit Committee's Opinions
Proper presentation of the Company's financial statements	2025/2/26	The Company's 2024 Business Report and Financial Statements.	All independent directors have no objections	The Audit Committee members present unanimously agreed.	Approved by all Directors present
	2025/5/8	The Company's consolidated financial statements for the first quarter of 2025.			
	2025/8/7	The Company's consolidated financial statements for the second quarter of 2025.			
	2025/11/6	1. The Company's consolidated financial statements for the third quarter of 2025. 2. Discussion and update of major regulations with accountant on financial report audit results.			
	2026/2/25	The Company's 2025 Business Report and Financial Statements.			
Appointment, resignation, independence, competence and performance of CPA	2025/2/26	The Company's regular evaluation of the independence and suitability of CPA.	All independent directors have no objections	The Audit Committee members present unanimously agreed.	Approved by all Directors present
	2026/2/25	The Company's regular evaluation of the independence and suitability of CPA.			
Effective implementation of internal controls within the Company	2025/2/26	The Company's proposal for "Statement on Internal Control System" for 2024.	All independent directors have no objections	The Audit Committee members present unanimously agreed.	Approved by all Directors present
	2026/2/25	The Company's proposal for "Statement on Internal Control System" for 2025.			
The laws and regulations the company shall comply with	2025/1/20	Proposal to amend the Company's "Operational Authorization Procedures."	All independent directors have no objections	The Audit Committee members present unanimously agreed.	Approved by all Directors present
	2025/2/26	1. Proposal to amend the Company's "Internal Control System for Payroll Cycle." 2. Proposal to amend and supplement the general principles appendix of the Company's pre-approval policy for non-assurance services. 3. Proposal to amend the Company's "Audit Committee Charter."			
	2025/11/6	Proposal to amend the Company's "Internal Control System," "Procedures for Supervising Subsidiaries," and "Detailed Rules for the Implementation of Internal Audits."			
	2026/2/25	1. Proposal to amend the Company's "Internal Control System for Payroll Cycle." 2. Proposal to amend the Company's "Procedures for Acquisition or Disposal of Assets."			
Performance of the Company's internal audit department	2025/11/6	The Company's 2026 Audit Plan.	All independent directors have no objections	The Audit Committee members present unanimously agreed.	Approved by all Directors present
		The audit supervisor attends the meeting each quarter to report on the audit operations, the execution of plans, and present significant audit findings.			
Control of the Company's existing or potential risks		1. An internal control self-assessment is conducted annually to identify risks. 2. Based on the level of risk, an annual audit plan is developed and executed, with the completion of all audit activities for 2025.	All independent directors have no objections	The Audit Committee members present unanimously agreed.	Approved by all Directors present
Others	2025/1/20	1. The Company's Thai subsidiary, Primax Electronics (Thailand) Co., Ltd., plans to increase the capital expenditure budget for the construction of a steel structure factory and substation at its Thailand facility. 2. The Company's Thai subsidiary, Tymphony Acoustic Technology (Thailand) Co., Ltd., plans to establish a capital expenditure budget for the construction of a steel structure warehouse and cafeteria at its Thailand facility.	All independent directors have no objections	The Audit Committee members present unanimously agreed.	Approved by all Directors present
	2025/2/26	1. The Company's 2024 earnings distribution plan. 2. 2024 second issuance of restricted employee shares granted to non-executives.			
	2025/5/8	1. Proposal for the disposal of automotive production line equipment by the Company's CMBU Business Unit. 2. Proposal for capital expenditures on automation equipment by the Company's global manufacturing operations unit.			
	2025/6/3	Proposal for the subsidiary, Tymphony Worldwide Enterprises Limited (TWEL), to make an investment in Soundskrit Inc.			

Key Points	Implementation Status				
	Conference Date	Proposal	Opinions of independent directors	Resolutions	The Company's Response to the Audit Committee's Opinions
Others	2025/8/7	1. The Company's endorsement and guarantee for extension of subsidiary Primax Electronics (Singapore) Pte. Ltd. 2. Proposal for the Company's subsidiary, Tymphony Worldwide Enterprises Limited (TWEL), to invest in Soundskrit Inc. 3. The 2024 third issuance of restricted employee shares granted to non-executives and the 2025 first issuance of restricted employee shares granted to non-executives.	All independent directors have no objections	The Audit Committee members present unanimously agreed.	Approved by all Directors present
	2025/11/6	Proposal regarding the change of the CFO of the subsidiary, Tymphony Acoustic Technology (Huizhou) Co., Ltd.			
	2026/2/25	1. Proposal regarding the amendment to the factory lease agreement of Tymphony Acoustic Technology Europe, s.r.o. 2. The Company's 2025 earnings distribution plan. 3. 2025 second issuance of restricted employee shares granted to non-executives.			

(2) Except for the aforementioned matters, other resolutions which were not approved by the Audit Committee but approved by two-thirds of all Board of Directors members: None.

II. With regard to the recusal of Independent Directors from voting due to conflicts of interest, the name of the Independent Directors, the proposal content, reasons for recusal due to conflicts of interest, and voting outcomes shall be specified: None

III. The communication between Independent Directors and internal audit officer, and CPAs

- The Company's internal audit officer regularly reports at the meeting of the Audit Committee to the Independent Directors the auditing results and its follow-up. It is required that the auditing report for the meeting contain the risk level for identification and that a presentation on internal audit be given at the Audit Committee meeting based on the risk attributes of the operational cycle. The suggestions made by the Independent Directors have been implemented immediately, and the execution of the audit business and results have been fully communicated.
- The CPAs of the Company regularly reported to the Independent Directors the results of financial statement audits or reviews and other matters required by relevant laws and regulations. In 2025, the CPAs explained to the Independent Directors the significant accounting estimates and the key audit matters of the financial statements. The Company's Independent Directors and CPAs maintained good communication.
- Communication between Independent Directors and the external auditors and the head of internal audit in 2025:
 - The summary of communication between Independent Directors and CPAs

Date	Items discussed	Results of communication
2025/2/26 Audit Committee	1. The auditors presented the audit results of the 2024 consolidated and parent company only financial statements. 2. The Independent Directors raised no material concerns regarding the audit results of the 2024 consolidated and parent company only financial statements. 3. Introduction to the revisions of the Corporate Governance Evaluation indicators.	<ul style="list-style-type: none"> All Independent Directors raised no objections to all agenda items at the meeting. The 2024 financial statements were approved by the Audit Committee and submitted to the Board of Directors for approval, and were duly announced and filed with the competent authority within the prescribed timeline.
2025/5/8 Audit Committee	1. The external auditors presented the audit results of the consolidated financial statements for the first quarter of 2025. 2. The Independent Directors raised no material concerns regarding the audit results of the consolidated financial statements for the first quarter of 2025.	<ul style="list-style-type: none"> All Independent Directors raised no objections to all agenda items at the meeting. The first-quarter financial statements were approved by the Audit Committee and submitted to the Board of Directors for approval, and were duly announced and filed with the competent authority within the prescribed timeline.
2025/8/7 Audit Committee	1. The external auditors presented the audit results of the consolidated financial statements for the second quarter of 2025. 2. The Independent Directors raised no material concerns regarding the audit results of the consolidated financial statements for the second quarter of 2025.	<ul style="list-style-type: none"> All Independent Directors raised no objections to all agenda items at the meeting. The second-quarter financial statements were approved by the Audit Committee and submitted to the Board of Directors for approval, and were duly announced and filed with the competent authority within the prescribed timeline.
2025/11/6 Audit Committee	1. The external auditors presented the audit results of the consolidated financial statements for the third quarter of 2025. 2. The Independent Directors raised no material concerns regarding the audit results of the consolidated financial statements for the third quarter of 2025. 3. Updates on major laws and regulations: information reporting and material information disclosure requirements for listed companies, regulations governing the preparation and filing of sustainability reports by listed and OTC companies, and the proposed amendments to the "Regulations Governing Information to be Published in Annual Reports of Public Companies."	<ul style="list-style-type: none"> All Independent Directors raised no objections to all agenda items at the meeting. The third-quarter financial statements were approved by the Audit Committee and submitted to the Board of Directors for approval, and were duly announced and filed with the competent authority within the prescribed timeline.

2. The summary of communication between Independent Directors and internal audit officers.

Date	Items discussed	Results of communication
2025/2/26 Audit Committee	1. Report on the implementation and improvement status of the 2024 audit plan, and the execution report of audit operations from November 2024 to January 2025. 2. The Company's "Statement on Internal Control System" for 2024. 3. Revision of the Company's "Internal Control System for Payroll Cycle."	<ol style="list-style-type: none"> Independent directors have no objections Independent directors have no objections Independent directors have no objections
2025/5/8 Audit Committee	Execution report of audit operations from February to April 2025.	<ol style="list-style-type: none"> Independent Directors' recommendation: For deficiencies that are repeated and not effectively rectified, appropriate actions should be taken in accordance with the Company's internal reward and disciplinary regulations based on the severity of the circumstances; the report format should be revised to avoid misunderstanding by Directors. Explanation by the Head of Internal Audit: The deficiencies will continue to be tracked, and the report format will be optimized.
2025/8/7 Audit Committee	Execution report of audit operations from May to July 2025.	<ul style="list-style-type: none"> Independent Directors' recommendation: For matters where relevant regulations are already in place and followed by other units but not complied with by certain parties, appropriate disciplinary actions should be considered.
2025/11/6 Audit Committee	1. Report on audit operations from August to October 2025. 2. Review of the 2026 audit plan. 3. Review of the amendments to the "Internal Control System," "Procedures for Supervising Subsidiaries," and "Detailed Rules for the Implementation of Internal Audits."	<ol style="list-style-type: none"> Independent directors have no objections. Independent directors have no objections. Independent directors have no objections.

(3) Implementation status of corporate governance and deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
1. Does the Company establish and disclose its Corporate Governance Best Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	✓		The Company has established the Corporate Governance Best Practice Principles and disclosed them on the official website and MOPS.	No significant difference.
2. Shareholding structure & shareholders' rights			<ol style="list-style-type: none"> The Company has engaged spokespersons and deputy spokespersons. There are share affairs and legal departments set up handling shareholders' suggestions or disputes. The Company has entrusted a professional share affair agency to keep abreast of the shareholding status of directors, managers, and major shareholders. The Company has established relevant guidelines in the internal control system, so as to set up an appropriate risk control mechanism and the firewall. The Company has established procedures for handling material information and preventing insider trading, prohibiting insiders from trading securities based on non-public information in the market. 	No significant difference.
(1) Has the Company established internal operating procedures to deal with shareholders' suggestions, doubts, disputes, and litigations, and does the Company implement these procedures accordingly?	✓			
(2) Does the Company possess a list of its major shareholders with controlling power as well as the ultimate owners of those major shareholders?	✓			
(3) Has the Company established, and does it execute, a risk management and firewall system between the Company and its affiliated companies?	✓			
(4) Has the Company established internal rules against insiders using undisclosed information to trade securities with?	✓			

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
3. Composition and responsibilities of the Board of Directors				No significant difference.
(1) Has the Board developed, and does it implement, a diversity policy and specific management goals?	✓		<p>(1) The Company has formulated the Corporate Governance Best Practice Principles and disclosed the complete information on the Company's website and MOPS. Article 20 stipulates that the policy of board member diversity shall include but not limited to the following two aspects:</p> <p>I. Basic conditions and values: gender, age, nationality and culture, etc</p> <p>II. Professional knowledge and expertise: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and experience in the industry.</p> <p>In addition, to achieve the ideal goal of corporate governance, the entire Board of Directors shall possess the following abilities:</p> <ol style="list-style-type: none"> Operational judgment capability. Accounting and financial analysis capability. Business management capability. Crisis management capability. Industry knowledge. An international market perspective. Leadership. Decision-making capability. <p>The Company attaches importance to the diversity of composition of directors. For specific stage targets for the diversity of the board, please refer to page 13 of this annual report.</p>	
(2) In addition to the legally required Remuneration Committee and Audit Committee, has the Company voluntarily established other functional committees?	✓			
(3) Has the Company formulated Board performance evaluation regulations and an evaluation method, and does it conduct performance evaluation annually and regularly, report the results of the performance evaluation to the Board of Directors, and use them as a reference for individual Directors' remuneration as well as nomination and renewal terms?	✓			
(4) Does the board of directors of the company regularly (at least once a year) evaluate the independence and competency of the CPAs with reference to the Audit Quality Indicators (AQIs), and disclose the evaluation process in detail in the annual report?	✓			<p>(2) The Company has established the Nomination Committee and the Risk Management Committee. In the future, it will also set up other functional committees according to actual needs.</p> <p>(3) The Company has formulated the Rules Governing the Performance Evaluation of the Board of Directors on November 10, 2016 and disclosed it on the Company's website and MOPS. In particular, the Rules stipulate that the Company shall perform an internal performance evaluation of the Board of Directors at least once a year, and at least every three years by an independent external professional agency or a team of external experts and scholars, and the annual performance evaluation shall be performed at the end of the year. The scope of evaluation includes the Board of Directors, Board Members, and Functional Committees. The results of the performance evaluation of the Board of Directors shall be completed before the most recent Board meeting held in the following year. The latest results for 2025 were reported to the Board of Directors on January 20, 2026. For relevant evaluation content, please refer to page 24 of this annual report.</p>

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof																																										
	Yes	No	Description																																											
			(4) The Company's Audit Committee regularly evaluates the independence and competency of certified accountants every year, and then reports the evaluation results to the Board of Directors. The Company obtains information on 13 Audit Quality Indicators (AQIs) provided by the accounting firm, and evaluates the audit quality of the accounting firm and the audit team in accordance with the "Audit Quality Indicator (AQI) Interpretation Guidelines for Audit Committees" published by the regulatory authority. The latest evaluation was approved by the Audit Committee on February 25, 2026, and was reported to the Board of Directors for approval on February 25, 2026. The evaluation results are as follows:	No significant difference.																																										
Accountant independence and competency assessment																																														
			<table border="1"> <thead> <tr> <th>Evaluation Item</th> <th>Result</th> <th>Assessment of the independence and competence of the external auditors</th> </tr> </thead> <tbody> <tr> <td>(1) Whether the external auditors have any direct or material indirect financial interest in the Company</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>(2) Whether the external auditors have any financing or guarantee arrangements with the Company or its Directors</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>(3) Whether the external auditors have any close business relationships or potential employment relationships with the Company</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>(4) Whether the external auditors have served as the Company's legal defender or represented the Company in coordinating disputes with third parties</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>(5) Whether the external auditors have any familial relationships with the Company's Directors, managers, or personnel holding positions that may materially influence the audit</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>(6) Whether the external auditors or members of their audit team currently hold, or have held within the past two years, positions as Directors, managers, or roles with significant influence over the audit work in the Company</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>(7) The signing auditors shall not be engaged for more than seven consecutive years; if reappointed, an interval of at least two years must be observed</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>(8) The external auditors and their accounting firm must issue an independence statement</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>(9) Whether the external auditors have acted as intermediaries for the Company's issued shares or other securities</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>(10) Whether the external auditors and their accounting firm comply with the professionalism and quality indicators of the Audit Quality Indicators (AQI)</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>(11) Whether the external auditors and their accounting firm comply with the supervision indicators of the Audit Quality Indicators (AQI)</td> <td>Yes</td> <td>Yes</td> </tr> <tr> <td>(12) Whether the external auditors have provided non-audit services to the Company that may directly affect the audit work</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>(13) Performance evaluation of the services provided by the external auditors and their accounting firm</td> <td>Yes</td> <td>Yes</td> </tr> </tbody> </table>		Evaluation Item	Result	Assessment of the independence and competence of the external auditors	(1) Whether the external auditors have any direct or material indirect financial interest in the Company	No	Yes	(2) Whether the external auditors have any financing or guarantee arrangements with the Company or its Directors	No	Yes	(3) Whether the external auditors have any close business relationships or potential employment relationships with the Company	No	Yes	(4) Whether the external auditors have served as the Company's legal defender or represented the Company in coordinating disputes with third parties	No	Yes	(5) Whether the external auditors have any familial relationships with the Company's Directors, managers, or personnel holding positions that may materially influence the audit	No	Yes	(6) Whether the external auditors or members of their audit team currently hold, or have held within the past two years, positions as Directors, managers, or roles with significant influence over the audit work in the Company	No	Yes	(7) The signing auditors shall not be engaged for more than seven consecutive years; if reappointed, an interval of at least two years must be observed	Yes	Yes	(8) The external auditors and their accounting firm must issue an independence statement	Yes	Yes	(9) Whether the external auditors have acted as intermediaries for the Company's issued shares or other securities	No	Yes	(10) Whether the external auditors and their accounting firm comply with the professionalism and quality indicators of the Audit Quality Indicators (AQI)	Yes	Yes	(11) Whether the external auditors and their accounting firm comply with the supervision indicators of the Audit Quality Indicators (AQI)	Yes	Yes	(12) Whether the external auditors have provided non-audit services to the Company that may directly affect the audit work	No	Yes	(13) Performance evaluation of the services provided by the external auditors and their accounting firm	Yes	Yes
Evaluation Item	Result	Assessment of the independence and competence of the external auditors																																												
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(8) The external auditors and their accounting firm must issue an independence statement	Yes	Yes																																												
(9) Whether the external auditors have acted as intermediaries for the Company's issued shares or other securities	No	Yes																																												
(10) Whether the external auditors and their accounting firm comply with the professionalism and quality indicators of the Audit Quality Indicators (AQI)	Yes	Yes																																												
(11) Whether the external auditors and their accounting firm comply with the supervision indicators of the Audit Quality Indicators (AQI)	Yes	Yes																																												
(12) Whether the external auditors have provided non-audit services to the Company that may directly affect the audit work	No	Yes																																												
(13) Performance evaluation of the services provided by the external auditors and their accounting firm	Yes	Yes																																												
Regarding the AQIs and other indicators with significant differences from the industry, the accounting firm has already provided explanations and improvement measures to the audit committee on February 25, 2026. The committee will continue to monitor the progress of improvement. The appointed accounting firm has no significant differences in AQIs compared to the industry.																																														

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof																																								
	Yes	No	Description																																									
4. Has the Company (list on a stock or OTC market) engaged an appropriate number of qualified corporate governance personnel, and designated the corporate governance officer to be responsible for corporate governance-related matters (including but not limited to providing directors and supervisors with necessary information to perform business, assisting directors and supervisors in complying with laws and regulations, handling matters related to the meetings of the Board of Directors and the shareholders' meeting according to laws, and taking the minutes of board and shareholders' meetings)?	✓		<p>The Company's ESG Office is the unit dedicated to corporate governance, and dedicated personnel are responsible for implementing and promoting corporate governance-related matters. On January 20, 2025, the Board of Directors passed a resolution to appoint Director Li, Jui-Hua as the corporate governance officer, reporting directly to the chairman. Li, Jui-Hua been a supervisor in charge of finance in public companies for more than three years, and she is qualified as required by laws. The powers and duties of the corporate governance officer are as follows:</p> <ol style="list-style-type: none"> Report on the progress of corporate governance and the improvement plans to the Board of Directors regularly (at least once a year) Proceed with the affairs related to meetings of Board of Directors and shareholders' meetings in compliance with the laws Produce meeting minutes for the meetings of the Board of Directors and shareholders' meetings Assist in directors' and supervisors' compliance of laws Assist directors in taking office and continuing education Provide directors with information required for performing duties Report to the Board of Directors on his/her findings as to whether the Independent Directors' qualifications at the time of nomination, election and during the term of office are in accordance with the relevant laws and regulations Handle the matters arising from changes in directors. Other matters stipulated in the Company's Articles of Association or contracts, such as the evaluation of corporate governance of the TWSE, the trend of better corporate governance practices, and the amendments to the domestic corporate governance laws and regulations <p>The matters that were carried out in 2025 are as follows:</p> <ul style="list-style-type: none"> The annual board of directors and functional committees are scheduled to ensure compliance with relevant laws and regulations. Schedule regular meetings between independent directors, CPAs, and internal audit directors. Assisted in arranging suitable continuing education classes for directors, to ensure that all directors have completed the number of annual training hours. Registered the date of the shareholders' meeting for 2025 in accordance with the laws and prepared the relevant materials for the meeting and the annual report in both Chinese and English. Reported to the Board of Directors on the results of corporate governance implementation in the previous year, the current year's status, and the 2026 governance plan on May 8, 2025. Arranged and planned the internal evaluation of the performance evaluation of the Board of Directors, individual Directors, and functional committees for 2025, and reported on said matters to the Board of Directors on January 20, 2026. <p>Continuing Education for the officers: In accordance with related regulations, the Company's officers are required to complete 18 hours of continuing education within one year of appointment by the Board of Directors, with a minimum of 12 hours of continuing education per year. Li, Jui-Hua, corporate governance officer of the Company, has completed a total of 27 hours of continuing education courses in 2025. The content of courses is as follows:</p> <table border="1"> <thead> <tr> <th>Training date</th> <th>Organizer</th> <th>Class Title</th> <th>Hours</th> </tr> </thead> <tbody> <tr> <td>2025/2/24</td> <td>The Greater Chinese Financial Development Association</td> <td>Trump's New Tariff Policies and the Changing Global Economic Landscape</td> <td>3</td> </tr> <tr> <td>2025/4/24</td> <td>The Greater Chinese Financial Development Association</td> <td>Trump 2.0 Disrupting the Global Economic Order: Impacts and Strategic Responses</td> <td>3</td> </tr> <tr> <td>2025/5/13</td> <td>Taiwan Project Management Association</td> <td>Board of Directors vs Management</td> <td>3</td> </tr> <tr> <td>2025/6/10</td> <td>Taiwan Stock Exchange Corporation (TWSE)</td> <td>CDP Taiwan Conference – Strengthening Climate Disclosure to Enhance Corporate Climate Resilience</td> <td>3</td> </tr> <tr> <td>2025/7/9</td> <td>Taiwan Stock Exchange Corporation (TWSE)</td> <td>2025 Cathay Pacific Sustainable Finance and Climate Change Summit</td> <td>6</td> </tr> <tr> <td>2025/8/29</td> <td>Taiwan Stock Exchange Corporation (TWSE)</td> <td>CDP Taiwan Conference – Strengthening Climate Disclosure to Enhance Corporate Climate Resilience</td> <td>3</td> </tr> <tr> <td>2025/9/26</td> <td>Securities and Futures Institute</td> <td>2025 Insider Trading Prevention Awareness Seminar</td> <td>3</td> </tr> <tr> <td>2025/10/31</td> <td>Securities and Futures Institute</td> <td>2025 Seminar on Insider Trading Compliance</td> <td>3</td> </tr> <tr> <td colspan="3">Total</td> <td>27</td> </tr> </tbody> </table>	Training date	Organizer	Class Title	Hours	2025/2/24	The Greater Chinese Financial Development Association	Trump's New Tariff Policies and the Changing Global Economic Landscape	3	2025/4/24	The Greater Chinese Financial Development Association	Trump 2.0 Disrupting the Global Economic Order: Impacts and Strategic Responses	3	2025/5/13	Taiwan Project Management Association	Board of Directors vs Management	3	2025/6/10	Taiwan Stock Exchange Corporation (TWSE)	CDP Taiwan Conference – Strengthening Climate Disclosure to Enhance Corporate Climate Resilience	3	2025/7/9	Taiwan Stock Exchange Corporation (TWSE)	2025 Cathay Pacific Sustainable Finance and Climate Change Summit	6	2025/8/29	Taiwan Stock Exchange Corporation (TWSE)	CDP Taiwan Conference – Strengthening Climate Disclosure to Enhance Corporate Climate Resilience	3	2025/9/26	Securities and Futures Institute	2025 Insider Trading Prevention Awareness Seminar	3	2025/10/31	Securities and Futures Institute	2025 Seminar on Insider Trading Compliance	3	Total			27	No significant difference.
Training date	Organizer	Class Title	Hours																																									
2025/2/24	The Greater Chinese Financial Development Association	Trump's New Tariff Policies and the Changing Global Economic Landscape	3																																									
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Total			27																																									

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
5. Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers, and suppliers)? Has a stakeholders' area been established on the Company's website? Are major corporate social responsibility (CSR) topics about which the stakeholders are concerned addressed appropriately by the company?	✓		<p>Besides following AA 1000 Stakeholder Engagement Standards (SES), to allow PRIMAX stakeholders to better identify adherence to GRI Standards (2021 Update), the Company evaluates actual or potentially affected stakeholders according to the management of each sustainability issue. The ESG Office then identifies seven key stakeholders in accordance with the AA 1000 SES, including: Government/Competent authority, Customers, Shareholders/Investors/Financial Institutions/External Appraisal institutions, Employees, Suppliers/Contractors/Outsourcers, Local community, NPO/NGO.</p> <p>Every six months, the ESG Office issues questionnaires on various topics of interest to all stakeholders as a reference for the identification of relevant sustainability issues and significant topic of interest. The ESG Office then regularly reports the status of stakeholder communication to the Board of Directors.</p> <p>The Company has established relevant risk management policies and procedures. For details, please refer to Chapter 6 - Corporate Sustainability Development page 87 of this Annual Report</p> <p>For further information on stakeholder communication and topics of interest, please refer to Chapter 6 - Corporate Sustainable Development page 86 of this Annual Report.</p>	No significant difference.
6. Has the Company appointed a professional shareholder service agency to deal with shareholder affairs?	✓		The Company commissioned the SinoPac Securities Stock Affairs Agency to handle relevant matters.	No significant difference.
7. Information disclosure (1) Has the Company established a website to disclose information on financial operations and corporate governance? (2) Does the Company have other information disclosure channels (e.g., setting up an English website, appointing designated people to collect and disclose information, creating a spokesperson system, and webcasting investor conferences)? (3) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month in advance of the specified deadline?	✓ ✓		<ol style="list-style-type: none"> The Company has set up a website with a section dedicated to "investment," which contains complete information on financial business activities and corporate governance. The Company has set up an official website in both Chinese and English languages and has appointed dedicated personnel to disclose material information on MOPS in both Chinese and in English simultaneously, including information on the financial business activities and corporate governance. The Company has also engaged spokesperson and acting spokesperson, who are responsible for communication with the outside on corporate information and holding investor conferences. The Company announced the self-closing profit and loss information in advance within 45 days after the end of fiscal year 2025 and before the end of the following month after the end of each quarter, and published each quarterly financial report one to two days before the prescribed period. The annual financial report was announced in advance on February 25, 2026, and the first, second, and third quarter financial reports, along with monthly operational results, were disclosed and filed ahead of the regulatory deadlines. 	No significant difference.

Evaluation Item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof
	Yes	No	Description	
8. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, stakeholder rights, directors' and supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of client policies, and participation in liability insurance by directors and supervisors)?	✓		<ol style="list-style-type: none"> The Company protects employees' basic rights and interests in accordance with the Labor Standards Act and has established the Employee Welfare Committee in accordance with the Enforcement Rules of the Employee Welfare Fund Act. The current benefit system covers regular health checkups, bonuses (coupons) for birthday and three major holidays, marriage and funeral subsidies, scholarships, domestic and overseas travel subsidies, emergency relief loans, year-end party and luck draw, and club activities. The Company attaches great importance to the harmony of labor-management relations. In order to protect employees' rights and benefits, employees can engage in two-way communication through departmental meetings, employee seminars, labor-management meetings, an employee suggestion box, and other channels to communicate the Company's various systems and work environment issues and to inspect and maintain the safety and health in the work environment regularly so as to ensure employees' safety and health while at work. The Company has established smooth and effective communication channels and designated specific points of contact for employees, non-profit organizations, shareholders, clients, business partners, and the government, to protect their rights and interests. The Company has established client service management procedures, client satisfaction surveys, and client complaints procedures, including identifying client complaints and determining the applicable responsibility for the complaints, while evaluating client satisfaction periodically, to ensure that the best service is provided to clients. The Company has established various internal regulations and internal control systems in accordance with the laws, and conducts various risk management and evaluations, while the internal audit unit engages in both periodical and occasional review of the implementation of internal control systems. Directors' continuing education status: Please refer to "Directors' Continuing Education in 2025" in this Annual Report (page 34). The Company purchases directors' liability insurance annually. The current policy is valid until December 31, 2026, with a coverage amount of US\$20 million. 	No significant difference.
9. Describe improvements made according to the corporate governance assessment made in the latest fiscal year by the Corporate Governance Center of the Taiwan Stock Exchange Corporation (TWSE), and provide priority improvements and measures to be taken for improvements that have yet to be carried out. The Company's corporate governance evaluation results from 2016 to 2024, except for 2018 and 2023, which is 6-20%, the remaining seven sessions (2016 to 2017, 2019 to 2022, and 2024) are all ranked 5% of the overall listed companies. The Company's corporate governance evaluation results in 2025 were not published as of the publication date (February 28, 2026) of the Annual Report.				
The Company strove to improve the deficiencies identified in the corporate governance evaluation, and the main implementation results are as follows:				
<ol style="list-style-type: none"> Diversified the composition and strengthened the structure and independence of the Board of Directors. At the 2019 and 2023 general shareholders' meeting, a female Independent Director was elected in a by-election, reaching a total of two female Independent Directors. The Company aims to have one-third of its board seats occupied by female directors by 2027. Independent director seats have already exceeded 50%, with each serving no more than three consecutive terms. The Company has established a policy linking executive remuneration to ESG-related performance evaluations and has disclosed it in the annual report and sustainability report. The Company passed the verification of the Taiwan Intellectual Property Management System (TIPS) in 2024 and 2025. On November 6, 2025, the Board of Directors approved the establishment of the "Regulations Governing Financial and Business Transactions Between Related Parties." Under these regulations, significant purchase and sales transactions with individual related parties, as well as transactions involving the acquisition or disposal of assets, must be submitted to the Board of Directors for approval. At the end of each year, the actual transaction status shall be reported at the nearest shareholders' meeting to ensure that related party transactions do not harm the interests of the Company or its shareholders. The Company values shareholder value and actively communicates with shareholders. On November 6, 2025, the "Enhancing Corporate Value Plan" was reported to the Board of Directors and uploaded to the MOPS. The Company actively promotes carbon reduction and established an internal carbon pricing mechanism in 2025, which began implementation in 2026 to reduce the impact of the Company's operating activities on climate change. 				

Directors' Continuing Education in 2025:

Title	Name	Training date	Organizer	Class Title	Hours	Total Hours in 2025
Director	Pan, Yuan-Chung	2025/7/31	Taiwan Stock Exchange Corporation (TWSE)	2025 Taiwan Capital Market Development Summit	3	6
		2025/12/15	Taipei Foundation Of Finance	Transformation Begins! Key Highlights of the 2026 Corporate Governance Evaluation Transitioning to ESG Evaluation	3	
Director	Pan, Yung-Tai	2025/12/4	The Greater Chinese Financial Development Association	2026 Global and Taiwan Economic, Finance, and Investment Trend Outlook	3	6
		2025/12/12	Taiwan Institute of Directors	Introduction to the Regulations Governing Acquisition and Disposal of Assets, Lending of Funds, and Endorsements and Guarantees, and Common Issues	3	
Director	Duh, Jia-Bin	2025/2/19	Securities and Futures Institute	Corporate Governance 3.0 – Sustainability Blueprint and Directors' Responsibilities	3	24
		2025/2/24	The Greater Chinese Financial Development Association	Trump's New Tariff Policies and the Changing Global Economic Landscape	3	
		2025/5/27	Taiwan Academy of Banking and Finance	Establishing an Integrity Culture, Employee Codes of Conduct, and Accountability Mechanisms: Practical Operations and Case Studies	3	
		2025/7/17	The Greater Chinese Financial Development Association	Corporate Financial Decisions That Directors and Supervisors Should Pay Attention To	3	
		2025/7/22	Taiwan Corporate Governance Association	The Analysis of Corporate Sustainability and Risk Management and Strategy	3	
		2025/9/17	The Greater Chinese Financial Development Association	Trends and Common Issues in the Restructuring of Taiwanese Businesses' Supply Chains in Mainland China	3	
		2025/9/19	Taipei Foundation Of Finance	Avoiding Cryptocurrency Risks: A Strategic Guide for Directors and Supervisors	3	
		2025/9/30	Chung-Hua Institution for Economic Research	Outlook on the domestic, international, and cross-strait economic environment for 2026	3	
Director	Green Land Investment Limited Representative: Lee, Ji-Ren	2025/5/22	Taiwan Corporate Governance Association	Introduction and Discussion on the Global Minimum Tax Regime	3	6
		2025/10/29	Taiwan Corporate Governance Association	Sustainability, Risk, and Cybersecurity Issues in the AI Era	3	
Independent Director	Wu, Chun-Pang	2025/2/19	Securities and Futures Institute	Corporate Governance 3.0 – Sustainability Blueprint and Directors' Responsibilities	3	6
		2025/2/21	Taiwan Corporate Governance Association	How Audit Committees Effectively Conduct Financial Statement Reviews	3	
Independent Director	Wang, Jia-Qi	2025/7/9	The Greater Chinese Financial Development Association	The Impact of Trump 2.0 on the Global Economy	3	6
		2025/9/30	Chung-Hua Institution for Economic Research	Taiwan's Energy Policy and the Development of New Energy	3	
Independent Director	Ma, Hui-Fan	2025/2/24	The Greater Chinese Financial Development Association	Trump's New Tariff Policies and the Changing Global Economic Landscape	3	12
		2025/4/29	Taiwan Academy of Banking and Finance	Financial Statement Review and Analysis for Directors and Supervisors	3	
		2025/5/27	Taiwan Academy of Banking and Finance	Establishing an Integrity Culture, Employee Codes of Conduct, and Accountability Mechanisms: Practical Operations and Case Studies	3	
Independent Director	Huang, Shiou-Chuan	2025/7/25	Securities and Futures Institute	2025 Seminar on Insider Trading Compliance	3	6
		2025/8/4	Taiwan Corporate Governance Association	Case analysis of corporate control disputes	3	
Independent Director	Lai, Fei-Pei	2025/11/10	Taiwan Corporate Governance Association	Directors' Responsibilities in Corporate Mergers and Acquisitions and Related Legal Practices	3	18
		2025/3/25	Taiwan Academy of Banking and Finance	Case Studies on Criminal Liability of Directors and Supervisors	3	
		2025/4/29	Taiwan Academy of Banking and Finance	Financial Statement Review and Analysis for Directors and Supervisors	3	
		2025/6/10	Taiwan Academy of Banking and Finance	Analysis of Significant Corporate Governance Judicial Decisions	3	
		2025/6/12	Securities and Futures Institute	Transformation Opportunities and Challenges for Taiwan's Industries under Geopolitical Dynamics – Exclusive PMI/NMI Analysis	3	
		2025/7/25	Securities and Futures Institute	2025 Seminar on Insider Trading Compliance	3	
		2025/9/23	Taiwan Project Management Association	Board performance indicators and evaluation	3	

(4) The composition, duties, and implementation status of the Remuneration Committee, Nomination Committee, and Sustainable Development and Risk Management Committee

1. Remuneration Committee

In order to improve corporate governance and strengthen the functions of the Board of Directors, PRIMAX established the Remuneration Committee in 2011, with the aim of assisting the Board of Directors in assessing and approving the remuneration policies and systems for the Chairman and managerial officers. According to the Company's "Remuneration Committee Charter," the members of the Remuneration Committee shall be appointed by the resolution of the Board of Directors, and the number of members shall not be less than three, one of whom shall be the convener and at least one of whom shall be Independent Director. The members of the Remuneration Committee are appointed by the Board of Directors.

(1) Information on the members of the Remuneration Committee

Identity	Qualification		Independence Status	Number of Other Public Companies Where the Individual Concurrently Serves as a Remuneration Committee Member
	Name	Qualifications and Experience		
Independent Director (Convener)	Ma, Hui-Fan	Industry, human resources, and management	V	None
Independent Director	Wu, Chun-Pang	Marketing, finance, and management	V	None
Independent Director	Wang, Jia-Qi	Industry, finance, and management	V	None

(2) Information on operations of the Remuneration Committee

- a. On May 24, 2024, the Board of Directors appointed three members of the 6th Remuneration Committee of the Company, all of whom are Independent Directors.
- b. Term of office of the 6th Committee: From May 24, 2024 to May 23, 2027, the Remuneration Committee held 3 meetings in 2025, and 2 meetings in 2026 as of the date of publication of the annual report, a total of 5 meetings. The qualifications and attendance are as follows:

Title	Name	Number of Attendance Required in Person(A)	Actual Attendance in Person (B)	By Proxy	Actual Attendance Rate (%) (B/A)	Remarks
Convener	Ma, Hui-Fan	5	5	0	100%	
Member	Wang, Jia-Qi	5	5	0	100%	
Member	Wu, Chun-Pang	5	5	0	100%	

Other matters:

- I. If the Board of Directors does not adopt or wishes to amend the proposals of the Remuneration Committee, please state the date and session of the Board meeting, proposals, resolutions from the Board of Directors, and handling of the Remuneration Committee's opinions (e.g., if the salary and remuneration approved by the Board of Directors are better than those proposed by the Remuneration Committee, please specify the differences and the reason): None.
- II. For the resolutions of the Remuneration Committee, if any member expresses objections or reservations, which are recorded on the record or in a written statement, the date, meeting session, content of the proposal, the opinions of all members, and the handling of the members' opinions shall be stated:

Key Points	Implementation Status			
	Conference Date	Proposal	Resolutions	The Company's Response to the Remuneration Committee's Opinions
(1) Formulate policies, systems, standards, and structure of remuneration to Directors (including the Chairman), General Manager, and Vice Presidents and review them as necessary based on factors, including the Company's goals, operational performance, and competitive environment.	2025/2/26	2025 Bonus Plan for Senior Officers and Important Supervisors	The Remuneration Committee members present unanimously agreed.	Approved by all Directors present
		Chairman's 2025 Performance Standards and Bonus Plan		
		Planned Issuance of Restricted Employee Shares in 2025		
	2026/2/25	Proposal for the 2025 Restricted Employee Stock Issuance Plan.		
		2024 Annual Senior Managers' Remuneration Survey Report and 2025 Annual Remuneration Adjustment Plan		
		2025 Chairman's Remuneration Plan		
(2) Periodically assess the performance of the Chairman, General Manager, and Vice Presidents and verify the content and amount of their individual remuneration based on the evaluation results of individual performance. Review the relevance and rationality of the items and amounts of the remunerations of directors and officers according to the results of their performance evaluation results.	2025/1/20	2024 Bonus Distribution for Senior Managers	The Remuneration Committee members present unanimously agreed.	Approved by all Directors present
		2024 Bonus for the Chairman.		
	2025/2/26	Proposal for the Company's 2024 Remuneration Distribution to Employees and Directors		
		2024 Second Issuance of Restricted Employee Shares		
	2025/8/7	2025 First Issuance of Restricted Employee Shares		
		2025 Bonus Distribution for Senior Managers.		
2026/1/20	2025 Bonus for the Chairman.			
	2026/2/25	Proposal for the Company's 2025 Remuneration Distribution to Employees and Directors		
(3) Assess and approve the standards of benefits for General Manager, and Vice Presidents.		2025/1/20	2024 Remuneration Committee Year-end Report	The Remuneration Committee members present unanimously agreed.
	2026/1/20	2025 Remuneration Committee Year-end Report		

2. Nomination Committee

Information on the Members and Operations of the Nomination Committee:

In order to comply with the direction of corporate governance development and strengthen the function of the board of directors, the Company formulated the "Organizational Regulations for Nomination Committee" in March 2017 and established a Nomination Committee to review the qualifications of company directors and senior managers, and propose a list of suitable candidates to the Board of Directors. The Nomination Committee periodically reviews the relevant qualifications and suitability of each director and senior manager, and makes recommendations to the Board of Directors. Qualifications: A total of five members, the four of whom are elected by the Chairman and the Board of Directors, including at least two Independent Directors.

a. There are five members of the Nomination Committee of the Company. On May 24, 2024, the Board of Directors appointed the fourth-term committee, including two independent directors.

b. The 4th term of office is from May 24, 2024 to May 23, 2027. One meetings were held in 2025. The qualifications and experience of the members, their attendance and the matters discussed are as follows:

Title	Name	Qualifications and Experience	Number of Attendance Required in Person(A)	Actual Attendance in Person (B)	By Proxy	Actual Attendance Rate (%) (B/A)	Remarks
Chairman (Convener)	Pan, Yuan-Chung	Industry, marketing, and management	1	1	0	100%	
Director	Pan, Yung-Tai	Industry, R&D, and management	1	1	0	100%	
Director	Lee, Ji-Ren	Industry, marketing, and management	1	1	0	100%	Resignation on March 27, 2026
Independent Director	Ma, Hui-Fan	Industry, human resources, and management	1	1	0	100%	
Independent Director	Wu, Chun-Pang	Marketing, finance, and management	1	1	0	100%	

Other matters:

The date, session, and proposal content of the meeting held by the Nomination Committee, members' objections or reservations, resolutions of the Nomination Committee, and the Company's response toward the Nomination Committee's opinions shall be specified.

Key Points	Implementation Status			
	Conference Date	Proposal	Resolutions	The Company's Response to the Nomination Committee's Opinions
1. Search for qualified Directors and senior managers, and propose the lists to the Board of Directors, include the Company's Directors, General Manager, Chief Executive Officer, Chief Financial Officer, Directors and Supervisors of major subsidiaries.	2025/11/6	Proposal regarding the change of the CFO of the subsidiary, Tymphony Acoustic Technology (Huizhou) Co., Ltd.	The Nomination Committee members present unanimously agreed.	Approved by all Directors present
2. Review the list of candidates and provide suggestions for the Board to determine if replacement is necessary on a yearly basis or when necessary.		The list of Directors of major subsidiaries is reviewed on a quarterly basis.		

3. Sustainable Development and Risk Management Committee

Information on the Members and Operations of the Sustainable Development and Risk Management Committee:

To fulfill the Company's sustainable development goals, enhance risk management mechanisms, and strengthen corporate governance, the Board of Directors approved the establishment of the "Risk Management Committee" on November 4, 2021, and formulated the "Risk Management Committee Charter." Subsequently, on May 8, 2024, the Board approved renaming the committee to the "Sustainable Development and Risk Management Committee" and revised the charter to the "Sustainable Development and Risk Management Committee Charter."

The Sustainable Development and Risk Management Committee assists the Board of Directors in continuously promoting corporate social responsibility, risk management, and enhancing corporate governance to achieve sustainable operations. Its responsibilities include:

- Formulating, promoting, and strengthening the Company's sustainable development and risk management policies, annual plans, and strategies.
- Review the appropriateness of the risk management framework.
- Review the early warning and response measures for key risk management issues and supervise the improvement.
- Overseeing the disclosure of sustainability information and reviewing the sustainability report.
- Overseeing the implementation of the Company's Code of Practice on Sustainable Development or other sustainability-related tasks as resolved by the Board of Directors.
- Review, track, and revise the implementation and effectiveness of sustainable development and risk management initiatives, and report regularly to the Board of Directors.

The members of this committee shall be appointed by the resolution of the Board of Directors, and the number of members shall not be less than three, at least one of whom shall be Independent Director.

The Company's Sustainable Development and Risk Management Committee consists of four members, with the current term running from May 24, 2024, to May 23, 2027. In 2025, the committee convened three times, with attendance details and discussion topics as follows:

Title	Name	Number of Attendance Required in Person(A)	Actual Attendance in Person (B)	By Proxy	Actual Attendance Rate (%) (B/A)	Remarks
Chairman (Convener)	Pan, Yuan-Chung	3	3	0	100%	
Director	Pan, Yung-Tai	3	3	0	100%	
Independent Director	Wu, Chun-Pang	3	3	0	100%	
Independent Director	Wang, Jia-Qi	3	3	0	100%	

Other matters:

The date, session, and proposal content of the meeting held by the Sustainable Development and Risk Management Committee, members' objections or reservations, resolutions of the committee, and the Company's response toward the Sustainable Development and Risk Management Committee's opinions shall be specified.

Key Points	Implementation Status			
	Conference Date	Proposal	Resolutions	The Company's response toward the Sustainable Development and Risk Management Committee's opinions
1. Sustainable Development and Risk Management vision, direction, strategy, plan, and implementation effectiveness.	2025/8/7	Proposal regarding operational risks and corresponding countermeasures for 2025.	The Sustainable Development and Risk Management Committee members present unanimously agreed.	Approved by all Directors present
2. Assessment results of sustainable development, operations, and climate change risks, along with corresponding strategies and implementation status	2025/8/7	Proposal regarding the stakeholder engagement and materiality assessment results of the 2024 Sustainability Report.	The Sustainable Development and Risk Management Committee members present unanimously agreed.	Approved by all Directors present

(5) Implementation status of sustainable development and deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons thereof

Evaluation Item	Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
1. Does the Company establish a sustainable development management framework and a dedicated (or part-time) unit for promoting sustainable development? Is the unit authorized by the Board of Directors to implement CSR activities at the executive level and supervised by the Board of Directors?	✓		Please refer to pages 85-86:(II) ESG Operations and Management in Chapter 6 - Corporate Sustainable Development of this Annual Report.	No significant difference.
2. Has the Company assessed the environmental, social, and corporate governance risks related to its operations based on the principle of materiality and established relevant risk management policies or strategies?	✓		Please refer to pages 86-87:(III) Communication with stakeholders, (IV) Corporate Operational Risk Identification and Management in Chapter 6 - Corporate Sustainable Development of this Annual Report.	No significant difference.
3. Environmental Issues			Please refer to Chapter 6 - Corporate Sustainable Development of this Annual Report	No significant difference.
(1) Has the Company established a suitable Environment Management System (EMS) in line with the nature of its industry?	✓		1. Page 88 (I) Environmental Policy and (II) Environmental Management System,	
(2) Is the Company committed to improving energy efficiency and utilizing renewable resources with reduced environmental impact?	✓		2. Pages 105-107 (III) Climate-Related Financial Disclosures-4.(2)Climate-Related Transition Risks, 4.(3) Climate-Related Physical Risks, 4.(4)Climate-related Opportunities, 4.(5)Capital Allocation and page109 (IV) Green Design and Products	
(3) Has the Company assessed the potential risks and opportunities arising from climate change at present and in the future and taken relevant countermeasures?	✓		3. Pages89-109 (III) Climate-Related Financial Disclosures. For more information on the Company's TCFD, please refer to the "TCFD Report". For details on climate change-related greenhouse gas emissions, water consumption, and total weight of waste annual results, achieved goals and related data, please refer to the Company's Sustainability Report Chapter Four: Environmental Sustainability	
(4) Has the Company calculated the greenhouse gas emissions, water consumption, and total weight of waste over the past two years and established the policies with regard to energy conservation and carbon reduction, greenhouse gas reductions, water consumption, and waste management?	✓		4. Pages103-109 (III) Climate-Related Financial Disclosures-4. Indicators and Targets	
4. Social issues			Please refer to Chapter 6 - Corporate Sustainable Development of this Annual Report	No significant difference.
(1) Has the Company formulated appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		1. Page 109: (I) Human Rights Policy 2. Page 110: (II) Talent Retention	
(2) Has the Company established and offered proper employee benefits (including remuneration, leave, and other benefits) and reflected the business performance or results in employee remuneration appropriately?	✓		3. Page 111:(III) Occupational Safety and Health 4. Page 111:(IV) Employee Development	
(3) Has the Company provided employees with a safe and healthy work environment as well as conducted regular classes on health and safety?	✓		5. Page 112: (V) Customer Relations 6. Page 112: (VI) Supply Chain Management	
(4) Has the Company established effective career and competence development and training plans?	✓			
(5) Has the Company complied with relevant laws, regulations and international guidelines for client health and safety, Client privacy, and marketing and labeling of its products and services and established relevant consumer or client protection policies and grievance procedures?	✓			
(6) Has the Company established the supplier management policies requesting suppliers to comply with laws and regulations related to environmental protection, occupational safety and health, or labor rights and supervised the compliance?	✓			
5. Does the Company refer to internationally accepted reporting standards or guidelines for the preparation of sustainable reports and other reports that disclose non-financial information about the Company? Has the Company received assurance or certification of the aforesaid reports from a third party accreditation institution?	✓		The Company's 2025 Sustainability Report was prepared in accordance with GRI Standards and will apply for SGS verification in accordance with AA1000 ASV3 Type II Medium Assurance level.	No significant difference.

Evaluation Item	Implementation			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof																				
	Yes	No	Description																					
6. If the Company has established the sustainable development best practice principles based on the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies," please describe any discrepancy between the Principles and their implementation: The Company has formulated the "Sustainable Development Best Practice Principles of PRIMAX," which has been implemented in aspects of corporate governance, environmental protection, social wellbeing, and corporate sustainable development in compliance with the Principles without material discrepancy. For corporate governance, please refer to the "Status of Corporate Governance" of this Annual Report. For details regarding environmental protection and social wellbeing, please refer to the Annual Sustainability Report.																								
7. Other important information that facilitates understanding of the status of sustainable development: <ul style="list-style-type: none"> Please refer to Chapter 6 - Corporate Sustainable Development page 87 of this Annual Report: (V) 2025 ESG Performance and Honors, and on page 112: (VII) Social Engagement. The Company website ESG Section: https://esg.primax.com.tw/ 																								
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(6) Implementation status of ethical corporate management and deviation from the Ethical Corporate Management Best Practice Principles for TWSE/ TPEX-Listed Companies and reasons thereof

Evaluation Item	Implementation Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Establishment of ethical corporate management policies and programs				
1. Has the Company established the ethical corporate management policies approved by the Board of Directors and specified in its rules and external documents the ethical corporate management policies and practices and the commitment of the Board of Directors and senior management to rigorous and thorough implementation of such policies?	✓		1. The Company has established a ethical management policy approved by the Board of Directors, and has explicitly stated the policy and practices in its internal regulations and on the Company's external website. Additionally, the Board of Directors and senior management have actively committed to implementing the business policy and have each signed a statement of adherence to the Ethical Corporate Management Best Practice Principles.	In compliance with the ethical corporate management principles without material differences.
2. Has the Company established a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activity within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	✓		2. The Company has incorporated ethical management operations in its internal control procedures, and the operation auditing unit will conduct regular risk assessments and report the audit results to the Board of Directors.	
3. Has the Company specified in its prevention programs the operating procedures, guidelines, punishments for violations, and a grievance system and implemented them and review the prevention programs on a regular basis?	✓		3. In order to prevent unethical conduct, the Company clearly stipulates the operating procedures, behavior guidelines, disciplinary actions for violations, and complaint reporting methods in the internal Code of Conduct, and the Human Resources Department reviews the internal regulations regularly.	

Evaluation Item	Implementation Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons Thereof																																
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<p>II. Fulfillment of ethical corporate management</p> <p>1. Does the Company evaluate business partners' ethical records and include ethics-related clauses in the business contracts signed with the counter parties?</p> <p>2. Has the Company set up a dedicated unit under the Board of Directors to implement ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct as well as the supervision of the execution process?</p> <p>3. Has the Company established policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?</p> <p>4. Has the Company established effective accounting systems and internal control systems to implement ethical corporate management and had its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or entrusted a CPA to conduct the audit?</p> <p>5. Does the Company regularly hold internal and external educational trainings on ethical corporate management?</p>	<p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p> <p>✓</p>		<p>1. In the Company's "Procedures for Ethical Management and Guidelines for Conduct," it has clearly defined the ethical corporate management evaluation procedure before a business relationship is established, regulated the avoidance of transactions with unethical business entities, and required inclusion of ethical corporate management in the contract terms at the time of signing contracts with others.</p> <p>2. The Company has designated the Human Resources Department as the dedicated unit responsible for promoting ethical management. This unit reports to the Board of Directors at least once a year on the annual implementation status. In the event of any unethical conduct, the dedicated unit will report the handling measures and subsequent review and improvement actions to the Board of Directors.</p> <p>3. (1) The Company's "Rules of Procedure for Board of Directors Meetings" and "Procedures for Ethical Management and Guidelines for Conduct" have provisions for avoiding directors' conflicts of interest included, that is if the proposals by the Board of Directors are of interest to the directors themselves or the corporates they are representing, and are jeopardizing the Company's interests, those directors can make statements and provide answers but cannot participate in discussion and voting. They shall also avoid discussion and voting and cannot represent other directors to exercise their voting rights.</p> <p>(2) When employees in the Company are performing business, if they encounter conflicts of interest, they shall report to their direct supervisors and the dedicated unit.</p> <p>4. The Company has established an accounting system and internal control system in accordance with relevant laws and regulations. The Audit Office also inspects the compliance with the accounting system and internal control system and reports to the Board of Directors on a regular basis.</p> <p>5. The Company's implementation of ethical management in 2025 is as follows:</p> <table border="1"> <thead> <tr> <th>Class Title</th> <th>CN Number of Attendees</th> <th>TP Number of Attendees</th> <th>TH Number of Attendees</th> </tr> </thead> <tbody> <tr> <td>Orientation Training (Integrity Management)/Indirect Staff</td> <td>114</td> <td>163</td> <td>190</td> </tr> <tr> <td>Orientation Training (Integrity Management)/Direct Staff</td> <td>8,420</td> <td>-</td> <td>2,876</td> </tr> <tr> <td>Information Security Education Training</td> <td>874</td> <td>719</td> <td>3,066</td> </tr> <tr> <td>Trade Secret Training</td> <td>307</td> <td>279</td> <td>3,066</td> </tr> <tr> <td>Customs Laws and Regulations (Customs Trade Compliance)</td> <td>567</td> <td>-</td> <td>0</td> </tr> <tr> <td>Training for Key Functional Personnel</td> <td>446</td> <td>-</td> <td>167</td> </tr> <tr> <td>Total</td> <td>10,728</td> <td>1,161</td> <td>9,365</td> </tr> </tbody> </table> <p>(6) Reported to the Board of Directors on January 20, 2026 on the implementation status of corporate ethical management in 2025.</p>	Class Title	CN Number of Attendees	TP Number of Attendees	TH Number of Attendees	Orientation Training (Integrity Management)/Indirect Staff	114	163	190	Orientation Training (Integrity Management)/Direct Staff	8,420	-	2,876	Information Security Education Training	874	719	3,066	Trade Secret Training	307	279	3,066	Customs Laws and Regulations (Customs Trade Compliance)	567	-	0	Training for Key Functional Personnel	446	-	167	Total	10,728	1,161	9,365	<p>In compliance with the ethical corporate management principles without material differences.</p>
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Evaluation Item	Implementation Status			Deviation from the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and Reasons Thereof
	Yes	No	Description	
<p>III. Status of enforcing whistle-blowing systems in the Company</p> <p>1. Has the Company established both reward and whistle-blowing systems and convenient whistle-blowing channels? Are appropriate personnel assigned to the accused party?</p> <p>2. Has the Company established the standard operating procedures for investigating reported misconduct, follow-up measures to be adopted after the investigation, and relevant confidentiality mechanisms?</p> <p>3. Does the Company provide protection to whistle blowers against receiving improper treatment?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>1. The Company has specified the norms of rewards and punishments, grievance system, and disciplinary actions in the "Procedures for Ethical Management and Guidelines for Conduct," and has incorporated the ethical corporate management into in the Code of Conduct and human resources policies.</p> <p>2. The Company has set up an anonymous whistle-blowing system and established a dedicated unit in charge of handling business secrets as well as formulating and implementing procedures for the management, retention, and confidentiality of the secrets; meanwhile, it shall review the implementation results regularly to ensure the continued effectiveness of the operating procedures.</p> <p>3. The Company has updated the relevant regulations in the "Procedures for Ethical Management and Guidelines for Conduct" to ensure that whistle-blowers will not be treated improperly because of whistle-blowing.</p>	<p>In compliance with the ethical corporate management principles without material differences.</p>
<p>IV. Enhanced disclosure of corporate social responsibility information</p> <p>Does the Company disclose its ethical corporate management policies and the results of its implementation on the company's website and MOPS?</p>	<p>✓</p>		<p>Please visit the MOPS (https://mops.twse.com.tw/) or the Company's website (https://www.primax.com.tw/) for the content of the Company's ethical corporate management best practice principles. For relevant information regarding implementation, please refer to the annual "Sustainability Report."</p>	<p>In compliance with the ethical corporate management principles without material differences.</p>
<p>V. If the Company has established its own Ethical Corporate Management Best Practice Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx-Listed Companies", please describe any discrepancies between the prescribed best practices and the actual activities taken by the Company: No significant difference.</p> <p>The Human Resources Department is the dedicated unit responsible for the implementation in this regard. It formulates relevant regulations, including the Ethical Corporate Management Best Practice Principles and the Code of Conduct, to clearly prohibit acceptance of any improper benefits. It also advocates the importance of integrity and the value of ethics through internal training and promotion activities while establishing a whistle blowing system, to ensure the effectiveness of implementation.</p>				
<p>VI. Other important information that facilitates the understanding of the implementation of ethical corporate management (such as review of and amendment to the company's Ethical Corporate Management Best Practice Principles):</p> <p>1. The Company's suppliers and subcontractors are required to sign the "Supplier Declaration."</p> <p>2. In the Company's "Procedures for Ethical Management and Guidelines for Conduct," it clearly stipulates that employees shall explain the Company's ethical management policies and relevant regulations to the trading partners during business transactions. They must also explicitly refuse any direct or indirect offers, promises, or requests of improper benefits in any form or on anyone's behalf. These include rebates, commissions or facilitation payments, or any other improper benefits provided or received through other means.</p> <p>3. During the training of new recruits, the importance of promoting integrity and ethics is stressed and promoted.</p>				

(7) Other important information that can promote the understanding of the company's corporate governance status shall be disclosed:

The Company's Chairman and management succession plan has been approved by the Board of Directors in November 2018. The Human Resources Department is the dedicated unit responsible for the planning and execution of the plan and shall report to the Board of Directors at least once a year. The most recent report on the implementation status to the Board of Directors was on November 8, 2025. In the Company's Chairman and management succession plan, the successors must have excellent work and strategic thinking abilities, whose values must be consistent with the those of the Company, including decency, honesty, humbleness, pragmatism, respect, promise keeping, and sharing. In 2024, the Company redefined the positions that need succession talent development in the first phase, according to organizational development needs. Candidates will be selected within three to five years. The succession training model will be based on "work rotation" and "project assignment" within the Group to strengthen their strategic thinking and strategy formulation capabilities.

(8) The implementation of the internal control system shall disclose the following items.

1. Statement on Internal Control

Primax Electronics Ltd.
Statement on Internal Control System

Date: February 25, 2026

The Company hereby states the results of the self-evaluation of the internal control system for 2025 as follows:

- I. The Company acknowledges that the establishment, implementation, and maintenance of an internal control system is the responsibility of the Board of Directors and managerial officers, and the Company has established an internal control system. The internal control system is designed to provide reasonable assurance for the effectiveness and efficiency of the operations (including profitability, performance, and protection of assets), reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations.
- II. The internal control system has innate limitations. No matter how robust and effective the internal control system is, it can only provide reasonable assurance of the achievement of the foregoing three goals; in addition, the effectiveness of the internal control system may vary due to changes in the environment and conditions. However, the Company's internal control system has self-monitoring mechanisms in place, and the Company will take corrective action against any defects identified.
- III. The Company uses the assessment items specified in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations") to determine whether the design and implementation of the internal control system are effective. The internal control system used in the "treatment criteria" to judge the project is divided into five components according to the process of management control: 1. Control Environment, 2. Risk Assessment, 3. Control Operations, 4. Information and Communication, and 5. Supervise the operation. Each constituent element includes a certain number of items. For more information on such items, please refer to the Regulations.
- IV. The Company has already adopted the aforementioned Regulations to evaluate the effectiveness of its internal control system design and operating effectiveness.
- V. Based on the findings of such evaluation, the Company believes that, on December 31, 2025, it has maintained, in all material respects, an effective internal control system (that includes the supervision and management of its subsidiaries), to provide reasonable assurance over the operational effectiveness and efficiency, reliability, timeliness, and transparency of reporting, as well as compliance with applicable laws and regulations.
- VI. This statement will constitute the main content of the Company's annual report and the prospectus and will be disclosed to the public. Any falsehood or concealment with regard to the contents above will entail legal liability under Articles 20, 32, 171 and 174 of the Securities and Exchange Act.
- VII. This statement had been approved by the Board of Directors on February 25, 2026. All nine attending Directors agree with the contents of this Statement in unanimity, and hereby this statement is made.

Primax Electronics Ltd.



Chairman:



General Manager:



2. If a CPA has been hired to carry out a special audit of the internal control system, please furnish the CPA audit report: None.

(9) For the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report, major resolutions of the shareholders' meeting and Board meetings

1. Major resolutions at the shareholders' meeting and the implementation

Date	Important Proposal
2025.5.23	<ol style="list-style-type: none"> 1. Passed the Company's 2024 Business Report and Financial Statements. Performance results: approved. 2. Passed the Company's 2024 earnings distribution plan. Performance results: The base date of distribution was set on June 28, 2025, and the date of distribution was on July 18, 2025, with the cash dividend per share of NT\$4.2, and all payments had been distributed. 3. Passed the proposal for amendments to the Company's Articles of Association. Performance results: The amendments were announced on the Company's website and implemented accordingly. 4. Passed the proposal for issuance of new restricted employee shares. Performance results: It was approved by the Financial Supervisory Commission on July 21, 2025 and the said shares were issued within two year after entered into force. 5. Passed the proposal to lift the non-compete restrictions of former directors. Performance results: The non-compete clause for Directors was lifted, which was announced in material information on May 23, 2025.

2. Major Resolutions of the Board Meetings

Date	Important Proposal
2025.01.20	<ol style="list-style-type: none"> 1. Passed the proposal for the Company's 2025 business plan and budget plan. 2. Passed the plans of the Company's Thai subsidiary, Primax Electronics (Thailand) Co., Ltd., to increase the capital expenditure budget for the construction of a steel structure factory and substation at its Thailand facility. 3. Passed the plans of the Company's Thai subsidiary, Tymphony Acoustic Technology (Thailand) Co., Ltd., to establish a capital expenditure budget for the construction of a steel structure warehouse and cafeteria at its Thailand facility. 4. Passed the revision of the Company's "Operational Authorization Procedures." 5. Passed the revision of the Company's "Rules of Procedure for Board of Directors Meetings." 6. Passed the proposal for the change of the Company's corporate governance officer. 7. Passed the revision of the Company's "Managerial Compensation and Remuneration Procedures." 8. Passed the proposal for the 2024 bonus distribution to the Company's senior managerial officers. 9. Passed the proposal for 2024 bonus to the Chairman.
2025.02.26	<ol style="list-style-type: none"> 1. Passed the proposal for amendments to the Company's Articles of Association. 2. Passed the proposal for the Company's "Definition of Frontline Employees." 3. Passed the revision of the Company's "Internal Control System for Payroll Cycle." 4. Passed the Company's proposal for "Statement on Internal Control System" for 2024. 5. Passed the proposal to amend and supplement the general principles appendix of the Company's pre-approval policy for non-assurance services. 6. Passed the proposal for Company's regular assessment of the independence and competency of CPAs. 7. Passed the Company's 2024 Business Report and Financial Statements. 8. Passed the Company's 2024 earnings distribution plan. 9. Passed the revision of the Company's "Audit Committee Charter." 10. Passed the proposal to lift the non-compete restrictions of former directors 11. Passed the proposal for the withdrawal of the cancellation of new restricted employee shares. 12. Passed the proposal for the Company's 2024 remuneration distribution to employees and directors 13. Passed the proposal for issuance of new restricted employee shares.

Date	Important Proposal
2025.02.26	<ol style="list-style-type: none"> Passed the proposal for the date, time, place, and main proposals of the Company's 2025 general shareholders' meeting. Passed the proposal for "2025 measures for issuance of new restricted employee shares." Passed the proposal for 2024 second issuance of restricted employee shares granted to non-executives. Passed the proposal for the Company's 2024 second issuance of restricted employee shares granted to non-executives. Passed the proposal for the 2024 Annual Senior Managers' Remuneration Survey Report and 2025 Annual Remuneration Adjustment Plan. Passed the proposal for the 2025 Bonus Plan for Senior Officers and Important Supervisors. Passed the 2025 Chairman's Remuneration Plan. Passed the proposal for 2025 Chairman's performance standards and bonus plan.
2025.5.8	<ol style="list-style-type: none"> Passed the Company's consolidated financial statements for the first quarter of 2025. Passed the proposal to lift the non-compete restrictions of the Company's executives. Passed the proposal for the withdrawal of the cancellation of new restricted employee shares. Passed the proposal for the disposal of automotive production line equipment by the Company's CMBU Business Unit. Passed the capital expenditure budget for the Company's global manufacturing operations unit.
2025.6.3	<ol style="list-style-type: none"> Passed the proposal for the determination of the ex-dividend base date and date of distribution of 2024 earnings and cash dividends. Passed the proposal for the subsidiary, Tymphony Worldwide Enterprises Limited (TWEL), to make an investment in Soundskrit Inc.
2025.8.7	<ol style="list-style-type: none"> Passed the Company's 2025 first issuance of restricted employee shares granted to executives. Passed the 2024 third issuance of restricted employee shares granted to non-executives and the 2025 first issuance of restricted employee shares granted to non-executives. Passed the Company's consolidated financial statements for the second quarter of 2024. Passed the Company's endorsement and guarantee for extension of subsidiary Primax Electronics (Singapore) Pte. Ltd. Passed the proposal for the Company's subsidiary, Tymphony Worldwide Enterprises Limited (TWEL), to invest in SoundSkrit Inc. Passed the proposal regarding the stakeholder engagement and materiality assessment results of the 2024 Sustainability Report. Passed the proposal regarding operational risks and corresponding countermeasures for 2025.
2025.11.6	<ol style="list-style-type: none"> Passed the Company's 2026 Audit Plan. Passed the proposal to amend the Company's "Internal Control System," "Procedures for Supervising Subsidiaries," and "Detailed Rules for the Implementation of Internal Audits." Passed the Company's consolidated financial statements for the third quarter of 2025. Passed the proposal regarding the change of the Chief Financial Officer of the subsidiary, Tymphony Acoustic Technology (Huizhou) Co., Ltd. Passed the proposal for the withdrawal of the cancellation of new restricted employee shares. Passed the proposal to establish the Company's "Regulations Governing Financial and Business Transactions Between Related Parties."
2026.01.20	<ol style="list-style-type: none"> Passed the proposal for the Company's 2026 business plan and budget plan. Approval of the proposal to adjust the investment structure of Tymphony Worldwide Enterprises Limited and its subsidiaries. Passed the Amendments to the Company's "Definition of Frontline Employees." Passed the proposal for the 2025 bonus distribution to the Company's senior managerial officers. Passed the proposal for 2025 bonus to the Chairman.

Date	Important Proposal
2026.02.25	<ol style="list-style-type: none"> Passed the Company's proposal for "Statement on Internal Control System" for 2025. Passed the revision of the Company's "Internal Control System for Payroll Cycle." Passed the proposal regarding the designated signatory for the Company's internal audit reports. Passed the proposal regarding the amendment to the factory lease agreement of Tymphony Acoustic Technology Europe, s.r.o. Passed the Company's 2025 Business Report and Financial Statements. Passed the proposal for Company's regular assessment of the independence and competency of CPAs. Passed the Company's 2025 earnings distribution plan. Passed the proposal for amendments to the Company's "Regulations Governing Acquisition or Disposal of Assets." Passed the proposal to lift the non-compete restrictions of former directors Passed the proposal for the Company's 2025 remuneration distribution to employees and directors Passed the proposal for issuance of new restricted employee shares. Passed the proposal for the date, time, place, and main proposals of the Company's 2026 general shareholders' meeting. Passed the proposal for "2026 measures for issuance of new restricted employee shares." Passed the proposal for 2025 second issuance of restricted employee shares granted to non-executives. Passed the proposal for the Company's 2025 second issuance of restricted employee shares granted to non-executives. Passed the proposal for the 2025 Annual Senior Managers' Remuneration Survey Report and 2026 Annual Remuneration Adjustment Plan.

(10) Major issues of record or written statements made by any director dissenting to important resolutions passed by the Board of Directors in the most recent year and as of the publication date of this Annual Report: None.

4. Information on CPA Professional Fees

Unit: NT\$ 1,000

CPA Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Remarks
KPMG Taiwan	Horng, Shyh-Gang	2025	10,150		10,150	
	Fu, Hung-Wen	2025				
KPMG Taiwan	Horng, Shyh-Gang	2025		1,090	1,090	Assurance service for 2025 profit-seeking enterprise income tax returns filing: NT\$1,090 thousand

(1) Where the CPA firm was replaced, and the audit fees in the fiscal year when the replacement was made were less than those in the previous fiscal year before the replacement, the amount of the audit fees paid before/after the replacement and reasons thereof shall be disclosed: None.

(2) Where the audit fees paid for the current year was more than 10% less than those paid in the previous year, the amount, proportion, and reasons thereof shall be disclosed: None.

5. Information on Replacement of CPA:None.

6. The Company's Chairperson, President, or Any Managerial Officer in Charge of Finance or Accounting Who Has Worked with the CPA Firm or Its Affiliates Which Conducts the Audit of the Company: None.

7. Changes in shareholdings of Directors, managers, and shareholders holding more than 10% of the Company's shares

(1) Conditions of share transfer and changes in equity pledge:

1. Equity Transfer:

For related information, please refer to the Market Observation Post System (<https://mopsov.twse.com.tw>), under Single Company → Equity Changes / Securities Issuance → Equity Transfer Information Inquiry → Post-event Reporting of Insider Shareholding Changes.

2. Changes in Share Pledge Status:

For related information, please refer to the Market Observation Post System (<https://mopsov.twse.com.tw>), under Single Company → Equity Changes / Securities Issuance → Insider Pledge/Release of Pledged Shares → Insider Pledge/Release Announcements.

(2) Shares are transferred to and from related parties: None.

(3) Shares are pledged with related parties: None.

8. Relationship among the Top Ten Substantial Shareholders

June 23, 2025; Unit: share

Name	Shares Held		Spouse/Minor Shareholding		Shareholding by Nominees		Name and Relationship between the Company's 10 Largest Shareholders, or Spouses or Relatives within the Second Degree of Kinship.		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relation	
Capital Tip Customized Taiwan Select High Dividend Exchange Trade Fund	28,656,000	6.13	0	0	0	0	None	None	
Yuanta Taiwan High Dividend Low Volatility ETF Account	18,728,000	4.01	0	0	0	0	None	None	
Fuh Hwa Taiwan Technology Dividend Highlight ETF under custody of Taipei Fubon Commercial Bank Co., Ltd.	15,810,000	3.38	0	0	0	0	None	None	
Yuanta Taiwan Value High Dividend ETF under custody of Hua Nan Commercial Bank	14,709,000	3.15	0	0	0	0	None	None	
Chunghwa Post Co., Ltd.	8,885,000	1.90	0	0	0	0	None	None	
Morgan Stanley & Co. International Plc	8,533,883	1.83	0	0	0	0	None	None	
New Labor Pension Fund	7,613,756	1.63	0	0	0	0	None	None	
Yuanta Taiwan High-yield Leading Company Fund	6,443,000	1.38	0	0	0	0	None	None	
GOLDMAN SACHS INTERNATIONAL	6,316,177	1.35	0	0	0	0	None	None	
Pan, Yuan-Chung	6,140,046	1.31	0	0	0	0	None	None	

9. Information on Investees of Comprehensive Shareholding Ratio

December 31, 2025; Unit: thousand shares; %

Invested Company (Note 5)	Investment by PRIMAX		Investment by Directors/ Supervisors/ Managers and by Companies Directly or Indirectly Controlled by the Company		Total Investment	
	Shares	Shareholding Percentage	Shares	Shareholding Percentage	Shares	Shareholding Percentage
Dongguan Primax Electronic & Telecommunication Products Ltd.	— (Note 1)	100.00	—	—	— (Note 1)	100.00
Primax Electronics. (KunShan) Co., Ltd.	— (Note 1)	100.00	—	—	— (Note 1)	100.00
Primax Electronics (ChongQing) Co., Ltd.	— (Note 1)	100.00	—	—	— (Note 1)	100.00
Beijing Destiny Electronic Technology Co., Ltd.	— (Note 1)	100.00	—	—	— (Note 1)	100.00
Primax Destiny Co., Ltd.	0.5	100.00	—	—	0.5	100.00
Polaris Electronics Inc.	1,600	100.00	—	—	1,600	100.00
Primax Industries (Hong Kong) Ltd.	446,817	100.00	—	—	446,817	100.00
Primax Technology (Cayman Holding) Ltd.	285,067	100.00	—	—	285,067	100.00
Primax Industries (Cayman Holding) Ltd.	6,197,636	100.00	—	—	6,197,636	100.00
Destiny Technology Holding Co., Ltd.	1,050	100.00	—	—	1,050	100.00
Diamond (Cayman) Holdings Ltd.	156,050	100.00	—	—	156,050	100.00
Gratus Technology Corp.	300	100.00	—	—	300	100.00
Tymphany Worldwide Enterprises Ltd.	279,191	100.00	—	—	279,191	100.00
TYP Enterprises, Inc.	0.5	100.00	—	—	0.5	100.00
Tymphany HK Ltd.	144,395	100.00	—	—	144,395	100.00
Tymphany Logistics, Inc.	200	100.00	—	—	200	100.00
Tymphany Acoustic Technology (Huizhou) Co., Ltd.	378,518	100.00	—	—	378,518	100.00
Dongguan Tymphany Acoustic Technology Co., Ltd.	— (Note 1)	100.00	—	—	— (Note 1)	100.00
Dongguan Dongcheng Tymphany Acoustic Technology Co., Ltd.	—	—	—	—	—	—
Tymphany Acoustic Technology HK Ltd.	418,090	100.00	—	—	418,090	100.00
Tymphany Acoustic Technology (UK) Limited	400	100.00	—	—	400	100.00
Tymphany Acoustic Technology Europe, s.r.o.	187,800	100.00	—	—	187,800	100.00
Tymphany Acoustic Technology Limited	5,000	100.00	—	—	5,000	100.00
Primax AE (Cayman) Holdings Ltd.	48,200	100.00	—	—	48,200	100.00
Tymphany Acoustic Technology (Thailand) Co., Ltd. (Note 2)	7,789	100.00	—	—	7,789	100.00
Primax Electronics (Singapore) Pte.Ltd.	40,100	100.00	—	—	40,100	100.00
Primax Electronics(Thailand) Co.,Ltd. (Note 2)	1,244	100.00	—	—	1,244	100.00
Tymphany Acoustic Technology (Singapore) Pte. Ltd.	500	100.00	—	—	500	100.00
Primax Security Technology Inc.	20	100.00	—	—	20	100.00
Mibtech Plastic & Molds (Thailand) Company Limited (Note 6)	760	40.00	—	—	760	40.00
Soundskrit Inc. (Note 7)	493	10.60	—	—	493	10.60
Huizhou Tymphany Supply Chain Co., Ltd. (Note 3 and Note 4)	0 (Note 4)	100.00	—	—	0 (Note 4)	100.00

Note 1. This is a company with limited liability, so no shares are issued.

Note 2. As required by law, Primax Electronics (Thailand) Co., Ltd. and Tymphany Acoustic Technology (Thailand) Co., Ltd. each have 3 shares held by individuals.

Note 3. It is a wholly owned subsidiary invested by Huizhou Tymphany Acoustic Technology Co., Ltd., established on November 25, 2025.

Note 4. As of December 31, 2025, no funds have been invested.

Note 5. Investments accounted for using equity method.

Note 6. In 2024, Tymphany Worldwide Enterprises Ltd. resolved in the board meeting to jointly establish Mibtech Plastic & Molds (Thailand) Company Limited with a non-related party, contributing NT\$31,900 thousand (US\$1,000 thousand) to acquire a 40% equity stake. In August and December 2025, the Company further participated in capital increases of the investee, contributing NT\$11,949 thousand (US\$400 thousand) and NT\$31,399 thousand (US\$1,000 thousand), respectively.

Note 7. On August 7, 2025, Tymphany Worldwide Enterprises Ltd. resolved in the board meeting to invest in Soundskrit Inc., and in August 2025 injected NT\$97,077 thousand (US\$3,250 thousand) to acquire a 10.60% equity stake and one seat on the board of directors. As the Company is considered to have significant influence over Soundskrit Inc., the investment is accounted for using the equity method.

February 28, 2026; Unit: share

Share Type	Authorized capital			Remarks
	Outstanding shares	Unissued shares	Total	
Registered common shares	471,142,824	78,857,176	550,000,000	Listed

(2) List of Major Shareholders

June 23, 2025; Unit: share

Name of major shareholder	Shares	Percentage (%)
Capital Tip Customized Taiwan Select High Dividend Exchange Trade Fund	28,656,000	6.13
Yuanta Taiwan High Dividend Low Volatility ETF Account	18,728,000	4.01
Fuh Hwa Taiwan Technology Dividend Highlight ETF under custody of Taipei Fubon Commercial Bank Co., Ltd.	15,810,000	3.38
Yuanta Taiwan Value High Dividend ETF under custody of Hua Nan Commercial Bank	14,709,000	3.15
Chunghwa Post Co., Ltd.	8,885,000	1.90
Morgan Stanley & Co. International Plc	8,533,883	1.83
New Labor Pension Fund	7,613,756	1.63
Yuanta Taiwan High-yield Leading Company Fund	6,443,000	1.38
GOLDMAN SACHS INTERNATIONAL	6,316,177	1.35
Pan, Yuan-Chung	6,140,046	1.31

(3) The Company's Dividend Policy and Implementation Status

1. The dividend policy stipulated in the Company's Articles of Association:

Where the Company has a profit at the end of each fiscal year, the Company shall first allocate the profit to cover accumulated losses and allocate 10% of the remaining net earnings as the Company's legal reserve unless and until the accumulated legal reserve reaches the Company's paid-in capital. In addition, after the appropriation or reversal of special reserve according to relevant laws and regulations, for the undistributed surplus at the beginning of the same period as the cumulative earnings distributable to shareholders, the Board of Directors shall put forward a surplus distribution proposal and submit it to the shareholders' meeting for resolution.

The Company's dividend policy is formulated by the Board of Directors based on its operating conditions, capital expenditure budget, future capital needs, and long-term financial planning while having the shareholders' interests and the balance of dividends considered. In the current stage of the dividend policy, in the absence of other special circumstances, the principle of not less than 50% of the current year's surplus after tax prevails. If the surplus is distributed as stock dividends or cash dividends, the distribution ratio of cash dividends shall not be less than 10% of the total dividends, but this distribution ratio of cash dividends may be adjusted according to the overall operating conditions of the year.

2. The proposed dividend distribution of the year:

The Company's 2025 earnings distribution plan has been passed by the Board of Directors on February 25, 2026. It is proposed to issue a cash dividend of NT\$2,155,551,604 (the dividend payment rate is about 80%) to shareholders. This case will be handled in accordance with the relevant provisions after the resolution of the shareholders' ordinary meeting on May 29, 2026.

3. Explanation of expected major changes in dividend policy: None.

Chapter 3. Capital Overview

1. Capital and Shares

(1) Sources of Capital

February 28, 2026 Unit: NT\$1,000; thousands shares

Year and month	Issue price	Authorized capital		Paid-in capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital increase by assets other than cash	Others
2025.04	10	550,000	5,500,000	467,403	4,674,028	Issuance of new restricted employee shares NT\$17,000 thousands Cancellation of new restricted employee shares issued of NT\$420 thousands	None	Note 1
2025.06	10	550,000	5,500,000	467,254	4,672,538	Cancellation of new restricted employee shares issued of NT\$1,490 thousands	None	Note 2
2025.09	10	550,000	5,500,000	471,175	4,711,748	Issuance of new restricted employee shares NT\$39,210 thousands	None	Note 3
2025.12	10	550,000	5,500,000	471,143	4,711,428	Cancellation of new restricted employee shares issued of NT\$320 thousands	None	Note 4

Note 1. Issued by the Ministry of Economic Affairs, R.O.C. No. 11430037320 dated April 2, 2025.

Note 2. Issued by the Ministry of Economic Affairs, R.O.C. No. 11430073030 dated June 5, 2025.

Note 3. Issued by the Ministry of Economic Affairs, R.O.C. No. 11430139860 dated September 24, 2025.

Note 4. Issued by the Ministry of Economic Affairs, R.O.C. No. 11430188230 dated December 9, 2025.

(4) Impact of Stock Dividends Issuance by the Resolution of the Shareholders on the Company's Business Performance and Earnings per Share: Not Applicable.

(5) Remuneration to Employees and Directors

1. The percentages or ranges with respect to remuneration to employees and directors as set forth in the Company's Articles of Association:

If the Company records a profit for the year, it shall allocate 2% to 10% thereof as employees' compensation and not more than 2% as Directors' compensation. Provided that, when the aforementioned employees' compensation is distributed to grassroots employees, the portion allocated shall not be less than 8% of the total employees' compensation so appropriated. However, if the company has accumulated losses, the amount shall be set aside to cover the deficit, and then distributed to employees and directors in accordance with the aforementioned percentage.

The employee remuneration in the preceding paragraph can be distributed in the form of shares or cash, and the recipients of the said remuneration shall include the Company's employees who meet specific criteria.

The term "profit for the current year" mentioned in Paragraph 2 refers to earnings of the pre-tax profit before deducting employees' and directors' remuneration.

The remuneration distributed to employee and directors shall be adopted by the Board of Directors via a resolution with more than two-thirds of the directors present and a majority of the directors' attendance while being reported to the shareholders' meeting.

2. The estimation of the amount of remuneration to employee and directors respectively, is based on the calculation of the number of shares paid to employees as remuneration and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period:

The remuneration distributed to employees and directors by the Company in accordance with the Company Act and the Company's Articles of Association is based on the initial estimation of amount of remuneration to employees and directors, during the preparation of mid-term and annual financial statements and listed under proper accounting accounts under the operating costs or operating expenses, based on the nature of the remuneration to employees and directors. If there is a discrepancy between the amount for distribution approved at the shareholders' meeting and the amount estimated in financial statements, it is considered as a change of estimate and is listed as profit or loss for the current period.

3. Information on remuneration distribution approved by the Board of Directors:

① Remuneration to employees and directors is distributed by cash or stock. If there is any discrepancy between the amount and the estimated amount for the fiscal year when these expenses are recognized, the discrepancy, reason thereof, and the status of treatment shall be disclosed:

Pursuant to the resolution of the Board of Directors on February 25, 2026, the Company approved the proposed distribution of employees' cash compensation and Directors' compensation in the amounts of NT\$98,037,946 and NT\$49,018,973, respectively. The proposed distribution amounts are consistent with the amounts accrued in the accounts.

② The amount of employee remuneration distributed by stock and the proportion to the total net income after-tax and total employee remuneration for the current period:

This is not applicable as the Company has not proposed allocation of employee stock remuneration.

4. Actual distribution of remuneration paid to employees and directors in the previous year (including the number, sum, and price of shares distributed), and where there is any discrepancy between the amount actually distributed and the one recognized, the sum, reason thereof, and treatment of the discrepancy shall be described:

The Company's distribution of employee cash remuneration and director remuneration in 2024 is NT\$89,503,000 and NT\$44,752,000, respectively. There are no differences between the proposed amount and the amount in the accounts.

(6) The Company's Buying Back of Shares: None

2. The Handling Situation of Corporate Bonds, Preferred Stocks, and GDR: None

3. Issuance of Employee Stock Options: None

4. New Restricted Employee Shares

(1) The new restricted employee shares that have not fully met the vesting conditions, and the impact on the shareholders' equity:

February 28, 2026

Type of new restricted employee shares	The first issue in 2023	The second issue in 2023	The first issue in 2024	The second issue in 2024	The third issue in 2024	The first issue in 2025
Date of effective registration	2023/7/20 4,500,000 Shares		2024/7/20 4,350,000 Shares			2025/7/21 4,350,000 Shares
Date of issuance	2023/8/4	2024/8/13	2024/8/13	2025/3/4	2025/8/11	2025/8/11
Number of new restricted employee shares issued (shares)	3,740,000	760,000	2,341,000	1,700,000	309,000	3,612,000
Number of restricted employee shares available to issue (shares)	0		0			738,000
Issue price	0	0	0	0	0	0
Ratio of the number of new restricted employee shares issued to the total shares issued (%)	0.79	0.16	0.50	0.36	0.07	0.77
Vesting conditions for new restricted employee shares	It must meet the Company's operating results and personal performance as stipulated in the issuance rules.					
Restricted rights for new restricted employee shares	1. Employees granted new restricted employee shares, before fulfilling the vesting conditions, shall not sell, pledge, transfer, or donate them to others or perform any other means of disposal. 2. Employees shall attend, propose, speak, and vote at the shareholders' meeting according to the trust or custody contract. 3. In addition to the aforementioned restrictions, before the vesting conditions are met, employees' other rights after granted new restricted employee shares in accordance with the regulations, including but not limited to: dividends, bonuses, the right for being distributed with capital surplus, the subscription rights for cash capital increase, and voting rights, are the same as the ones bestowed by the Company's ordinary shares issued.					
Custody of new restricted employee shares	In the custody of trust.					
Handling of new restricted employee shares granted or subscribed to when the vesting conditions are not fully met	For new restricted employee shares granted to employees, when the vesting conditions are not fully met, the shares will be fully withdrawn by the Company and canceled without any compensation.					
Number of new restricted employee shares that have been withdrawn or repurchased	230,000	0	55,000	0	0	0
Number of restricted shares with the restrictions lifted	2,142,000	228,000	685,800	0	0	0
Number of restricted shares with the restrictions not yet lifted	1,368,000	532,000	1,600,200	1,700,000	309,000	3,612,000
The ratio of the number of unreleased restricted shares to the total number of issued shares (%)	0.29	0.11	0.34	0.36	0.07	0.77
Impact on shareholders' equity	No significant impact.					

Note: The total number of shares issued as of Feb. 28, 2026 is 471,142,824

(2) Name and acquisition status of managerial officers having acquired new restricted employee shares and of employees ranking among top 10 in the number of new restricted employee shares acquired:

February 28, 2026; Unit: share

Title	Name	New restricted employee shares acquired	Ratio of new restricted employee shares issued to the total shares issued	Released				Unreleased			
				Number of released restricted shares	Issue price	Issuance Amount	Ratio of released restricted shares to the total shares issued	Number of unreleased restricted shares	Issuance Price	Issuance Amount	Ratio of unreleased restricted shares to the total shares issued
General Manager of Business Department	Pan, Yung-Tai	4,200,000	0.89%	1,006,500	0	0	0.21%	3,193,500	0	0	0.68%
General Manager of Finance and Investment Department	Hsiao, Yin-Yi										
General Manager of Business Department	Chou, Yen-Chou										
Vice President	Chang, Chen-Te										
Vice President	Chang, Ching-Kai										
Vice President	Chiang, Yan-Ying										
Vice President	Wei, Hao-San										
Vice President	Lin, Chih-Hung										
Vice President	Wang, Ching-Der										
Vice President	Hsueh, Ya-Lin										
Vice President	Hsu, Chia-Chih										
Vice President	Hu, Ching-Yuan										
Vice President	Wang, La-Yung										
Vice President	Shih, Tzu-Chiang										
Accounting Supervisor	Chang, Shu-Chuen										
Head of Corporate Governance	Li, Jui-Hua										
Employee	Chen, Chi-Shiu	2,603,000	0.55%	552,900	0	0	0.12%	2,050,100	0	0	0.43%
Employee	Li, Yi-Ju										
Employee	Philip Scott Mcphee										
Employee	Fan, Kang-Yang										
Employee	Wu, Chang-I										
Employee	Su, Yu-Chen										
Employee	Chang, Liang-Ping										
Employee	Ho, Yi-Ying										
Employee	Hsi, Cheng-Ning										
Employee	Tsai, Chih-Ching										

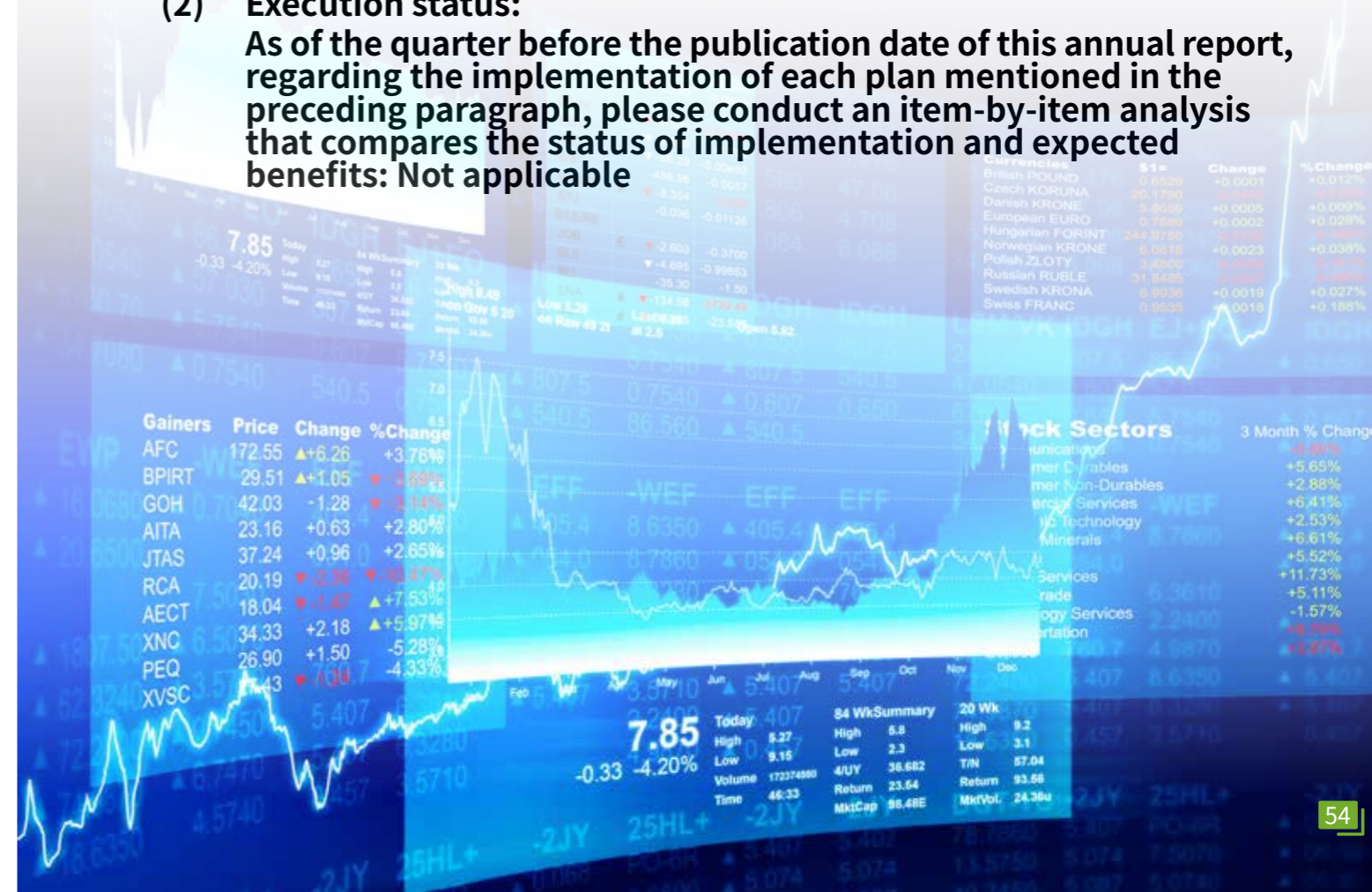
Note 1: The total number of shares issued as of Feb. 28, 2026 is 471,142,824

5. The Handling Situation of Mergers and Acquisitions or the Issuance of New Shares by Other Companies

- (1) Completion of mergers and acquisitions or issuance of new shares in connection with any acquisition of shares of another company in the most recent year and up to the publication date of this annual report: None
- (2) Any issuance of new shares in connection with acquisition of shares of another company approved by the Board of Directors in the most recent year up to the date of publishing of this annual report: None

6. Status of Implementation of Capital Allocation Plans

- (1) Description of the Plans: As of the quarter before the publication date of this annual report, previous issuance or private placement of marketable securities that have not been completed, or that have been completed but are yet to record any benefit within the past three fiscal years: Not applicable
- (2) Execution status: As of the quarter before the publication date of this annual report, regarding the implementation of each plan mentioned in the preceding paragraph, please conduct an item-by-item analysis that compares the status of implementation and expected benefits: Not applicable





Chapter 4. Operational Overview

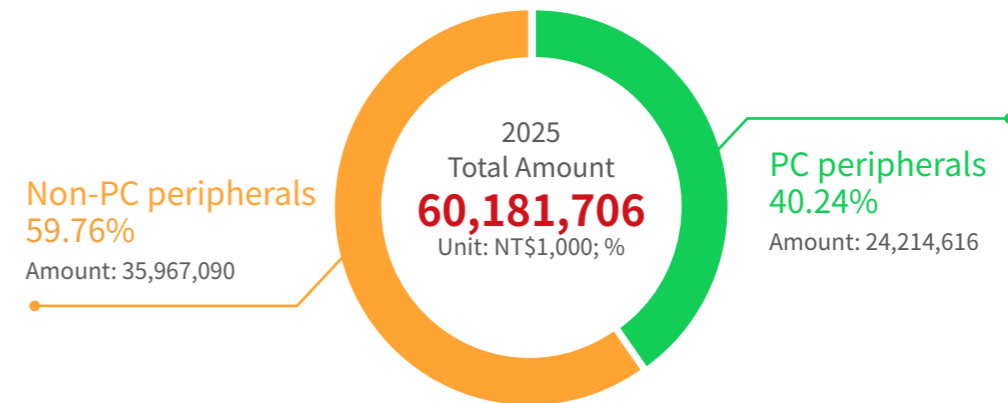
1. Content of Business:

(1) Scope of Business

1. Primary Business Activities of the Company

- | | |
|---|--|
| CB01020 Affairs Machine Manufacturing | F118010 Wholesale of Computer Software |
| CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing | F213030 Retail Sale of Computers and Clerical Machinery Equipment |
| CC01060 Wired Communication Mechanical Equipment Manufacturing | F218010 Retail Sale of Computer Software |
| CC01070 Wireless Communication Mechanical Equipment Manufacturing | C805050 Industrial Plastic Products Manufacturing |
| CC01080 Electronics Components Manufacturing | CA02010 Manufacture of Metal Structure and Architectural Components |
| CC01101 Controlled Telecommunications Radio-Frequency Devices and Materials Manufacturing | CA02090 Metal Wire Products Manufacturing |
| CC01110 Computer and Peripheral Equipment Manufacturing | F401010 International Trade |
| CE01030 Optical Instruments Manufacturing | F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories |
| F401021 Controlled Telecommunications Radio-Frequency Devices and Materials Import | F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories |
| I301010 Information Software Services | ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval. |
| F113050 Wholesale of Computers and Clerical Machinery Equipment | |

2. Revenue Breakdown



3. Current Products (Services)

I. Information Products

A-1 PC Peripherals

- Wired/wireless optical mice, wireless Bluetooth dual-mode mice
- Wired (backlit membrane keyboards, MFi)/Wireless keyboards
- Ultra-thin tablet keyboards
- Laptop keyboard modules (optical, mechanical)
- Laptop touchpads, external touch device
- Force-sensitive haptic modules, dynamic full-color light-effect precise multi-point touch panel modules
- Wireless pointers
- Laptop mini LED lighting module
- Programmable high-speed scroll wheel mice

A-2 Gaming Products

- Gaming mice (wired, wired/wireless dual-mode, wired/wireless/Bluetooth triple-mode)
- Gaming keyboards (wired/wireless, wired/wireless/Bluetooth triple-mode mechanical, wired optical, magnetic-analog mechanical)
- Wired/Bluetooth game controllers, MFi mobile game controllers, smart TV remote control
- Wired USB game controllers, wireless 2.4GHZ dual-mode gamepad, wireless 2.4GHZ infrared (VR) gamepad

A-3 Business Equipment Products

- Image scanners, printers, multifunctional office machines, and office automation products
- Office scanner modules
- Development of control panels for monochrome and color printers, and multifunctional office machines
- Development of software and firmware for scanner module, monochrome and color printers, and multifunctional office machines
- Direct thermal and thermal transfer label printers

II. Smart Lifestyle

B-1 Consumer Speaker

- Smart voice-activated speakers
- Bluetooth portable speakers
- One-piece surround speakers (2.1 and 5.1 channels)
- One-piece surround speakers supporting Dolby Atmos
- Computer/acoustic speakers
- Smart home wireless speaker systems
- Portable wireless amplifiers
- Speaker drivers

B-2 Headphones

- Wireless in-ear headphones
- Circumaural headphones
- True wireless Bluetooth headphones
- Headphones for games
- Voice-activated speakers
- Speaker drivers
- Noise-cancelling wireless in-ear headphones
- True wireless Bluetooth hearing aid earphones

B-3 Microphones

- USB smart microphones
- Wireless smart microphones

3. Current Products (Services)

III. Automotive and AIoT

C-1 Automotive Electronic Products

1. Automotive camera modules

- Reversing and rear-view auxiliary camera modules
- Advanced driving assistance camera module, triple-camera module, controllers
- L4/L5 Camera modules for autonomous driving
- Camera modules for driving monitoring and in-vehicle detection
- Passenger detection and status monitoring camera module
- Panorama camera modules
- Side blind spot and safety monitoring camera module
- ToF Time-of-Flight sensor camera module

2. Automotive IoT product

- V2X cameras, imaging system
- Blind spot detection and electronic rear-view device
- Camera for advanced driving assistance
- V2X gateway device
- Vehicle positioning and tracking device
- V2X smart sensors

3. Car Audio Products

- Portable speaker for cars
- In-car sound system

C-2 Industrial IoT products

1. Industrial IoT Products

- Industrial IoT video devices
- Security monitoring devices
- License plate recognition devices
- Environmental sensing and tracking device
- Communication gateways

C-3 Smart IoT Product

1. IoT device camera modules

- Security control and other B2B camera modules
- Camera modules for video conferencing systems
- AR/MR/VR camera modules
- Smart robot camera modules
- Smart speaker/home central device camera modules
- Smart doorbell/smart door lock camera modules
- Smart door lock facial recognition module, fingerprint module, ultra wide angle camera modules
- AIoT fitness device camera modules
- Camera modules for smart shop

2. Smart Vision Technology

- Smart video conferencing cameras
- 360 degree video conferencing cameras
- 4K Webcam

3. Surveillance and Security Devices

- Ultra-high-frequency radar sensors
- MMWRadar fall detection and home safety protection sensing device
- Smart doorbells
- Smart door locks with 3D facial recognition
- Smart access control devices, video access control devices
- Home and outdoor network surveillance cameras
- Security surveillance digital cameras, pet monitoring cameras
- 5G explosion-proof box digital cameras
- AI digital camera
- 4G LTE, 5G professional police body cameras

C-4 Professional Acoustic Products

1. Professional Speakers

- Professional acoustic equipment and digital mixers for personal performance
- Professional amplifiers for professional performance venues
- Full-frequency, low-frequency, high-frequency, and various professional speaker drivers

2. Conference Audio and Video Devices

- Video conferencing equipment and integrated system
- Conference control and reservation system
- Online audio conference system

4. New Products (Services) Under Development

I. Information Products

- Green computer input devices, mice, and keyboards
- Smart AI wireless/wired mice
- Smart AI wireless pointers
- High-speed mice, keyboards for gaming
- Optical, magnetic-analog mechanical keyboards for gaming

- Programmable high-speed optical scroll wheel module
- Multi-layer backlit touch pad
- Silent-designed laptop keys
- The structural design of detachable keys
- The surface treatment of PU leather-wrapped key

II. Smart Lifestyle

- Speaker driver through new processes

- Wireless smart microphones

III. Automotive and AIoT

1. Automotive and AIoT camera modules

- Automotive camera modules
- Reversing auxiliary camera modules
- Side blind spot and safety monitoring camera module
- Camera modules for driverless and advanced driver assistance
- Driving and in-car surveillance camera modules
- Passenger detection and status monitoring camera module
- Triple-camera modules for advanced driving assistance
- ToF Time-of-Flight sensor module
- 3D facial recognition module
- In-cabin display camera module
- Smart camera module-equipped with self-defogging/cleaning functions
- Smart 360-degree surround view camera module
- Vehicle speaker and audio module

2. Automotive IoT Product

- V2X video system
- V2X gateway device
- V2X asset tracking and management device

3. Industrial IoT Product

- Integrated wireless (5G, Wi-Fi, LTE) communication gateway devices
- Field surveillance IoT video devices
- 5G license plate monitoring gateway devices

4. Smart Vision Products

- ePTZ video camera
- Smart video conference system
- Multi-camera video module
- Smart video conferencing system module

5. Surveillance and Security Products

- 5G Professional police body camera
- 180-degree wide-angle, 360-degree panoramic surveillance digital camera
- Smart control panel
- Networked surveillance camera for garage using
- Advanced pet surveillance camera
- Video intercom
- Video door locks
- 3D facial recognition model
- Access control card reader
- Wireless IoT hub

(2) Overview of the Industry

1. Industry Status and Development

I. Information Products

The Group's information products are primarily applied to terminal devices such as desktop computers, laptops, tablet computers, and mobile devices. Core products include keyboards, mice, keyboard modules, laptop touch modules, and gaming devices. According to IDC reports, global PC shipments in 2025 are estimated at approximately 281.5 million units, showing a recovery and growth compared to 2024. This growth momentum is primarily driven by commercial replacement demand triggered by the end of support for Windows 10, as well as the gradual increase in AI PC penetration rate, thereby propelling the overall PC industry to shift from simple shipment volume competition toward value and functionality upgrades. Looking ahead, industry research institutions generally expect the compound annual growth rate of global laptop shipments to be approximately 3% over the next five years, with shipments expected to maintain a stable scale of above approximately 200 million units by 2029. Meanwhile, the integration of AI functionality will become an important development direction for laptops, with the penetration rate of related applications expected to continue increasing. The Group closely follows this hardware upgrade and application transformation trend, continuously deploying AI-enabled high-end information peripheral products, and combining application scenarios such as hybrid work and smart computing to strengthen product differentiation and overall solution capabilities, in order to respond to changing market demands and consolidate competitive advantages.

II. Smart Lifestyle

Smart lifestyle acoustic products include smart speakers, smart headphones, and voice-controlled home devices, making them key components of the smart home ecosystem. With the development of artificial intelligence, voice recognition, and Internet of Things (IoT) technologies, these products have achieved high sound quality, voice control, and multi-device connectivity. They play a crucial role in various scenarios such as home management, entertainment, and health monitoring, leading to a continuous growth in market demand. In the future, with the integration of 5G and low-power technologies, smart acoustic products will further enhance connectivity and expand into emerging application scenarios such as healthcare, education, and commercial spaces. This will bring more innovative opportunities to the consumer electronics industry, with a broad market outlook.

III. Automotive and AIoT

The global automotive and AIoT industries continue to expand. According to the GII market research report, the global vehicle IoT market size is approximately USD 176.66 billion in 2025, representing significant growth compared to 2024, and is projected to reach nearly USD 294.4 billion by 2029, demonstrating robust long-term growth momentum and extensive market demand for this industry. This growth is primarily driven by the continuous adoption of vehicle-to-everything (V2X) communication technology and advanced driver assistance systems (ADAS), which are advancing the development of smart transportation and smart mobility application scenarios. Meanwhile, the evolution of artificial intelligence (AI) and edge computing has enhanced the capabilities of vehicle systems in environmental sensing, image recognition, and decision-making judgement, while strengthening local computing performance and real-time response. This enables vehicle and smart IoT products to operate more efficiently within an integrated framework of "sensing, computing, and connectivity." The aforementioned technological trends not only accelerate the integrated application of imaging modules, sensing components, and high-performance computing solutions, but also establish a solid technical foundation for the practical implementation and scaled development of smart vehicle and IoT products.

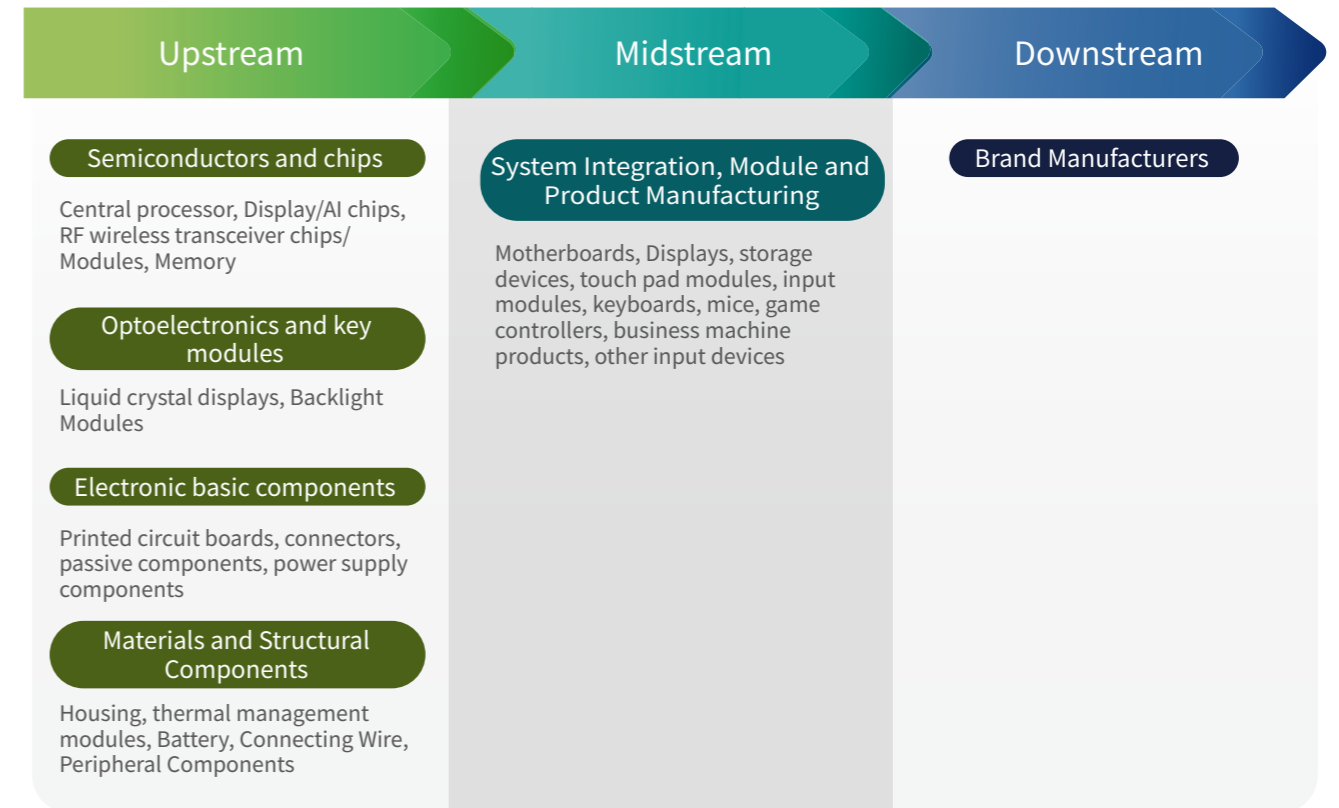
The global security and surveillance industry continues to grow, benefiting from smart city construction, smart traffic management, and increasing demands for public and residential security. According to market research data, the global video surveillance market size is expected to reach USD 91.6 billion in 2025 and grow to approximately USD 163.1 billion by 2030, representing a compound annual growth rate (CAGR) of approximately 12.22%. From a technological development perspective, security and surveillance systems are gradually evolving from traditional video recording toward proactive sensing and smart analysis. The adoption of AI and edge computing technologies enables systems to perform behavioral analysis and anomaly detection, enhancing overall monitoring efficiency and real-time response capabilities. Simultaneously, the application of millimeter wave (mmWave) radar compensates for the limitations of traditional optical cameras in low-light or obscured environments, expanding the application of security systems in healthcare, residential, and specialized settings. At the system integration level, as the Matter standard gradually becomes more widespread, the interoperability of smart security and smart home devices has significantly improved, helping to lower cross-brand integration barriers and promote collaborative operations between devices, making security equipment an important node in application scenarios such as smart living and smart transportation. In addition, the global communication infrastructure upgrade also provides critical support for industry development. The high bandwidth and low latency characteristics brought by Wi-Fi 6E/Wi-Fi 7 and 5G technologies have made high-resolution video and real-time data transmission more stable, driving the continuous increase in the adoption rate of IP-based surveillance systems and laying the foundation for large-scale smart city applications.

* Data Source:

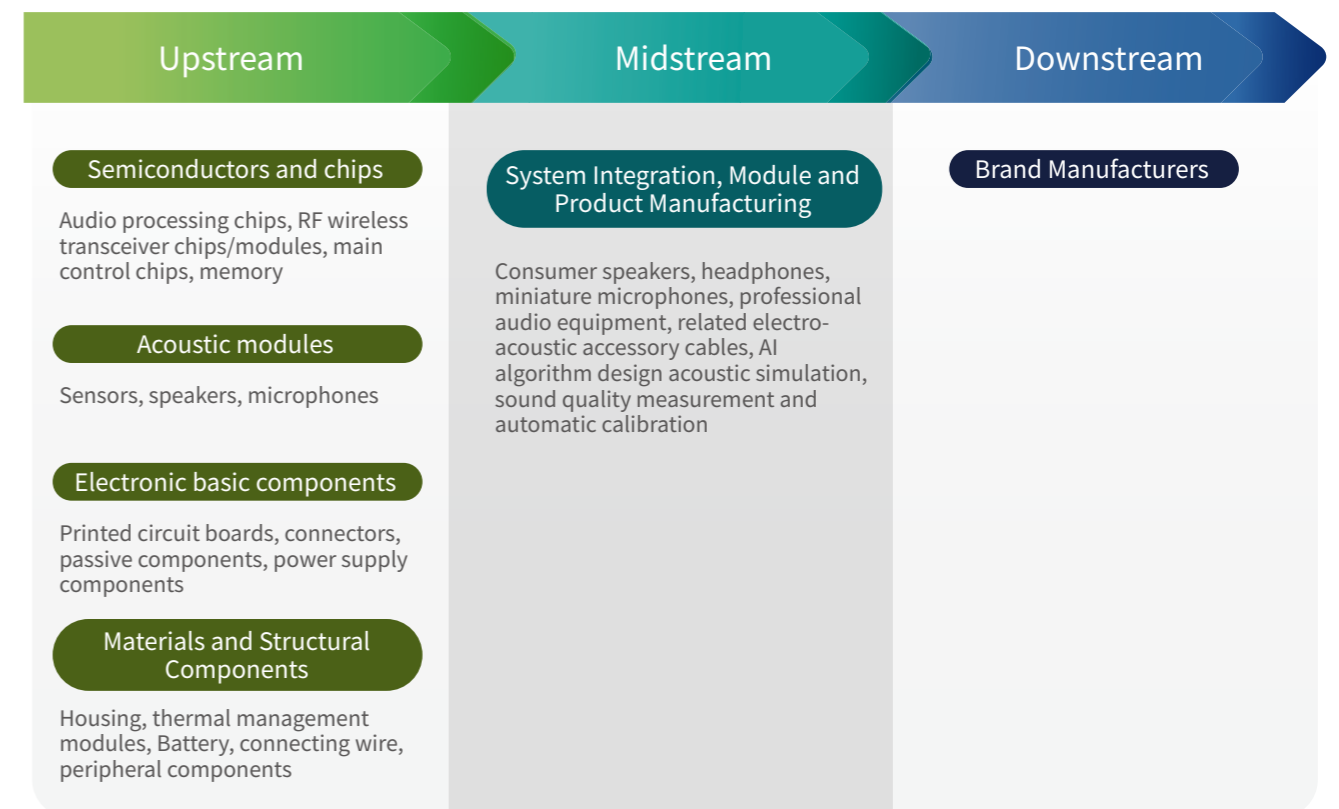
Video Surveillance Systems Market Size & Share Analysis - Growth Trends And Forecast (2025 - 2030)
Smart Doorbell Market Size and Share Forecast Outlook 2025 to 2035

2. Links between the upstream, midstream, and downstream segments of the industry

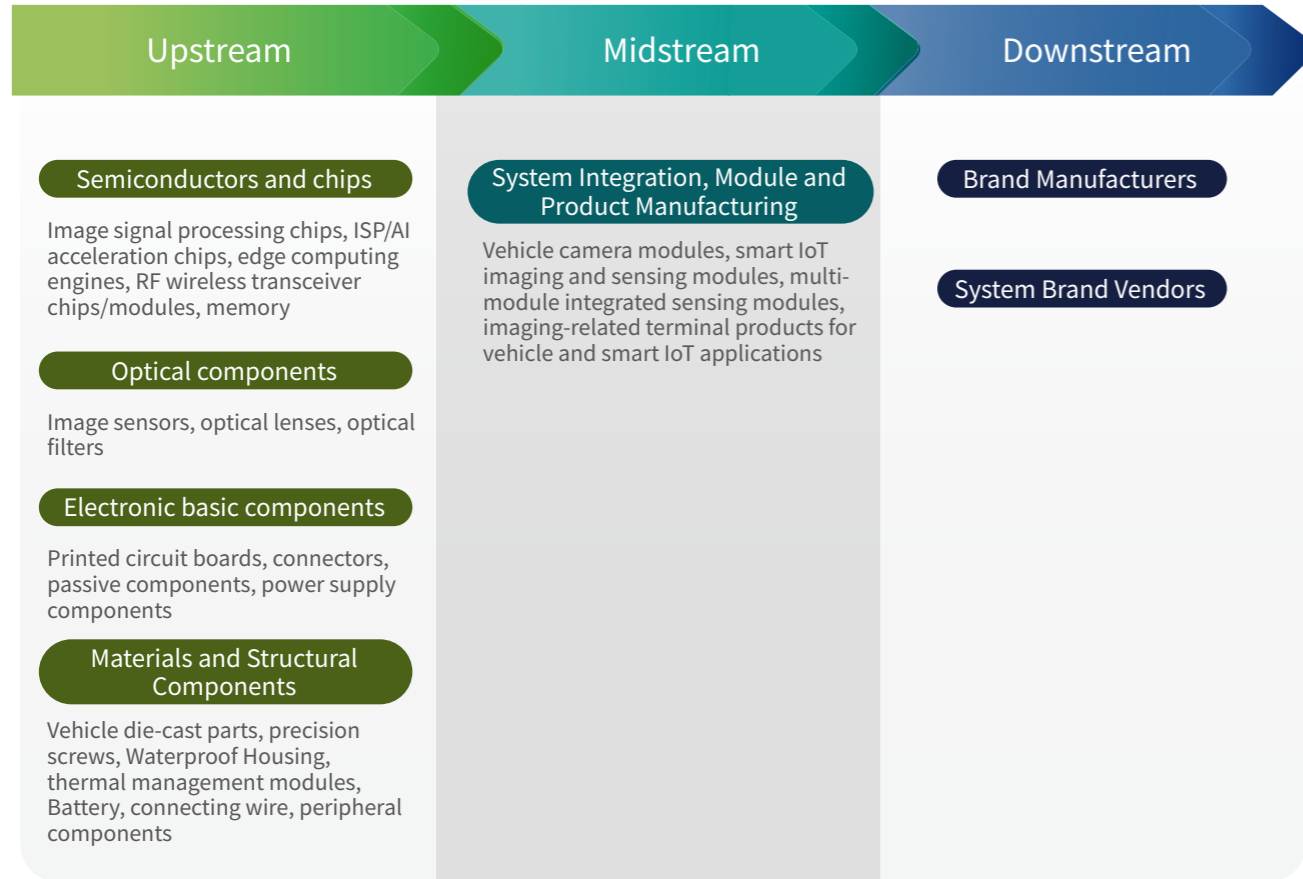
I. Information Products



II. Smart Lifestyle



III. Automotive and AIoT



III. Automotive and AIoT

In the vehicle camera module market, the Group leverages stable product quality and continuous technological innovation capabilities as its core competitive foundation, actively addressing market competition from major automotive component suppliers and technology companies.

With the increasing demand for Advanced Driver Assistance Systems (ADAS) and multi-camera vehicle systems, vehicle camera modules are evolving toward higher resolution, optimized low-light performance, and High Dynamic Range (HDR). The Group continues to invest in related technological R&D while prioritizing key technologies such as weather resistance, multi-module integration, sensory fusion, and AI image analysis to enhance overall product performance, reliability, and cost-effectiveness. Meanwhile, the Group actively engages in strategic collaborations with automakers and supply chain partners, participating in the co-development of vehicle imaging systems to strengthen technological integration capabilities and enhance market competitiveness.

The Group has deep expertise in the security and surveillance sector, adopting a development strategy that combines technological advancement and product differentiation. In response to trends in AI perception and proactive security applications, the Group continues to integrate Edge AI, mmWave radar sensing, and Wi-Fi 6/Wi-Fi 7 high-speed communication technologies to enhance overall system performance in perception accuracy, real-time response, and multi-scenario applications. These products support functions such as human motion detection, object recognition, behavior analysis, and low-light image processing. By supporting the Matter standard, they enhance compatibility with mainstream smart home ecosystems. Additionally, by integrating biometric technologies, they address the needs for privacy protection, system stability, and cross-platform integration in commercial and residential applications, responding to the competitive environment amid continuous expansion of the smart security market.

Leveraging core image processing technologies, high-quality mass production capabilities, and continuous investments in R&D, the Group has established a solid competitive foundation in the vehicle and security surveillance markets. As image sensing combined with edge intelligence analysis gradually becomes one of the key AI application directions, market demands for high resolution, low-light performance, and system stability in design continue to increase. Looking ahead, the Group will continue to focus on refining key technologies and product differentiation, and will integrate capabilities in image algorithms, AI analysis, and multi-sensory fusion to enhance the overall value of its solutions, thereby further consolidating its market position and enhancing its global competitiveness.

3. Competition of products

I. Information Products

In the field of PC input devices, although voice and gesture recognition technologies offer new alternatives, keyboards and mice remain the mainstream products in the market due to their high input accuracy, efficiency, and adaptability to various usage scenarios. The Group focuses on enhancing product competitiveness by combining innovative technologies with sustainable concepts to fully meet the diverse needs of the market.

In response to the market's pursuit of high-performance operations, the Group has developed high-speed scroll wheel technology, significantly improving accuracy and fluidity of use. Additionally, in response to the global trend of carbon reduction and environmental protection, we are leading the way by using eco-friendly materials in the design of our keyboards and mice, creating more responsible and innovative products. To address the need for precision and comfort in input devices for lightweight electronic products, we have developed a high-precision haptic feedback touch panel that provides an excellent long-term user experience while balancing accuracy and convenience. To maintain technological leadership, we are actively integrating AI technologies and combining personalized designs to offer intelligent solutions for human-machine interfaces. Currently, related AI technologies have been implemented in actual products, significantly enhancing user value and product differentiation, solidifying the Group's competitiveness in the global market.

II. Smart Lifestyle

With the rapid evolution of technology and the high demand for intelligent audio experiences from consumers, market trends are increasingly aligned with our core capabilities. The Group's technological advantages include self-developed speaker components, immersive sound engineering integration, innovative mechanical and material design, AI-driven digital signal processing, and high-performance automated production technologies.

This year, we further integrated AI technology into audio solutions and strengthened connectivity with IoT devices, enabling a seamless smart lifestyle experience. At the same time, we continue to optimize the product development process to meet the demand for immersive audio and personalized sound settings, ensuring that we provide high-quality and smart audio solutions. These solutions are flexible and adaptable, catering to diverse market needs across both home and commercial applications.



(3) Overview of Technologies and R&D

1. Overview of invested R&D expenses

Unit: NT\$1,000

Year	R&D expenses	Ratio to operating revenue
2025	3,590,188	5.97%

2. R&D accomplishments in the most recent fiscal year and as of the publication date of the annual report

The Group continues to invest in the R&D of key technologies, with R&D achievements spanning information products, human-machine interfaces, smart imaging and security, vehicle and industrial applications, acoustic technologies, and edge intelligence (AIoT). The core directions emphasize platformization, modularization, reusable design, low-carbon sustainability, and edge-side intelligence to enhance product differentiation, mass production feasibility, and cross-market application capabilities.

In the areas of information products and human-machine interfaces, the Group has completed the design and development of multiple key modules, including keyboards, mice, gaming controllers, and click and pressure-sensing touch pads. R&D efforts focus on high performance, low power consumption, lightweight design, haptic feedback, and innovative interaction technologies, while establishing a modular human-machine interface platform that enables rapid customization and mass production to support diverse applications such as PCs, laptops, gaming, and mobile devices.

In the field of smart imaging and security, the Group continues to deepen its capabilities in image sensing, Edge AI analysis, multi-sensory fusion, and communication integration. R&D achievements encompass smart doorbells, surveillance cameras, Edge AI security systems, smart door locks, and access control equipment, supporting functions such as facial recognition, behavior analysis, and license plate recognition, and progressively forming modular deployable smart security solution capabilities.

In vehicle and industrial applications, the Group has completed the development of multiple vehicle imaging modules, 3D sensing cameras, vehicle wired and wireless charging modules, SoM (System on Module), and communication-type gateway devices, supporting smart cockpit, smart transportation, fleet management, and industrial site applications, meeting high reliability and long-term supply requirements.

In acoustic technology and communication platforms, R&D priorities in 2025 were platformization and edge intelligence. The Group completed the engineering deployment of TymCast, a product modularization development and verification platform for audio products, and continued to develop directional MEMS microphones, Direction of Arrival (DOA), boom-less communication headset reference platforms, and cross-platform audio software Flow DSP, establishing scalable and mass-producible acoustic and voice solutions. Among these, the boom-less communication headset has obtained Microsoft Teams certification. Additionally, the Group completed the design of several innovative products, including an all-in-one video collaboration device, portable party speakers, high-end wireless speakers, and a modular wireless home theater audio system, demonstrating the Group's integration and innovation capabilities across application scenarios.

Concurrently, the Group advanced the meeting device ecosystem and Edge AI platform, completing the pre-integrated reference design for the Microsoft Device Ecosystem Platform (MDEP) and establishing an Edge AI platform module that integrates audio, video, and multiple sensors, supporting low-latency and privacy-friendly terminal smart applications.

In low-carbon and sustainable design, the Group continues to enhance its green audio modular design development platform, shifting carbon reduction design upstream to the pre-production stage. This encompasses concept product carbon footprint simulation, low-carbon material selection, green packaging, and automated production technology. The Group completed R&D achievements related to the HVS low-carbon speaker series and automated manufacturing processes, supporting customers' sustainability and carbon reduction objectives.

Overall, this year's R&D achievements have established multiple platformized and modularized capabilities spanning information products, human-machine interfaces, imaging, security, vehicle, acoustics, and AIoT, laying a solid foundation for the Group's future business expansion and long-term competitiveness.

(4) Long- and short-term business development plans

1. Short-term business development plans

- Focus on core products and application markets, and continuously lift market penetration rate**
The Group continues to cultivate core product lines including information products, smart living, vehicle, and smart IoT, strengthening differentiated advantages and improving share in key application markets.
- Improve product quality and service capabilities to strengthen customer satisfaction**
Through quality management mechanisms and process optimization, ensure product stability and reliability to meet customer expectations for quality, delivery, and overall service.
- Deepen customer relationships and enhance early-stage participation and co-development capabilities**
Actively participate in customers' R&D and planning from the initial product design phase, provide competitive comprehensive solutions, and establish long-term partnerships with customers to maintain stability of order sources.
- Increase the proportion of high-price and high-value-added products to optimize profitability structure**
Continue to promote the introduction and penetration of high-tech and high-value-added products, improve product mix, and enhance overall operational efficiency and profitability.

2. Long-term business development plans

- Continue investing in key technology R&D to strengthen product competitiveness and sustainable design**
Enhance R&D in new technologies and core capabilities while promoting eco-friendly design and product safety standards to build a product ecosystem that balances innovation and sustainable development.
- Enhance automation and operational efficiency at global manufacturing sites**
Continue advancing production automation and digitalization to improve manufacturing efficiency at each production site, reduce costs, and shorten lead times to strengthen overall supply chain competitiveness.
- Expand new customers and new application areas to drive long-term growth momentum**
Aggressively develop new customers and new application markets, expand business territory, and establish sustainable and resilient growth momentum.



2. Overview of the Market as well as Production and Marketing Situation

(1) Market analysis

1. Sales area of main products

Geographic Distribution	2024		2025	
	Amount (NT\$1000)	%	Amount (NT\$1000)	%
China	25,946,327	44.55	22,175,045	36.85
Europe	10,799,318	18.54	11,984,522	19.91
USA	17,745,858	30.47	19,379,268	32.20
Others	3,752,158	6.44	6,642,871	11.04
Total	58,243,661	100.00	60,181,706	100.00

2. Market share

The Group is a professional designer, developer, and manufacturer of electronic products. Its product portfolio covers information products, smart living, vehicle, and smart IoT-related applications. The Group has long been deeply engaged in diverse end markets and has established a stable technical foundation and strong reputation in the industry. The Group has a complete product line with extensive applications. Its main products include mice, keyboards, touch pads, multifunction office machines, as well as vehicle and IoT camera modules, vehicle-connected IoT devices, vehicle audio equipment, industrial IoT products, smart imaging systems, surveillance and security equipment, and extending to audio systems, headsets, and professional acoustic-related products. The related products are widely applied in diverse application scenarios including consumer electronics, vehicle, industrial, and smart environments.

Leveraging its long-accumulated R&D capabilities, manufacturing experience, and customer relationships, the Group maintains stable market visibility and competitive positioning in multiple smart IoT and professional application product sectors, and continues to strengthen its penetration in key application markets through product portfolio optimization and technology upgrades.

3. Future Market Supply and Demand Conditions and Growth Potential

I. Information Products

The keyboard, mice, and touch pad module markets are expected to maintain steady growth, primarily driven by the recovery of the PC market, commercial replacement demand resulting from the end of support for Windows 10, and the increasing penetration rate of AI PCs. Meanwhile, the normalization of hybrid work and multi-device usage scenarios has driven increased demand for high-performance, wireless, and ergonomically designed input devices. On the other hand, the gaming peripheral and premium product markets continue to develop, supported by demand from professional and core users. As trends toward sustainable design and the application of eco-friendly materials deepen, products are evolving toward higher value-added and differentiated growth.

II. Smart Lifestyle

The market for acoustic products such as speakers, microphones, and headphones is expected to experience rapid growth, driven by the expansion of digital entertainment, remote work and education, and the widespread adoption of smart devices. With continuous advancements in audio technology, consumer demand for high-quality sound, noise cancellation, and wireless products continues to rise. In particular, products featuring AI technology, smart connectivity, and personalized functions are gaining significant market traction. Furthermore, the increasing penetration of smart speakers and wireless headphones in the smart home and wearable device sectors will further expand the market size. At the same time, the rise of live streaming and content creators is fueling demand for professional microphones and high-performance headphones. Overall, the acoustic product market is expected to maintain stable supply and demand, with technological upgrades and diverse applications serving as the primary drivers of growth.

III. Automotive and AIoT

The vehicle and smart IoT markets are expected to continue growing, primarily driven by increasing demand for smart solutions and policy support from various countries for smart transportation and related applications. With the development of technologies such as autonomous driving and smart cockpits, market demand continues to increase for key technologies including high-performance imaging modules, multi-sensory fusion, AI edge computing, and low-latency wireless communication, accelerating the adoption of vehicle IoT applications.

In residential and commercial settings, as consumers place greater emphasis on security and privacy protection, smart doorbells and surveillance cameras are gradually becoming mainstream applications. The promotion of the Matter protocol enhances the interoperability and deployment convenience of smart home devices, lowers implementation barriers, and enables manufacturers to support diverse platforms through a single standard, improving development and market advancement efficiency.

Meanwhile, the continued expansion of smart city and smart transportation infrastructure is driving steady growth in demand for access control and surveillance systems equipped with IoT functionality. Overall, with the deep integration of AI and IoT technologies, the global video surveillance market is expected to maintain a compound annual growth rate of approximately 12% through 2030, demonstrating medium- to long-term growth potential.

4. Competitive niches

A. Multi-Sensory Fusion Integration Technology

The Group leverages multi-sensory fusion integration technology as its core competitive advantage, combining key technologies including vision, acoustics, touch, and artificial intelligence (AI) to develop cross-sensing and multi-modal integrated applications. Through the integration of image processing, acoustic tuning, precise touch feedback, and AI analytics capabilities, the Group enhances overall product performance in terms of efficiency, safety, and user experience. This integration capability enables the Group's products to demonstrate differentiated value across diverse application scenarios such as smart IoT, vehicle equipment, and consumer electronics, and allows for flexible design and functional extension based on different customer and application requirements, thereby strengthening product competitiveness and breadth of applications.

B. Scalable Manufacturing Capabilities and Flexible Capacity Allocation

The Group possesses years of experience in the R&D, design, and manufacturing of imaging products and embedded devices, and has established a comprehensive process management and quality control system. Through an R&D and manufacturing team with practical experience, the Group can respond to customer requirements in real time and continuously optimize existing products and manufacturing processes.

Meanwhile, the Group continues to advance factory automation and smart manufacturing by implementing automated production equipment, process monitoring, and quality inspection mechanisms to enhance production efficiency, product consistency, and yield rates, while reducing reliance on manual operations and manufacturing costs. In terms of capacity allocation, the Group has established production bases in Dongguan, Kunshan, Chongqing, Huizhou (China), and Thailand, providing economies of scale in production and flexibility in cross-regional capacity allocation, which helps respond to market fluctuations and changes in customer demand, while also creating higher entry barriers for new competitors.

C. Global Logistics and Localized Supply Capabilities

The Group adopts a global logistics management model, integrating R&D, production, and logistics resources to provide stable and efficient product delivery and logistical support. Through production and real-time supply locations distributed across Asia, the Americas, and Europe, the Group can effectively shorten lead times and stay close to major markets and customers. This global deployment not only enhances supply chain resilience, but also facilitates rapid response to regional market demands, strengthening overall operational efficiency and service quality.

D. Maintaining Strong Collaborative Relationships with Major International Companies

The Group has long been committed to the R&D and manufacturing of computer peripheral products, mobile device camera modules, office equipment, smart home devices, smart vehicle and IoT, and electro-acoustic products. The Group has earned recognition from international clients for its quality stability and delivery capabilities. By establishing long-term partnerships with major customers, and participating in technical discussions and planning during the early stages of product development, the Group is better positioned to capture market trends and application requirements.

Additionally, the Group maintains strong collaborative foundations with upstream and downstream industry partners, continuing to play a key role in the development of new products and new applications, thereby reinforcing overall competitive advantages.

5. Favorable and Unfavorable Factors for Future Development and Corresponding Strategies

◆ Favorable factors:

The Group leverages its integration advantage in multi-sensory fusion technology, combining visual, acoustic, tactile, and AI innovations to deliver high-value-added, innovative products that enhance market competitiveness. Meanwhile, the demand for smart IoT, vehicle equipment, gaming devices, and acoustic products continues to grow steadily, driven by digital transformation, smart upgrades, and rising consumer expectations. To better serve customers, the Group has established production bases in Dongguan, Kunshan, Chongqing, Huizhou (China), and Thailand. With outstanding product development capabilities and production management expertise, we have gained strong customer recognition and can deliver comprehensive services efficiently while reducing production costs. This enables us to seize more opportunities in an increasingly competitive market. Furthermore, global policies supporting green initiatives, smart cities, and smart IoT present significant opportunities. By strengthening customer relationships and providing differentiated solutions, the Group further solidifies its market leadership.

The Group possesses competitive advantages in multi-sensory fusion integration technology, combining core capabilities in vision, acoustics, touch, and artificial intelligence (AI) to develop differentiated and high-value-added products, thereby enhancing overall market competitiveness. Concurrently, market demand continues to grow for smart IoT, vehicle equipment, gaming devices, acoustic products, as well as smart city, smart transportation, and residential and commercial security applications, benefiting from long-term trends such as digital transformation, smart upgrades, and consumer structure upgrades. In terms of manufacturing and service deployment, the Group has established production bases in Dongguan, Kunshan, Chongqing, Huizhou (China), and Thailand, enabling proximity to major customers. Through mature product development capabilities and production management systems, the Group provides stable quality and efficient delivery services, effectively enhancing operational flexibility and reducing overall costs. Furthermore, policy support from countries worldwide for green environmental protection, smart cities, and smart IoT continues to deepen, creating medium- to long-term growth opportunities for the industry. Combined with the Group's long-term customer relationships and differentiated solution capabilities, this will help further consolidate market position and expand business opportunities.

◆ Unfavorable factors:

The global economic environment remains uncertain, with geopolitical risks, trade policy adjustments, and tariff barriers potentially affecting export costs and market positioning for electronic products. Additionally, raw material price fluctuations, supply chain instability, and tight supply of key components may create pressure on production planning and delivery management.

Meanwhile, competition in the electronic products market continues to intensify along with accelerating pace of technological advancement, which may drive up R&D investment and operating costs. Against the backdrop of increasingly stringent environmental protection regulations and carbon emission management requirements, companies need to continuously invest resources to comply with relevant regulations, presenting certain challenges to operations.

Response measure:

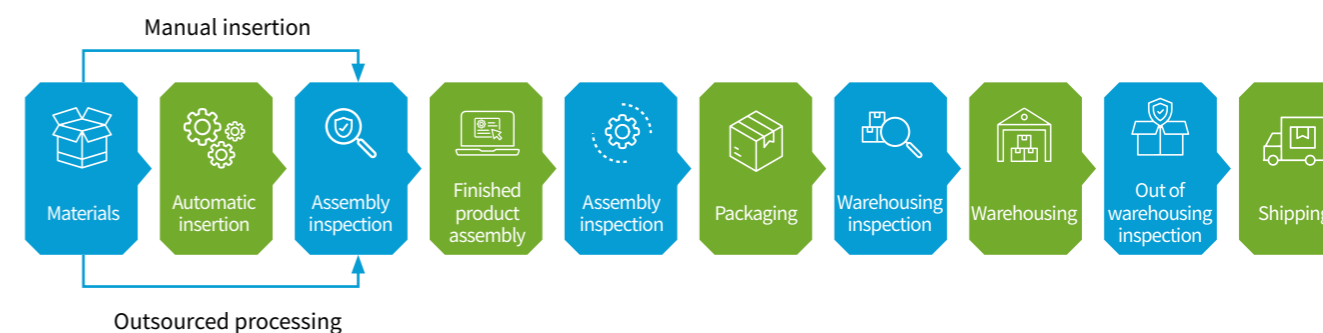
- Tariff and Trade Policy Response:** Continuously optimize global supply chain deployment, diversify production base allocation, reduce dependence on a single region, and flexibly adjust market and shipment strategies to mitigate the impact of trade policy and tariff changes; while closely monitoring policy trends and maintaining timely communication with relevant authorities.
- Strengthen R&D and Product Competitiveness:** Focus on multi-sensory fusion technology and differentiated product design, increase the proportion of high value-added products, reduce pressure from price competition, and respond rapidly to changes in market demand.
- Optimize Supply Chain and Production Management:** Establish long-term partnerships with key suppliers, optimize procurement and inventory strategies to respond to raw material fluctuations; while continuously advancing the degree of factory automation and process optimization to enhance production efficiency and shorten lead times.
- Environmental Protection and Regulatory Compliance:** Continue to invest in green design, low-carbon technologies, and the application of eco-friendly materials, establish a comprehensive environmental protection management system, ensure compliance with increasingly stringent regulatory requirements, and strengthen the Company's sustainable operation capabilities.
- Market Expansion and Deepening Cooperative Relationships:** Strengthen cooperation with customers in the early stages of product development to jointly develop solutions that meet market demands, thereby enhancing long-term competitiveness.

(2) Important uses and production process of main products

1. Important uses of main products

Main products and services	Important uses or functions
Mice	Control computer cursor and scrolling of wheel, to enable easy operations in the window operating systems.
Keyboards	Enable input of characters and provide other convenient computer shortcut keys
Touch panel	Uses fingers to control the computer cursor, scrolling of wheel, and other convenient controls
Scanners	Applicable to personal computers, printers, file servers, flash drives, as well as digitization and storage of photos/documents
Multifunction printer	Applicable to photo/document scanning, photocopying, electronic document printing, and document fax for individuals, homes, offices, shops, hotels, and digital data centers
Office automation products	Applicable to photo/document destruction, lamination, and other processing modes for individuals, homes, offices, shops, hotels, and digital data centers
Miniaturized camera module	Applicable to smartphones, tablets, laptops, commercial and residential surveillance, smart TVs, wearable devices, gaming consoles, dash cams, built-in GPS camera modules, video systems, smart door lock camera modules, smart glasses camera modules, vehicle camera modules, production line machine vision inspection, and robot camera modules.
Network camera module	Applicable to laptops, LCD monitors, and external webcams, with built-in webcam modules and flexible integration of microphone audio modules.
Wireless speakers	Applicable to music appreciation, audio-visual combination, and mobile phone communication for individuals and homes
Smart speakers	Applicable to smart home control, voice inquiry about data, App linkage, and relevant service connections, and music appreciation for individuals and homes
Microphones	Applicable to voice content creation, virtual meetings, virtual calls, and life records
Smart video conferencing devices and control panels	Devices equipped with AI edge computing capabilities, providing high-definition video, smart audio processing, and automatic screen adjustment to enhance meeting audiovisual communication experience and improve remote collaboration efficiency. Built-in smart meeting system compatible with commonly used meeting platforms and supports meeting control, data sharing, and meeting playback.
Professional police body camera	Used to record on-duty footage, featuring high-definition wide-angle recording, night vision and low-light enhancement, GPS positioning, and waterproof, dustproof, and impact-resistant design to ensure evidence quality and enhance law enforcement safety.
Security monitoring device	Including hardware devices used to detect, record, and alert intrusions or anomalies, primarily categorized into fixed and mobile types, widely applied in residential, commercial, industrial, and public safety settings
Smart doorbells, door locks, and access control devices	Integrating IoT technology to provide remote monitoring and control functions, enabling precise management and monitoring of entering and exiting, enhancing overall security protection, combining mmWave radar with cameras to improve detection accuracy in low-light conditions and for concealed objects

2. Production process



(3) Supply of main raw materials

The Group's products are mainly divided into two product lines: computer peripheral products and non-computer peripheral products. To ensure the stability of raw material supply, the Group has established procurement locations in Dongguan, Kunshan, and Chongqing (China), as well as Thailand, and has set up a Group Supply Chain Management Department at its Taiwan headquarters to operate in coordination with each business unit, continuously monitoring changes in customer demand, inventory levels, and the supply-demand status of key components to maintain stable and controllable supply chain operations.

In the context of global supply chain restructuring, geopolitical risks, and ongoing fluctuations in the supply and demand of certain key components, the Group continues to advance supply source diversification and localization strategies, and implements strategic procurement and risk diversification allocation for key components to reduce dependence on single sources.

Meanwhile, through establishing real-time information sharing and coordination mechanisms with major customers and suppliers, combined with internal flexible production and operational management capabilities, the Group is able to respond to changes in market and supply environments, ensuring the stability of raw material supply and minimizing the impact of supply disruptions on operations.

(4) Names of the customers contributed to more than 10% percent of the total purchase (sale) amount in either of the most recent two years, the amount of purchase (sale) from (to) them, and the ratio thereof, and explanation of the reason for changes in these figures.

1. Major supplier information that accounted for more than 10% of the total purchase amount in any year of the last two years: None
2. Major sales customer information that accounted for more than 10% of total sales in any of the last two years:

Unit: NT\$1,000

Year	2024				2025			
	Item	Name	Amount	Percentage of net sales (%)	Relationships with the issuer	Name	Amount	Percentage of net sales (%)
1	C Company	6,549,286	11%	None	C Company	6,178,895	10%	None
2	Others	51,694,375	89%	None	Others	54,002,811	90%	None
3	Net Sales	58,243,661	100%	—	Net Sales	60,181,706	100%	—

The Group's main customers are mainly internationally renowned high-tech companies from diverse fields with high stability. In addition to maintaining a good relationship with existing customers, the Group has actively developed new products with a view to expanding the market and customer sources in other business sectors, while striving to diversify customers and minimize the risk of sales concentration.

3. Employee Information

The number, average service time, average age, and educational background of the employees in the most recent two years as of the publication date of the annual report

Year		2024	2025	As of February 28, 2026, for the current year
Number of employees	Technician (Engineering)	2,642	2,757	2,759
	Management and business personnel	1,247	1,405	1,398
	Direct employees (including dispatched)	9,030	9,727	9,243
	Total	12,919	13,889	13,400
Average age		36.4	35.9	36.3
Average years of service		5.5	5.4	5.7
Education (%)	Ph.D.	0.1%	0.1%	0.1%
	Master	5.6%	5.5%	5.7%
	University	27.4%	28.2%	29.0%
	Senior high school	29.2%	31.5%	31.2%
	Below high school	37.7%	34.7%	34.1%

Note: The scope of the headcount calculation above includes indirect and direct full-time employees, as well as dispatched direct workers.

4. Information on Environmental Protection Expenditures

In the most recent year and as of the date of publication of the Annual Report, the total amount of loss (including compensation) and disposal of the Company due to environmental pollution, and disclosure of its future coping measures (including improvement measures) and possible expenses (including the estimated amount of loss, disposal and compensation that may occur without responding to the measures, if it is impossible to reasonably estimate, it should explain the facts that it cannot reasonably estimate): None.

For environmental protection expenditure statistics, please refer to Section 6 - Corporate Sustainability Development (page 88) of this annual report.

5. Labor-management relations

(1) The Company's employee benefits for studying, training, pension systems and its implementation status as well as labor-management agreement and measures for safeguarding employees' rights and interests

1. Employee benefits and implementation status

The Company has set up an Employee Welfare Committee in accordance with the Employee Welfare Act to handle the appropriation and distribution of welfare fund. Key points of the current welfare system include: labor insurance and national health insurance, group insurance, annual health check, birthday vouchers, labor/Dragon Boat Festival/Mid-Autumn Festival gifts, employee and family marriage and bereavement subsidies, employee and family scholarships, employee hospitalization, domestic and foreign travel subsidies, maternity subsidies, childcare subsidies, employee emergency rescue loans, year-end and lottery, community activities, employee group travel, measures to promote employees' physical and mental health, and employee leisure spaces.

2. Continuing education, training, and the status of its implementation

In order to continuously enhance the competitiveness, develop important technologies, and cultivate management talents, the Company has established a variety of learning and development channels to enable employees to have reinforced learning effects through various methods.

- ◆ On-the-job training: learning and development in the workplace, strengthening job experience by participating in work meetings, project (task) assignments, job rotations, etc.
- ◆ Internal training: Internal training is divided into three categories: supervisor training, professional training, and general training; including basic courses for new recruits, executive courses, professional technical courses, quality courses, general lectures, and English courses.
- ◆ External professional training: In order to encourage colleagues to continue to improve their professional ability, or to develop work-related second professional skills based on career development, the Company fully subsidizes the cost of professional external training.
- ◆ Overseas training: Select colleagues with excellent performance and development potential to participate in short-term overseas professional training or conferences to enrich international perspectives.
- ◆ Online learning and knowledge community platform: on the digital e-learning learning system, provide general knowledge, basic professional knowledge, English learning courses, so that learning is not limited by time and space; colleagues can also exchange knowledge and share discussions through the community discussion area and blog area on the platform.
- ◆ Self-learning: Encourage continuous learning of work-related knowledge and skills, and can apply for flexible working hours for on-the-job training; in addition, in response to the Company's international business model, English subsidies are also provided to encourage colleagues to strengthen their language skills.

3. Retirement system and its implementation

PRIMAX (formerly known as "Hong Chuan Investment Ltd.") was established on March 20, 2006 and had merged the original PRIMAX, with the original employees' relevant rights and benefits effective unconditionally on December 28, 2007. The pension system of the original PRIMAX has also remained unchanged. The payment requirements for and standards of labor pension are processed in accordance with the Labor Standards Act (hereinafter referred to as "the old system") and the Labor Pension Act (hereinafter referred to as "the new system").

For employees who have chosen the old system or the new system but with seniority accumulated under the old system, the Group has established a retirement plan in accordance with the Labor Standards Act and deposits a monthly retirement reserve fund in the special account with the Bank of Taiwan for the payment of future pension. In addition, for employees who are entitled to the new system, the Group appropriates an amount equivalent to 6% of the monthly salary as a labor pension reserve fund in accordance with the Labor Pension Act to the personal pension account with the Bureau of Labor Insurance.

4. Labor-management agreement and measures for safeguarding employees' rights and interests

The group's labor-management relationship is harmonious and positive. Employees can communicate with the Company on issues related to various systems and the work environment through departmental communication meetings to maintain positive interaction between the employer and the employees. In addition, the Group's Employee Welfare Committee is in charge of handling various employee welfare matters and holding events and activities occasionally to enhance the harmonious work atmosphere between the Company and employees and to build coherence. The details are specified below:

- ① Hold departmental meetings regularly to communicate the Company's and departments' business plans, overview of business activities, and market conditions with employees.
- ② Establish employee complaint and opinion mailboxes for employees to make suggestions on various measures or expose violations of moral integrity, unreasonable treatment, sexual harassment, or other acts that harm the Company's interest.
- ③ Formulate sexual harassment prevention, complaints, and disciplinary measures to maintain positive working relationships and interaction principles between the genders and to avoid gender discrimination and harassment.
- ④ Establish labor-management meetings and hold labor-management meetings regularly for communication and negotiation, promoting harmonious labor-management relations.
- ⑤ Establish the Employee Welfare Committee to regularly organize group activities and handle welfare matters.
- ⑥ Establish a flexible working hour system for employees' work life balance.
- ⑦ Provide education and training programs and subsidies, provide employees with functional training, and motivate them to develop a second skill.
- ⑧ Provide group insurance in addition to the basic protection of labor and health insurances, which further safeguards employees' life safety, medical care, and family.
- ⑨ Hold employee health checkup and organize safety and health inspections regularly to ensure employees' physical and mental health and a safe work environment.

5. Implementation of Workplace Diversity or Gender Equality Measures by the Company

- ① Added gender-friendly bathrooms and employed people with disabilities beyond the statutory quota, receiving public recognition from the Taipei City Government.
- ② Provided employees with newborns the option to apply for 4 weeks of work-from-home arrangements after the birth, helping employees smoothly transition into their new roles.
- ③ A postpartum gift money of NT\$50,000 is provided. After this new policy was implemented in May 2022, a total of 75 employees and their dependents benefited (13 in 2022, 27 in 2023, 22 in 2024, and 13 in 2025).
- ④ Exceeding legal requirements, the number of days for prenatal checkup leave, paternity checkup leave, and paternity leave was adjusted from the legally mandated 7 days to 8 days, supporting the needs for maternal and infant health as well as family companionship.
- ⑤ Addition of assisted reproduction leave: To support diverse reproductive choices, 1 day of assisted reproduction leave per year was specially added for employees to use as needed.

(2) Losses suffered as a result of labor disputes in the most recent year and as of the date of publication of the annual report: None

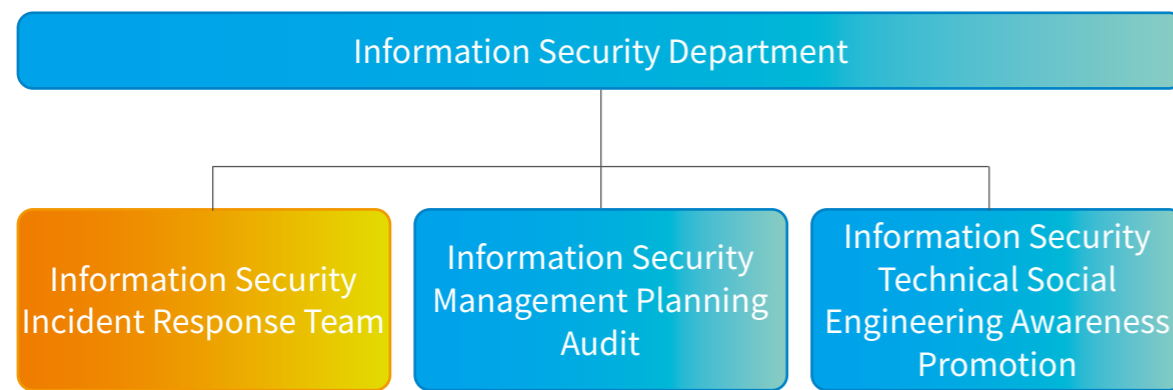
Since its establishment, the Group has maintained an honest and responsible attitude and is committed to employees' well-being and the labor-management harmony, to work together for the Company's growth, making the Company's performance grow increasingly. Therefore, the labor-management relation has always been harmonious, and it is expected that there will be no labor disputes in the future.

6. Information security management:

(1) Information security risk management framework, information security policies, specific management plans, and resources invested in information security management.

1. Information Security Management Organizational Structure:

Based on the importance placed on information security risks and the planning and allocation of resources for information security management, the CEO has directed the establishment of a dedicated information security unit responsible for promoting information security policies and coordinating resources, with annual reports to the Board of Directors. Dedicated information security personnel ensure that all information security management regulations and control measures are effectively and continuously implemented. The organizational structure of the Information Security Department is shown in the diagram below:



2. Information Security Management Policies and Objectives:

Information security policies:

Based on the protection of shareholders' and customers' expectations for information security, and the requirements of external regulatory authorities, the Group has established information security policies and an information security management system. The core value of the policies lies in protecting confidential customer information and company trade secrets, as well as providing secure, stable, and reliable information services.

Information Security Objectives:

Based on the information security policies, the Group has five major objectives:

- A. Commitment to protecting the confidentiality, integrity, availability and compliance of the Company's critical information systems and data
 - B. Ensure that The Group's digital assets are protected from theft, intrusion, damage, or attacks that may result in losses
 - C. Maintain the validity of information security management certification through ISO 27001 certification and regular audits
 - D. Continuous improvement of employee information security awareness and implementation of sensitive information and personal data protection mechanisms
 - E. Ensure that confidential data is not used with or uploaded to AI application tools, systems, and their cloud application services that are not authorized by the Company
- Develop the Group's information security management system and related information management procedural regulations in accordance with information security policies and objectives, and pass third-party verification annually to ensure the continuous effectiveness of the information security management system.

3. Specific information security management plan and invested resources:

The Group has established an information security management system (ISMS) and obtained ISO 27001 certification with annual renewal audits to maintain the validity. To continuously enhance system security and reduce risks, the Group has formulated a future blueprint and implementation plan for the information and communication security management system with annual reviews and updates, strengthened information security control and supervision mechanisms, and maintained information security control measures.

The specific information security management mechanisms are as follows:

Annual execution of system equipment vulnerability scanning and penetration testing, with remediation of medium and high-risk vulnerabilities. The Group has established privileged account access management, data leakage prevention management, computer hard disk encryption, server endpoint detection and response systems, and threat detection and response services to protect against and reduce the risks of external intrusion and internal confidential data leakage. Through continuous log monitoring via the information security incident management system, the Group aims to achieve real-time monitoring of anomalies and strengthen information security management mechanisms.

At least two security awareness education training sessions and at least six social engineering exercises a year are arranged, including in-class and real-time online training and E-learning information security education training sessions. Also, information security protection and current affairs case awareness is promoted through e-mails, instant messaging and digital television, with the aim of strengthening the security awareness of the Group's employees. The Group also enrolls in "Enterprise Information Security Risk Management Insurance/Fraud Risk Protection Insurance" to reduce or transfer the loss of information security.

The Group conducts renewal certification annually as planned, and expands the scope to include engineering and manufacturing processes. In November 2025, the Group successfully passed verification and obtained the upgraded "ISO 27001:2022" certificate. Currently, the Group's certificate is valid from December 22, 2024 to November 16, 2026. The Group undergoes annual renewal verification by a third-party certification body to ensure the ongoing effectiveness of its information security management system. In addition, to comply with vehicle information security regulatory requirements, the Group has implemented the vehicle information security international standard TISAX (Trusted Information Security Assessment Exchange) and was verified on August 19, 2025. The certificate has been obtained and is valid until May 19, 2028, with regular third-party effectiveness assessments.

The Group has established a framework for information security risk management and continuous improvement, along with related resource investments and management execution results, based on the PDCA continuous improvement spirit of the information security management system, as follows:

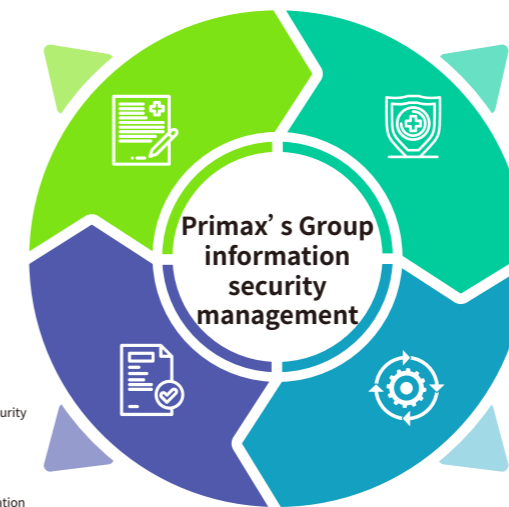
The Group's information and communication security risk management and continuous improvement framework

Continuous information security improvement

- Review and improvement of information security management measures
- Research on information security threats and emerging information security technologies
- Planning and execution of information security social engineering drills
- Regular implementation of information security training and awareness campaigns
- Complete TWSE/TPEX listed companies' information security video courses for information security personnel

Internal information security assessment

- Information security self-assessment and evaluation
- Establishment and regular review of information security configuration benchmarks
- Internal information security audit plan and scope
- Regular internal information security audits and improvements
- Completion of TISAX (Trusted Information Security Assessment Exchange) management system certification



Information security management system

- Compliance with international information security standards (ISO 27001)
- Establishment of information security management system
- Planning and purchase of information security insurance
- Regular review and update of relevant procedural documents
- Regular cooperation with external information security audits for verification renewal

Information security enhancement strategies and control measures

- External penetration testing management
- System vulnerability scanning management
- Server endpoint detection and response
- Threat detection and response services
- Network equipment configuration management
- Two-factor authentication enhancement mechanism
- Client-side privileged account management & USB management mechanism
- Privileged account access management
- Data loss prevention system
- Cloud-based off-site backup
- Information security event management system log monitoring mechanism

4. Information security audit:

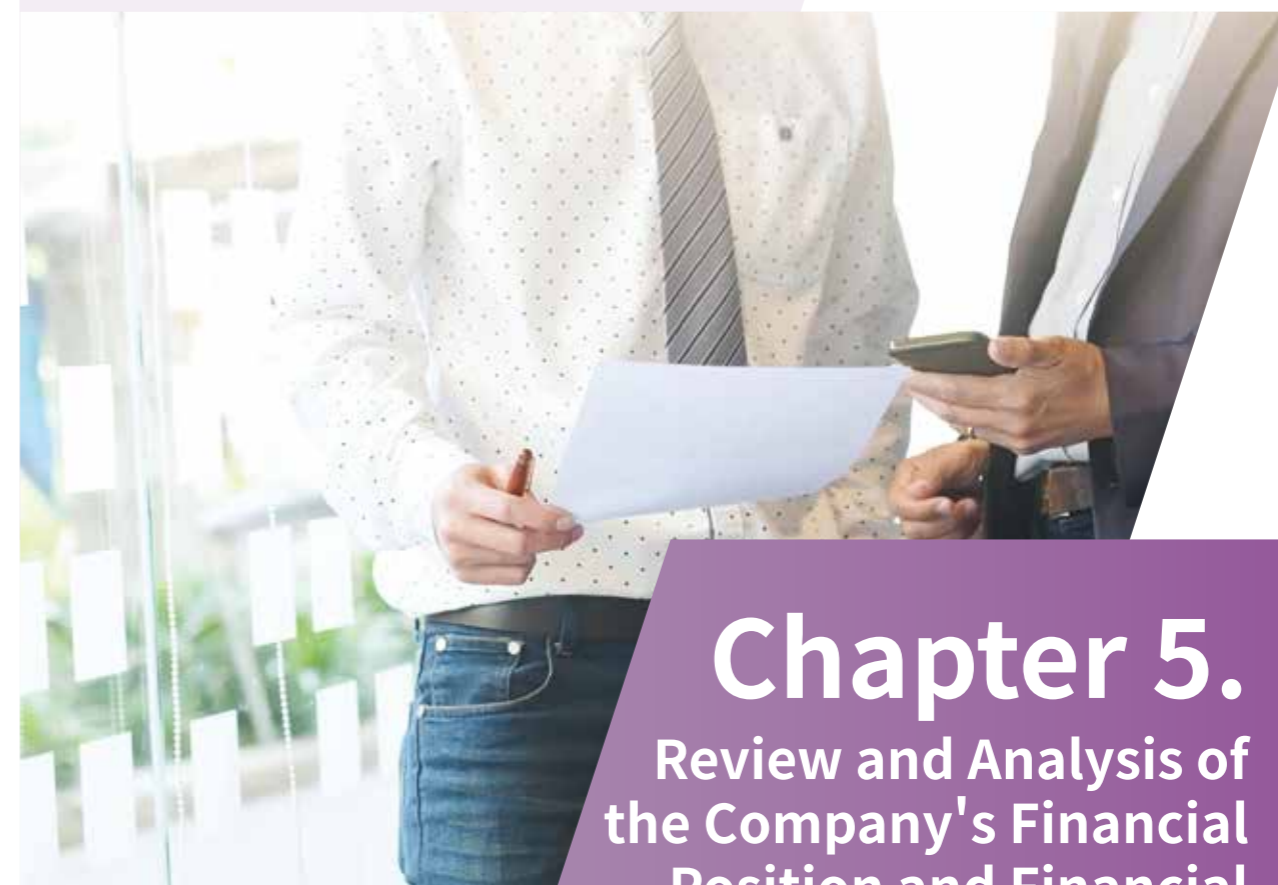
The Audit Office has established assessment items based on information security risks and completed information security assessments and audits in April and October 2025, respectively. Follow-up on improvement items and re-verification have been completed, and the results along with all audit reports have been submitted to the Audit Committee and the Board of Directors. Additionally, the annual third-party information security certification audit and external network security computer audit were completed in September and October 2025, respectively.

(2) Losses incurred from major information security incidents in the most recent fiscal year and up to the date of publication of the annual report, potential impacts, and response measures. If reasonable estimation is not possible, the facts regarding the inability to reasonably estimate shall be explained.

For fiscal year 2025 and up to the date of publication of the annual report, due to the implementation of information security control measures, monitoring, and continuous updates, there were no violations of information security or major information security incidents resulting in customer information leakage, fines, or other similar consequences.

7. Important contracts

Nature of contract	Counterparty	Commencement and expiration date	Major contents	Restrictions
Leasing	Shin Kong Life Insurance	February 2021 - December 2025	Lease of a PRIMAX building	None
Loan contracts	E.SUN Bank	October 2021 - December 2025	Medium-to-long-term borrowing facility	None
Construction contract	Fu Tai Construction	August 2022 - Warranty responsibility completed	New construction of Taiwan Innovation Center	None
Mechanical and electrical engineering contract	GO-IN Engineering	August 2022 - Warranty responsibility completed	New construction of Taiwan Innovation Center	None



Chapter 5.
Review and Analysis of the Company's Financial Position and Financial Performance, and Listing of Risks

1. Financial Position

Unit: NT\$1,000

Item	Year	2025	2024	Difference	
				Amount	%
Current assets		36,374,077	36,245,818	128,259	0.35%
Property, plant and equipment		9,210,285	8,086,736	1,123,549	13.89%
Intangible assets		2,012,381	2,020,234	(7,853)	(0.39%)
Other assets		3,627,076	3,775,629	(148,553)	(3.93%)
Total assets		51,223,819	50,128,417	1,095,402	2.19%
Current liabilities		26,848,416	26,080,267	768,149	2.95%
Non-current liabilities		3,852,868	4,213,174	(360,306)	(8.55%)
Total liabilities		30,701,284	30,293,441	407,843	1.35%

Item	Year	2025	2024	Difference	
				Amount	%
Share capital		4,711,428	4,657,448	53,980	1.16%
Capital surplus		3,894,162	3,512,958	381,204	10.85%
Retained earnings		12,707,526	12,050,294	657,232	5.45%
Other equity interest		(790,581)	(385,724)	(404,857)	104.96%
Total equity		20,522,535	19,834,976	687,559	3.47%

Explanation of major changes in financial ratios (if the change is more than 20% in the previous and later periods):

1. Decreased in other equity interest compared to last year: mainly due to adjustment for foreign currency translation.

2. Financial Performance

(1) Financial performance analysis for the last two years

Unit: NT\$1,000

Item	Year	2025	2024	Increase/Decrease	%
Net operating revenue		60,181,706	58,243,661	1,938,045	3.33%
Operating costs		49,760,110	48,362,968	1,397,142	2.89%
Gross profit		10,421,596	9,880,693	540,903	5.47%
Operating expenses		7,579,593	7,149,601	429,992	6.01%
Operating income		2,842,003	2,731,092	110,911	4.06%
Non-operating income and expenses		464,425	675,855	(211,430)	(31.28%)
Net income before tax of continuing operations		3,306,428	3,406,947	(100,519)	(2.95%)
Income tax expense		679,706	679,823	(117)	(0.02%)
Net income for the period (including after-tax profit or loss from discontinued operation)		2,626,722	2,727,124	(100,402)	(3.68%)

Explanation of major changes in financial ratios (if the change is more than 20% in the previous and later periods, and the amount of the change is NT\$10 million):

1. Non-operating income and expenses decreased compared to last year: Primarily due to an decrease in net interest income.

(2) Expected sales volume for the upcoming year, its basis, potential impact on the Company's financial and business operations, and response plan:

The company's estimated sales volume is based on industry trends, future market supply and demand conditions, business development, current order status, and production capacity planning at manufacturing sites. For the sales of major products in the year 2026, product sales and operations are expected to benefit from order growth. The financial structure of the Company is sound and its operations are in good shape. Its funds and the net cash inflows generated from operating activities are sufficient to meet the working capital and capital expenditure requirements driven by revenue growth.

3. Cash Flow

(1) Analysis of cash flow changes in the most recent year (2025)

Unit: NT\$1,000

Cash balance at beginning of year	Net cash flow from operating activities for the year	Net cash flows from investing activities	Net cash flow from financing activities for the year	Effect of exchange rate changes on cash and cash equivalents for the year	Cash balance at end of year	Remedial measures for cash inadequacy	
						Investment plan	Financial plan
13,885,985	3,222,633	(2,550,946)	(2,054,228)	(214,063)	12,289,381	—	—

Analysis of cash flow changes in the most recent year:

- (1) Operating activities: Net cash inflow from operating activities was NT\$3,222,633 thousand, mainly due to the profit generated during the period.
- (2) Investing activities: Net cash outflow from investing activities was NT\$2,550,946 thousand, mainly due to the acquisition of property, plant and equipment.
- (3) Financing activities: Net cash outflow from financing activities was NT\$2,054,228 thousand, mainly due to cash dividends.

(2) Improvement plan for insufficient liquidity: There has been no shortfall in the liquidity of the Group's cash flows in the most recent year.

(3) Analysis of cash flow for the coming year (2026)

Unit: NT\$1,000

Cash balance at beginning of year	Net cash flow from operating activities for the year	Net cash flow from investing activities for the year	Net cash flow from financing activities for the year	Cash balance at end of year	Remedial measures for cash inadequacy	
					Investment plan	Financial plan
12,289,381	2,147,210	(2,386,243)	(2,519,456)	9,530,892	—	—

1. Analysis of cash flow changes for the coming year:

- (1) Operating activities: Net cash inflow from operating activities is expected to be NT\$2,147,210 thousand, primarily reflecting the net cash inflow expected to be generated from projected revenue and profit.
- (2) Investing activities: Net cash outflow from investing activities is expected to be NT\$2,386,243 thousand, mainly due to the expected acquisition of plant and equipment.
- (3) Financing activities: Net cash outflow from financing activities is expected to be NT\$2,519,456 thousand, mainly due to the expected cash dividends.

2. Analysis of remedial measures for cash inadequacy and liquidity: The cash is adequate, so it is not applicable.

Note: The figures for the coming year (2026) are on a consolidated basis.

4. The Impact of Most Recent Major Capital Expenditures on Financial Operations

In response to business development and strategic planning needs, the Company has continued to expand its investments in Thailand. On May 8, 2024, the Company announced an additional capital expenditure budget of THB 694 million for plant construction, to be used for the development of Phase II of the Thailand plant, which is expected to be completed in 2026. Furthermore, on January 20, 2025, the Company announced an additional capital expenditure budget of THB 669 million for the construction of a steel structure plant, substation, warehouse, and canteen at the Thailand plant, among which the steel structure plant is expected to be completed in 2026.

5. Investment Policy

(1) Investment Policy

Based on factors, such as business needs and the Company's future strategic development, relevant units provide professional information, and the Finance and Management Division compiles the information and puts forward suggestions to the managers in charge; investment proposals are thus made. The investee's past performance, future prospects, market conditions, and operating conditions will be assessed as a reference for investment decision-making.

(2) Main causes for profits or losses for the most recent year and improvement plans

For 2025, the Company recognized investment income accounted for using the equity method amounting to NT\$807,104 thousand, primarily reflecting the profits generated by overseas investees with sound operating performance.

(3) Investment plans for the coming year: No major investment plans.

6. Risk Analysis and Evaluation

(1) Effect upon the Company's profit (loss) of interest and exchange rate fluctuations and changes in the inflation rate, and response measures to be taken in the future

1. Exchange rate fluctuations

The Group's revenue business is mainly based on export, and the products for export are mainly quoted in US dollars, and the transactions conducted with overseas suppliers and the purchase of machinery and equipment from overseas suppliers are also denominated in US dollars, resulting in a mutually offsetting effect, and thus providing natural hedging against exchange rate fluctuations. The Group's net foreign exchange gain for the 2025 was NT\$259,056 thousand, accounting for 0.43% of net operating revenue. Therefore, the overall foreign exchange factor did not pose a risk to profitability. However, in order to respond to the risks arising from exchange rate fluctuations to the Company's profit and loss, in addition to spot and forward foreign exchange transactions adopted as a hedge against foreign exchange risks at appropriate times, it will continue to monitor market exchange rate fluctuations and the Company's internal foreign exchange positions in the future while maintaining foreign currency assets and balance of liabilities to avoid the risk of exchange rate fluctuations and reduce the impact of exchange rate fluctuations on the Company's profit and loss.

2. Interest rate fluctuations

The Group's interest expense for 2025 accounted for 0.30% of the operating revenue of the year, indicating that the interest expense did not have a significant impact on the Group's profit and loss. In addition, the Group regularly assesses the bank borrowing rate and maintains a good relationship with banks to obtain a more favorable interest rate so as to reduce the interest expense.

3. Inflation

According to the announcement of the Directorate General of Budget, Accounting and Statistics, Executive Yuan, the average annual rate of increase in the Consumer Price Index rose by 1.66%, while the Producer Price Index decreased by 1.84% in 2025, indicating a more moderate inflation trend compared to 2024. As a result, there was no significant impact on the Group's profitability in 2025. The Group always pays attention to fluctuations in market prices, and adjusts the sales prices as well as raw materials and inventory levels appropriately, and no significant impact has been caused due to inflation.

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

1. High-risk investments and highly leveraged investments

The Group focuses on the management of its main business activities, and has not invested in high-risk industries, nor has it engaged in highly leveraged investments.

2. Engagement in loans to other parties, endorsements, guarantees, and derivatives transactions

In the most recent year and as of the publication of this annual report, the loans, endorsements, and guarantees were only provided by the Group to subsidiaries, in which the Group held 100% of their equity or between the parent company and subsidiaries, for the purpose of business dealings. The Group's loans to other parties, endorsements, and guarantees are handled in accordance with the policies and response measures stipulated in its Procedures for Loaning of Funds and the Procedures for Making of Endorsement/Guarantee. The relevant operations are executed with the risk situation and relevant regulations considered.

3. Engagement in derivative transactions

When the Group engages in derivative transactions, it always conducts careful evaluation. Any derivative transaction is aimed at helping to improve business performance and reducing the Company's operating and financial risks. The transactions are processed in accordance with its Regulations Governing Acquisition or Disposal of Assets and the scope of authorization.

(3) Future R&D plans and estimated R&D expenses

1. Future R&D plans

The main products currently developed by the Group are PC peripheral products, IoT camera modules, automotive camera modules, network cameras, security systems, multi-function service machines, audio systems and smart home products. The Group's future development plan will continue to collaborate with leading international companies and strategically partner with startups, focusing on Seamless force touchpads, smart home products, AI-integrated multi-sensory audio-visual modules, multi-channel microphone arrays with DOA, VAD, and KWS capabilities, immersive gaming headsets, smart security camera systems, camera modules for IoT devices, 3D sensing modules, conference audio systems, professional audio products, automotive electronics, Industry 4.0, smart manufacturing, and industrial solutions, thereby further enhancing the Group's R&D capabilities, increasing the market share of the Group's products, and strengthening their global competitiveness.

2. Estimated R&D expenses

The Group plans to allocate research and development expenses gradually based on the progress of new product and technology development, and will maintain a certain level of growth depending on future operational conditions to ensure the Group's competitive advantage. It is estimated that R&D expenses will be around NT\$3.5 billion in 2026.

(4) The impact of significant domestic and international policy and legal changes on the Company's financial and business operations, as well as the response measures taken:

The Group operates in accordance with the relevant laws and regulations of the domestic and foreign countries where investments are made, and the relevant personnel also pay attention to the changes of the laws and regulations at any time for the management to stay informed. Therefore, important changes in domestic and foreign policies and laws can be updated immediately and responded to effectively by the Group.

(5) Impact of changes in technology (including information and communication security risks) and industry on the Company's financial operations, and response measures thereof:

In response to the rapid changes in advanced science and technology, the Group has continuously invested in R&D resources and regularly tracked, collected and analyzed the market and technological development changes of specific areas in PC peripherals, mobile camera modules, business equipment products, smart home products, and automotive and vehicle networking related products to reduce the impact of technological changes, and has also strengthened the research and development of high value-added, high-margin products, making the Company's products more diversified and stable to ensure profitability.

The Company has established comprehensive network and computer-related security measures and continues to promote information security management systems to the entire group, but hackers may intrude computer viruses, malware or ransomware into the Company's network and systems, attempt to interfere with the Company's operations, damage computer systems, and thus obtain system control, or snoop on confidential information. These attacks may result in the Company compensating its clients for losses due to delays or disruptions in production; or a breach of contract may result in incurring significant overheads. The Group has planned to utilize AI technology to adopt multi-layered security measures, including system detection, threat monitoring, and data protection, to minimize the damage caused by malicious attacks. The Group continuously updates and implements relevant information security control measures, such as conducting regular annual network and system vulnerability scans and penetration testing and addressing medium- to high-risk vulnerabilities. Additionally, the Company has established privileged account access management, data leak prevention management, server endpoint detection and response systems, as well as threat detection and response services. These efforts aim to protect and reduce the risk of external intrusions and internal sensitive data leaks. The Company also utilizes an information security incident management system to monitor logs, ensuring real-time monitoring of anomalies and strengthening the information security management framework.

The Group continues to expand its extensive strategic alliance system with existing clients through product design, mass production, logistical support, distribution and after-sales service with excellent process technology to strengthen the long-term coexistence and prosperity mutually. So far, technological changes (including information technology security risks) and industry changes have not had any significant financial impact on the Group.

(6) Impact of changes of corporate image on the Company's crisis management and response measures:

The Group is dedicated to fostering innovation and research and development, enhancing its competitive edge, achieving stable growth in overall operations, and delivering the fruits of its management efforts back to shareholders. The positive image of the Company is reflected in its rigorous corporate governance and risk management, along with its ongoing commitment to sustainable business practices.

The Group has consistently received recognition for its performance in domestic and international evaluations, including an MSCI ESG rating of "A" for three consecutive years, selection for the S&P Global Sustainability Yearbook, and a leadership level rating in the CDP evaluation. At the same time, the Group has ranked in the top 5% of listed companies in the "Corporate Governance Evaluation" by the TWSE for seven consecutive times.

Additionally, the Company has received the TCSA Taiwan Top 100 Sustainable Model Enterprises Award for four consecutive years, and has been selected for Common Wealth Magazine's Top 100 Sustainable Corporations, highlighting the Group's strong corporate image. The Group has a dedicated team in charge of prevention, management, and contingency measures related to corporate image.

In the most recent year and as of the publication date of this annual report, no incidents had affected the corporate image.

(7) Expected benefits, possible risks and countermeasures for merger: None

(8) Expected benefits and possible risks associated with factory expansion, and response measures thereof:

In response to business development and strategic planning needs, the Group expanded its investment in Thailand. On May 8, 2024, the Group announced an additional capital expenditure budget of THB 694 million for plant construction, to be used for the development of Phase II of the Thailand plant, which is expected to be completed in 2026. This expansion will not only help effectively mitigate tariff barrier risks, but also enhance the flexibility of global manufacturing capacity allocation and enable timely responses to customer needs.

(9) Risks arising from the concentration of purchases or sales, and response measures thereof:

1. Risks arising from the concentration of purchases, and response measures thereof

In addition to the purchase of finished products, the Group maintains at least two qualified suppliers for other goods to be purchased, to maintain the flexibility of purchases, ensure uninterrupted supply of goods, and maintain the advantage of bargaining to achieve the goal of cost reduction. In summary, the Group does not have the risk of concentration of purchases or interruption of supply.

2. Risks arising from the concentration of sales, and response measures thereof

The Group's main customers are mainly internationally renowned high-tech companies from diverse fields with high stability. In addition to maintaining a good relationship with existing customers, the Group has actively developed new products with a view to expanding the market and customer sources in other business sectors, while striving to diversify customers and minimize the risk of sales concentration.

(10) The impacts and risks arising from a major quantity of shares belonging to directors or shareholders holding greater than a 10 percent stake in the Company is transferred or changes hands and the response measures: None

(11) The impact on the Company, and risk due to changes in managerial authority, and the response measures: None

(12) Risks associated with litigations or non-litigations

1. Confirmed judgment, ongoing litigation, and non-litigation or administrative disputes in the most recent years and as of the publication date of this annual report, the result of which may have a significant impact on shareholders' equity or securities prices, shall be disclosed. Disclosure includes disputed facts, monetary amount involved, litigation starting date, the main parties involved, and present status: None

2. Confirmed judgment, ongoing litigation, non-litigation, or administrative disputes involving the Company's Director, Supervisor, President, responsible person, and shareholders who hold more than 10% of the Group's shares in the most recent year and as of the publication date of this annual report, the results of which may have a significant impact on shareholders' equity or securities prices: None.

(13) Other important risks and countermeasures: None.

A. Management for intellectual property rights

Strategies and Goals

In order to align with advanced technology tendency and protect technical achievement, we continuously engross sufficient resources in R&D and analysis for the variation of marketing and technology in relation to our products. We also formulate intellectual property policy which integrates the operation goal and R&D resources so as to reinforce the advantage in competition. The Company continues to strengthen its patent capabilities and maintain competitiveness in observable market indicators. In addition to enhancing the quality of patent management, the Company integrated and refined its existing internal intellectual property management policies and procedures in 2023 and has continued to reinforce their implementation, ensuring that protected intellectual property aligns with the Company's future key revenue-generating products and core technologies. The Company has established patent strategies for its key products, promotes R&D innovation, and closely monitors peer patent developments to strengthen its patent portfolio in target markets, with the goal of ranking among the top 30 domestic corporate patent applicants by 2030.

To this end, the Company has established the following intellectual property policies:



Implementation of PRIMAX's intellectual property management system



Enhancement of patent management quality and innovation incentive mechanisms



Strengthening of intellectual property deployment in target markets



Implementation of personnel intellectual property management



Implementation of confidential document management



Implementation of electronic R&D logbook management

In addition, the Company obtained A-Level certification under the Taiwan Intellectual Property Management System (TIPS) (2016 version) in 2024, and successfully passed recertification in 2025 (valid from December 31, 2025 to December 31, 2027). The Company will continue to maintain such certification to further strengthen organization-wide awareness and capabilities in intellectual property management.

B. Management plan for intellectual property rights

1. Management of patent

For the purpose of protection of technical achievement and leading position, we not only constantly encourage our staff to file application for utility patent via tiered innovation incentive program, but also establish the patent management policy and risk control mechanism. In addition, the quantity and quality for patent application has been managed by means of AI analysis through the entertainment patent system. The Company contacts and cooperates with the patent competent authority closely to raise efficiency of patent examination and acquire the high-level patent protection. The Company also takes efficient actions to reduce patent risk. The Company strives to monitor the competitors of certain products and analyze relevant market and patent information.

2. Management of Copyright

The Company has established a copyright management plan to govern the processes for the acquisition, retention, and maintenance of copyrighted works. The Company also encourages R&D personnel to obtain copyright registration certificates through registration channels in Mainland China, the United States, and other jurisdictions.

3. Protection of Trade Secrets and Confidential Information

Trade secrets and confidential information are critical to the Company's operations and core technologies. In addition to establishing a confidential document management policy to govern such information, the Company has stipulated relevant provisions in its employee code of conduct and employment contracts, and provides employee training to promote awareness of the importance of trade secret and confidential information protection and related control measures

C. Implementation

The report of the implementation of intellectual property events has been submitted to the Board of Directors on 6 November, 2025.

The Company has carried out the management of intellectual property rights since 1990, the details are listed as follows:

1. Application of patent

Primax group has filed numerous patent applications in countries since 1990.

2. Procedure management

1990	2002	2004	2021	2022	2023	2024
We formulated and promulgated Regulation of Patent Application.	Regulation of Risk Management and Patent Usage was put into force.	The Enterprise Patent System was introduced.	Regulation of Copyright and Regulation of Trade Secret were put into force. In addition, the AI analyze system was introduced for data calculation to identify the valuable innovative employee.	Procedure of Copyright and Procedure of Trade Secret were put into force.	Enhanced the existing internal intellectual property management framework, and revised/ established the Patent Management Procedures, Intellectual Property Confidential Document Management Policy, and Intellectual Property Confidential Document Protection Regulations.	Revised the Patent Management Procedures to adjust the tiered patent incentive system; revised the Confidential Document Management Policy (by integrating the former Intellectual Property Confidential Document Management Policy and Intellectual Property Confidential Document Protection Regulations) to strengthen the confidentiality management mechanism.

3. Activation of Property

To realize Patent Monetization, we sold almost 900 patents in 2006.

4. Risk control

To reduce the patent risk during the period of product development, we have carried out the management of patent search archive since 2012.

5. Trade Secrets Management

The following are excerpts from the Company's Intellectual Property Confidential Document Management Policy, employee code of conduct, and employment contracts:

- It's staff's duty to maintain secrecy pertaining to his work and the company's business.
- Staff shall not disclose, inform, provide or transfer such Confidential Information to third party, or announce to public or make use for third party of such Confidential Information during and after the termination of employment period. We are eligible to request the staff who breaches the foregoing to compensate the damages incurred by the Company and make a criminal liability claim.
- Staff shall not disclose or use the trade secret owned by his former employer.

D. Measures for dealing with the risk of intellectual property rights

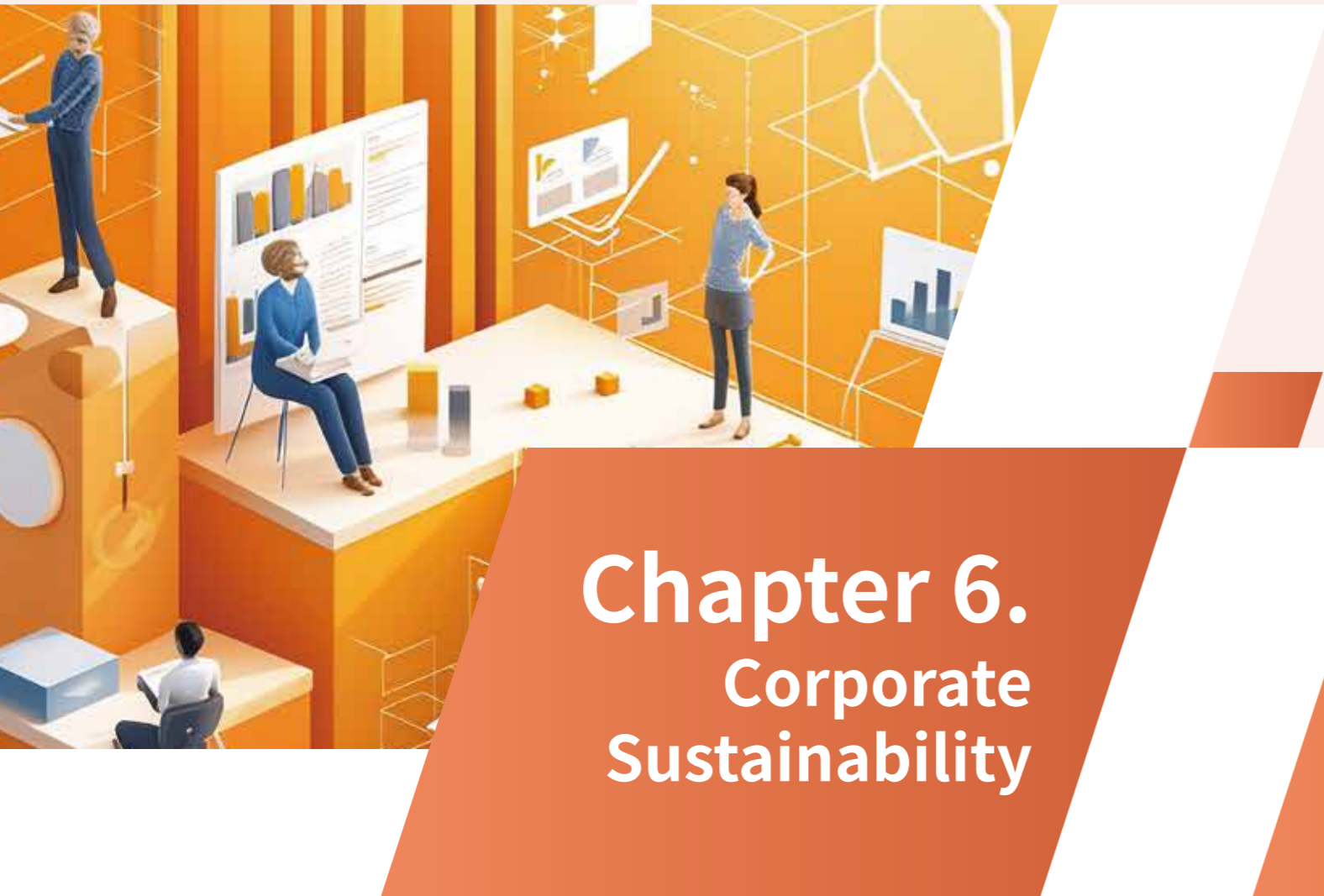
The Company occasionally receives the notices from third parties who assert that the Company's products may involve in the controversy of intellectual property rights. The Company respects and tries not to infringe third parties' intellectual property rights for all time. In view of the foregoing, we will analyze the related issues pertaining to legitimate, technical and business aspects to formulate the best tactics for resolution of the IP controversy so as to protect the Company's and stakeholders' interests.

E. List of intellectual property rights obtained and achievements

As of the end of 2025, 968 patents of PRIMAX have been approved while 526 patents are pending in countries.

7. Other Important Matters: None





Chapter 6. Corporate Sustainability

1. Overview

(I) Vision and Strategy

Under the spirit of P.R.I.MAX, the Company in 2022 established PRIMAX's sustainability strategy blueprint, which aligns with seven United Nations Sustainable Development Goals (SDGs), and plans to implement corresponding action plans under this blueprint. The sustainability strategy blueprint is structured around three key dimensions, with performance indicators set for each responsible unit and clear definitions for each goal's scope. This ensures a more precise evaluation of execution effectiveness. Additionally, the Company regularly tracks progress and adjusts targets dynamically to align sustainability initiatives with global trends, further integrating them into business operations to achieve the vision of sustainable corporate development. At the same time, under the SDG 17 goal of partnerships, PRIMAX actively responds to international initiatives, including RE100, GRI, SASB, IFRS, CDP, S&P Global CSA. Additionally, the Company aligns with the SASB Technology & Communications – Hardware indicators in its reports to enhance the completeness of information disclosure.

(II) ESG Operation and Management

The Group, in pursuit of corporate sustainable development, designates the Board of Directors as the highest governance body. In 2024, the former "Risk Management Committee" was restructured and renamed as the "Sustainability Development and Risk Management Committee," reflecting that both functions must be closely integrated, with comprehensive evaluations conducted across organizational structure, material risks, and key stakeholder concerns. The Sustainable Development and Risk Management Committee convenes at least twice a year to report to the Board of Directors on sustainability and risk management strategies and policies, annual plans and execution results, as well as the identification and response measures for major risk management issues. The Committee also oversees improvement mechanisms. In the event of significant issues, additional meetings may be held, and matters may be submitted for Board resolution.

In 2025, the Board of Directors held a total of 6 meetings, with sustainability-related agenda items as listed in the following table:




Date of Meeting	Proposal
2025/01/20	<ul style="list-style-type: none"> Report on the implementation results of the Company's 2024 sustainability objectives and the execution plan for 2025 sustainability objectives.
2025/05/08	<ul style="list-style-type: none"> The Group's 2025 greenhouse gas inventory (carbon inventory) and performance report. The Company's TCFD Report
2025/08/07	<ul style="list-style-type: none"> The 2024 Sustainability Report and the results of the engagement of stakeholders and material issues 2025 operational risks and corresponding mitigation measures.





(III) Communication with stakeholders

Besides following AA 1000 Stakeholder Engagement Standards (SES), to allow PRIMAX stakeholders to better identify adherence to GRI Standards (2021 Update), the Company evaluates actual or potentially affected stakeholders according to the management of each sustainability issue. The ESG Office then identifies seven key stakeholders in accordance with the AA 1000 SES, including: Government/Competent authority, Customers, Shareholders/Investors /Financial Institutions/External Appraisal institutions, Employees, Suppliers/Contractors/ Outsourcers, Local community, NPO/NGO.

PRIMAX adopts a diversified approach to stakeholder engagement, including one-way, two-way, one-to-many, and many-to-one models, to ensure that all voices are heard effectively. The ESG Office collects concerns related to sustainability issues from key communication contacts among these stakeholder categories every six months, checks for any significant impact events, and compiles reports that serve as references for identifying significant issues. These are regularly presented to the Board of Directors.

For detailed information on the sustainability concerns and communication channels of stakeholders, please refer to the table below:

Stakeholders	Main issues of concern	Communication methods and channels
 Government/Competent authority	Governance and Integrity / Social Engagement / Life Cycle Management / Water Resources / Air Pollutant Emissions / Waste Management / Occupational Health and Safety / Product Health and Safety	Official Correspondence/ Market Observation Post System (MOPS)/Company Official Website/ ESG Issues Questionnaire
 Customers	Climate change response / Air pollutant emissions / Product health and safety / Privacy and information security / Customer management / Sustainable supply chain management	GP, RBA, QPA, QSA Audit/Customer GP, Environmental Requirements/Customer Satisfaction Survey/ Customer & Supplier Conference/Product RFQ/ESG Issues Questionnaire
 Shareholders/Investors/ Financial Institutions/ External Appraisal Institutions	Operational management and economic performance / Taxation / Occupational health and safety / Governance and integrity / Privacy and information security / Product innovation and development / Water resources / Air pollutant emissions / Social engagement / Sustainable supply chain management	Annual Shareholders' Meeting/Quarterly Operating Results Presentation and Teleconference/Monthly Revenue Announcement/Domestic Interviews and Meetings/Forum for Overseas Investors/ESG Issues Questionnaire

Stakeholders	Main issues of concern	Communication methods and channels
 Employee	Talent attraction, retention, and diversity and Equality / Occupational health and safety / Talent development and training / Social engagement / Labor rights	Labor Conferences/Employee Performance Interviews/Business Division Communication Meeting/Interviews with Grassroots Employees/Union or Welfare Committee Meetings/Opinion Survey/Internal Publicity Channel/Appeal Consultation Channel/ESG Issues Questionnaire
 Suppliers/Contractors/ Outsourcers	Customer management / Operational management and economic performance / Taxation / Life cycle management / Occupational health and safety / Product health and safety	New AVL Evaluations and Declarations/Environmental Requirements for PRIMAX and Clients/Annual Review/Supplier Training (GHG/CFP/GP)/Supplier Conference/ESG Issues Questionnaire
 Local Communities	Occupational health and safety / Talent attraction, retention, and diversity and Equality / Product health and safety / Taxation / Waste management / Labor rights / Social engagement	Risk Assessments/Volunteer Activities/Donations/ESG Issues Questionnaire
 Non-Governmental Organizations/Non-Profit Organizations	Social engagement / Local communities / Operational management and economic performance / Talent attraction, retention, and Diversity and Equality / Labor rights	Telephone Interviews/ESG Mailbox/Mail/Official Correspondence/ESG Issues Questionnaire

(IV) Corporate Operational Risk Identification and Management

With the authorization of the Board of Directors, the ESG Office is responsible for calling and assigning each function to set up a risk assessment task force. The risk assessment team holds meetings at least once a year to identify operational risks of sustainability and climate risks and opportunities. In 2025, the Group optimized its risk management organizational structure by establishing the position of "Chief Risk Officer," to be held by the General Manager. This role is responsible for validating risk assessment results, regularly monitoring the effectiveness of risk mitigation policies, and reporting to the Sustainability Development and Risk Management Committee. Following identification by the risk assessment task force, the Group's principal risks in 2025 comprise six categories: environmental risks—"transition risk: increasing customer requirements for responding to climate change" and "transition risk: requirements for climate-related information disclosure and reporting"; sustainable operational risks—"information security (including privacy and personal data protection)"; and strategic risks—"geopolitical risks," "changes in trade policies," and "financial market and funding risks."

(V) 2025 ESG Performance and Honors

- 1 Received an MSCI ESG Rating of A for Three Consecutive Years
- 2 Honored in the S&P Global Sustainability Yearbook for Three Consecutive Years
- 3 Received leader class (A list) in CDP's Climate Change Questionnaire for Three Consecutive Years
- 4 Won the TCSA Top 100 Sustainable Model Enterprises Award and the Sustainability Report Gold Award
- 5 Commonwealth Sustainability Citizen Award – 7th Place in Large-Scale Manufacturing Category
- 6 Business Weekly Top 100 Carbon Competitive Companies
- 7 Top 50 in the Commonwealth Sustainable Talent Awards
- 8 HR Asia Best Companies To Work For In Asia

2. Environmental Aspects

(I) Environmental Policy

Primax Electronics Ltd. (hereinafter referred to as "the Company") is committed to corporate sustainability. Maximizing environmental protection is one of the core goals of the Company's sustainability strategy blueprint. The Company fulfills compliance obligations and actively responds to international environmental initiatives across production activities, product design, and services. It leads employees, suppliers, and other key value chain partners in concretely implementing sustainable practices to collectively protect the environment:

1. Applicable Parties and Scope

This policy applies to PRIMAX and its subsidiaries with over 50% ownership and operational control globally, suppliers, service providers, contractors, and other key business value chain partners. The scope includes product research and development, procurement, production operations, distribution and transportation, and waste management. The Company follows this policy to fulfill its management responsibilities and promote environmental sustainability initiatives.

2. PRIMAX's environmental protection policy and promotion guidelines include:

- (1) Fulfilling compliance obligations and initiatives
- (2) Mitigating and adapting to climate change
- (3) Preventing pollution and conserving ecosystems
- (4) Developing sustainable products and a circular economy
- (5) Promote engagement with value chain business partners to mitigate environmental impacts.

(II) Environmental Management System

1. Management System

Based on industrial characteristics and in response to the SDGs and climate actions, the Company has introduced the environmental management system (ISO14001), energy management system (ISO50001), water footprint management system (ISO14046), hazardous substance process management system (IECQ QC080000), and other management systems certified by third-party accreditation bodies to take proper control of the process and materials, so as to ensure that the products produced in line with the environmental protection requirements; meanwhile, there are dedicated units in place to maintain the environmental quality of the production plants in mainland China and to strengthen the implementation of energy-saving and carbon reduction measures.

2. Environmental Accounting

Up to the latest fiscal year and as of the printing of the annual report, PRIMAX has not incurred any losses (including compensations) or penalties due to environmental pollution. The following is a statistical table of the environmental protection expenditure of the Group's plants in 2025.

Unit: NTD

Classification of environmental protection costs	Description	Expenditures
1. Direct cost of reducing environmental impact	(1) Cost of pollution prevention Including air pollution control costs, water pollution control costs, other pollution control costs	4,019,768
	(2) Resource conservation cost The cost of conserving resources (such as water resources)	4,667,725
	(3) Business waste and general office waste disposal and recycling cost The cost of business waste disposal (including reuse, incineration, and landfill)	2,613,251
2. Indirect cost of reducing environmental impact (management expenses related to environmental protection)	Includes (1) Employee environmental education expense; (2) Environmental management system architecture and certification fees; (3) Environmental load monitoring expense; (4) Increased cost of purchasing eco-friendly products; (5) Personnel costs related to the entity in charge of environmental protection	58,373,844
Total		69,169,969

(III) Climate-Related Financial Disclosures

1. Disclosure Principles and Scope

In response to global warming, extreme weather, and increasing awareness of environmental protection, energy conservation, occupational safety, and conservation, PRIMAX Group closely monitors global climate change trends and international response directions. Climate change has been incorporated as one of the material issues and key risk factors in the Group's sustainable development agenda. The Group continues to conduct analysis and management while actively engaging in greenhouse gas adaptation and mitigation efforts.

Since 2016, PRIMAX has conducted greenhouse gas emissions inventories, which have been verified by third parties. The Group also participates in voluntary reduction initiatives and proactively discloses greenhouse gas management information to stakeholders, demonstrating its commitment to climate-related issues. After formally becoming a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) in 2021, the Group published its first TCFD Report in 2022, systematically disclosing climate-related risks and opportunities in terms of governance, strategy, risk management, and metrics and targets. Starting from 2024, the Company has voluntarily adopted the framework of International Financial Reporting Standards S2 (IFRS S2) Climate-related Disclosures, issued by the International Sustainability Standards Board (ISSB), to prepare its climate-related financial information. The Company also references the IFRS S2 disclosure examples jointly developed by the Financial Supervisory Commission of Taiwan and the Accounting Research and Development Foundation of the Republic of China to enhance the completeness and consistency of its disclosures, thereby improving information transparency and decision-usefulness.

In light of increasing global attention to biodiversity loss and ecosystem degradation, the Group has further strengthened its management mechanisms for nature-related risks and opportunities. By referencing the disclosure framework of the Taskforce on Nature-related Financial Disclosures (TNFD) and aligning with the principles of IFRS S1 Sustainability-related Financial Information Disclosure, the Group has incorporated nature-related risks and opportunities into its enterprise risk assessment framework. Through integration with existing risk management processes, the Group enhances its sustainability management foundation and strengthens its long-term resilience and risk response capabilities.

In 2025, PRIMAX prepared its sustainability-related financial disclosures in accordance with the disclosure requirements of IFRS S1, IFRS S2, and the TNFD framework. The reporting period covers January 1, 2025 to December 31, 2025. The scope of disclosed information is consistent with the entities included in the Group's consolidated financial statements in its annual report. Where certain disclosures extend to the value chain, further explanations are provided in the relevant sections. For complete disclosures of climate- and nature-related financial information, please refer to the "Primax 2025 Climate and Nature-related Financial Disclosure Report."

2. Governance

(1) Sustainability and Climate Governance Framework and Responsibilities

In 2024, upon approval by the Board of Directors, the Company renamed the "Risk Management Committee" as the "Sustainable Development and Risk Management Committee," which serves as the dedicated body responsible for the Company's overall risk management. In August 2024, the Sustainability Development and Risk Management Committee revised the "Risk Management Policies and Procedures" and introduced the "Corporate Risk Management Implementation Guidelines," which were implemented upon approval by the Board of Directors. The scope of application covers sustainable operational risk management practices at the corporate level of entities within the PRIMAX Group over which the Company exercises substantive control, thereby establishing a resilient corporate governance framework.

The Sustainable Development and Risk Management Committee is chaired by the Chairman of the Board and regularly reports its progress to the Board of Directors, ensuring that the board members are informed about the potential impacts of business risks on the Company's operations and the current strategies in place to address them. To enhance governance effectiveness and ensure timely oversight, the Group optimized its risk management organizational structure in 2025 by establishing the position of "Chief Risk Officer," to be held by the General Manager. This role is responsible for validating risk assessment results, regularly monitoring the effectiveness of risk mitigation policies, and reporting to the Sustainability Development and Risk Management Committee, thereby ensuring that risk management is closely aligned with the Group's strategic objectives. [S1.27(a)(i), S1.27(a)(iii), S1.27(a)(v), S2.6(a)(i), S2.6(a)(iii), S2.6(a)(v), S1.27(a)(iv), S1.27(a)(v), S1.27(b)(i), S2.6(a)(iv), S2.6(a)(v), S2.6(b)(i)]

PRIMAX Sustainability and Climate Governance Framework

[S1.27(a)(i), S1.27(a)(iii), S1.27(a)(v), S1.27(b)(i), S2.6(a)(i), S2.6(a)(iii), S2.6(a)(v), S2.6(b)(i), S2.6(b)(ii)]

Organization	Convener	Responsibilities Overview	Reporting Frequency	Reporting Content	
Governance Unit	Board of Directors	Chairman	The highest management and decision-making body of PRIMAX ensures that the operational strategy direction aligns with the management policies, overseeing the effective operation of the overall sustainable development and risk management mechanisms.	-	-
	Sustainable Development and Risk Management Committee	Chairman	Responsible for reviewing the corresponding policies and implementation results of sustainable development and climate change risk assessments.	Reports to the Board at least twice a year	Corporate risk response strategies and implementation results
	Remuneration Committee	Independent Director	Regularly assess the performance goals of senior managerial officers (including ESG indicators) and determine the content and amount of individual compensation based on the results.	Reports to the Board at least twice a year	The bonus plan is finalized by March each year, and in January of the following year, the performance results of the previous year's bonus plan for senior managerial officers is confirmed.
Management Team	Chief Risk Management Officer	General Manager	Responsible for approving risk assessment results and continuously monitoring the implementation of risk response strategies; also exercises oversight responsibilities by regularly reviewing the management team's progress and effectiveness of improvement measures to ensure that risk management aligns with the organization's long-term objectives.	Reports to the Sustainable Development and Risk Management Committee at least once a year	Risk mitigation improvement policies and follow-up results from the previous year
	ESG Office	Vice General Manager of Sustainability	Responsible for convening, driving, and executing the risk assessment team, regularly or as needed based on operational requirements, to carry out the Company's overall enterprise risk assessment process	Reports to the Sustainable Development and Risk Management Committee at least twice a year	Enterprise risk management and evaluation report Sustainability management status, greenhouse gas inventory progress
	Risk Assessment Team	Vice General Manager of Sustainability	Conduct risk assessments, implement response strategies, and complete risk mitigation projects	The management team regularly reports to the Chief Risk Management Officer.	The performance of response measures or risk mitigation project implementation
	Audit Team	Audit Officer	Independently conduct internal control and operational risk audits	Regularly reports to the Audit Committee	Annual audit plan and implementation results

Note: In the climate change governance framework of the PRIMAX Group, the management team follows the "Risk Management Policies and Procedures" and the "Corporate Risk Management Implementation Guidelines" to carry out cross-functional collaboration activities. These activities integrate controls and procedures with other internal functions, enhancing the momentum of corporate decision-making and strengthening climate governance. [S2.6(b)(ii)]

(2) Sustainability and Climate Supervision and Management

The 2025 risk assessment results were reported by the Chief Risk Officer to the Sustainability Development and Risk Management Committee, and subsequently presented by the Committee's convener, Chairman Pan, Yung-Chung, to the Board of Directors for approval. In 2025, the Sustainability Development and Risk Management Committee convened three meetings, covering topics including the 2024 group greenhouse gas inventory and performance report and the 2025 sustainability target implementation plan, among others.

To enhance the Board of Directors and management's knowledge related to sustainability and climate change, PRIMAX arranges periodic continuing education courses. In 2025, three related courses were planned, covering topics such as energy policies and risk management. In the future, PRIMAX will continue to strengthen training programs on sustainable management for the Board of Directors and management team. [S1.27(a)(ii), S2.6(a)(ii)]

(3) Sustainability and Climate Reward Mechanism

The Board of Directors approved the Group's sustainability strategy blueprint in 2022 and, under this framework, authorized the Chairman to approve a total of 29 execution targets across business units and supporting functions. Starting from 2023, 10%-15% of variable compensation for senior executives at the vice president level and above has been linked to sustainability performance. Beginning in 2024, 5%-10% of the annual performance of regional manufacturing heads and the highest-ranking R&D executive has also been linked to sustainability indicators. Performance evaluation dimensions include corporate performance metrics, annual strategic priorities, and ESG indicators. These measures are designed to incentivize and enhance operational efficiency and sustainability competitiveness, support long-term value creation, and accelerate the Group's progress toward sustainability and net-zero transition goals.

In light of the significant global impacts of climate change, mitigating greenhouse gas emissions has become an urgent priority. PRIMAX continues to implement institutionalized incentive mechanisms to encourage employee participation in energy conservation, carbon reduction, and waste reduction initiatives. Under the "Energy Conservation and Waste Reduction Management and Control Measures," employees are encouraged to submit energy-saving and carbon reduction proposals, with commendations or higher rewards granted based on project benefits. In addition, performance-based year-end bonuses are awarded in accordance with the employee reward and discipline system to ensure continuous improvement momentum. PRIMAX adopts a systematic approach to drive active participation across all levels of management, strengthen strategic execution and cross-functional collaboration, and ensure the effective implementation of sustainability initiatives, thereby enhancing long-term competitiveness and overall value creation. [S1.27(a)(v), S2.6(a)(v), S2.29(g)(i), S2.29(g)(ii)]

3. Risk Management and Strategy

(1) Risk and Opportunity Identification Process and Assessment Methodology

To align with IFRS sustainability disclosure standards and comprehensively identify the risks faced in the Group's operations, the Group optimized and integrated its risk identification methodology in 2025 by incorporating nature-related risks into its existing risk management framework, thereby enhancing the completeness and consistency of overall risk assessment. 【S1.44(a)(vi), S1.44(a)(c), S2.25(a)(vi), S2.25(a)(c)】

The identification and consolidation of risk factors are conducted with reference to stakeholder concerns, the Group's medium- to long-term development strategies, and the requirements of domestic and international sustainability disclosure standards and rating initiatives (such as GRI, SASB, IFRS S1, IFRS S2, CDP, MSCI, and DJBIC), to ensure that the risk management framework remains aligned with the Group's sustainability direction and evolving external regulatory trends. 【S1.44(a)(i), S2.25(a)(i)】

Risk sources are categorized into four major types: sustainable operational risks, environmental risks, strategic risks, and emerging risks, comprising a total of 46 identified risk factors. The risk assessment task force conducts evaluations in accordance with the "Implementation Rules for Enterprise Risk Management." The assessment criteria include the likelihood (probability or frequency of occurrence) of uncertain events and their potential impact (severity) on the Group's operations, financial performance, strategic development, and reputation, while also considering the potential for both downside risks and upside opportunities. In addition, the assessment takes into account the organization's risk tolerance, including its capacity to absorb impacts, recovery capability, and response capability. Scenario analysis and key assumptions are applied to evaluate the potential effects of various risk scenarios on the Group, serving as a basis for risk and opportunity assessment. 【S1.44(a)(ii), S1.44(a)(iii), S2.25(a)(ii), S2.25(a)(iii)】

For risks and opportunities assessed as potentially material, further financial impact assessments are conducted to identify the time horizons over which they may affect the Company's prospects. These are categorized into short-term (2026–2028), medium-term (2029–2031), and long-term (2032–2035). Each risk factor is evaluated across these timeframes to determine its level of risk or opportunity, and material financial impact items to be disclosed are determined in accordance with the principle of materiality.

Items determined to have material financial impacts are further analyzed in terms of their current and expected effects on cash flows, financial performance, and financial position. For material risks and opportunities, corresponding management strategies and action plans are formulated, with defined management objectives and ongoing monitoring of implementation outcomes. This ensures that the risk management framework remains aligned with the Group's strategy and sustainability direction, while enhancing the transparency and completeness of disclosures. 【S1.44(a)(v), S2.25(a)(v)】

Risk and opportunity assessment process

【S1.44(a), S1.44(b), S2.25(a), S2.25(b)】



Identification of time horizons over which risks and opportunities are expected to affect the Group's prospects 【S2.10(a)(d)】

Period	Definition	Link to strategic decision-making
Short-term	1–3 years (2026–2028)	Strategic initiatives for the coming 1–3 years are reviewed annually and adjusted on a rolling basis in response to international developments and customer demand.
Mid-term	3–5 years (2029–2031)	Strategic decisions are reassessed and adjusted within a 3–5 year horizon.
Long-term	5–10 years (2032–2035)	In alignment with the national "2050 Net Zero Emissions Pathway" and international initiatives such as the Science Based Targets initiative (SBTi), the Group targets achieving net zero emissions by 2050.

(2) Major Risks and Opportunities

Based on the 2025 risk assessment results, a total of four high-risk items with risk matrix scores of 12 or above were identified, including sustainable operational risk—"information security (including privacy and personal data protection)" and strategic risks—"geopolitical risks," "changes in trade policies," and "financial market and funding risks." In response to the aforementioned high-risk items, the Corporate Sustainability Office has convened strategic meetings to review relevant countermeasures and resource allocation. It also continuously monitors changes in annual assessment results and regularly reports outcomes and provides decision-making recommendations to management, ensuring alignment between the risk management framework, the Group's strategic direction, and sustainability objectives.

With respect to environmental risks, although no high-risk items were identified in the current year, natural environment-related issues continue to be influenced by international policies, industry trends, and changes in customer demand, and remain of material importance to the Group's operations and stakeholders. Accordingly, the Group continues to designate key environmental risks—"transition risk: increasing customer requirements for climate change responses" and "transition risk: climate-related information disclosure and reporting requirements"—as priority management items and regularly reviews their potential impacts.

Furthermore, the assessment process indicates that certain response measures not only mitigate potential transition risks but may also generate positive outcomes and create potential opportunities, such as "product and service opportunities—meeting customer decarbonization requirements and driving demand growth" and "market opportunities—entering new markets." Based on the above assessment of risks and opportunities, this report prioritizes the disclosure of nature-related issues, including their current and expected impacts on cash flows, financial performance, and financial position, as well as the corresponding management strategies, in order to enhance the completeness of IFRS S2 sustainability-related disclosures. 【S1.30(a), S1.44(a)(iv), S2.10(a), S2.25(a)(iv)】

Major Risks/Opportunities 【S1.30(b), S2.10(c)】

Risk Category	Item	Risk/Opportunity Item	Risk/Opportunity Rating			Financial Material Impact		
			Short-term	Mid-term	Long-term	Short-term	Mid-term	Long-term
Environment	R01	Climate Information Disclosure and Reporting Requirements	Low	Low	Low	Low	Low	Low
	R02	Increased Customer Climate Change Response Requirements	Low	Low	Low	Low	Low	Low
	O01	Meeting customer carbon reduction needs to drive demand growth	Medium	Medium	Medium	Medium	Medium	Medium
	O02	Entering new markets	Low	Medium	Medium	Low	Medium	Medium
Sustainable Operations	R03	Information Security (including privacy and personal data protection)	High	High	High	Medium	High	High
Strategy	R04	Geopolitical Risks	High	High	High	High	Medium	Medium
	R05	Changes in Trade Policies	High	Medium	Low	Medium	Medium	Low
	R06	Financial Market and Capital Risk	High	High	High	High	High	High

Note: In the current year, disclosures focus primarily on environmental risks, including their impacts on the business model and value chain, as well as related mitigation and adaptation measures and financial impact assessments.

Impacts of major risks and opportunities on the business model and value chain

Risks and Opportunities Reasonably Expected to Impact the Entity's Outlook			Impacts on the Business Model [S2.13(a)]		Impacts on the Value Chain [S2.13(a)]		Where risks and opportunities are concentrated within the business model/ value chain [S2.13(b)]				Time horizons over which impacts may occur [S2.10(c)]	
Risk/ Opportunity Item	Category [S2.10(b)]	Description [S2.10(a)]	Current	Expected	Current	Expected	Upstream	The Group		Downstream		
									Primax	Tymphony		
R01 Climate Information Disclosure and Reporting Requirements	Transition Risk	Regulations and Policies	As global climate policies become increasingly stringent, governments worldwide are gradually requiring companies to disclose or report climate-related information. The operations and manufacturing locations of the PRIMAX Group span Taiwan, China, Thailand, the Czech Republic, and other regions. Failure to promptly understand and comply with relevant regulations could result in regulatory fines, potentially impacting the Company's reputation and customer orders.	The Group has incorporated climate- and nature-related disclosures into its operational and compliance management processes and has established cross-functional and cross-site data management and internal control systems. In 2025, the Group incurred no regulatory penalties and ensured that disclosed information accurately met the requirements of customers and stakeholders.	More stringent disclosure requirements in the future may increase compliance costs and management complexity. Failure to promptly respond to regulatory changes may affect customer evaluations, order allocation, or result in penalties and additional compliance costs. PRIMAX will continue to enhance information transparency and institutionalized management practices to maintain operational stability and mitigate potential impacts of compliance risks on its business model.	This risk primarily affects the Group's internal compliance management mechanisms and extends to upstream suppliers' data collection and quality management, as well as downstream customers' disclosure requirements and procurement evaluation criteria.	Stricter disclosure requirements may increase the complexity and cost of supply chain data integration, raise customer expectations for sustainability performance, and increase overall compliance and cross-regional coordination costs across the value chain.	●	●	●	○	Mid-term, Long-term
R02 Increased Customer Climate Change Response Requirements	Transition Risk	Market Risk	With the changing market trends, the Company's major customer demands for the use of eco-friendly recycled materials, green energy, and improved energy efficiency during the product usage phase are increasing. If these customer demands are not met, it could result in a decline in product and service demand or difficulty in securing new orders.	Customers have incorporated low-carbon products and decarbonization performance into supplier evaluation and order allocation criteria. The Group has adjusted its product design and procurement strategies by gradually introducing recycled materials, increasing the use of renewable energy, and strengthening carbon management mechanisms. These actions support the maintenance of existing customer relationships and order stability, while having a material impact on cost structure and resource allocation.	If customers further increase requirements for low-carbon products and supply chain decarbonization thresholds, the Group will need to continuously optimize product structures and sourcing of low-carbon materials, and accelerate technological upgrades and decarbonization investments to meet such requirements.	In response to customer requirements for low-carbon products and decarbonization management, the Group has gradually introduced recycled materials, increased the use of renewable energy, and strengthened product carbon footprint management. These requirements have extended to upstream suppliers, who are required to provide low-carbon or environmentally friendly materials and related emissions data. This has elevated supply chain management standards and increased procurement costs and collaboration complexity.	As international brands advance their net-zero commitments and Scope 3 reduction targets under the SBTi framework, customers may further require accelerated emissions reductions and enhanced disclosures across the supply chain. The Group expects to increase requirements for upstream suppliers regarding the proportion of low-carbon materials, decarbonization performance, and data transparency. This may lead to adjustments in supplier selection criteria, restructuring of sourcing, changes in cost structures, and increased transition pressure across the value chain.	○	●	●	●	Short-term
O01 Meeting customer carbon reduction needs to drive demand growth	Opportunity	Product/ Service Opportunity	PRIMAX actively responds to stakeholder expectations and international ranking concerns by setting strict and clear SBTi carbon reduction targets. The Company is committed to implementing ESG sustainability management, continuously investing in corresponding actions to achieve carbon reduction commitments, and meeting customer climate change-related requirements.	The Group has implemented decarbonization measures and established climate management systems, including greenhouse gas inventories, decarbonization target management, and the adoption of renewable energy, in response to major customers' requirements for supply chain climate resilience. These measures have been integrated into existing operational processes and supply chain management mechanisms, forming a key foundation for maintaining customer relationships and order stability, and positively supporting existing market demand and business stability.	As customer requirements for decarbonization and supply chain net-zero continue to increase, strengthening decarbonization performance and climate-related transparency is expected to enhance the Group's strategic position within customer supply chains, increase order allocation, and create opportunities for new customer engagement. In the long term, climate management capability will become a key competitive and differentiating advantage, supporting demand growth, operational expansion, and the resilience and sustainability of the business model.	In response to increasing customer demand for decarbonization, PRIMAX continues to advance its own decarbonization initiatives and strengthen climate management capabilities, while collaborating with suppliers to implement emissions reduction measures and carbon data management to enhance the low-carbon attributes of its products and transparency of information. These initiatives are expected to enhance the Group's competitive advantage in low-carbon supply chains and support demand growth and new business opportunities.	Looking ahead, the Group expects to further deepen decarbonization collaboration with supply chain partners, enhance carbon management capabilities and disclosure quality across the value chain, and strengthen sustainable partnerships with customers through low-carbon products and circular material applications. These initiatives are expected to enhance the Group's competitive advantage in low-carbon supply chains and support demand growth and new business opportunities.	○	●	●	●	Short-term
O02 Entering new markets	Opportunity	Market Opportunity	Due to climate change trends, the automotive market is shifting from internal combustion engine vehicles to electric vehicles. PRIMAX Group is currently developing products such as automotive lenses and electric vehicle chargers, car-mounted portable speakers, and speaker drivers. If we can enter the electric vehicle market in the future, we anticipate opportunities to enter new markets and expect an increase in revenue.	In response to global climate transition trends and the shift in the automotive market from internal combustion engine vehicles to electric vehicles, the Group has invested in the development and technological deployment of electric vehicle-related products, while strengthening automated manufacturing processes and advanced technology capabilities. These investments have affected resource allocation and capital expenditure structure, making R&D and equipment investment key foundations for future growth.	If these technologies mature and are successfully commercialized, they are expected to expand into electric vehicle-related applications, create new customer opportunities and order sources, and further optimize the revenue structure. Over the long term, the Group's electric vehicle product portfolio is expected to enhance its competitive position in the low-carbon transition market and serve as a key growth driver of its business model.	In response to increasingly stringent automotive regulations and quality standards, the Group has collaborated with upstream suppliers to meet automotive certification and technical requirements. Suppliers are required to adjust production processes and quality management in accordance with relevant standards, enhancing material stability and traceability. These requirements increase the technological threshold and management complexity of the supply chain while strengthening its overall quality and resilience.	As demand in the electric vehicle market expands, the Group expects to deepen technical collaboration and co-development mechanisms with key suppliers and may optimize supplier structures to ensure quality and capacity stability. With the maturation of supply chain technologies and process optimization, overall value chain efficiency is expected to improve, facilitating faster compliance with market standards and capturing opportunities in emerging markets.	●	●	●	●	Mid-term, Long-term

Note: Identification of risks and opportunities across the business model and value chain. Legend:
 ○ Moderate Relevance; ● High Relevance; ● Critical Relevance.

(3) Financial Impact Analysis of Risks and Opportunities

The Group explains the corresponding mitigation and adaptation measures for the principal nature-related risks and opportunities identified during the current year, and further analyzes their potential impacts on the Group's financial position, financial performance, and cash flows, in order to help stakeholders understand the strategies adopted and decisions made by the Group in response to such risks and opportunities.

Mitigation and Adaptation Measures for Major Risks and Opportunities, and Assessment of Financial Effects

Risk/ Opportunity Item	Mitigation and Adaptation Efforts 【S2.14(a)(i)-(iii)】		Impacts on Financial Position, Financial Performance, and Cash Flows 【S2.9(d)】	
	Current	Expected	Financial effects during the reporting period ^{Note 1} 【S2.16(a)】	Expected Financial Impact ^{Note 2} 【S2.2, S2.16(c)-(d), S2.21(a)-(c)】
R01 Climate Information Disclosure and Reporting Requirements	<ul style="list-style-type: none"> Compliance disclosure and assurance: Resources were invested in the preparation of the sustainability report, including verification and translation fees, and consultants were engaged to provide guidance on IFRS S1 and S2, so as to ensure that disclosures comply with international standards and regulatory requirements. Management system verification: Verification fees were paid for various environmental, climate, and energy management systems, and external verification was used to ensure the effectiveness of management processes. Participation in climate initiatives: Annual fees were paid for international initiatives and industry associations, such as CDP, RE100, and SBT, to strengthen the Company's brand credibility in the low-carbon transition. 	<ul style="list-style-type: none"> Regulatory Compliance: The Group expects to continue budgeting annual verification and consulting expenses in order to address evolving disclosure standards, such as the TNFD framework for nature-related financial disclosures. Carbon value management system development: The Company expects to establish an "Environmental Management Information System" to digitalize carbon emissions data and strengthen real-time climate risk monitoring and decision-support capabilities. Strategic pathway alignment: Through the establishment of science-based reduction targets under the Science Based Targets initiative (SBTi), the Group expects to translate external initiatives into an internal long-term roadmap for decarbonization and resource allocation. 	<p>Increase in costs and expenses or cash outflows</p> <ol style="list-style-type: none"> During the current period, in order to support climate-related disclosures and regulatory alignment, the Group incurred approximately NT\$12,910 thousand in operating expenditures, primarily including sustainability report assurance fees, IFRS S1 and S2 consulting fees, and environmental management system verification fees. As a result, operating costs and expenses increased for the current period, leading to cash outflows from operating activities. No customer order losses occurred during the current period as a result of inadequate disclosure performance, indicating that the current investment in green operating expenditures has effectively reduced the impact of potential transition risks. 	<p>Increase in costs and expenses or cash outflows</p> <ol style="list-style-type: none"> To respond to customer climate-related requirements and compliance disclosures, operating expenditures are expected to continue increasing, resulting in cash outflows from operating activities, while overall financial risk remains within a controllable range. Impact on net profit: The above expenditures will be recognized as current-period expenses and are expected to have a slight impact on short-term net profit, but are intended to ensure order stability.
	<p>Expected financial effects of the risks or opportunities after taking into account the above response strategies</p> <ol style="list-style-type: none"> Related operating expenditures (OPEX): To respond to customer climate-related requirements and compliance disclosures, operating expenditures (OPEX) are expected to be incurred annually from 2026 to 2035. Such expenditures are recurring operating expenses and will be fully recognized in profit or loss for the current period. Stable asset structure: The expected green operating expenditures will primarily be expensed as incurred and will not involve material asset impairment or additional significant provisions for liabilities; therefore, no material impact on the overall balance sheet structure is expected. Revenue risk avoidance: Through the implementation of these measures, the Group is expected to fully satisfy customer requirements for nature- and climate-related disclosure and reporting across the supply chain, thereby effectively eliminating potential revenue loss risks. Enhanced financing competitiveness: Through proactive climate action and information disclosure, the Group expects to maintain or improve its ESG ratings, which will be favorable for obtaining approvals and preferential interest rates for future Sustainability-Linked Loans (SLLs) or green financing, although the amount cannot yet be quantified. 			

Mitigation and Adaptation Measures for Major Risks and Opportunities, and Assessment of Financial Effects

Risk/ Opportunity Item	Mitigation and Adaptation Efforts 【S2.14(a)(i)-(iii)】		Impacts on Financial Position, Financial Performance, and Cash Flows 【S2.9(d)】	
	Current	Expected	Financial effects during the reporting period ^{Note 1} 【S2.16(a)】	Expected Financial Impact ^{Note 2} 【S2.2, S2.16(c)-(d), S2.21(a)-(c)】
R02 Increased Customer Climate Change Response Requirements	<ul style="list-style-type: none"> Investment in low-carbon design and R&D: The Company has invested in "ecodesign R&D personnel and equipment" and "project expenses" to optimize decarbonization across the product life cycle. Low-carbon supply chain collaboration: The Group is promoting "investment in low-carbon supply chain design" and working collaboratively with suppliers to develop components that meet customers' green specifications. Clean energy use: The Group has entered into a long-term photovoltaic power purchase agreement (PPA) and paid the related costs to reduce Scope 2 emissions from product manufacturing. Energy saving and waste management: The Group has implemented "S1/S2 energy efficiency investments" and "environmental waste reduction and compliant treatment" to optimize operating costs and reduce environmental impacts. Compliance disclosure and consulting: The Group has carried out "sustainability report preparation and assurance" and "environmental project consulting" to establish transparent channels for climate-related information communication. 	<ul style="list-style-type: none"> Systematic ecodesign: The Group expects to establish an "Ecodesign Information System" and provide related training to institutionalize green design and respond more quickly to customer demand gaps for green products. Low-carbon technology upgrades: The Group expects to continue budgeting "ecodesign project expenses" in order to respond to increasingly stringent international sustainability regulatory guidelines. Carbon asset management: By integrating "carbon credit investments" with the "Environmental Management Information System," the Group expects to achieve its operational carbon neutrality target and meet customer requirements for supply chain net zero. Maximization of resource circularity: Through continued energy efficiency investments, the Group expects to improve resource utilization and alleviate transition cost pressures. Digitalized environmental governance: The Group expects to establish an "Environmental Management Information System" to enhance data traceability and management accuracy, thereby providing a basis for responding to customer audits. Initiatives and leadership: The Group will continue to support environmental initiatives in order to establish a benchmark position in the green market. Implementation of the internal carbon pricing management system: In 2026, the Company implemented an internal carbon pricing system (covering Scope 1 to Scope 3) to incentivize the organization to actively pursue various decarbonization initiatives. 	<p>Increase in costs and expenses or cash outflows</p> <p>1. During the current period, in order to enhance the Group's capability to respond to customer climate- and nature-related requirements, approximately NT\$102,241 thousand in operating expenditures was incurred. The impacts are as follows:</p> <ul style="list-style-type: none"> Increase in management and compliance costs: Approximately NT\$39,591 thousand was invested in sustainability report preparation, environmental management system verification, and consulting services. These green operating expenditures increased operating costs and expenses for the current period, resulting in cash outflows from operating activities. Increase in R&D and marketing expenses: Approximately NT\$46,895 thousand was invested in ecodesign-related R&D personnel, projects, and supplier training, and NT\$15,755 thousand in green product development (including low-carbon materials and green packaging design). These expenditures increased operating costs and expenses, resulting in cash outflows from operating activities. <p>2. During the current period, purchases of R&D equipment (non-current assets) increased by approximately NT\$2,239 thousand, resulting in cash outflows from investing activities. Depreciation expenses will be recognized over the useful life of these assets.</p> <p>3. No order losses or revenue reductions occurred during the current period due to failure to meet customer climate- or nature-related requirements.</p> <p>Increase in profit or cash inflows</p> <p>1. Through investments in decarbonization measures and the establishment of climate management systems, customer trust and order stability have been enhanced. Increased orders have driven higher cash inflows from ope</p>	<p>Increase in costs and expenses or cash outflows</p> <p>1. To enhance the Group's ability to respond to customer climate- and nature-related requirements, operating expenditures are expected to continue increasing, resulting in cash outflows from operating activities, while overall financial risk remains within a controllable range.</p> <p>2. Due to the continued acquisition of R&D equipment (increase in non-current assets), cash outflows from investing activities are expected, with depreciation expenses recognized over the useful life of the assets.</p> <p>3. Through investments in decarbonization measures and climate management systems, the Company expects to enhance customer trust and order stability, thereby reducing the risk of order loss due to non-compliance with customer climate (nature) transition requirements and maintaining stable profitability and operating cash flows.</p> <p>Increase in profit or cash inflows</p> <p>1. By meeting customer climate (nature) transition requirements through decarbonization investments and climate management systems, the Company expects increased order revenue, thereby driving cash inflows from operating activities.</p>
O01 Meeting customer carbon reduction needs to drive demand growth	<ul style="list-style-type: none"> Environmental system verification and training: The Group has completed "environmental management system verification" and "capability training" to ensure that internal management is aligned with international standards. 	<ul style="list-style-type: none"> Implementation of the internal carbon pricing management system: In 2026, the Company implemented an internal carbon pricing system (covering Scope 1 to Scope 3) to incentivize the organization to actively pursue various decarbonization initiatives. 	<p>Expected financial effects of the risks or opportunities after taking into account the above response strategies</p> <p>1. Related operating expenditures (OPEX): To address customer climate (nature) transition requirements, operating expenditures (OPEX) are expected to be incurred annually from 2026 to 2035. Such expenditures are recurring operating expenses and will be fully recognized in profit or loss for the current period.</p> <p>2. Related capital expenditures (CAPEX): In addition to the aforementioned operating expenses, continued acquisition of R&D equipment will increase non-current assets, resulting in cash outflows from investing activities, with depreciation expenses recognized over their useful lives.</p> <p>3. Revenue risk avoidance: Through the implementation of these measures, the Group is expected to meet most customers' climate (nature) transition requirements across the supply chain, thereby effectively eliminating potential revenue loss risks.</p> <p>4. Positive impact on profitability: Through the implementation of these measures, the Group expects to secure core orders and capture incremental opportunities by meeting customers' green supply chain requirements, thereby increasing cash inflows from operating activities. To avoid uncertainties associated with financial projections, the impact on profitability is presented qualitatively at this stage 【S2.19(b), S2.21(a), S2.21(b)】</p> <p>5. Enhanced financing competitiveness: Through proactive climate action and information disclosure, the Group expects to maintain or improve its ESG ratings, which will be favorable for obtaining approvals and preferential interest rates for future Sustainability-Linked Loans (SLLs) or green financing, although the amount cannot yet be quantified.</p>	

Mitigation and Adaptation Measures for Major Risks and Opportunities, and Assessment of Financial Effects

Risk/ Opportunity Item	Mitigation and Adaptation Efforts 【S2.14(a)(i)-(iii)】		Impacts on Financial Position, Financial Performance, and Cash Flows 【S2.9(d)】	
	Current	Expected	Financial effects during the reporting period ^{Note 1} 【S2.16(a)】	Expected Financial Impact ^{Note 2} 【S2.2, S2.16(c)-(d), S2.21(a)-(c)】
O02 Entering new markets	<ul style="list-style-type: none"> Supply chain partner development: Establish a presence in the automotive supply chain and build partnerships with climate-resilient collaborators. Resource allocation preparation: Invest initial R&D funding and human resources to conduct preliminary technical assessments for new markets. R&D investment: Invest in "new product transformation technologies" to enhance product energy efficiency and intelligent functionalities. Automated production line development: Initiate planning for automated production lines to reduce carbon emissions and human variability in manufacturing processes. Alignment with international standards: Ensure that products and manufacturing processes initially comply with international standards and industry requirements (such as IATF 16949 automotive standards). Certification and validation: Actively obtain certifications and validations to ensure products meet automotive market standards, thereby reducing operational risks arising from regulatory and legal constraints. 	<ul style="list-style-type: none"> Deepening supply chain collaboration: Expand the automotive market footprint and establish long-term, stable strategic partnerships. Dynamic operational deployment: Regularly review investments in the automotive market and dynamically optimize resource allocation in response to market trends. Smart manufacturing upgrade: Continue advancing "smart manufacturing" to enhance production efficiency, quality stability, and operational resilience through data-driven optimization. Product differentiation advantage: Achieve a competitive position in the low-carbon transition market through the development of high-performance, energy-efficient, and low-carbon materials. Ongoing compliance with automotive standards: Continuously ensure that manufacturing processes meet the latest international standards, establish standardized rapid response mechanisms, and maintain long-term market entry advantages. 	<p>Increase in costs and expenses or cash outflows</p> <p>1. During the current period, to enhance the Company's capability to enter new markets, approximately NT\$6,987 thousand was invested in R&D and related administrative expenses, resulting in cash outflows from operating activities.</p> <p>2. During the current period, investments in automated production lines, fixed assets, and molds (non-current assets) resulted in cash outflows from investing activities of approximately NT\$2,044 thousand, with depreciation expenses recognized over their useful lives.</p> <p>Increase in profit or cash inflows</p> <p>1. During the current period, revenue generated from the automotive market increased cash inflows from operating activities, contributing positively to profitability and cash flows.</p>	<p>Increase in costs and expenses or cash outflows</p> <p>1. To enhance the Group's ability to enter new markets, operating expenditures are expected to continue increasing, resulting in cash outflows from operating activities, while overall financial risk remains within a controllable range.</p> <p>2. Due to the continued investment in automated production lines, fixed assets, and molds (increase in non-current assets), cash outflows from investing activities are expected, with depreciation expenses recognized over their useful lives.</p> <p>Increase in profit or cash inflows</p> <p>1. Through investments in R&D, automated production lines, and fixed assets and molds, the Group expects growth in automotive market revenue, thereby driving increased cash inflows from operating activities.</p>
<p>Expected financial effects of the risks or opportunities after taking into account the above response strategies</p> <p>1. Related operating expenditures (OPEX): operating expenditures (OPEX) are expected to be incurred annually from 2026 to 2035. Such expenditures are recurring operating expenses and will be fully recognized in profit or loss for the current period.</p> <p>2. Related capital expenditures (CAPEX): In addition to the aforementioned operating expenses, continued investments in automated production lines, fixed assets, and molds will increase non-current assets, resulting in expected cash outflows from investing activities, with depreciation expenses recognized over their useful lives.</p> <p>3. Positive impact on profitability: Through the implementation of these measures, revenue growth in the automotive segment is expected, thereby driving cash inflows from operating activities. To avoid uncertainties associated with financial projections, the impact on profitability is presented qualitatively at this stage 【S2.19(b), S2.21(a), S2.21(b)】</p> <p>4. Enhanced financing competitiveness: As market share in new segments expands, the Group's overall credit profile and financing conditions are expected to improve, although the amount cannot yet be quantified.</p>				

Note: 1. For further details on the Group's and its value chain's mitigation measures and management practices related to sustainability and nature-related risks, please refer to the "Primax 2025 Climate and Nature-related Financial Disclosure Report" and the "Primax Technology 2025 Sustainability Report."

2. The Group's net cash flows from operating activities in 2025 amounted to NT\$3,222,633 thousand. With sufficient cash flows, internal funds are expected to be adequate to support green operating expenditures and capital expenditures, without the need for additional financing, and with no material impact on the Group's overall liquidity. 【S2.14(b), S2.16(c)(ii)】

3. The anticipated financial impact involves assumptions and is subject to forecasting uncertainties. A rolling evaluation and adjustment process will be adopted to better align with actual circumstances.

Overall, the Group's management responses to major nature-related risks and opportunities can be categorized into four areas: green operations, green products, ecodesign, and R&D transformation. Collectively, these measures have no significant impact on the Group's cash flows, financial performance, or financial position. PRIMAX Group continues to grow steadily and strengthen its business resilience and competitive advantage through forward-looking sustainability strategies and climate change management. As global sustainability trends drive industry transformation, PRIMAX will continue to seize opportunities, not only enhancing operational efficiency but also laying a solid foundation for long-term development.

In 2025, the Group's total investment in these four categories amounted to approximately NT\$113,511 thousand, representing about 3.99% of net operating income for the year. This has not materially affected core operating performance. In addition to impacting operating expenses in the income statement and future depreciation expenses, it has also increased the carrying amount of non-current assets and resulted in changes to cash flows from operating and investing activities. The related investments are as follows:

- Green operations – including regulatory disclosures, climate management system development, consulting and verification fees, environmental management system costs, and photovoltaic power purchase agreements (PPA). In 2025, the Group incurred approximately NT\$39,591 thousand in operating expenditures, primarily affecting operating expenses in the income statement and increasing cash outflows from operating activities. 【S2.14(a)(i), S2.14(a)(ii), S2.14(a)(iv), S2.15(a), S2.16(a)】

- Green products – including R&D expenditures related to customer demand for green products (such as low-carbon materials and green packaging design). In 2025, the Group incurred approximately NT\$15,755 thousand in operating expenditures, primarily affecting operating expenses in the income statement and increasing cash outflows from operating activities. 【S2.14(a)(i), S2.14(a)(ii), S2.14(a)(iv), S2.15(a), S2.16(a)】
- Ecodesign – including R&D personnel costs, ecodesign development expenses, and related training and project investments. In 2025, the Group incurred approximately NT\$46,895 thousand in operating expenditures, and capital expenditures of approximately NT\$2,239 thousand for R&D equipment (non-current assets), which was recognized under Property, Plant and Equipment .. 【S2.14(a)(i), S2.14(a)(ii), S2.14(a)(iv), S2.15(a), S2.16(a)】
- R&D transformation – primarily including R&D investments related to new markets and automotive applications, automated production line development, and mold development. In 2025, the Group incurred approximately NT\$6,987 thousand in operating expenditures, and capital expenditures of approximately NT\$2,044 thousand for automated production lines, fixed assets, and molds (non-current assets), which are recognized under property, plant, and equipment. 【S2.14(a)(i), S2.14(a)(ii), S2.14(a)(iv), S2.15(a), S2.16(a)】

2025 Financial Impact Summary Table 【S2.15(a), S2.16(a)】

Item	Climate Theme	Operating Revenue	Operating Costs	Capital expenditure	Cash Flow
R01	Climate Information Disclosure and Reporting Requirements	—	Increase	—	Increase in cash outflows
R02	Increased Customer Climate Change Response Requirements	—	Increase	—	Increase in cash outflows
O01	Meeting customer carbon reduction needs to drive demand growth	Increase	Increase	—	Increase in cash inflows
O02	Entering new markets	Increase	Increase	Increase	Increase in cash inflows

(4) Scenario Analysis

Description of scenario selection 【S2.22(b)(i)(1)~ S2.22(b)(i)(7)】

Risk Category	Scenario Source	Scenario Selection	Scenario Description
Sustainable operational risks and environmental risks	IPCC AR6	SSP1-1.9 Ultra-Low Emissions Scenario	Using assessment tools combined with scenario simulations, the Company conducted analyses of physical risks and TNFD LEAP-based simulations for the Group and its suppliers. These results, together with the latest developments in domestic and international regulations, were consolidated and incorporated into risk assessment and decision-making processes.
		SSP5-8.5 Ultra-High Emissions Scenario	
	IEA WEO 2025	NZE Net Zero scenario	
		STEPS Established Policy Scenario	
	Domestic and International Regulations	-	
Strategic Risks	Domestic and International Regulations	-	The latest developments in domestic and international regulations were incorporated as key considerations in risk management decision-making.
Emerging Risks	WEF 2025	-	The medium- to long-term risk trends identified in the World Economic Forum (WEF) 2025 report were referenced as a basis for evaluating risk factors.

a. Transition Risk Scenario Analysis

In 2025, PRIMAX's transition risk scenario simulation and assessment covers all operational sites under the Group's consolidated financial statements. The transformation risk scenarios are primarily based on the latest World Energy Outlook report published by the International Energy Agency (IEA), key assumptions^{Note 1}, and the PRIMAX Group 2050 Net Zero Pathway Report. However, the regulatory and policy directions of governments in the various countries where the operational sites are located will evolve over time and are subject to rolling adjustments with a high degree of uncertainty. PRIMAX will closely monitor regulatory changes in the regions where its sites are based. The significant areas of uncertainty in the transformation risk scenario analysis include policy changes^{Note 2}, technological advancements^{Note 3}, market demand changes^{Note 4}, environmental changes^{Note 5}, and economic factors^{Note 6}. 【S2.22(a)(i), 22(a)(ii), S2.22(b)(i)(1), S2.22(b)(i)(3), S2.22(b)(i)(4), S2.22(b)(i)(6), S2.22(b)(i)(7)】

- Note: 1. Referring to IFRS S2 paragraph 22(b)(ii), its main assumptions include climate-related policies in the jurisdiction of the individual operations, macroeconomic trends, energy usage and mix, and technological developments. 【S2.22(b)(ii)】
2. Policy changes: Taiwan's 2050 net-zero carbon policy may become stricter due to political and economic shifts, geopolitical factors, and the evolving climate change situation. Other production and operational locations may also introduce new policies in response to climate change developments. 【S2.22(a)(ii)】
3. Technological advancements: In the areas of renewable energy and the electric vehicle market, significant breakthroughs in technology are expected as key challenges are overcome. 【S2.22(a)(ii)】
4. Market demand changes: The demand for low-carbon products or the electric vehicle market may change over time. PRIMAX will need to adapt to these market shifts to ensure that its products meet customer demands. 【S2.22(a)(ii)】
5. Environmental changes: As global warming becomes more severe, the frequency of extreme weather events caused by climate change, such as typhoons, droughts, and heavy rainfall, is expected to increase. These natural disasters could have a significant impact on the Company's operations and value chain. 【S2.22(a)(ii)】
6. Economic factors: The global economic inflation situation may affect investment and capital flow. PRIMAX Group needs to consider how these economic factors will impact the Company's financial position and operational status. 【S2.22(a)(ii)】

b. Physical Risk Scenario Analysis

To further understand the operational impacts of physical risks on the Company, prior to conducting nature-related risk assessments, the Company referenced the greenhouse gas emissions scenarios, country- and region-level variables, and relevant domestic and international assessment tools outlined in the Sixth Assessment Report (AR6) published by the Intergovernmental Panel on Climate Change (IPCC). The assessment covers potential and actual hazards arising from risks such as sea-level rise, water stress, drought, extreme heat, flooding, and dependency on natural resources. The risk assessment task force considered historical events, scenario analyses and simulation results, as well as potential financial impacts, and further evaluated the severity and likelihood of each risk based on the respective simulation time horizons of different physical risks. 【S2.22(b)(i)(1), S2.22(b)(i)(3), S2.22(b)(i)(4)】

- Note: 1. Referring to IFRS S2 Paragraph 22(b)(ii)(3), the impact of country or region-level variables includes local climate patterns, demographics, land use, infrastructure, and the availability of natural resources.
2. PRIMAX's physical risk assumptions are primarily based on the "Summary of Scientific Findings from the IPCC Sixth Assessment Report and Taiwan Climate Change Assessment Update," "IPCC AR6 Climate Change 2021: The Physical Science Basis," and the "National Climate Change Science Report 2024: Phenomena, Impacts, and Adaptation."
3. The "sea level rise" scenario is based on regional sea level rise predictions proposed by Strauss et al. (2015), using the Climate Central analysis software. These predictions refer to the Fifth Assessment Report (AR5) published by the Intergovernmental Panel on Climate Change (IPCC), with a simulation evaluation period from 2015 to 2100. 【S2.22(b)(i)(6)】
4. The "water resource stress" scenario is conducted using the Aqueduct Water Risk Atlas by the World Resources Institute (WRI). The model evaluates water resource stress over the reporting year (2025) and the period from 2015 to 2045. 【S2.22(b)(i)(6)】
5. The "draught" scenario is conducted using the Aqueduct Water Risk Atlas by the World Resources Institute (WRI). The model evaluates water resource stress over the reporting year (2025). 【S2.22(b)(i)(6)】
6. The "high temperature" analyses is based on the timeframes defined by PRIMAX Group for short, medium, and long terms. The simulation assessment period for these models is the reporting year (2025) and the period from 2026 to 2035. 【S2.22(b)(i)(6)】
7. "Flood risk" is assessed using the World Wide Fund for Nature (WWF) Water Risk Filter. The model simulation is based on a baseline year of 2020, with future projections conducted for 2030 and 2050. 【S2.22(b)(i)(6)】
8. "Dependency on natural resources" is assessed using the World Wide Fund for Nature (WWF) Biodiversity Risk Filter. The database is compiled from the latest globally available research data, with the most recent version updated in October 2024; accordingly, the simulation assessment year is 2024. 【S2.22(b)(i)(6)】
9. The scope of the physical risk simulation covers all operational locations under the consolidated financial statements of PRIMAX Group, as well as the top 80% of major trading suppliers by transaction volume. This does not include companies under PRIMAX Group that are purely holding in nature. 【S2.22(b)(i)(7)】

4. Indicators and Targets

(1) Greenhouse Gas (GHG) Emissions Indicators and Targets

Short-term Target	The base year is 2023 By 2030, PRIMAX Group's Scope 1 and Scope 2 greenhouse gas emissions (market-based) will be reduced by 42% compared to the base year. By 2030, PRIMAX Group's Scope 3 greenhouse gas emissions will be reduced by 25% compared to the base year. 【S2.33(c), S2.33(d), S2.33(e), S2.33(f), S2.36(b)】
Mid-to-Long-Term Target	By 2050, PRIMAX Group will achieve the goal of net zero emission.

Note: The Group's greenhouse gas emission reduction targets are all absolute target 【S2.33(g), S2.B66】

PRIMAX is committed to achieving net-zero emissions by 139, in line with national goals responding to global climate change and the Paris Agreement. The Company has outlined a pathway to 2050 net-zero by using science-based targets, following the methodologies set by the Science Based Targets initiative (SBTi). This commitment is underpinned by systematic policies and reduction plans to meet these targets. 【S2.33(h)】

In 2025, the Group's Scope 1 and Scope 2 greenhouse gas emissions amounted to 17,563.1 metric tons of CO_{2e} per year (market-based), representing a reduction of 15,898.8 metric tons CO_{2e} (approximately 47.51%) compared to the base year of 2023. In 2025, the Group's net-zero target aligned with a 1.5 °C pathway was validated by the Science Based Targets initiative (SBTi), demonstrating alignment with internationally recognized decarbonization pathways and accelerating progress toward the 2050 net-zero vision.

Summary table of PRIMAX's greenhouse gas emissions 【S1.70】

Unit: Metric tons of carbon dioxide equivalent (tCO_{2e})

Item	Current Year (2025) Amount	Last year (2024) Amount	Base year (2023) Amount 【S2.33(e)】
Scope 1 Total Greenhouse Gas Emissions 【S2.29(a)(i)(1), S2.33(a)】	4,803.8	7,386.9	4,974.1
Scope 2 Total Greenhouse Gas Emissions (Market Base) 【S2.29(a)(i)(2), S2.33(a)】	12,759.3	17,352.1	28,487.9
Scope 1+2 Total Greenhouse Gas Emissions (Market Base)	17,563.1	24,739.0	33,462.0
Scope 2 Total Greenhouse Gas Emissions (Location Base)	31,377.1	35,237.8	48,273.4
Scope 1+2 Total Greenhouse Gas Emissions (Location Base)	36,180.9	42,624.7	53,247.5
Scope 3 Total Greenhouse Gas Emissions 【S2.29(a)(i)(3), S2.33(a)】	1,901,236.8	2,109,981.7	1,982,111.3

- Note: 1. The Company's 2024 greenhouse gas emissions data were prepared in accordance with IFRS S2 exemption provisions using ISO 14064-1:2018. In 2025, the Company continued to follow ISO 14064-1:2018 and also referenced the GHG Protocol methodology in conducting its inventory. 【S2.29(a)(ii), S2.29(a)(iii)(1), S2.B26(b)】
2. The Group adopts the operational control approach for greenhouse gas measurement. Emission factors are used for greenhouse gas input values, while purchased electricity follows the latest electricity emission factors announced by the Ministry of Economic Affairs. Global Warming Potential (GWP) values are referenced from the IPCC Sixth Assessment Report. 【S2.29(a)(iii)(1), S2.B26(b)(c), S2.28(a)(b), S2.B29】
3. The Group's greenhouse gas emission reduction targets include the seven greenhouse gases listed in the Kyoto Protocol 【S2.36(a)】
4. The Group's greenhouse gas emission reduction targets include Scope 1 and Scope 2 emissions. 【S2.36(b)】
5. The Group's greenhouse gas emission reduction targets are not derived using the sectoral decarbonization approach. 【S2.36(d)】
6. The 2025 disclosed greenhouse gas emission figures are based on self-assessment. For the verified figures certified by a third party, please refer to the PRIMAX 2025 Sustainability Report.
7. Scope 3 greenhouse gas emissions consist of material categories including C1 purchased goods (raw materials), C3 upstream fuel- and energy-related activities, and C11 use of sold products.

PRIMAX Group Scope 1 and Scope 2 Greenhouse Gas Emissions

【S1.70, S2.29(a)(iv)(1), S2.29(a)(iv)(2)】

Unit: Metric tons of carbon dioxide equivalent (tCO_{2e})

	Greenhouse Gas Emissions					
	2025			2024		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Consolidated Accounting Group	4,803.8	31,377.1	36,180.9	7,386.9	35,237.8	42,624.7
Other Invested Entities (Equity Affiliates)	None	None	None	None	None	None
Total Disclosed Emissions (Operational Control Approach)	4,803.8	31,377.1	36,180.9	7,386.9	35,237.8	42,624.7

PRIMAX Group Scope 2 Greenhouse Gas Emissions by Region (Grid-Based) 【S2.29(a)(v)】

Unit: Metric tons of carbon dioxide equivalent (tCO_{2e})

Regional-Based Method	Scope 2 Greenhouse Gas Emissions			
	2025		2024	
	Emissions	Ratio (%)	Emissions	Ratio (%)
Taiwan Plants	1,544.5	4.92%	1,554.3	4.41%
Overseas Plants (Overseas Regional Power Grid)	29,832.6	95.08%	33,682.6	95.59%
Total	31,377.1	100%	35,236.9	100%

- Note: 1. Taiwan Plants: The purchased electricity carbon emission factor is calculated based on the Ministry of Economic Affairs' 2024 announced coefficient of 0.494 kg CO_{2e}/kWh.
2. China Plants: The purchased electricity carbon emission factor is calculated based on 0.5303 kg CO_{2e}/kWh.
3. Thailand Plant: The purchased electricity carbon emission factor is calculated based on 0.438 kg CO_{2e}/kWh.
4. Czech Republic Plant: The purchased electricity carbon emission factor is calculated based on 0.340 kg CO_{2e}/kWh.

PRIMAX Group Scope 3 Greenhouse Gas Emissions 【S2.29(a)(i)(3), S2.29(a)(vi)(1)】

Unit: Metric tons of carbon dioxide equivalent (tCO_{2e})

Scope 3 Significant Emission Categories	2025		2024	
	Greenhouse Gas Emissions	Ratio (%)	Greenhouse Gas Emissions	Ratio (%)
C1	891,663.7	46.09	912,381.0	42.84%
C3	8,449.0	0.44%	9,242.3	0.43%
C11	1,001,124.1	52.66%	1,198,959.9	56.29%

- Note: 1. Based on the identification of upstream and downstream value chain impacts, the Group has determined that C1, C3, and C11 are the relevant and materially significant Scope 3 emission categories. Accordingly, only these three material categories are disclosed. For a complete breakdown of Scope 3 emission categories, please refer to the "PRIMAX 2025 Sustainability Report."
2. The Company's 2024 greenhouse gas emissions data were prepared in accordance with IFRS S2 exemption provisions using ISO 14064-1:2018. In 2025, the Group continued to follow ISO 14064-1:2018 and also referenced the GHG Protocol methodology in conducting its inventory.

2025 PRIMAX Group Scope 3 Information [S2.B55, S2.B56(b)]

Significant Emission Type	Calculation Method	Emission Factor	Input Value
C1 Purchased Goods and Services	Emissions for this category are calculated as: quantity of purchased raw materials × emission factor × global warming potential (GWP). Purchased raw materials refer to materials provided by suppliers, including all physical materials listed in the bill of materials (BOM), excluding auxiliary materials not included in the BOM.	Emission factors are sourced from Ecoinvent v3.9.1, the U.S. LCI Database, DK Input-Output Database 2003, the Ministry of Environment carbon footprint database, and DEFRA 2025.	Unit weight and quantity of purchased raw materials
C3 Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2)	Emissions for this category are calculated as purchased electricity or fuel multiplied by the corresponding indirect carbon footprint.	Sources include the Ministry of Environment carbon footprint database, China Product Life Cycle GHG Emission Factors (2022), IEA (2023) Life Cycle Upstream Emission Factors, Ecoinvent 3.9.1, and DEFRA 2025.	Electricity and fuel consumption
C11 Use of Sold Products	1. Emissions for this category are calculated as: quantity of products sold × product electricity consumption × emission factor × GWP. Products refer to items that can be directly used by end consumers, and electricity consumption is calculated over the full product life cycle. 2. The inventory scope covers seven major production sites worldwide (including Dongguan PRIMAX, Chongqing PRIMAX, Kunshan PRIMAX, PRIMAX Thailand, Huizhou Tymphany, Dongguan Tymphany, Thailand Tymphany, and Czech Tymphany).	Emission factors are sourced from Ecoinvent v3.9.1, Green Technology Carbon Footprint Assessment databases, DEFRA 2023, and IPCC AR6 (2021) GWP100.	Products that directly consume energy (fuel or electricity) during use: <ul style="list-style-type: none"> Total expected product lifespan Quantity of products sold Number of batteries used over the product life cycle Electricity consumption per use

Note: The PRIMAX Group does not engage in asset management, commercial banking, or insurance businesses. Additionally, the greenhouse gas emissions (financed emissions) of its invested affiliated companies are not significant. Therefore, Category 15 "Investments" is not identified as a major emission category, and related information is not disclosed. [S2.29(a)(vi)(2)]

(2) Climate-Related Transition Risks

Since 2019, PRIMAX Group has been promoting a renewable energy usage plan, primarily by purchasing Energy Attribute Certificate (EAC), installing solar power generation facilities, and entering into Power Purchase Agreement (PPA) to increase renewable energy consumption. In April 2022, PRIMAX joined RE100 and set a renewable energy usage target, aiming to achieve 100% renewable energy usage by 2040.

In 2025, PRIMAX Group continued to purchase renewable energy certificates (GEC and I-REC) and directly utilized solar power generation at Primax Dongguan, Primax ChongQing, and Tymphany's Huizhou locations. In 2025, a total of 45,429,752 kWh of renewable energy was used, accounting for 63.78% of the total electricity consumption and 62.74% of the total energy usage. [S2.29(b)]

Note: All targets presented below apply to PRIMAX Group [S2.33(c)]

Strategic Goals	Metrics [S2.33(a)]					Baseline Year (2023) [S2.33(e)]	Targets				
	Indicator Definition [S1.50(a)]	Measurement Unit	Indicator Type	Current Period Amount	Last Year Amount		Target Purpose [S2.33(b)]	Target Type [S1.50(b)] [S2.B66]	Short-term Target [S2.33(d)] [S2.33(f)]	Mid-term Target [S2.33(d)] [S2.33(f)]	Long-term Target [S2.33(d)] [S2.33(f)]
Green Operations	Reduction Ratio of Scope 1 and 2 (Market Base) Emissions Compared to Baseline Year	Metric tons of CO _{2e} Percentage (%)	Quantification	17,563.1, reduction of 47.51%	24,739, reduction of 26.07%	33,462.0	Reduce greenhouse gas emissions to achieve net-zero	Absolute Target	2025 reduction of 12%	2030 reduction of 42%	2050 reduction of 100%
	Reduction percentage of Scope 3 emissions compared to the base year	Metric tons of CO _{2e} Percentage (%)	Quantification	1,901,236.8, representing a decrease of 4.08%	2,109,981.7, representing an increase of 6.45%	1,982,111.3	Reduce greenhouse gas emissions to achieve net-zero	Absolute Target	2025 reduction of 3.6%	2030 reduction of 25%	2050 reduction of 90%
	Reduce energy usage intensity	GJ per million revenue, percentage (%)	Quantification	4.3314, representing a decrease of 10.50% compared to 2024	4.8379, representing a decrease of 12.21% compared to 2023	5.5128	Reduction in energy consumption per unit of revenue	Intensity Target	Reduced by 3% compared to the previous year	Reduced by 3% compared to the previous year	Reduced by 3% compared to the previous year
	Percentage of renewable energy usage	Percentage (%)	Quantification	63.78%	54.79%	42.34%	Raise percentage of renewable energy usage	Absolute Target	2025, 60%	2030, 75%	2040, 100%
	Percentage of Green Building Construction for Factory Buildings	Number of buildings, percentage (%)	Quantification	No new facilities constructed	1,100%	1	New construction projects that pass green building certification	Absolute Target	100%	100%	100%



(3) Climate-Related Physical Risks

Strategic Goals	Metrics [S2.33(a)]					Baseline Year (2023) [S2.33(e)]	Targets				
	Indicator Definition	Measurement Unit	Indicator Type	Current Period Amount	Last Year Amount		Target Purpose [S2.33(b)]	Target Type [S1.50(b)] [S2.B66]	Short-term Target [S2.33(d)] [S2.33(f)]	Mid-term Target [S2.33(d)] [S2.33(f)]	Long-term Target [S2.33(d)] [S2.33(f)]
Green Operations	Reducing water consumption	Million liters, percentage (%)	Quantification	663.843, representing a decrease of 13.92% compared to 2024	771.15, representing a decrease of 10.45% compared to 2023	780.60	Water Conservation	PRIMAX Group	Decreased by 2% compared to the previous year	Decreased by 2% compared to the previous year	Decreased by 2% compared to the previous year
	Reduce water usage intensity	M ³ /revenue in million dollars	Quantification	11.03, representing a decrease of 20.18%	13.24, representing a decrease of 4.20%	13.82 ^{Note 2}	Water Conservation	PRIMAX Group	—	2030, representing a decrease of 40%.	—

Note: 1. All targets presented above apply to PRIMAX Group. [S2.33(c)]
 2. The indicator "reduction in water consumption" adopts a rolling baseline year; therefore, the disclosed figures are compared with those of the previous year. The baseline year for "reduction in water intensity" is 2020.

(4) Climate-related Opportunities

In the reporting period, the environment-related opportunities for the Group include meeting customer carbon reduction requirements to drive demand growth, and entering new markets. PRIMAX actively integrates environmental protection principles into its green design and management while providing products and services. It seeks green and low-carbon opportunities at each stage of the product lifecycle. The raw materials used in products comply with international environmental standards and customer requirements. The Company plans to gradually increase the use of post-consumer recycled (PCR) materials to minimize the environmental impact during production. During the manufacturing phase, an energy management system is implemented, and regular assessments of water footprint and greenhouse gas emissions are conducted. Solar power generation facilities are installed at production sites, and the procurement of green electricity is prioritized, while continuously improving production efficiency and reducing production hours. In the waste recycling phase, the Company follows customer requirements compliant with WEEE recycling rates, minimizing waste generation after product disposal.

In 2025, the Group has completed the full digitalization of the "Greenhouse Gas Inventory System" and plans to further build a real-time "Product Carbon Footprint Management System" by 2026. This system will systematically track carbon emissions data from major production sites. The Group intends to develop and set internal management indicators to support the implementation of green product lifecycle management, optimize carbon asset management, and meet customer-related sustainability and climate requirements. [S2.29(d)]

(5) Capital Allocation

In the reporting period, PRIMAX Group's capital expenditures allocated to environment-related major risks and opportunities include the addition of solar photovoltaic equipment, fixed assets for automotive product research and development, and spending on development molds. However, the investment amounts are minimal, and the Company has abundant cash flow, so there is no significant impact on assets, liabilities, capital, or financing. [S2.29(e)]

(6) Internal Carbon Pricing Initiative

In response to the introduction of global carbon taxes and carbon fee regulations, as well as the requirements for climate-related financial disclosures, corporate carbon management has evolved beyond just reduction actions to include financial management, reinforcing the carbon value management system. PRIMAX actively promotes carbon value management and has established a comprehensive carbon inventory information system.

PRIMAX has officially launched the Internal Carbon Pricing (ICP) management as one of the core strategies for climate adaptation measures with the approval from the Board of Directors. PRIMAX will continue to deepen its carbon management strategy through digitization and data-driven methods, implementing internal carbon pricing to achieve its sustainability goals. [S2.29(f)(i)]

The introduction of ICP will bring the following benefits:

Promote Innovation and Efficiency Improvement:

It will encourage employees and teams to seek more efficient technologies and processes to reduce carbon emissions.

Enhance Financial Management and Risk Response:

By managing carbon value, it will help better identify and manage carbon emission costs, while proactively addressing future external carbon pricing policies, thus reducing the risks associated with regulatory changes.



Note: The Group originally planned to complete the development of a digital product carbon footprint management system in 2025. To ensure data completeness and alignment with the latest international accounting standards, the system testing and supply chain data validation period has been extended. The system is currently expected to be fully implemented in 2026 to provide more accurate support for decarbonization decision-making.

(7) Others Indicators and Targets

Strategic Goals	Metrics [S2.33(a)]					Baseline Year (2023) [S2.33(e)]		Targets				
	Indicator Definition [S1.50(a)]	Measurement Unit	Indicator Type	Current Period Amount	Last Year Amount			Target Purpose [S2.33(b)]	Target Type [S2.33(g)] [S1.50(b)] [S2.B66]	Short-term Target [S2.33(d)] [S2.33(f)]	Mid-term Target [S2.33(d)] [S2.33(f)]	Long-term Target [S2.33(d)] [S2.33(f)]
Green Operations	Reduce waste generation [S2.28(c)]	Tons, Percentage (%)	Quantification	2,139.778, representing a decrease of 11.95% compared to 2024	2,430.243, representing a decrease of 0.37% compared to 2023	2,515.008		Reduce the environmental impact of waste	Absolute Target	Reduce 2%	Reduce 2%	Reduce 2%

Note:1. All targets presented above apply to PRIMAX Group. [S2.33(c)]
 2. The indicator "reduction in waste generation" adopts a rolling baseline year; therefore, disclosed figures are compared with those of the previous year.

(IV) Green Design and Products

Primax actively integrates environmental protection principles into its green design and management while providing products and services. The raw materials used in products meet international environmental standards and customer requirements, and the Company gradually increases the use of PCR to reduce environmental impact during production. An energy management system is implemented, and regular water footprint and greenhouse gas inventories are conducted, along with related improvement plans to enhance the efficiency of energy and environmental resource usage. In 2022, solar power generation facilities were set up at production sites, and green electricity was actively purchased. In 2024, the Company implemented product ecological design and introduced internal carbon pricing in 2026, achieving goals of energy conservation, waste reduction, toxicity elimination, and recycling.

3. Social Aspects

(I) Human Rights Policy

The PRIMAX Group, adhering to a people-centric approach, has established its human rights policy based on international norms such as the Responsible Business Alliance Code of Conduct, United Nations Guiding Principles on Business and Human Rights, United Nations Universal Declaration of Human Rights, International Labour Organization Conventions, and the International Standard for Social Responsibility. Regular human rights risk assessments are conducted at all locations, with tracking and confirmation of measures against identified risks, aiming to create a diverse, inclusive, safe, and comfortable workplace environment.

PRIMAX commits to complying with human rights protection laws in all global operational locations, diligently preventing and mitigating third-party human rights infringements. The Company follows the policies below to foster a corporate culture of equality, respect, care, and safety, while also overseeing value chain partners to jointly uphold human rights.

- Prohibit forced labor, eliminate human trafficking, and uphold employment freedom
- Prohibit child labor
- Establish a diverse, inclusive, non-discriminatory, harassment-free, and humane work environment
- Provide wages and benefits that comply with legal regulations and local living standards while ensuring equal pay without discrimination based on gender, age, or race
- Strengthen labor rights and human rights protection for minority groups through human rights policies and internal initiatives
- Actively protect employee health and ensure the safety and hygiene of workplaces and living facilities
- Guarantee employees' rights to freedom of association and collective bargaining
- Maintain positive labor relations and provide diverse communication platforms to foster an open communication culture

(II) Talent Retention

In addition to complying with local laws and regulations, the Company regularly reviews market standards, collects, and consults local remuneration survey reports, to plan and adjust its remuneration policies accordingly. In addition to general salary, performance bonuses are issued based on the Company's operating performance and individual performance, and no differences occur due to on gender, religion, race, and nationality. Furthermore, employee welfare measures comply with or exceed local legal requirements. The specific benefits are as follows. For more details, please refer to the 2025 Sustainability Report – Talent Recruitment and Retention section.

- Retirement plans
- Group insurance covering employees' family members
- Flexible leave policies exceeding local labor regulations, including Primax Holidays
- Employee recreational facilities such as cafés, staff canteens, dormitories, medical centers, and leisure buildings
- Various subsidies and bonuses
- Employee well-being programs, including EAP (Employee Assistance Program) and annual health promotion activities
- Large-scale celebrations, group trips, and leisure events
- A wide range of club activities



(III) Occupational Safety and Health

1. Main operating bases of the Group are located in Taiwan, mainland China, and Thailand.
2. In 2025, a total of 21,903 participants attended occupational safety-related training (including emergency response drills) across PRIMAX Group, with total training expenses amounting to NT\$604,838.
3. In order to provide employees with a safe and healthy work environment, PRIMAX's relevant management measures are as follows:
 - (1) Regular educational training: includes first aid, mechanical safety, environmental safety risk identification, occupational health, emergency response, etc. At the same time, conduct health education lectures for health promotion.
 - (2) Risk control: Fire alarm drills, chemical spill response exercises, and other operational drills.
 - (3) Health examinations: In addition to regular general health examinations, the mainland factories provide specific examination items for high-risk positions, such as serum ALT, hearing tests, and electrocardiogram. Employees working with X-ray operations undergo additional comprehensive examinations, including skin, liver, kidney, and lymphatic system assessments.
 - (4) Medical aid: Medical clinics/centers are set up in PRIMAX factories and office areas, and medical care personnel are stationed regularly. All departments are also equipped with medical kits to provide employees with emergency medical assistance, disease prevention and treatment, medical consultation, and other services.
4. The Group places a strong emphasis on employee health. In addition to regularly organizing health promotion activities and health education programs, on-site clinics have been established at all facilities to provide health consultation and health management services. Various health promotion activities are also conducted, including sports events, themed health seminars, and Employee Assistance Programs (EAP), with a total of 5,356 participants and users, reflecting the Group's ongoing commitment to a healthy workplace.
5. All Company locations of the Group have obtained ISO 45001 Occupational Health and Safety Management System certification (Taipei headquarters validity period:). From September 29, 2025 to September 29, 2028, the Group regularly convenes the Occupational Safety Committee, with the goal of zero occupational diseases, zero major occupational disasters, and reducing work-related injury events, so that employees can work in a safe and healthy workplace. In 2025, a total of 28 work-related occupational injury cases were reported (11 in China and 17 in Thailand). All cases were properly handled, with injured employees assisted in insurance claims and job adjustments based on recovery conditions. At the Thailand facility, while production capacity has increased, the Company has also recognized the importance of enhancing worker safety awareness. To prevent future occupational injuries, root cause analyses have been conducted and corrective actions strengthened, including the implementation of safety training programs and increased on-site inspection frequency, with the aim of improving safety awareness and reducing accidents caused by negligence.

In 2025, the Group did not experience any fire incidents. The identification of fire-related risks and the corresponding mitigation measures are described as follows:

- (1) New employee training: All new employees are required to complete fire prevention and disaster preparedness training.
- (2) Comprehensive drills: A self-defense fire brigade has been established, and comprehensive drills covering reporting, fire suppression, and evacuation are conducted twice annually for all employees.
- (3) Designated inspection teams: A preventive management structure led by the fire safety manager is implemented, with designated fire safety personnel on each floor responsible for conducting daily and monthly inspections of fire prevention measures.
- (4) Fire safety inspections: Prior to May each year, the Group engages qualified inspection agencies to conduct fire safety inspections, and the results are submitted to the local fire authority for record.

(IV) Employee Development

The learning and development in the Group is around the core framework of job functions and is closely integrated with the Group's future development strategies and goals. The training system is divided into three major categories: professional function training, leadership training, and general function training. For more information, refer to the "2025 Sustainability Report - Talent Development and Training."

(V) Customer Relations

When the Company provides products and services, it incorporates the concept of environmental protection in green design and green management in order to comply with laws and clients' requirements while fulfill the responsibilities as a global citizen. In addition to complying with laws and regulations related to green products (such as RoHS, REACH, and ErP.) and clients' requirements, the Company has cultivated employees' ability to cope within the organization and with suppliers and offered relevant training, while an information management system (PLM) is integrated to put into practice a green product policy. Customer satisfaction surveys are conducted every year, and customer feedback is implemented in the management process to reduce the occurrence of complaints. Internal procedures for protecting customer property and complaints are also formulated.

Our protection of client privacy and confidential information is the key to maintaining a long-term relationship with our customers. The Group is committed to protecting the security of customer information to maintain the customers' rights and interests. At PRIMAX, information security is a top priority. We have introduced ISO 27001 Information Security Management System and obtained third-party assurance to ensure the confidentiality, integrity, and availability of the Company's information assets.

(VI) Supplier Management

PRIMAX implements a systematic audit process for suppliers of critical materials, managing their operational sustainability based on environmental and social risk factors. The Company also enforces comprehensive hazardous substance management procedures to ensure the safe use of critical materials. Additionally, PRIMAX has established a robust inventory management mechanism to mitigate supply chain disruption risks.

Before formally onboarding a supplier, the Company conducts a rigorous evaluation process, which includes reviews, contract reassessments, bilateral communication, and grievance and complaint mechanisms. This process assesses the supplier's environmental and occupational health and safety management, including compliance with environmental monitoring requirements, local labor laws, and the Responsible Business Alliance (RBA) standards. All new suppliers are required to sign a "Supplier Declaration" to ensure compliance with the Code of Conduct of the Responsible Business Alliance (RBA). In addition, the Group conducts both online and on-site audits annually to assess suppliers' performance across various ESG aspects. For suppliers that do not meet the required standards, a corrective action plan will be required. Furthermore, the Group maintains regular communication with suppliers, conducts annual reviews, and carries out ad hoc surveys to ensure that suppliers consistently meet the required standards. PRIMAX is also actively creating more learning and development opportunities for suppliers to achieve mutual progress. In collaboration with impartial third-party partners, we have gradually launched annual ESG training programs for suppliers, working together to implement the principles of sustainable business operations. In 2025, PRIMAX Group's supplier management performance was as follows:

- 100% of key suppliers have signed the Supplier Code of Conduct commitment
- On-site audits were conducted for 91 key high-risk suppliers
- A total of 674 suppliers participated in the annual communication conference and ESG training programs (including professional training on management systems and related topics)

(VII) Social Engagement

PRIMAX has long been concerned with elder care and rural education issues. In addition to the Company's regular sponsorship of charitable partners, we have also established an internal employee salary donation platform. Through collaboration with charitable partners, we organize various activities to foster connections and a sense of belonging between employees and these organizations, further encouraging employee participation in volunteer services. Therefore, with the vision of social well-being in mind, we have set strategic goals for 2030, focusing on areas such as the number of beneficiaries, volunteer service hours, social assistance amounts, and charitable partners. In 2025, PRIMAX Group's social engagement performance was as follows:

- Beneficiary count reaching 37,201 individuals
- A total of 12,584 volunteer service hours
- Social assistance total amount (including charitable event funds/Company and employee donations) was NT\$15,287 thousand
- Addition of 21 new charity partners



Chapter 7. Special Disclosure

1. Information on Affiliated Companies

- (1) Consolidated Operating Report of Affiliated Enterprises: For related information, please refer to the Market Observation Post System (<https://mopsov.twse.com.tw>), under Single Company → Electronic Document Download → Affiliated Enterprises Three Statements Section.
- (2) Consolidated financial statements of affiliated companies:
Statement on Consolidated Financial Statements of Affiliated Enterprises and Independent Auditors' Report on the Consolidated Financial Statements of Affiliated Enterprises: For related information, please refer to the Market Observation Post System (<https://mopsov.twse.com.tw>), under Single Company → Electronic Document Download → Financial Reports.
- (3) Affiliation report: Not applicable

2. Private Offering of Securities: None

3. Other Necessary Supplements: None

4. Other Significant Events Affecting Shareholders' Equity or Stock Price: None

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