

# NAN JUEN INTERNATIONAL CO., LTD. 2025 Annual Report

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Market Observation Post System :

<http://mops.twse.com.tw>



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Website: <http://www.KGIWorld.com.tw>

Phone: (02) 2389-2999

## **3. Most Recent Financial Report Certifying Accountants and Firm:**

Accountants: May Yang, Celia Hsu

Firm Name: KPMG

Address: 68th Floor, No. 7, Section 5, Xinyi Road, Taipei City (Taipei 101 Building)

Website: <http://www.kpmg.com.tw>

Phone: (02) 8101-6666

## **4. Trading Venue for Overseas Listed Securities: None.**

**5. Company Website:** <http://www.repon.com.tw>

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# 1. Letter to Shareholders

Looking back at last year, benefiting from increased shipments of general-purpose server rails and the commencement of shipments for new AI server rail products, the Company's operating scale grew significantly. The consolidated operating revenue for fiscal year 2025 was NT\$2.43 billion, an increase of 26% compared to the same period last year. Due to factors such as product mix optimization, economies of scale in production, enhanced process automation, and the cost advantage of the new Vietnam plant, the consolidated gross margin for fiscal year 2025 reached 35%, which is also a substantial increase from 26% in the same period last year. In summary, the net profit after tax for fiscal year 2025 was NT\$370 million, representing a 92% increase compared to the same period last year.

Looking ahead to this year, with a significant increase in demand for general-purpose servers, coupled with the start of volume shipments for various new AI server products such as NVIDIA GB300, VR200, and ASICs developed in-house by large cloud service providers (CSPs), this will help expand the Company's global market share in server rails. By continuing to optimize the product mix and increase the overall average selling price (ASP), the operating gross margin is expected to reach a higher level.

The Company remains committed to its core philosophy of “management with sincerity,” “creating a happy enterprise,” and “people-oriented development for the betterment of all.” Guided by the principles of integrity, honesty, and innovation, we strive to create maximum balanced value for society, employees, customers, and shareholders, while dedicating ourselves to sustainable manufacturing. We would like to extend our sincere appreciation to all our customers, suppliers, shareholders, and employees for your continued support and trust. Thank you!

## I. 2025 Business results

(I) Business plan implementation results:

	<u>The Company</u>		<u>The Company and consolidated subsidiaries</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Sales revenue	2,383,002	1,829,535	2,432,925	1,924,498
Cost of goods sold	1,578,734	1,342,547	1,581,608	1,422,176
Unrealized Profit (Loss) on Sales	234	(4,627)	-	-
Gross profit	804,502	482,361	851,317	502,322
Operating expenses	327,739	269,464	366,934	298,916
Net operating profit	476,763	212,897	484,383	203,406
Non-operating income (expenses)	54,404	25,851	47,572	36,853
Net gains (losses) before tax	531,167	238,748	531,955	240,259
Income tax expenditure (interest)	161,183	46,538	161,971	48,049
Net income (loss)	369,984	192,210	369,984	192,210

(II) Budget implementation: The Company's budget is only used for internal performance management and is not disclosed to the public.

(III) Analysis of financial income, expenditure and profitability

	Analysis Items	2025	2024
Financial structure	Liabilities to assets ratio (%)	28.33%	43.43%
	Long-term capital to property, plant and equipment (%)	151.97%	136.16%
Solvency	Current ratio (%)	241.41%	175.20%
	Quick ratio (%)	165.57%	125.64%
	Times interest earned (times)	20.39	9.51
Profitability	Return on assets (%)	9.41%	5.74%
	Return on equity (%)	13.77%	9.19%
	Net profit margin (%)	15.21%	9.92%
	Earnings per share (NT\$)	5.59	2.94

(IV) Research and development

The research and development expenses invested by the Company in fiscal years 2025 and 2024 were NT\$66,602 thousand and NT\$61,165 thousand, respectively, accounting for 2.74% and 3.18% of the operating revenue, respectively. This is mainly due to the Company's continuous development of various heavy-duty thin ball-bearing server rails used by large data center customers, as well as thin server rails, next-generation concealed high-end cabinet rails, low-profile three-section soft-close rails, and various functional rails such as heavy-duty rails.

## II. Summary of the 2026 business plan

(I) Business policy

1. Product Value Enhancement
2. Lean Production and Smart Manufacturing
3. New Products, New Markets, and New Customers
4. Precision, Rigor, and Professionalism

(II) Expected sales volume and basis

The Company expects the overall U.S. economy to remain resilient in 2026, tariff protection issues to ease, and inflation to stabilize or have a chance to slow down. This will help the Federal Reserve accelerate the interest rate cut cycle. The increase in corporate investment and private consumption will contribute to the recovery of the domestic demand market, driving real demand for various consumer durables such as building materials and furniture, hardware tools, and home appliances. This will be beneficial for the recovery in demand for ball-bearing rails applied in traditional industries in the North American region.

According to the latest research report by the research institute TrendForce, the annual growth rate of global server shipments in 2026 is estimated to be 12.8%, among which the annual growth rate of AI server shipments will reach over 28%. The main shipment momentum comes from the top five CSPs in North America, sovereign cloud projects of various governments, as well as large CSPs accelerating the research and development of their own ASICs and edge AI inference solutions.

The Company expects that in 2026, with the start of volume shipments of AI servers such as NVIDIA GB300, VR200, and ASICs developed in-house by large CSPs, coupled with a significant increase in demand for general-purpose servers, this will help expand the Company's global market share in server rails, continue to optimize the product mix, and increase the average selling price

(ASP).

Taking into consideration factors such as the business development strategies of various products, customer order feedback forecasts, expected mass production schedules for new products, and capacity supply status, the Company estimates that the operating revenue, product gross margin, and operating net profit margin for fiscal year 2026 will all grow significantly compared to the same period last year.

### (III) Important production and marketing policies

#### 1. Production policy

- (1) Execute the production and sales coordination mechanism in order to achieve economies of scale in production.
- (2) Implement design standardization, production stabilization, and equipment automation.
- (3) Promote lean production, supported by data-driven smart management, to improve production efficiency.
- (4) Strengthen product design and development capabilities, provide precise and rigorous customized services, and increase customer trust.
- (5) Enhance the integration capabilities of mechanical R&D and design, modular tooling development, and production equipment automation to shorten the mass production schedule for new products.
- (6) Expand patent barriers and increase technological content to build industry thresholds.

#### 2. Marketing policy

- (1) Server rail products: The Company plans to add 2 to 3 new large data center customers in order to increase the market share of AI server rails and general-purpose server rails, continue to optimize the product mix, and increase the overall product gross margin.
- (2) Home appliance rail products: Through the introduction of new products, the Company aims to increase penetration among existing international home appliance brand customers and strive to enter the supply chains of other major home appliance manufacturers.
- (3) Office furniture rail products: The Company will increase the sales of new functional products to enhance product value-added and create market differentiation.
- (4) Home cabinet rail products: The Company will promote the mass production plan for next-generation concealed rail products to improve the product's price-performance ratio and accumulate brand value.
- (5) Tool cabinet rail products: Relying on the advantages of customized services and innovative development, the Company will manage customer needs over the long term and increase the sales proportion of high value-added products to reduce competition in low-end products.

### **III. Future development strategies of the Company**

#### (I) Short-term development strategy

1. With the mass production and shipment of new server rail products for data centers, the Company's development, design, and manufacturing capabilities for various heavy-duty thin ball-bearing rails and thin rails are becoming increasingly mature. The Company continues to participate in the data center expansion or replacement plans of large U.S. Cloud Service Providers (CSPs). By co-developing next-generation server products during the Early Design stage, the Company provides highly customized services to meet customers' special specification requirements. This helps to deepen the Company's mechanical development capabilities and gradually complete various product specifications, significantly shortening the development and design schedule and quickly responding to customer needs. In addition, along with the spillover effect of the mass production track record of new server rail products for new large U.S. data center customers, the Company strives to participate in new product development plans of other large data center customers and international server brand customers to optimize the product sales mix.

2. The Company will continue to develop various functional products such as high-end concealed cabinet rails and heavy-duty rails to increase the sales mix proportion of high value-added products and raise the overall average selling price of products.
3. The Company will actively invest R&D resources to strengthen the capabilities and speed of R&D design and mechanical development, in order to quickly meet customized needs and increase customer reliance.
4. The Company will consolidate certain product specifications to simplify manufacturing processes and improve production efficiency. The Company will continue to promote equipment automation and begin introducing digital transformation plans to increase the output value of each plant, thereby reducing unit manufacturing cost amortization and optimizing costs to accelerate the recovery of capital expenditures.
5. The Company will strengthen the marketing and sales functions of its U.S. subsidiary, provide immediate local services, and enhance customer relationship management to expand its operating scale in the North American market.
6. The Company will implement quality control plans to establish a high-quality brand image and increase market share.

#### (II) Long-term development strategy

1. The Company will continue to implement the development strategy for high value-added products to avoid red ocean competition in low-end products and reduce global operating risks.
2. The Company will establish an R&D center, cultivate a team of key talents, and deeply root its design and development strength to lay the foundation for the Company's long-term development.
3. The Company will introduce digital transformation plans and plan the establishment of an intelligent production model to implement lean production.
4. The Company will shape an international brand image and establish distribution networks in major global markets to enhance market penetration and diversify market risks.
5. The Company will step into the development and manufacturing of other functional hardware products, leveraging existing sales channels and brand advantages to provide comprehensive product solutions and increase customers' purchasing intentions.
6. The Company will seek cross-industry strategic alliances to combine existing advantages from other industries and enhance the Company's long-term competitiveness.

#### **IV. Impacts from the external competitive environment, regulatory environment, and overall business environment**

With the general improvement in people's living standards, the application of rail products has become increasingly widespread in recent years, and the degree of penetration and popularization in various application industries has gradually increased, which is conducive to the long-term demand of the market. In particular, the explosive growth of emerging technology applications such as AI servers and cloud data centers in recent years has driven strong demand for high-end, heavy-duty rails. Furthermore, the rail industry is a technology-intensive and R&D-intensive industry. Precision manufacturing technology, vertically integrated manufacturing processes, patent barriers, and brand recognition are the core competitive strengths for industry players' development. The industry possesses a considerable degree of entry barriers, resulting in relatively lower market competition. However, competition in the low-end standard product market in mainland China has been fierce in recent years. The Company continues to invest R&D resources to increase the proportion of various functional customized products and enhance product value-added in order to differentiate itself from low-end market competition.

Facing uncertain factors such as the continued deterioration of technology and trade competition between China and the United States, the accelerated fragmentation and regionalization of the global supply chain, the ongoing Russia-Ukraine war, shipping and logistics challenges triggered by geopolitical conflicts in the Middle East, the cross-strait situation, and extreme weather; at the same

time, as the monetary policies of major global central banks enter an interest rate cut and adjustment cycle, sticky inflation persists, continuing to affect interest rate and exchange rate fluctuations in the financial markets. The Company constantly monitors the macroeconomic development as well as domestic and foreign policy trends of various major global markets. The Company strengthens its contingency response and risk control mechanisms through multi-regional deployment, establishing a resilient multinational supply chain, enhancing manufacturing flexibility, and deepening local service and supply chain management capabilities.

The company constantly monitors the technological changes and developments in the relevant industries, keeping abreast of the dynamic trends in the application industries of various products. We continue to invest in research and development resources to meet the timelines for customer's new product development and complete the mass production process, complemented by equipment automation and implementation of data management mechanisms. Simultaneously, we apply for patents for various design and development achievements to raise industry entry barriers and enhance the company's long-term competitiveness.

Finally, we wish all shareholders

Healthy, Joyful and All the Best

NAN JUEN INTERNATIONAL CO., LTD.

**Chairman: Chin-Lan Lee**

# 3. Corporate Governance Report

## I. Directors, Supervisors, President, Vice Presidents, Assistant Vice Presidents, and Heads of Departments and Branches

### (I) Directors and supervisors

#### 1. Information on directors and supervisors

April 30, 2026

Job Title	Nationality or place of registration	Name	Gender and Age	Date of Election (Inauguration)	Term of office	Date of initial election	Shareholding at the time of appointment		Current shareholding		Shares held by spouse and minor		Shares held through nominees		Main experience and academic qualifications	Positions in the Company and other companies	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job Title	Name	Relationship	
Chairperson	Republic of China	He Ying Investment Co., Ltd.	Not applicable	2025.6.11	3 years	2016.9.6	8,843,525	13.41%	8,872,525	12.56%	-	-			Not applicable	None	Not applicable			
	Republic of China	He Ying Investment Co., Ltd. Representative: Chin-Lan Lee	Female 71-80	2025.6.11	3 years	2016.9.6	4,195,965	6.36%	4,197,965	5.94%	-	-		Chairman, REPON INDUSTRIAL CO., LTD. Supervisor, Repon Technology Co., Ltd. Graduated in commerce	Chairperson & CEO, Nan Juen International Co., Ltd. Chairman, SUZHOU NAN JUEN TRADE CO., LTD. Chairman, Suzhou Repon Industrial Co., Ltd. Chairman, He Ying Investment Co., Ltd. Chairman, AWESON TEK INVESTMENTS LIMITED	President Director Director	Jen-Shan Wu Yi-Shan Wu Hsin-Cheng Wu	Mother and Son Mother and Daughter Uncle and Sister-in-law	(Note1 )	
Director	Republic of China	He Ying Investment Co., Ltd.	Not applicable	2025.6.11	3 years	2016.9.6	8,843,525	13.41%	8,872,525	12.56%	-	-			Not applicable	None	Not applicable			
	Republic of China	He Ying Investment Co., Ltd. Representative: Hsin-Cheng Wu	Male 61-70	2025.6.11	3 years	2016.9.6	3,053,131	4.63%	3,053,131	4.32%	570,724	0.81%		Vice President of the Company Director, REPON INDUSTRIAL CO., LTD. Director, Repon Technology Co., Ltd. Vice President, Suzhou Repon Industrial Co., Ltd. Elementary school graduate	Chairman, He Hung Investment Co., Ltd. Supervisor, He Ying Investment Co., Ltd.	Chairperson	Chin-Lan Lee	Uncle and Sister-in-law	(Note2 )	
Director	Republic of China	Junyi Investment Co., Ltd.	Not applicable	2025.6.11	3 years	2016.9.6	7,411,030	11.24%	7,411,030	10.49%	-	-			Not applicable	None	Not applicable			
	Republic of China	Junyi Investment Co., Ltd. Representative: Jen-Shan Wu	Male 51-60	2025.6.11	3 years	2016.9.6	2,557,021	3.88%	3,523,521	4.99%	-	-		Executive Vice President of the Company Director, Repon Technology Co., Ltd. Executive Vice President, Suzhou Repon Industrial Co., Ltd. Master of Business Administration, National Central University	President of the Company President, SUZHOU NAN JUEN TRADE CO., LTD. Chairman and President, REPON (USA), INC. Chairman & President, REPON TECH (VIETNAM) COM., LTD Chairman, Junyi Investment Co., Ltd. Chairman, UNITED FORTUNE INVESTMENT LIMITED COMPANY Director, AWESON TEK INVESTMENTS LIMITED	Chairperson Director	Chin-Lan Lee Yi-Shan Wu	Mother and Son Siblings	(Note1 )	
Director	Republic of China	Junyi Investment Co., Ltd.	Not applicable	2025.6.11	3 years	2016.9.6	7,411,030	11.24%	7,411,030	10.49%	-	-			Not applicable	None	Not applicable	Not applicable	None	
		Junyi Investment Co., Ltd. Representative: Yi-Shan Wu	Female 41-50	2025.6.11	3 years	2023.6.2	2,535,293	3.84%	3,523,521	4.99%	106,100	0.15%		Staff Member, Nan Juen International Co., Ltd. Master of Finance, National Central University	Director, UNITED FORTUNE INVESTMENT LIMITED COMPANY	Chairperson President	Chin-Lan Lee Jen-Shan Wu	Mother and Son Siblings		

Job Title	Nationality or place of registration	Name	Gender	Date of Election (Inauguration)	Term of office	Date of initial election	Shareholding at the time of appointment		Current shareholding		Shares held by spouse and minor		Shares held through nominees		Main experience and academic qualifications	Positions in the Company and other companies	Other officer(s), director(s), or supervisor(s) with which the person has a relationship of spouse or relative within the second degree			Remarks
							Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job Title	Name	Relationship	
Director	Republic of China	Gui-Ying Wu	Female 71-80	2025.6.11	3 years	2016.9.6								Vice President of RSM Taiwan Department of Accounting, Soochow University	Director & Consultant, Guang Yi Management Consulting Co., Ltd.					
Independent Director	Republic of China	Tung-Hsiung Hong	Male 41-50	2025.6.11	3 years	2016.9.6								Partnership Lawyer, Chien Yeh Law Offices Passed the Republic of China Bar Examination Bachelor, Department of Law, National Taiwan University	Attorney-at-Law, Li Dong Law Firm Independent Director, EDISON OPTO CORPORATION Independent Director, POTENS SEMICONDUCTOR CORP.					
Independent Director	Republic of China	Tsun Cheng	Male 61-70	2025.6.11	2 years	2023.6.2								Auditing Officer, Deloitte Taiwan Manager, Listing Department I, Taiwan Stock Exchange Master of Business, National Taiwan University	Independent Director, Foxwell Power Co., Ltd. Director, Taiwan Corporate Governance Association					
Independent Director	Republic of China	Yuan-Chen Chang	Male 61-70	2025.6.11	3 years	2025.6.11								Professor, Department of Finance, National Chengchi University Ph.D. in Finance, Lancaster University, U.K. Master of Business Administration, National Sun Yat-sen University Bachelor of Economics, National Taiwan University	Professor, Department of Finance, National Chengchi University Director, Taiwan Cooperative Bills Finance Corporation					
Independent Director	Republic of China	Shao-Chen Chiu	Male 61-70	2025.6.11	3 years	2025.6.11								Senior Vice President, Mechanical Business Group, Jabil Green Point High Technology Co., Ltd. Executive Master of Business Administration (EMBA), Tunghai University Department of Electrical Engineering, National Taipei Institute of Technology	General Manager, Kezhan Materials Technology Co., Ltd. Director, Dynasafe Technologies Inc. Independent Director, Da Hui Co., Ltd.					

Note1 : President Jen-Shan Wu was appointed to this temporary position due to his extensive business experience and more than 20 years of service to the organization and affiliated companies. At present, the Chairman and the President are relatives within one degree of kinship, and no more than half of the directors concurrently serve as employees or managers. The Company has also elected one additional independent director at the general shareholders' meeting on June 2, 2023.

Notes2: Vice President Hsin-Cheng Wu retired on April 30, 2025.

2. Major shareholders of corporate shareholders:

April 30, 2026

Name of corporate shareholder	Major shareholders of corporate shareholders
He Ying Investment Co., Ltd.	Chin-Lan Lee (40%), Hsin-Cheng Wu (35%)
Junyi Investment Co., Ltd.	Jen-Shan Wu (100%)

3. Major shareholders of corporate shareholders who are corporate bodies: None.

4. Disclosure of professional qualifications of directors and supervisors, and independence of independent directors: April 30, 2026

Name \ Qualification	Professional qualifications and experience	Status of independence	Number of independent directors in other public companies
Chin-Lan Lee	<ol style="list-style-type: none"> <li>At least five years of work experience required for the Company's business, and the main experience: Chairman, REPON INDUSTRIAL CO., LTD. Supervisor, Repon Technology Co., Ltd.</li> <li>Positions in the Company and other companies: Chairperson &amp; CEO, Nan Juen International Co., Ltd. Chairman, SUZHOU NAN JUEN TRADE CO., LTD. Chairman, Suzhou Repon Industrial Co., Ltd. Chairman, He Ying Investment Co., Ltd. Chairman, AWESON TEK INVESTMENTS LIMITED</li> <li>Not applicable under Article 30 of the Company Act.</li> </ol>	<ol style="list-style-type: none"> <li>CEO of the Company.</li> <li>Chairman of the Company's affiliates.</li> <li>Concurrently serves as the Chairman of Shareholder He Ying Investment Co., Ltd., who holds 10% or more of the issued shares of the Company.</li> <li>Ranking among the top ten natural person shareholders of the Company.</li> <li>Is a relative within the second degree of kinship to Directors Jen-Shan Wu, Yi-Shan Wu, and Hsin-Cheng Wu.</li> <li>The rest have been verified in accordance with the requirements of independence listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and still meet the relevant independence requirements.</li> </ol>	None
Hsin-Cheng Wu	<ol style="list-style-type: none"> <li>At least five years of work experience required for the Company's business, and the main experience: Vice President of the Company Director, REPON INDUSTRIAL CO., LTD. Director, Repon Technology Co., Ltd. Vice President, Suzhou Repon Industrial Co., Ltd.</li> <li>Positions in the Company and other companies: Chairman, He Hung Investment Co., Ltd. Supervisor, He Ying Investment Co., Ltd.</li> <li>Not applicable under Article 30 of the Company Act.</li> </ol>	<ol style="list-style-type: none"> <li>Concurrently serves as Supervisor of He Ying Investment Co., Ltd., a corporate shareholder holding 10% or more of the Company's issued shares.</li> <li>Ranking among the top ten natural person shareholders of the Company.</li> <li>Are relatives within the second degree of kinship of Chairperson Chin-Lan Lee.</li> <li>The rest have been verified in accordance with the requirements of independence listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and still meet the relevant independence requirements.</li> </ol>	None

Jen-Shan Wu	<ol style="list-style-type: none"> <li>1. At least five years of work experience required for the Company's business, and the main experience/academic background: Executive Vice President of the Company Director, Repon Technology Co., Ltd. Executive Vice President, Suzhou Repon Industrial Co., Ltd. Master, National Central University</li> <li>2. Positions in the Company and other companies: President of the Company President, SUZHOU NAN JUE TRADE CO., LTD. Chairman and President, REPON (USA), INC. Chairman, Junyi Investment Co., Ltd. Chairman, UNITED FORTUNE INVESTMENT LIMITED COMPANY Director, AWESON TEK INVESTMENTS LIMITED Chairman &amp; President, REPON TECH (VIETNAM) COM., LTD</li> <li>3. Not applicable under Article 30 of the Company Act.</li> </ol>	<ol style="list-style-type: none"> <li>1. Concurrently the President of the Company.</li> <li>2. Chairman of the Company's affiliates.</li> <li>3. Concurrently serves as the Chairman of Shareholder Junyi Investment Co., Ltd., who holds 10% or more of the issued shares of the Company.</li> <li>4. Ranking among the top ten natural person shareholders of the Company.</li> <li>5. Is a relative within 2nd degree of kinship to Chairperson Chin-Lan Lee and Director Yi-Shan Wu.</li> <li>6. The rest have been verified in accordance with the requirements of independence listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and still meet the relevant independence requirements.</li> </ol>	None
Yi-Shan Wu	<ol style="list-style-type: none"> <li>1. At least five years of work experience required for the Company's business, and the main academic background: Staff Member, Nan Juen International Co., Ltd. Master of Finance, National Central University</li> <li>2. Positions in the Company and other companies: Director, UNITED FORTUNE INVESTMENT LIMITED COMPANY</li> <li>3. Not applicable under Article 30 of the Company Act.</li> </ol>	<ol style="list-style-type: none"> <li>1. Ranking among the top ten natural person shareholders of the Company.</li> <li>2. Relatives within the second degree of kinship to Chairperson Chin-Lan Lee and President Jen-Shan Wu.</li> <li>3. The rest have been verified in accordance with the requirements of independence listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and still meet the relevant independence requirements.</li> </ol>	None

Gui-Ying Wu	<ol style="list-style-type: none"> <li>At least five years of work experience required for the Company's business, and the main academic background: Director and Vice President, Guang-Yi Management Consulting Co., Ltd. Department of Accounting, Soochow University</li> <li>Concurrent positions in other companies: Director &amp; Consultant, Guang Yi Management Consulting Co., Ltd.</li> <li>Not applicable under Article 30 of the Company Act.</li> </ol>	<ol style="list-style-type: none"> <li>The person, spouse, or second-degree relative does not serve as a director, supervisor, or employee of the Company or any of its affiliates.</li> <li>0 shares are held by the shareholder, a spouse, or a relative within the second degree of kinship (or through nominees).</li> <li>He/she does not serve as a director, supervisor or employee of any company specifically related to the Company (refer to Subparagraphs 5-8, Paragraph 1, Article 3 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies).</li> <li>The amount of remuneration for providing commercial, legal, financial, accounting services to the Company or its affiliates in the past two years is NT\$0.</li> <li>The rest have been verified in accordance with the requirements of independence listed in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" promulgated by the Financial Supervisory Commission, and still meet the relevant independence requirements.</li> </ol>	None
Tung-Hsiung Hong (Independent Director)	<ol style="list-style-type: none"> <li>At least five years of work experience required for the Company's business, and the main experience/academic background: Partnership Lawyer, Chien Yeh Law Offices Passed the Republic of China Bar Examination Bachelor, Department of Law, National Taiwan University</li> <li>Concurrent positions in other companies: Attorney-at-Law, Li Dong Law Firm Independent Director, EDISON OPTO CORPORATION Independent Director, POTENS SEMICONDUCTOR CORP.</li> <li>Not applicable under Article 30 of the Company Act.</li> </ol>	In accordance with the Company's Articles of Incorporation and the "Corporate Governance Best Practice Principles", directors are elected under a candidate nomination system. The Company has obtained written statements, work experience, current position To verify the independence of the Company, himself/herself, his/her spouse and his/her relatives within three degrees of kinship from the Company. The Company has verified that the 4 independent directors, prior to their appointment and during their term, 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. Additionally, the independent directors have been granted the authority to fully participate in decision-making and express their opinions in accordance with Article 14-3 of the Securities and Exchange Act, and they independently execute relevant duties.	2
Tsun Cheng (Independent Director)	<ol style="list-style-type: none"> <li>At least five years of work experience required for the Company's business, and the main experience/academic background: Auditing Officer, Deloitte Taiwan Manager, Listing Department I, Taiwan Stock Exchange Master of Business, National Taiwan University</li> <li>Concurrent positions in other companies: Independent Director, Foxwell Power Co., Ltd. Director, Taiwan Corporate Governance Association</li> <li>Not applicable under Article 30 of the Company Act.</li> </ol>		1

<p>Yuan-Chen Chang (Independent Director)</p>	<ol style="list-style-type: none"> <li>At least five years of work experience required for the Company's business, and the main experience/academic background: Ph.D. in Finance, Lancaster University, U.K. Master of Business Administration, National Sun Yat-sen University Bachelor of Economics, National Taiwan University</li> <li>Concurrent positions in other companies: Professor, Department of Finance, National Chengchi University Director, Taiwan Cooperative Bills Finance Corporation</li> <li>Not applicable under Article 30 of the Company Act.</li> </ol>	<p>In accordance with the Company's Articles of Incorporation and the "Corporate Governance Best Practice Principles", directors are elected under a candidate nomination system. The Company has obtained written statements, work experience, current position To verify the independence of the Company, himself/herself, his/her spouse and his/her relatives within three degrees of kinship from the Company. The Company has verified that the 4 independent directors, prior to their appointment and during their term, 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. Additionally, the independent directors have been granted the authority to fully participate in decision-making and express their opinions in accordance with Article 14-3 of the Securities and Exchange Act, and they independently execute relevant duties.</p>	<p>0</p>
<p>Shao-Chen Chiu (Independent Director)</p>	<ol style="list-style-type: none"> <li>At least five years of work experience required for the Company's business, and the main experience/academic background: Senior Vice President, Mechanical Business Group, Jabil Green Point High Technology Co., Ltd. Executive Master of Business Administration (EMBA), Tunghai University Department of Electrical Engineering, National Taipei Institute of Technology</li> <li>Concurrent positions in other companies: General Manager, Kezhan Materials Technology Co., Ltd. Director, Dynasafe Technologies Inc. Independent Director, Da Hui Co., Ltd.</li> <li>Not applicable under Article 30 of the Company Act.</li> </ol>		<p>1</p>

## 5. Board diversity policy and independence

### (1) Board diversity policy:

The Company's Regulations Governing Election of Directors has stipulated the diversity guideline for the election of directors, and the implementation is as follows:

Core Diversification		Name	Nationality	Basic composition				Professional knowledge and skills					Knowledge, skills and literacy									
				Gender	With employee status	Age				Laws	Accounting	Industry	Finance	Marketing	Operational judgment	Accounting and financial analysis	Operation and management	Crisis management	Industry knowledge	International market perspective	Leadership	Decision-making
						41 - 50 years old	51 - 60 years old	61 - 70 years old	71 - 80 years old													
Director	Chin-Lan Lee	Female	√				√		√	√	√		√	√	√	√	√	√	√	√		
	Hsin-Cheng Wu	Male	√				√		√			√		√	√	√	√	√	√	√		
	Jen-Shan Wu	Male	√		√			√	√	√	√	√	√	√	√	√	√	√	√	√		
	Yi-Shan Wu	Female		√				√		√		√	√	√	√	√	√	√	√	√		
	Gui-Ying Wu	Female					√		√		√	√	√	√	√	√	√	√	√	√		
Independent Director	Tung-Hsiung Hong	Male				√		√		√		√	√	√	√	√	√	√	√	√		
	Tsun Cheng	Male		√			√					√		√	√	√	√	√	√	√		
	Yuan-Chen Chang	Male				√		√		√		√	√	√	√	√	√	√	√	√		
	Shao-Chen Chiu	Male				√			√		√	√	√	√	√	√	√	√	√	√		

Note 1: The current Board consists of nine directors, including four independent directors. All members have strong expertise in leadership, management, industry knowledge, and international markets. The independent directors bring legal, accounting, and financial backgrounds, while the remaining directors have experience in finance, industry, and marketing. Board diversity supports effective governance and performance.

Note 2: The nomination and selection of the Company's board members are conducted in accordance with the provisions of the Articles of Incorporation, adopting a candidate nomination system. In addition to evaluating the academic and professional qualifications of each candidate, the selection also takes into account the Company's own operations, business models, development needs, and stakeholder opinions, while complying with the "Regulations Governing the Election of Directors" and the "Corporate Governance Best Practice Principles" to ensure the diversity and independence of board members. Currently, there are three female directors on the Board of Directors (accounting for 33.33%), and the Company will gradually increase the number of female director seats in the future based on the principle of gender equality. The Company's four independent directors were elected at the Annual General Shareholders' Meeting on June 11, 2025. Except for Mr. Hung Tung-Hsiung, who possesses a profound legal professional background and assists the Company in strengthening internal controls, risk management, and legal compliance mechanisms, and has been re-elected as an independent director for more than three consecutive terms in view of his professional capabilities, extensive experience, and contributions to the Company's long-term development, the consecutive terms of office of the remaining independent directors do not exceed three terms.

(2) Independence of the Board of Directors:

The Company currently has 9 board members, including 4 independent directors and 1 outside director. Independent directors account for 44.44% of all board members. The total number of seats represented by independent directors plus outside directors exceeds half of all board members. As of the end of 2023, the Company's independent directors had all complied with the independent director requirements set forth by the Securities and Futures Bureau, Financial Supervisory Commission, and there were no requirements set forth by Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act among directors and independent directors.

All independent directors meet the requirements set by the Financial Supervisory Commission on independent directors, and their independence is stated as follows:

Name	The person, their spouse, or a relative within the second degree of kinship serve as a director, supervisor, or employee of the Company or its affiliated companies	Number and percentage of shares held by the person, spouse, relatives within the second degree of kinship (or in the name of another person)	Serving as a director, supervisor, or employee of a company specifically related to the Company	Amount of remuneration received for providing commercial, legal, financial, accounting services to the Company or its affiliates in the last 2 years
Tung-Hsiung Hong	No	No such situation	No	No such situation
Tsun Cheng	No	No such situation	No	No such situation
Yuan-Chen Chang	No	No such situation	No	No such situation
Shao-Chen Chiu	No	No such situation	No	No such situation

## (II) Information on the President, Vice Presidents, Assistant Vice Presidents, and the heads of various departments and branches

April 30, 2025

Job Title	Nationality	Name	Gender	Date of Election (Inauguration)	Shareholding (Note 2)		Shares held by spouse and minor children		Shares held through nominees		Main experience and academic qualifications	Concurrent positions in other companies	Managers who are a spouse or a relative within the second degree of kinship			Remarks
					Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio			Job Title	Name	Relationship	
CEO	Republic of China	Chin-Lan Lee	Female	2025.2.1	4,197,965	5.94%	-	-	-	-	Chairman, REPON INDUSTRIAL CO., LTD. Supervisor, Repon Technology Co., Ltd. Graduated in commerce	Chairperson & CEO, Nan Juen International Co., Ltd. Chairman, SUZHOU NAN JUEN TRADE CO., LTD. Chairman, Suzhou Repon Industrial Co., Ltd. Chairman, He Ying Investment Co., Ltd. Chairman, AWESON TEK INVESTMENTS LIMITED	President	Jen-Shan Wu	Mother and Son	-
President	Republic of China	Jen-Shan Wu	Male	2016.1.1	3,523,521	4.99%	-	-	-	-	Executive Vice President of the Company Director, Repon Technology Co., Ltd. Executive Vice President, Suzhou Repon Industrial Co., Ltd. Master of Business Administration, National Central University	President, SUZHOU NAN JUEN TRADE CO., LTD. Chairman and President, REPON (USA), INC. Chairman & President, REPON TECH (VIETNAM) COM.,LTD Chairman, Junyi Investment Co., Ltd. Chairman, UNITED FORTUNE INVESTMENT LIMITED COMPANY Director, AWESON TEK INVESTMENTS LIMITED				(Note 1)
Assistant Vice President	Republic of China	Shun-Ru Tsai	Female	2019.6.1	110,321	0.16%	-	-	-	-	Senior manager of the Company Master of Business Administration (MBA), National Central University	None				-
Assistant Vice President	Republic of China	Jian-hong Chen	Male	2019.6.1	37,400	0.05%	-	-	-	-	Manager of the Company Bachelor, Department of International Trade, Chinese Culture University	None				-
Assistant Vice President	Republic of China	Yi-Hsiang Chiu	Male	2023.2.1	429	0.00%	-	-	-	-	Senior manager of the Company Master, National Taiwan University of Science and Technology	None				-
Assistant Vice President	Republic of China	Long-Chang Lee	Male	2022.6.1	234,500	0.33%	-	-	-	-	Manager of the Company Assistant sales manager of Fast Technologies Inc. Bachelor, Department of Business Administration, National Chung Hsing University	Supervisor, SUZHOU NAN JUEN TRADE CO., LTD.				-
Assistant Vice President	Republic of China	Chun-Wei Lin	Male	2023.8.1	35,400	0.05%	-	-	-	-	Assistant Vice President, Production Business Division, Suzhou Repon Industrial Co, Ltd Bachelor's, Department of Mechanical Engineering, Lunghwa University of Science and Technology	None				-
Assistant Vice President	Republic of China	Zhi-Yuan Deng	Male	2025.3.1	7,500	0.01%	-	-	-	-	Senior manager of the Company Bachelor's Degree in Applied Statistics, Ming Chuan University	None				-
Finance Officer and Corporate Governance Officer	Republic of China	Chung-Jen Jen	Male	2022.1.1	120,744	0.17%	-	-	-	-	Supervisor, KPMG Taiwan Assistant Vice President, EVERTOP WIRE CABLE CORPORATION Master of Business Administration, National Chengchi University	None				-
Accounting Officer	Republic of China	Song-Feng Liu	Male	2025.5.1	2,700	0.00%	-	-	-	-	Manager, KPMG Taiwan Bachelor, Department of Accounting, Chung Yuan Christian University	None				-

Note 1: President Jen-Shan Wu was appointed to this temporary position due to his extensive business experience and more than 20 years of service to the organization and affiliated companies. The current Chairman and President are relatives within the first degree of kinship, primarily as a phased measure for management succession. Currently, there is no majority of directors concurrently serving as employees or managers. One additional independent director was elected at the general shareholders' meeting on June 2, 2023.

Note 2: The shares held do not include the number of RSAs delivered to trust.

## II. Remuneration paid to directors, supervisors, President and Vice President in the most recent year

### (I) Remuneration of general directors and independent directors

2025

Unit: NT\$ thousand

Job Title	Name	Remuneration to directors								Sum of A+B+C+D and ratio to net income	Remuneration received by directors for concurrent service as an employee								Sum of A+B+C+D+E+F+G and ratio to net income	Remuneration received from investee enterprises other than subsidiaries or from the parent company				
		Remuneration (A)		Retirement pay and pension (B)		Director profit sharing remuneration (C) (Note 1)		Expenses and perquisites (D)			Salary, rewards, and special disbursements (E)		Retirement pay and pension (F)		Employee remuneration (G) (Note 2)									
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities		The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities				The Company	All consolidated entities		
Director	Chairperson	Chin-Lan Lee																						
	Director and President	Jen-Shan Wu																						
	Director and Vice President	Hsin-Cheng Wu (Note 4)	250	293			16,628	16,628	117	117	16,995 4.59%	17,038 4.61%	7,822	10,213	2,796	2,796	2,406	-	2,406	-	30,019 8.11%	32,453 8.77%	None	
	Director	Yi-Shan Wu																						
	Director	Gui-Ying Wu																						
Independent Director (Note 3)	Tung-Hsiung Hong																							
	Tsun Cheng																							
	Yuan-Chen Chang	2,500	2,500			693	693	209	209	3,402 0.92%	3,402 0.92%										3,402 0.92%	3,402 0.92%	None	
	Shao-Chen Chiu																							

Note 1: The allocation of NT\$17,321 thousand in directors' remuneration for fiscal year 2025 was approved by the Board of Directors on March 9, 2026. The actual distribution has not yet been made, and individual directors' remuneration amounts are not yet estimable. The proposed amounts are estimated based on the distribution ratio for fiscal year 2024.

Note 2: The allocation of NT\$23,094 thousand in employees' remuneration for fiscal year 2025 was approved by the Board of Directors on March 9, 2026. The actual distribution has not yet been made, and individual employees' remuneration amounts are not yet estimable. The proposed amounts are estimated based on the distribution ratio for fiscal year 2024.

Note 3: The Company's independent directors are paid a fixed remuneration and are paid a fixed monthly remuneration regardless of the profit or loss, and do not participate in the distribution of directors' remuneration. The Board of Directors may renegotiate the decision every year based on the degree of participation of each independent director in the Company's operations, the value of their contribution, and the number of times the number of meetings attended, and by taking into account the general standards of the industry

Note 4: The individual retired and was relieved of the position of Vice President on April 30, 2025.

### Remuneration table

Breakdown of remuneration to directors of the Company	Name of Director			
	Sum of A+B+C+D		Sum of A+B+C+D+E+F+G	
	The Company	All consolidated entities	The Company	All consolidated entities
Less than NT\$1,000,000	Yi-Shan Wu, Gui-Ying Wu, Tung-Hsiung Hong, Cun Cheng, Yuan-Chen Chang, Shao-Chen Chiu	Yi-Shan Wu, Gui-Ying Wu, Tung-Hsiung Hong, Cun Cheng, Yuan-Chen Chang, Shao-Chen Chiu	Yi-Shan Wu, Gui-Ying Wu, Tung-Hsiung Hong, Cun Cheng, Yuan-Chen Chang, Shao-Chen Chiu	Yi-Shan Wu, Gui-Ying Wu, Rui-Chu Lee, Tung-Hsiung Hong, Shang-Hsien Yang, Cun Cheng
NT\$1,000,000 (incl.) - NT\$2,000,000 (excl.)	Hsin-Cheng Wu	Hsin-Cheng Wu		
NT\$2,000,000 (incl.) - NT\$3,500,000 (excl.)				
NT\$3,500,000 (incl.) - NT\$5,000,000 (excl.)	Jen-Shan Wu	Jen-Shan Wu	Hsin-Cheng Wu	Hsin-Cheng Wu
NT\$5,000,000 (incl.) - NT\$10,000,000 (excl.)	Chin-Lan Lee	Chin-Lan Lee	Jen-Shan Wu	
NT\$10,000,000 (incl.) - NT\$15,000,000 (excl.)			Chin-Lan Lee	Jen-Shan Wu ,Chin-Lan Lee
NT\$15,000,000 (incl.) - NT\$30,000,000 (excl.)				
NT\$30,000,000 (incl.) - NT\$50,000,000 (excl.)				
NT\$50,000,000 (incl.) - NT\$100,000,000 (excl.)				
Over NT\$100,000,000				
Total	9 people	9 people	9 people	9 people

(II) Remuneration to the President and Vice Presidents

2025

Unit: NT\$ thousand

Job Title	Name	Salary (A)		Retirement pay and pension (B)		Bonuses and allowances (C)		Employees' remuneration (D) (Note 1)				Sum of A+B+C+D and ratio to net income (%)		Remuneration received from investee enterprises other than subsidiaries or from the parent company
		The Company	All consolidated entities	The Company	All consolidated entities	The Company	All consolidated entities	The Company		All consolidated entities		The Company	All consolidated entities	
								Cash amount	Amount of shares	Cash amount	Amount of shares			
CEO	Chin-Lan Lee													
President	Jen-Shan Wu	5,904	8,295	2,796	2,796	1,918	1,918	2,406	-	2,406	-	13,024 3.52%	15,415 4.17%	None
Vice President	Hsin-Cheng Wu(Note 2)													

Note 1: The 2025 appropriation of employee remuneration NT\$23,094 thousand has been discussed and approved by the board of directors on March 9, 2026, and has not yet been actually distributed. It is not yet possible to estimate the remuneration to individual employees, but the proposed distribution amount is estimated based on the 2024 bonus distribution ratio.

Note 2: The individual retired and was relieved of the position of Vice President on April 30, 2025.

Remuneration table

Breakdown of remuneration to the President and Vice Presidents of the Company	Name of President and Vice Presidents	
	The Company	All consolidated entities
Less than NT\$1,000,000		
NT\$1,000,000 (incl.) - NT\$2,000,000 (excl.)		
NT\$2,000,000 (incl.) - NT\$3,500,000 (excl.)	Hsin-Cheng Wu	Hsin-Cheng Wu
NT\$3,500,000 (incl.) - NT\$5,000,000 (excl.)	Jen-Shan Wu	
NT\$5,000,000 (incl.) - NT\$10,000,000 (excl.)	Chin-Lan Lee	Jen-Shan Wu 、 Chin-Lan Lee
NT\$10,000,000 (incl.) - NT\$15,000,000 (excl.)		
NT\$15,000,000 (incl.) - NT\$30,000,000 (excl.)		
NT\$30,000,000 (incl.) - NT\$50,000,000 (excl.)		
NT\$50,000,000 (incl.) - NT\$100,000,000 (excl.)		
Over NT\$100,000,000		
Total	3 people	3 people

## (III) Names of managers distributing employee remuneration, and distribution:

2025

Unit: NT\$ thousand

	Job Title	Name	Amount of shares	Cash amount (Note 1)	Total	Total as a percentage of net income (%)
Managerial Officer	CEO	Chin-Lan Lee	-	6,072	6,072	1.64%
	President	Jen-Shan Wu				
	Assistant Vice President	Shun-Ru Tsai				
	Assistant Vice President	Jian-hong Chen				
	Assistant Vice President	Yi-Hsiang Chiu				
	Assistant Vice President	Long-Chang Lee				
	Assistant Vice President	Chun-Wei Lin				
	Finance Officer and Corporate Governance Officer	Chung-Jen Jen				
	Accounting Officer	Song-Feng Liu				

Note 1: The amount of NT\$23,094 thousand was appropriated for employee remuneration for the year 2025, and the appropriation was approved by the Board of Directors on March 9, 2026. The distribution has not yet been made, and individual remuneration amounts cannot be estimated at this time. The proposed allocation to individual employees is based on the distribution ratio applied in the prior year 2024.

(IV) Total remuneration paid to the Company's directors, supervisors, president, and vice presidents in the most recent two years by the company and all companies included in the consolidated financial statements as a percentage of after-tax net income in the parent company only or individual financial statements, and an explanation of the remuneration policy, criteria and packages, the procedure for determining remuneration, and its association with operating performance and future risks :

Job Title	Year	Total remunerations as a percentage of net income (loss) after tax in the parent company only financial statements %			
		2024		2025	
		The Company	All consolidated entities	The Company	All consolidated entities
Director					
President and Vice President		10.86%	12.16%	11.18%	12.36%

The policies, standards, and components of remuneration, the procedures for determining remuneration, and their linkage to operating performance and future risks:

The Company's Articles of Incorporation and the "Regulations Governing the Payment of Remuneration to Directors and Functional Committee members" have clearly stipulated the

standards for the payment of directors' remuneration and employees' remuneration. The distribution is to be made until the resolution is passed, and shall be reported at the shareholders' meeting. On March 20, 2018, the Board of Directors passed the "Rules for Performance Evaluation of Board of Directors". Since 2018, the annual performance appraisal of individual directors will be conducted, and the appraisal results will be linked to the annual remuneration of individual directors to establish performance targets to enhance the operating efficiency of the board of directors.

Considering the extent of contributions to operations and the responsibilities assumed, and taking into account the salary levels in the same industry, the Company pays its President and Vice President reasonable remuneration based on the salary standards of their positions, the Company's operating performance and their personal performance, which is evaluated by the remuneration committee on a regular basis.

The company's remuneration for directors, President and Vice President is determined taking into account the company's future operational development and business risks. It also evaluates the positive correlation with operational performance to balance sustainable operation and risk management. The execution is approved by the board of directors after agreement by the Remuneration Committee. The Remuneration Committee and the Board of Directors regularly review the reasonableness of remuneration, and review the relevant regulations of remuneration from time to time depending on the actual business situation and relevant laws and regulations.

The directors of the company receive car and horse expenses for executing business, and independent directors receive a basic monthly fee. Director remuneration is distributed according to the company's profit situation, which does not pose a significant risk to the company. The President and Vice President, in addition to their fixed salaries, receive bonuses based on company performance, which also does not pose a significant risk to the Company.

### III. Corporate governance

#### (I) The operation of the Board of Directors and the implementation of evaluation

1. From the most recent year, 2025 (a full re-election of directors was held on June 11, 2025), up to the publication date of this annual report, the Company held a total of 11 (A) Board of Directors meetings. After the re-election, a total of 6 (A) Board of Directors meetings were held. The attendance of directors is as follows:

Job Title	Name	Actual attendance rate (B)	Attendance by proxy	Attendance rate in person (%) (B/A)	Remarks
Chairperson	He Ying Investment Co., Ltd. Representative: Jin-lan Lee	11	0	100%	
Director	He Ying Investment Co., Ltd. Representative: Hsin-Cheng Wu	11	0	100%	
Director	Junyi Investment Co., Ltd. Representative: Jen-Shan Wu	11	0	100%	
Director	Junyi Investment Co., Ltd. Representative: Yi-Shan Wu	11	0	100%	
Director	Gui-Ying Wu	10	1	9%	
Independent Director	Rui-Chu Lee	4	1	80%	2025.06.11 Resigned upon re-election

Independent Director	Tung-Hsiung Hong	11	0	100%	
Independent Director	Shang-Hsien Yang	5	0	100%	2025.06.11 Resigned upon re- election
Independent Director	Tsun Cheng	11	0	100%	
Independent Director	Yuan-Chen Chang	6	0	100%	2025.06.11 Newly elected
Independent Director	Shao-Chen Chiu	6	0	100%	2025.06.11 Newly elected

Other information to be disclosed:

- I. For the matters listed in Article 14-3 of the Securities and Exchange Act and any other objections or qualified opinions of the independent directors that have been recorded or declared in writing, the date, session, contents of motions, the opinions of all independent directors and the Company's opinions and opinions shall be disclosed Handling of independent directors' opinions: No such situation.
- II. Other than the aforementioned matters, other resolutions of the Board of Directors with adverse or qualified opinions from independent directors and on the record or in written declaration: None.
- III. For implementation of a director's recusal due to a conflict of interest, the name of the director, the content of the proposal, the reason for recusal, and the participation in the voting shall be stated:

Date of meeting	Proposal Content	Names of Directors, Reasons for Recusal, and Participation in Voting
2025.01.22	Approved the appointment of the Chief Executive Officer.	Chairperson Chin-Lan Lee, Directors Hsin-Cheng Wu, Jen-Shan Wu, and Yi-Shan Wu recused themselves from voting on this proposal due to a conflict of interest. The resolution was approved after discussion among the remaining directors present, as solicited by the acting chairperson.
	Approved the year-end bonuses for executive directors and managerial officers.	Chairperson Chin-Lan Lee, Directors Hsin-Cheng Wu, Jen-Shan Wu, and Yi-Shan Wu recused themselves from voting on this proposal due to a conflict of interest. The resolution was approved after discussion among the remaining directors present, as solicited by the acting chairperson.
2025.04.23	Approved the proposal for the nomination of director and independent director candidates.	Nominated Jin-lan Lee (Representative of He Ying Investment Co., Ltd.), Hsin-Cheng Wu (Representative of He Ying Investment Co., Ltd.), Jen-Shan Wu (Representative of Jun Yi Investment Co., Ltd.), Yi-Shan Wu (Representative of Jun Yi Investment Co., Ltd.), and Gui-Ying Wu as director candidates: Chairman Jin-lan Lee, Director Hsin-Cheng Wu, Director Jen-Shan Wu, Director Yi-Shan Wu, and

		<p>Director Gui-Ying Wu (these five individuals) recused themselves from voting due to a conflict of interest regarding this proposal. The proposal was discussed and approved after the acting chairman consulted all directors present.</p> <p>Nominated Mr. Tung-Hsiung Hong, Mr. Tsun Cheng, Mr. Yuan-Chen Chang, and Mr. Shao-Chen Chiu as independent director candidates: Independent Directors Tung-Hsiung Hong and Tsun Cheng recused themselves from voting due to a conflict of interest regarding this proposal. The proposal was discussed and approved after the acting chairman consulted all directors present.</p>
2025.06.11	Approved the appointment of four members to the Company's 4th Audit Committee.	Mr. Tung-Hsiung Hong, Mr. Tsun Cheng, Mr. Yuan-Chen Chang, and Mr. Shao-Chen Chiu recused themselves from voting due to a conflict of interest regarding this proposal. The proposal was discussed and approved after the acting chairman consulted all directors present.
	Approved the appointment of three members to the Company's 5th Remuneration Committee.	Mr. Tung-Hsiung Hong, Mr. Tsun Cheng and Mr. Yuan-Chen Chang recused themselves from voting due to a conflict of interest regarding this proposal. The proposal was discussed and approved after the acting chairman consulted all directors present.
	Approved the appointment of three members to the Company's 2nd Sustainable Development Committee.	Mr. Tung-Hsiung Hong and Mr. Tsun Cheng Chang recused themselves from voting due to a conflict of interest regarding this proposal. The proposal was discussed and approved after the acting chairman consulted all directors present.
2025.11.07	Approved the proposal to acquire real estate for operational use (Yunke Plant III) from a related party.	Chairperson Chin-Lan Lee, Directors Hsin-Cheng Wu, Jen-Shan Wu, and Yi-Shan Wu recused themselves from voting on this proposal due to a conflict of interest. The resolution was approved after discussion among the remaining directors present, as solicited by the acting chairperson.
2026.02.02	Approved the proposal to acquire the rooftop solar power generation equipment for Yunke Plant III from a related party.	Chairperson Chin-Lan Lee, Directors Hsin-Cheng Wu, Jen-Shan Wu, and Yi-Shan Wu recused themselves from voting on this proposal due to a conflict of interest. The resolution was approved after discussion among the remaining directors present, as solicited by the acting chairperson.
	Approved the Company's 2025 year-end bonuses for executive directors	Chairperson Chin-Lan Lee, Directors Hsin-Cheng Wu, Jen-Shan Wu Yi-Shan Wu, Special Assistant Chung-Jen Jen, and Manager Song-Feng Liu recused themselves from voting on this proposal due

	and managerial officers.	to a conflict of interest. The resolution was approved after discussion among the remaining directors present, as solicited by the acting chairperson.
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IV. Information on the frequency and duration, scope, method and content of self-evaluation (or peer evaluation) of the Board of Directors:

The 2025 evaluation of the Board of Directors is as follows:

Evaluation Cycle	Once a year
Evaluation period	2025/01/01~2025/12/31
Scope and Method of Evaluation	1. Overall Board of Directors: Internal Self-Evaluation 2. Individual Board Members: Self-Evaluation 3. Functional committees: Internal Self-Evaluation
Evaluation Content	1. Overall performance evaluation of the Board of Directors: (1) Level of participation in the Company's operations (2) Improving the quality of the board's decision-making (3) Composition and structure of the Board of Directors (4) Election and continuing education of directors (5) Internal control 2. Performance evaluation items of individual directors: (1) Alignment of the Company's goals and mission (2) Awareness of the duties of directors (3) Level of participation in the Company's operations (4) Internal relationship management and communication (5) Directors' professionalism and continuing education (6) Internal control 3. Performance evaluation items for the functional committee: (1) Level of participation in the Company's operations (2) Awareness of the duties of the functional committee (3) Improving the quality of decision making by functional committees (4) Composition of functional committees and election of members (5) Internal control
Evaluation results	The performance evaluation results ranged from 94.88 to 98.70 points, which is considered good. No improvement recommendations were made.

V. Enhancements to the functionality of the Board of Directors in the current year and the most recent year (e.g. establishment of an Audit Committee, enhancement of information transparency, etc.) and implementation evaluations:

- (I) The company developed the "Rules for Performance Evaluation of Board of Directors" and "Directors and Functional Committee Remuneration Payment Measures," which were approved by the board of directors on March 20, 2018. Individual director annual

performance evaluations will be conducted annually beginning with the fiscal year 2018, and the results will be linked to individual director annual remuneration, establishing performance goals to improve the board of directors' efficiency.

- (II) The Company has established "Corporate Governance Best Practice Principles", "Ethical Corporate Management Best Practice Principles" and "Rules and Procedures for Ethical Management and Code of Conduct" which have been approved by the Board of Directors to establish an effective corporate governance framework.
- (III) The Company established the position of Corporate Governance Officer on January 1, 2022 to provide more support to directors and improve the effectiveness of the Board of Directors.
- (IV) The Company established the Sustainable Development Committee on November 6, 2023, in order to implement the sustainable development goals such as environmental protection, social responsibility and corporate governance, and strengthen the functions and management mechanism of the Board of Directors.
- (V) In accordance with Article 14-6 of the Securities and Exchange Act, the Company has formulated the "Remuneration Committee Charter" and appointed and appointed its members to assist the Board of Directors in executing and evaluating the Company's overall remuneration and benefit system.

### 3. Succession planning for the members of the board of directors and key management:

#### (1) The succession plan and operation of the members of the Board of Directors

The selection of directors in the Company is based on the "Articles of Incorporation" using a candidate nomination system. The selection criteria for directors, in addition to possessing the knowledge, skills, and qualities necessary for the performance of their duties, also adhere to the principles of diversity as stipulated in the "Corporate Governance Best Practice Guidelines" and the "Regulations Governing the Election of Directors and Independent Directors" (the selection criteria for board members are disclosed on the Company's website: Investor Relations>Corporate Governance>Important Regulations, website: <https://www.repongroupp.com/tw/rules>). This is to achieve the ideal goal of corporate governance, with many practices being implemented ahead of government regulatory requirements, gradually advancing the process of optimizing the effectiveness of the board of directors.

The company's board members should have not only professional backgrounds and skills, but also experience with business planning and operations. Continuous improvement should be emphasized, taking into account expertise that goes beyond each director's professional capabilities. Courses relevant to the industry should be selected, including finance, risk management, business, commerce, legal affairs, accounting, corporate social responsibility, internal control systems, and financial reporting responsibilities, to ensure that board members have a sufficient level of industry knowledge and improve their professional competence.

The Company has also stipulated the "Rules for Performance Evaluation of Board of Directors", which measures the performance evaluation to include the control of the company's goals and tasks, awareness of responsibilities, participation in the company's operations, internal relationship management and communication, professional functions and training, internal controls, and ability to express concrete opinions. This is done to ensure the effective

operation of the board of directors, evaluate the performance of directors, and serve as a reference for future director selection.

(2) Succession planning and operation of key management personnel

The Company emphasizes that, in addition to the operation and management ability, professional ability and performance, the words and deeds of the important management should be highly in line with the Company's core values of "integrity, positive positivity, innovation, communication and continuous learning" and other business philosophy.

The company focuses on preparing key management personnel for leadership, management, professional skills, personal development plans, and corporate culture. Internal training courses, hands-on tasks, meeting participation, and job rotations all contribute to the development of comprehensive abilities and experiences. External experts also share examples of benchmarking companies that offer management and thinking training courses. Internal senior executives share their leadership experience, organizational culture, and practical management operations. The senior executives' strategy meeting was held to jointly formulate the Company's future growth goals and strategies, including systems thinking, strategic thinking and planning, and leadership growth, performance management, talent development, and leadership inheritance, etc., to strengthen in a planned and targeted manner Future management team

(II) Operation of the Audit Committee

From the most recent year, 2025 (a full re-election of committee members was held on June 11, 2025), up to the publication date of this annual report, a total of 9 (A) Audit Committee meetings were held. After the re-election, a total of 5 (A) Audit Committee meetings were held. The attendance of independent directors is as follows:

Job Title	Name	Actual attendance (B)	Attendance by proxy	Attendance rate in person (%) (B/A)	Remarks
Independent Director	Rui-Chu Lee	3	1	75.00%	2025.06.11 Resigned upon re-election
Independent Director	Shang-Hsien Yang	4	0	100.00%	2025.06.11 Resigned upon re-election
Independent Director	Tung-Hsiung Hong	9	0	100.00%	
Independent Director	Tsun Cheng	9	0	100.00%	
Independent Director	Yuan-Chen Chang	5	0	100.00%	2025.06.11 Newly elected
Independent Director	Shao-Chen Chiu	5	0	100.00%	2025.06.11 Newly elected

Operation of the Audit Committee:

The Company's Audit Committee is composed of four members, comprising all of the independent directors. To effectively oversee the Company's operations and risk management, the Committee convenes prior to the Board of Directors' meetings to review vital proposals and material financial and business activities. From 2025 up to the publication date of this annual report, the Audit Committee held a total of 9 meetings. The primary matters reviewed and deliberated include:

1. Establishment or amendment of internal control systems in accordance with Article 14-1

of the Securities and Exchange Act.

2. Assessment of the effectiveness of the internal control system.
3. Establishment or amendment of procedures for the acquisition or disposal of assets, derivative transactions, lending of funds to others, and endorsements or guarantees for others, in accordance with Article 36-1 of the Securities and Exchange Act.
4. Matters involving directors' own interests.
5. Significant asset or derivative transactions.
6. Significant lending of funds, endorsements, or provision of guarantees.
7. Offering, issuance, or private placement of equity-type securities.
8. Appointment, dismissal, or compensation of the certified public accountant.
9. Appointment or dismissal of financial, accounting, or internal audit officers.
10. Annual and semi-annual financial reports.
11. Business reports and proposals for earnings distribution or loss offset.
12. Annual budgeted financial statements and capital expenditure plans.
13. Other significant matters as required by the Company or competent authorities.

Other information to be disclosed:

- I. The operation of the board of Directors' meeting shall state the date and period of the board meeting, the content of the motion, the opinions of all independent Directors and the Company's handling of the opinions of the independent Directors if any of the following circumstances apply:
  - (I) Matters listed in Article 14-5 of the Securities and Exchange Act: please refer to Item 4 of Other Required Information.
  - (II) Other matters not approved by the Audit Committee but agreed upon by two-thirds or more of all directors: None.
- II. For implementation of an independent director's recusal due to a conflict of interest, the name of the independent director, the content of the proposal, the reason for recusal, and the participation in the voting shall be stated: No such situation.
- III. Communication between independent directors and internal auditing officers and CPAs:
  - (I) The Company's board of directors regularly invites certified public accountants to attend the meeting to conduct consultations on the proposals related to the financial reports of the board of directors, and provides a communication channel for independent directors and certified public accountants, so that audit members may consult at any time.
  - (II) The Company's chief audit officer submits the audit report and follow-up report to the independent directors for review on a regular basis, responds to the opinions of the independent directors in a timely manner, and attends the Board of Directors' meeting to report the status of the audit.
- IV. According to Article 14-5 of the Securities and Exchange Act, the opinions or resolutions of independent directors on major issues for the year are as follows:

Audit Committee member Date of meeting	Proposal Content	Dissenting opinions, qualified opinions, or major recommendations of independent directors
3rd Term 20th	1. 2024 Capital Expenditure Budget Proposal. 2. 2025 Operational Plan and Financial Budget Proposal.	None

meeting January 22, 2025	<ol style="list-style-type: none"> <li>3. Proposal for the Assessment of the Independence and Competence of the Attesting CPAs.</li> <li>4. Proposal for the Formulation of the General Principles for the Pre-approval Policy of Non-assurance Services.</li> </ol> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee.</p> <p>Company's Handling of the Audit Committee's Opinions: Not applicable.</p>	
3rd Term 21th meeting March 11, 2025	<ol style="list-style-type: none"> <li>1. 2024 Employees' Compensation and Directors' Remuneration Proposal.</li> <li>2. 2024 Parent Company Only Financial Statements, Consolidated Financial Statements, and Business Report Proposal.</li> <li>3. 2024 Earnings Distribution Proposal.</li> <li>4. Related Party Transaction Contract Proposal.</li> <li>5. Proposal for the Issuance of the Internal Control System Statement.</li> <li>6. Amendment to the "Articles of Incorporation".</li> <li>7. Proposal for the Determination of the Scope of the Company's Base-level Employees.</li> </ol> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee.</p> <p>Company's Handling of the Audit Committee's Opinions: Not applicable.</p>	None
3rd Term 22th meeting April 22, 2025	<ol style="list-style-type: none"> <li>1. Appointment of the Accounting Officer Proposal.</li> </ol> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee.</p> <p>Company's Handling of the Audit Committee's Opinions: Not applicable.</p>	None
3rd Term 23th meeting May 9, 2025	<ol style="list-style-type: none"> <li>1. Proposal for the replacement of attesting CPAs in coordination with the internal adjustments of the accounting firm.</li> <li>2. 2025 First Quarter Consolidated Financial Statements Proposal.</li> <li>3. Proposal for setting the record date for the recovery and cancellation of restricted stock awards.</li> <li>4. Related Party Transaction Contract Proposal.</li> <li>5. Proposal regarding the details of accounts receivable overdue for more than three months as of March 31,</li> </ol>	None

	<p>2025.</p> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee.</p> <p>Company's Handling of the Audit Committee's Opinions: Not applicable.</p>	
<p>4rd Term 1th meeting August 13, 2025</p>	<ol style="list-style-type: none"> <li>1. Election of the Convener and Chairman of the Audit Committee.</li> <li>2. 2025 Second Quarter Consolidated Financial Statements Proposal.</li> <li>3. Related Party Transaction Contract Proposal.</li> <li>4. Amendment to the "Procedures for the Issuance and Conversion of the First Domestic Secured / Second Domestic Unsecured Convertible Corporate Bonds".</li> <li>5. Proposal for the Addition of the "Procedures for the Repurchase of Treasury Shares".</li> <li>6. Amendment to the "Procedures for the Acquisition or Disposal of Assets".</li> </ol> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee.</p> <p>Company's Handling of the Audit Committee's Opinions: Not applicable.</p>	None
<p>4rd Term 2th meeting November 7, 2025</p>	<ol style="list-style-type: none"> <li>1. 2025 Third Quarter Consolidated Financial Statements Proposal.</li> <li>2. Related Party Transaction Contract Proposal.</li> <li>3. 2026 Audit Plan Proposal.</li> <li>4. Proposal for setting the record date for the recovery and cancellation of restricted stock awards.</li> <li>5. Proposal for setting the capital increase record date for the conversion of convertible corporate bonds into common shares.</li> <li>6. Amendment to the "Articles of Incorporation".</li> <li>7. Amendment to the "Sustainable Development Best Practice Principles".</li> </ol> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee.</p> <p>Company's Handling of the Audit Committee's Opinions: Not applicable.</p>	None
<p>4rd Term 3th</p>	<ol style="list-style-type: none"> <li>1. 2025 Capital Expenditure Budget Proposal.</li> </ol>	None

<p>meeting February 2, 2026</p>	<ol style="list-style-type: none"> <li>2. 2026 Operational Plan and Financial Budget Proposal.</li> <li>3. Proposal to acquire real estate for operational use from a non-related party.</li> <li>4. Amendment to the internal control procedures for "Payroll Cycle - Payroll Operations".</li> <li>5. Proposal for setting the record date for the recovery and cancellation of restricted stock awards.</li> <li>6. Proposal for setting the capital increase record date for the conversion of convertible corporate bonds into common shares.</li> <li>7. Proposal for the Assessment of the Independence and Competence of the Attesting CPAs.</li> <li>8. Proposal for the Formulation of the General Principles for the Pre-approval Policy of Non-assurance Services.</li> </ol> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee. Company's Handling of the Audit Committee's Opinions: Not applicable.</p>	
<p>4rd Term 3th meeting March 9, 2026</p>	<ol style="list-style-type: none"> <li>1. 2025 Employees' Compensation and Directors' Remuneration Proposal.</li> <li>2. 2025 Parent Company Only Financial Statements, Consolidated Financial Statements, and Business Report Proposal.</li> <li>3. 2025 Earnings Distribution Proposal.</li> <li>4. Proposal for the Issuance of the Internal Control System Statement.</li> </ol> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee. Company's Handling of the Audit Committee's Opinions: Not applicable.</p>	<p>None</p>
<p>4rd Term 3th meeting May 11, 2026</p>	<ol style="list-style-type: none"> <li>1. 2026 First Quarter Consolidated Financial Statements Proposal.</li> <li>2. Proposal for the issuance of domestic convertible corporate bonds.</li> <li>3. Proposal for the capital increase of the Vietnam subsidiary.</li> <li>4. Proposal for the audit fees of the attesting CPAs.</li> <li>5. Proposal for setting the record date for the recovery and cancellation of restricted stock awards.</li> </ol>	<p>None</p>

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|  | <p>6. Proposal for setting the capital increase record date for the conversion of convertible corporate bonds into common shares.</p> <p>7. Proposal regarding the details of accounts receivable overdue for more than three months as of March 31, 2026.</p> <p>Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee.</p> <p>Company's Handling of the Audit Committee's Opinions: Not applicable.</p> |  |
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Audit Committee Meeting Resolution: Approved unanimously by all members of the Audit Committee.

Company's Handling of the Audit Committee's Opinions: Not applicable.

Note: Other resolutions not approved by the Audit Committee but agreed upon by over two-thirds of all directors: None.

(III) Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
I. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has established the "Corporate Governance Best-Practice Principles" in accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and disclosed it on the Market Observation Post System.	No significant difference
II. The Company's shareholding structure and shareholders' rights and interests				
(I) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters. If yes, have these procedures been implemented accordingly?	V		(I) The Company has fully implemented the spokesperson system, and set up a shareholder contact window on the Company's website, with dedicated personnel to handle shareholders' suggestions, questions, disputes and litigation matters, and hire legal consultants to take charge of litigation matters.	No significant difference
(II) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	V		(II) Directors and major shareholders report changes in shareholdings to the Company on a monthly basis, and maintain good communication channels with major shareholders.	No significant difference
(III) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	V		(III) The Company has formulated the "Procedures for Transactions between Group Enterprises, Specific Companies, Group Enterprises and Related Parties" and "Procedures for Handling Acquisition or Disposal of Assets". The designated personnel are responsible for the management of related enterprises.	No significant difference
(IV) Has the Company established internal rules	V		(IV) The Company has established the "Procedures for	No significant difference

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
prohibiting insider trading of securities based on undisclosed information?			Handling Material Inside Information and Prevention of Insider Trading" and "Procedures for Prevention of Insider Trading ," and disseminated relevant regulations to insiders in a timely manner to prohibit insiders from exploiting undisclosed Trading of securities with information.	
III. Composition and duties of the Board of Directors (I) Does the Board of Directors formulate and implement diversified policies, specific management goals?	V		(I) The Company's policy on composition diversity of the Board of Directors has been stipulated in the "Corporate Governance Best Practice Principles" and "Procedures for Election of Directors" and disclosed on the Company's website. The content are as follows: The composition of the board of directors shall take diversity into account, and appropriate policies shall be adopted for diversity in terms of its own operation, business model and development needs. It should include but not be limited to the following two major standards: 1. Basic conditions and values: gender, age, nationality and culture, etc. 2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience. Members of the board of directors should generally have the knowledge, skills, and self-cultivation. In order to achieve the ideal goal of	No significant difference

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>corporate governance, the board of directors as a whole should have the following capabilities:</p> <ul style="list-style-type: none"> <li>a. Operational judgment.</li> <li>b. Accounting and financial analysis.</li> <li>c. Operation and management.</li> <li>d. Crisis management.</li> <li>e. Industry knowledge.</li> <li>f. International market perspective.</li> <li>g. Leadership</li> <li>h. Decision-making</li> </ul> <p>The Company's current Board of Directors, consisting of nine members, includes four independent directors. In addition to having three female members (representing 33.33% of the directors), the Board's composition encompasses practical industry experience, as well as the business, financial, accounting, and operational expertise required by the Company. Each board member possesses different areas of professional specialization, which complies with the Company's diversity policy. Besides periodically conducting advocacy on various laws and regulations, the Company encourages board members to participate in external training courses, and coordinates in-house training courses when necessary. As of December 31, 2025, three directors are between the ages of 41 and 60, while the remaining directors are over 60 years of age. Except for Independent Director Tung-Hsiung Hong—who has served for more than three consecutive terms due to his</p>	

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
(II) In addition to establishing the Remuneration Committee and the Audit Committee as required by law, has the Company established other functional committees voluntarily?	V		<p>profound legal background, his assistance in strengthening the Company's internal control, risk management, and regulatory compliance mechanisms, as well as his professional capabilities, extensive experience, and contributions to the Company's long-term development—the consecutive tenure of the other three independent directors does not exceed three terms.</p> <p>(II) The Company has established the Remuneration Committee and Audit Committee in accordance with the law, and established the Sustainable Development Committee on November 6, 2023. In the future, other functional committees will be established depending on legal requirements or practical needs.</p>	Re-planning will be made based on operational needs.
(III) Has the Company established rules and methods for evaluating the performance of the Board of Directors, and conducts annual performance evaluations regularly, and reports the results of the performance evaluations to the Board of Directors, and uses them as a reference for individual directors' remuneration and nomination?	V		<p>(III) The Company has established the "Rules for Performance Evaluation of Board of Directors"</p> <p>Conduct annual performance appraisals, link the appraisal results to the annual remuneration of individual directors, and establish performance targets to enhance the operational efficiency of the Board of Directors and serve as a reference for nomination for reappointment.</p>	No significant difference
(IV) Does the Company regularly assess the independence of the CPAs?	V		<p>(IV) In accordance with Article 29, Paragraph 3 and 4 of the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and relevant provisions of the Company's "Corporate Governance Best Practice Principles", the Company evaluates the audit quality indicators (AQIs) at least once a year. Independence and</p>	No significant difference

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			appropriateness of the external auditors. Pursuant to this regulation, the Company referred to the evaluation items formulated by The Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10 "Independence of Audits and Reviews" and the AQIs provided by KPMG Taiwan, in order to review the performance of the CPAs appointed by the Company. All CPAs have issued a declaration of independence. It has been confirmed that the Company's appointed CPAs have no other financial interests or business relationships other than the fees for certification and tax cases, and no family members of the CPAs violated independence. Meanwhile, reference AQIs indicator information to confirm that the audit experience and training hours of the CPAs and their subordinate firms are both better than the industry average, and we will continue to introduce digital audit tools to improve audit quality. The 2023 CPA Independence and Competency Evaluation Form was submitted to the Audit Committee and the Board of Directors for review and resolution on May 9, 2025.	
IV. Whether the listed company appoints competent and appropriate corporate governance personnel, and appoints a corporate governance officer to be responsible for corporate governance-related affairs (including but not limited to providing directors and supervisors with the information needed to perform their duties, assisting	V		The Company has established a Corporate Governance Supervisor on January 1, 2022, and Special Assistant to the President Office of the Company has been appointed as the person who has more than ten years of experience as a financial officer of the above-mentioned public companies engaged in finance-related matters to ensure the effective execution of their corporate governance duties without conflict of interest and	No significant difference

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
directors and supervisors in compliance laws, handling matters related to the Board of Directors and Shareholders' Meetings in accordance with the law, and preparing minutes of the Board of Directors and Shareholders' meetings)?			violation of the internal control system. The Company's corporate governance personnel are mainly responsible for corporate governance-related matters, including taking out the liability insurance of directors and supervisors, handling the Board of Directors and Shareholders' Meetings and other stock affairs according to laws, improving and replying to the items instructed by the Board of Directors, and preparing the minutes of the Board of Directors and Shareholders' meetings, in order to increase support for directors and improve the effectiveness of the Board of Directors. The Company's Corporate Governance Officer completed 12 hours of professional training in 2025, as required by applicable laws and regulations.	
V. Does the Company create channels for communication with stakeholders (including but not limited to shareholders, employees, customers and suppliers), set up a stakeholder section on the Company's website, and appropriately respond to important corporate social concerns of stakeholders responsibility issues?	V		The Company has implemented the spokesperson and deputy spokesperson systems, and has created a stakeholder section on the Company's website ( <a href="https://www.repongroupp.com/tw/stakeholder">https://www.repongroupp.com/tw/stakeholder</a> ) to contact stakeholders (including shareholders, employees, customers, financial institutions, suppliers and other stakeholders) to maintain good communication channels, dedicated personnel to respond appropriately to important corporate social responsibility issues that stakeholders are concerned about, and the Company upholds the principle of good faith to provide sufficient business information to properly protect the legitimate rights and interests of the stakeholders.	No significant difference

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
VI. Does the Company appoint a professional shareholder service agency to handle shareholders' meeting affairs?	V		The Company has appointed KGI Securities Co. LTD., Stock Agency Department, to handle shareholders' meeting affairs.	No significant difference
VII. Information Disclosure (I) Does the Company set up a website to disclose financial, business and corporate governance information? (II) Has the Company adopted other means of information disclosure (e.g. setting up an English website, appointing dedicated personnel to collect and disclose information on the Company, implementing a spokesperson system, posting the proceedings of investor conferences on the Company's website)? (III) Does the Company announce and report the annual financial statements within two months after the end of the fiscal year, and announce and report the financial statements for the first, second, and third quarters and the operating status of each month before the prescribed deadline?	V  V		(I) The Company has established a website to disclose the information of finance, business and corporate governance at <a href="http://www.repon.com.tw">http://www.repon.com.tw</a> . (II) The Company has set up an English website, designated dedicated personnel to be responsible for the collection and disclosure of company information, implemented the spokesperson system, and placed other information on shareholder services and institutional investor conferences on the Company's website.  V (III) The Company consistently announces and files its financial reports in advance of the statutory deadlines.	No significant difference  No significant difference  Re-planning will be made based on operational needs.
VIII. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of	V		1. Employee rights and employee care: The Company has always maintained a harmonious labor-management relationship. In addition to complying with the Labor Standards Act, the Company has established an Employee Welfare Committee that distributes gift vouchers	No significant difference

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?			<p>for Labor Day, the Dragon Boat Festival, the Mid-Autumn Festival, as well as birthday gift vouchers for employees. The Company regularly organizes year-end parties and employee trips, and provides various benefits including group insurance coverage, company uniforms, lunch and dinner meals, and health management services. In 2023, the Company also obtained membership in the Responsible Business Alliance (RBA).</p> <p>2. Investor relations: The Company discloses information through the Market Observation Post System and the Company's website to allow investors to understand the Company's operations, and has dedicated personnel to deal with investors' related questions.</p> <p>3. Supplier relations: The Company has always maintained a good cooperative relationship with its suppliers, and has signed relevant cooperation contracts or OEM contracts with major suppliers to protect the rights and obligations of both parties.</p> <p>4. Stakeholders' rights: The Company maintains open communication channels with banks and other creditors, employees, suppliers, communities, and stakeholders of the Company, and respects and safeguards their legal rights. When the legitimate rights and interests of the stakeholders are infringed, the Company will uphold the principle of good faith and take appropriate measures. Provide sufficient information to banks and other creditors,</p>	

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>so that they can make credit decisions on the Company's operating and financial status.</p> <p>5. Continuing education of directors and supervisors: In addition to regular dissemination of various laws and regulations, the Company also encourages board members to participate in external training courses, and the Company will organize training courses when necessary.</p> <p>6. Implementation of risk management policies and risk measurement standards: The Company's major operating policies, investment projects, bank financing and other major proposals are evaluated and analyzed by the responsible departments, and implemented with the resolution of the board of directors. The Company adopts a precautionary policy for risk management. In addition to formulating an internal control system and various regulations pursuant to laws, and subjecting them to internal audits, the Company also underwrites relevant property insurance policies to hedge risks.</p> <p>7. Implementation of customer policies: The Company implements various product quality guidelines, provides customers with professional consultation and customized design, and has established a "Customer Complaint Operational Procedure" to focus on customer complaints and prompt handling to generate feedback. Product liability insurance is underwritten according to customer requirements. Conduct regular customer satisfaction surveys to continuously improve customer services.</p>	

Evaluation Items	Implementation status (Note)			Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			8. Liability insurance for directors and supervisors: The Company has purchased liability insurance for directors and managers.	
IX. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement: Not Applicable.				

(IV) Profile, duties and operation of the Remuneration Committee members

1. Information on the members of the Remuneration Committee:

April 30, 2025

By position	Name	Qualification	Professional qualifications and experience	Status of independence	Number of other public companies serving as Remuneration Committee member concurrently
Independent Director (Convener)	Yuan-Chen Chang		Refer to pages 9-12 for the professional qualifications of directors and supervisors, and Disclosure of Information on Independence of Independent Directors		0
Independent Director	Tung-Hsiung Hong				2
Independent Director	Tsun Cheng				1

2. Responsibilities of the Remuneration Committee:

- (1) Regularly review the Remuneration Committee Charter and propose amendments.
- (2) Formulate and periodically review the performance evaluation standards, annual and long-term performance targets, and remuneration policies, systems, standards and structures of the Company's directors and managers, and disclose the content of the performance evaluation standards in the annual report.
- (3) Regularly evaluate the Company's directors and managers' achievement of performance targets, and determine the content and amount of their individual remunerations based on the results of the performance evaluation standards. The results of individual performance evaluations of directors and managers, as well as the content and amount of individual remuneration, and the relevance and reasonableness of the performance evaluation results should be disclosed in the annual report, and reported to the shareholders' meeting.

3. Information on the operation of the Remuneration Committee:

- (1) The Company's Remuneration Committee consists of 3 members.
- (2) Term of the current committee members: June 11, 2025 to June 10, 2028. From the most recent year, 2025, and the current year up to the publication date of this annual report, the 5th Remuneration Committee held a total of 3 (A) meetings after the full re-election of directors at the Annual General Shareholders' Meeting on June 11, 2025. The attendance of the Remuneration Committee members is as follows:

Job Title	Name	Actual attendance (B)	Attendance by proxy	Attendance rate in person (%) (B/A)	Remarks
Convener	Yuan-Chen Chang	3	0	100%	
Committee member	Tung-Hsiung Hong	3	0	100%	
Committee member	Tsun Cheng	3	0	100%	

4. Other information to be disclosed:

- (1) If the Board of Directors does not adopt or amend the suggestions of the Remuneration Committee, the date and term of the Board meeting, the contents of the motions, the resolutions of the Board of Directors, and the Company's handling of the Remuneration Committee's opinions shall be disclosed (e.g. Committee's suggestions, shall state the deviation and reasons): In 2024 and as of the printing date of this annual report, there is no such situation that the Board of Directors does not adopt or amend the suggestions of the Remuneration Committee.
- (2) For resolutions adopted by the Remuneration Committee, to which a member has a dissenting or qualified opinion that is on record or stated in a written statement, state the date and session of the Remuneration Committee, contents of motions, opinions of all members, and the handling of such opinions: In 2025 and up to the date of publication of the annual report, no objections or qualified opinions were raised by members.
- (3) Contents of the motions and resolutions of the Remuneration Committee in the most recent year, and the Company's handling of the opinions of the Remuneration Committee:

Remuneration Committee meeting	Proposal content and follow-up treatment	Resolution	The Company's handling of the opinions of the Remuneration Committee
5th Term 1th meeting 2025/8/13	1. Discussed and approved the Company's 2024 Directors' Remuneration Proposal.	Approved by all committee members	2025/8/13 Approved by all attending directors unanimously
5th Term 2th meeting 2026/2/2	1. Discussed and approved the Company's 2025 Year-end Bonus Proposal for Executive Directors and Managerial Officers.	Approved by all committee members	2026/2/2 Approved by all attending directors unanimously
5th Term 3th meeting 2026/3/9	1. Discussed and approved the 2025 Employees' Compensation and Directors' Remuneration Proposal. 2. Proposal regarding the actual distribution status of the 2025 year-end bonuses for executive directors and managerial officers. 3. Proposal for the review of the policies, systems, standards, and structure of the remuneration for the Company's directors and managerial officers.	Approved by all committee members	2026/3/9 Approved by all attending directors unanimously

(V) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
I. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		In order to implement the sustainable development goals of environmental protection, social responsibility and corporate governance, and strengthen the functions and management mechanism of the Board of Directors, the Company established the Sustainable Development Committee under the Board of Directors on November 6, 2023, and the Chairperson Ms. Chin-Lan Lee, serves as the Chairperson. President Mr. Jen-Shan Wu served as the CEO, and the committee members were elected by the board of directors as the chairman and two independent directors . Under the Committee, three functional groups, namely corporate governance, social responsibility and environmental protection, have been established. They are responsible for formulating sustainable development policies, goals, and promoting related activities. A meeting is convened at least once every six months and report to the Board of Directors on a regular basis.	No significant difference.
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?		V	The Company has not yet conducted risk assessments on environmental, social and corporate governance issues related to corporate operations, and has not yet formulated relevant risk management policies or strategies.	Re-planning will be made based on operational needs

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
<p>III. Environmental Issues</p> <p>(I) Has the Company established an appropriate environmental management system based on the characteristics of its industry?</p>	V		<p>The Labor Safety Office of the Company is responsible for the environment, safety and health related operations. It promotes compliance with relevant domestic and foreign environmental protection laws and regulations, and has obtained ISO 14001 and ISO 45001 environmental safety and health management system certification, as well as RoHS certification.</p> <ul style="list-style-type: none"> <li>● The certification period for ISO 14001 is from August 21, 2024, to August 20, 2027.</li> <li>● The certification period for ISO 45001 is from August 21, 2024, to August 20, 2027.</li> </ul> <p>The company joined the Taiwan Climate Partnership in July 2022. The alliance, initiated by the Taipei Computer Association and eight major enterprises (DELTA/PEGATRON/TSMC/ASUS/AUO/Microsoft/Acer/LITE-ON), aligns with international climate advocacy organizations. It requires the supply chain to conduct greenhouse gas inventories and set carbon reduction commitments. The alliance guides the supply chain towards a zero-carbon trend to achieve these goals.</p>	No significant difference.
<p>(II) Is the Company committed to improving energy efficiency and using recycled materials with low impact on the environment?</p>	V		<p>1. In accordance with the ISO 14001 and ISO 45001 environmental safety and health management systems, the Company actively promotes energy and resource conservation, continues to improve the efficiency of</p>	No significant difference.

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>raw material use, reduces the amount of materials used for packaging and shipping, and strictly implements garbage sorting and resource recycling management.</p> <p>2. Yunke Plant I and Plant III have installed rooftop solar power generation, which can generate more than 2.2 million kWh of power each year.</p> <p>3. Introduced large-scale gearless direct-drive industrial ceiling fans to optimize airflow design, effectively reducing air conditioning electricity consumption by 55%. After implementing this project at YunTech Plant 3 in 2023, it was further introduced at Plant 2 in 2024. As a result of the project implementation, electricity consumption decreased by 3.6% compared to 2023, and water consumption of the chilled water chillers decreased by 17.2%.</p> <p>4. The Yunke Plant I and II have adopted the IE4 motor with the energy-saving logo.</p> <p>5. Continue to enhance the product mechanism design, improve product quality and service life, and reduce waste of resources on the earth.</p> <p>6. Cooperated with China Steel to introduce RC12 galvanized steel recycled rail materials.</p> <p>7. From 2024 to 2025, the Company participated in the Industrial Development Administration's project:</p>	

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>"Large Enterprises Leading Small and Medium Manufacturing Enterprises in Smart Upgrade and Transformation Project." The estimated total investment for the project is NT\$64,001 thousand, with the capital expenditure invested in smart equipment upgrades to improve efficiency amounting to approximately NT\$33,678 thousand in 2025. Through the introduction of automated equipment and machine networking technology to connect production information to servers, the project enhances process data visibility, equipment utilization rate, production efficiency, and capacity utilization rate. This improves management performance and shortens product delivery times, reducing the waste of raw steel materials and saving power consumption during the manufacturing process. As a result, operating costs are lowered and carbon reduction is achieved. The efficiency improvements from the equipment investment are expected to reduce carbon emissions by approximately 94.8 tons in 2025.</p> <p>8. In conjunction with the active expansion of solar power generation at the plant facilities to obtain renewable energy, a contract was signed in 2024 to install</p>	

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			additional solar panel equipment at the Zhongli plant, with an estimated increase in capital expenditure of NT\$17,066 thousand. The project is expected to be completed in 2026, and is estimated to increase the annual power generation capacity by approximately 1,200 kWp.	
(III) Does the Company evaluate the potential risks and opportunities posed by climate change to the Company at present and in the future, and take relevant countermeasures?	V		In the face of the risks and opportunities of climate change, the Company continues to pay attention to international management issues and regulatory trends related to climate change, and refers to the management methods of large benchmark enterprises in response to climate change issues. Risk management measures to avoid production capacity interruption or supply chain interruption causing operational impact.	No significant difference.
(IV) Has the Company kept statistics on the amount of greenhouse gas emission, water consumption and total weight of waste in the past two years, and formulated policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	V		In 2025, the Company conducted a carbon inventory for the parent company. The subsidiaries Suzhou Nan Juen Trading Co., Ltd. and REPON (USA), INC. are both trading companies, and their scale is immaterial to the consolidated entity. The Vietnam subsidiary was established in July 2024, and its data is not yet complete due to being in the initial setup phase; therefore, it was also excluded from the inventory. As the parent company accounts for over 90% of the total revenue, only the parent company's data was used to	No significant difference.

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons												
	Yes	No	Summary description													
			<p>compile the statistics for greenhouse gas (GHG) emissions, water consumption, and total waste weight, which are as follows:</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Year 2024</th> <th>Year 2025</th> </tr> </thead> <tbody> <tr> <td>CO2 Emissions (metric tons CO2e) (Scope 1-2)</td> <td>4,489.8231</td> <td>4,335.6311</td> </tr> <tr> <td>Water Usage (thousand cubic meters)</td> <td>89,307</td> <td>93,636</td> </tr> <tr> <td>Industrial Waste (metric tons)</td> <td>228.94</td> <td>249.17</td> </tr> </tbody> </table> <p>Note: There was no greenhouse gas verification information for 2024 and 2025. The Company plans to disclose the verified greenhouse gas data of the parent company for 2027 (FY 2026) and the consolidated company for 2028 (FY 2027) in accordance with the "Securities and Futures Institute of Taiwan's Guidelines for the Preparation and Submission of Sustainability Reports for OTC Companies" and the Financial Supervisory Commission's "Sustainability Development Roadmap for Listed Companies."</p> <p>Relevant policy implementations are as follows:</p> <ol style="list-style-type: none"> <li>1. The Yunke Plant I and II have been designed based on the nine major green building indicators. The physical environment of the building is controlled, and the</li> </ol>	Item	Year 2024	Year 2025	CO2 Emissions (metric tons CO2e) (Scope 1-2)	4,489.8231	4,335.6311	Water Usage (thousand cubic meters)	89,307	93,636	Industrial Waste (metric tons)	228.94	249.17	
Item	Year 2024	Year 2025														
CO2 Emissions (metric tons CO2e) (Scope 1-2)	4,489.8231	4,335.6311														
Water Usage (thousand cubic meters)	89,307	93,636														
Industrial Waste (metric tons)	228.94	249.17														

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>energy-saving design of the SRC structural shell is combined to achieve the effect of natural ventilation and daylighting. Renewable energy, air conditioning, and lighting energy-saving systems are supplemented to reduce power consumption in the plants.</p> <p>2. The Surface Treatment Division of Plant II has installed equipment to reduce the amount of harmful sludge produced. The facility produces 600 kg of hazardous sludge per day. The facility was used to reduce 400 kg of sludge per day, or 67%.</p> <p>3. The surface treatment section of Yunke Plant II has set up process wastewater recycling and process water recycling for process reuse, with a recycling rate of 30%.</p> <p>4. Set up a rainwater recycling system for landscape irrigation to strengthen the reuse of water resources.</p> <p>5. The 21,104-square-meter green space around the adopted plant site was organically planted with 781 green trees to reduce pesticide pollution and carbon emissions.</p>	
<p>IV. Social Issues</p> <p>(I) Has the Company established relevant management policies and procedures in accordance with applicable laws and</p>	V		<p>1. The Company has formulated work rules in accordance with the labor laws and regulations, approved by the competent authority, and announced them to employees.</p>	No significant difference.

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
International Bill of Human Rights?			<p>2. The Company actively complies with the social responsibility requirements of major international corporations for downstream supply chains and has obtained membership in the Responsible Business Alliance (RBA).</p> <p>3. To uphold the principle of corporate respect for human rights, the Company strictly adheres to labor and related regulations in the regions where it operates. In 2022, the Company established the “Human Rights Management Procedure,” which was approved by the responsible authorities and publicly announced. This document serves as the highest guiding principle for Nanjuen’s human rights governance efforts. The Company supports and follows the principles and spirit outlined in international human rights conventions, including the United Nations’ Universal Declaration of Human Rights, the UN Global Compact, and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. These efforts are part of the Company’s commitment to implementing its ESG policies and mission. The scope of application covers all members of the Company, as well as its suppliers and business partners.</p>	

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(II) Does the Company formulate and implement reasonable employee welfare measures (including remuneration, leave and other benefits, etc.), and appropriately reflect the operating performance or results in the employee remuneration?	V		<p>The Company has established the "Work Rules", "Regulations Governing Salary", "Regulations Governing Employee Promotion and Transfer", "Regulations on Performance Bonus," "Regulations on Sales Bonus", and "Procedures for Ethical Management and Guidelines for Conduct" in accordance with relevant laws and regulations. The Company's remuneration policy is based on individual ability, contribution to the Company, and performance, demonstrating a positive correlation with the Company's operating performance. In addition, to enable employees to share in the operational results, the Company's Articles of Incorporation stipulate that if there is a current net profit after the annual financial closing, the Company shall allocate no less than 2% as employees' compensation and no less than 1% as base-level employees' compensation, which shall be distributed in the form of shares or cash by a resolution of the Board of Directors.</p> <p>Competitive salary and compensation conditions: By referencing the annual consumer price index, military and civil service benefits, and annual salary market survey data, along with the company's operational target growth rate, as the basis for a comprehensive salary review and adjustment, examine or formulate a reasonable salary and compensation policy, and various measures to incentivize employees. The overall remuneration includes the salary, allowances, bonuses and employee bonuses. Competitive remuneration levels are paid in accordance with the job duties, core functions, education experience, performance,</p>	No significant difference.

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>market conditions, the Company's future development, retention of high-performance colleagues and shareholders' equity. There is no discriminatory treatment based on gender, age, race, religion, political affiliation, marital status, etc., and salary adjustments are made every year based on the overall operating conditions and industry standards.</p> <p>The main incentive bonus items for employees include:</p> <p>(1) Employee remuneration: To acknowledge employees' contributions to the company and share in its success, the company will allocate not less than 3% of its annual profits, as stipulated in the company's Articles of Incorporation, as employee remuneration. This is to recognize employees' contributions to the company in the previous year and share in its success.</p> <p>(2) Year-end bonus: Year-end bonus is paid based on the Company's annual business goals and profitability, and an individual's annual work performance.</p> <p>(3) Diversified incentive bonuses: bonuses such as incentives, proposals, and recognition given by the professional skill assessment.</p> <p>The Company issues new shares of restricted stock to employees in 2021 and 2023 (with a term of three years) in order to retain talent, attract top professionals, incentivize long-term performance, and enhance their sense of belonging and commitment. This initiative aims to achieve a philosophy of shared management between labor and management.</p>	

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			The company has an Employee Welfare Committee that gives out gift certificates for Labor Day, Dragon Boat Festival, and Mid-Autumn Festival, as well as employee birthdays. The company regularly organizes year-end parties and outings, as well as providing group insurance coverage, company uniforms, lunch and dinner meals, health management, and other benefits.	
(III) Does the Company provide employees with a safe and healthy work environment, and provide employees with safety and health education on a regular basis?	V		<ol style="list-style-type: none"> <li>1. The Company has established environment-friendly, safe and healthy workplaces in accordance with environmental protection, occupational safety and health and fire safety regulations. All factories have been inspected by Bureau Veritas Certification, and have also obtained ISO 14001 and ISO 45001 environmental safety and health management system certifications.</li> <li>2. The Company implements various safety and health management related operations, organizes annual employee health examinations, and implements various labor safety and health promotions, health education trainings, and smoking cessation promotions.</li> <li>3. The employee cafeteria has adopted the Mediterranean cuisine for many years to ensure the food safety and health of employees.</li> <li>4. Participated in the counseling program for high-risk business units of the Occupational Safety and Health</li> </ol>	No significant difference.

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>Administration, Central District Occupational Safety and Health Center - safety and health projects to continuously improve the occupational safety environment.</p> <p>5. A certified occupational physician provides on-site services every month to monitor the health status of workers engaged in specific operations. The physician also implements maternity protection programs, overwork prevention plans, ergonomic hazard prevention, and workplace violence prevention measures. The annual number of follow-up cases reaches 240. Additionally, in-house occupational health nurses are employed to conduct health monitoring to ensure employee well-being.</p>	
(IV) Does the Company establish an effective career ability development training program for employees?	V		<p>The Company has formulated internal education and training methods, which are divided into new recruit training, functional training and labor safety training, and conducts assessments based on education and training, and cooperates with the promotion system. The Company also organizes internal and external education and training from time to time based on employees' actual work needs to improve their work skills. In 2025, a total of 219 training sessions were conducted.</p>	No significant difference.

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(V) Does the Company comply with relevant laws and regulations and international standards regarding customer health and safety, customer privacy, marketing and labeling of products and services, and establish relevant policies and complaint procedures to protect consumers' or customers' rights and interests?	V		The Company's product marketing complies with domestic and foreign regulations and international standards, and a consumer complaint mechanism has been established. There is a stakeholder section on the Company's website to provide complaint channels and an email address, and product liability insurance has been purchased to protect consumer rights.	No significant difference.
(VI) Does the Company have a supplier management policy defined to require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights, and the implementation status thereof?	V		The Company has established a procurement management procedure, which includes requirements prohibiting the use of conflict minerals and restricted substances, supplier social responsibility management, and declarations of environmental, safety, and health policies. An annual supplier conference is held, during which the Company distributes a Supplier Code of Conduct to ensure all suppliers are informed. The Code covers topics such as anti-corruption, customer requirements, energy conservation and carbon reduction, and relevant regulatory information. Supplier feedback is collected, and industry requirements are communicated to support supplier development. In 2025, a total of 36 supplier participations were recorded.	No significant difference.
V. Does the company refer to international reporting standards or guidelines when	V		The Company issued its 2024 Sustainability Report in August 2025 in accordance with the "Rules Governing	No significant difference.

Evaluation Items	Implementation status (Note)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?			the Preparation and Filing of Sustainability Reports by TPEX Listed Companies" of the Taipei Exchange (TPEX) and the "Sustainable Development Roadmap for Listed Companies" of the Financial Supervisory Commission (FSC).	
<p>VI. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: There is no significant deviation between the Company's planned operation direction and the "Corporate Sustainable Development Best Practice Principles".</p>				
<p>VII. Other important information to facilitate better understanding of the company's promotion of sustainable development: The Company has made ESG one of the Company's development goals, and established the ESG Sustainable Development Committee on November 6, 2023. The Committee's main functions and powers are to propose policies or systems to promote corporate governance, develop a sustainable environment, and maintain social welfare. We will continue to promote sustainable development. The Company's implementation of sustainable development is as follows: 1. G, Governance</p> <p>In order to implement corporate governance and establish an effective internal control system, the Company has independent directors and an audit committee. By taking advantage of the professionalism of independent directors and increasing the practical experience of the management team, the Rules and Procedures of Shareholders' Meeting, the Rules for Performance Evaluation of Board of Directors, and the responsibilities of insured directors are established to strengthen the functions of the Board of Directors. In order to protect the rights and interests of shareholders and enhance information transparency, the Company has appointed a spokesperson and an acting spokesperson to disclose all material information of the Company in a timely manner. Communication with shareholders has also been assigned to specific personnel. In addition, the Company upholds the principle of ethical corporate management, actively strengthens internal management, follows relevant laws and regulations, improves quality and performance, continues to optimize product portfolios, enhances core competitiveness, and strives to maintain a good corporate image to increase customers' trust in the Company's products and services recognition and demonstrate the determination of sustainable operation.</p>				

## 2. E, Environmental

- (1) The Company has passed the ISO 14001:2015 certification, with the certificate issued by Bureau Veritas Certification (Taiwan) (hereinafter referred to as "BVC"). Annual verification audits are conducted to ensure the operational effectiveness of the management system.
- (2) The Company joined the Taiwan Climate Partnership in July 2022. This partnership was jointly initiated and prepared by the Taipei Computer Association and eight major enterprises (Delta Electronics, Pegatron, TSMC, ASUS, AUO, Microsoft, Acer, and Lite-On). It aligns with international climate initiative organizations and requires supply chains to implement greenhouse gas (GHG) inventories and set carbon reduction commitment goals, with the partnership guiding the supply chains to achieve their net-zero carbon trend objectives.
- (3) The Company collaborated with the Department of Refrigeration, Air Conditioning and Energy Engineering at National Chin-Yi University of Technology on the "Energy-Saving Project Research on the Application of Chillers and Industrial Fans," providing energy usage data and energy-saving matching solutions to reduce energy consumption.
- (4) From 2024 to 2025, the Company's capital expenditure invested in smart equipment upgrades to improve efficiency amounted to approximately NT\$64,001 thousand. The efficiency improvements from the equipment investment are expected to reduce carbon emissions by 94.8 tons annually.

## 3. S, Social

- (1) The Company has obtained the ISO 45001:2018 certification, with the certificate issued by Bureau Veritas Certification (Taiwan) (hereinafter referred to as "BVC"). Annual verification audits are conducted to ensure the operational effectiveness of the management system.
- (2) The Company has successfully acquired membership in the RBA (Responsible Business Alliance).
- (3) In hiring foreign migrant workers, the Company adheres to the RBA spirit and complies with the "Zero Fee" policy, where the employer pays the recruitment fees. The Company provides a living environment that is superior to industry standards and values employees' diverse religious beliefs. Specifically, prayer rooms are set up in the dormitories for Indonesian migrant workers, and vegetarian and pork-free meals are provided in group catering, benefiting up to 113 individuals. In addition, an Eid al-Fitr event is held annually in coordination with various competent authorities, with an estimated attendance of 83 migrant workers.
- (4) The Company values employees' work-life balance. In 2025, the Company participated in the annual migrant worker volleyball tournament hosted by the Yunlin County Government. The Company organized three teams consisting of 19 Indonesian migrant workers in total. Out of 14 teams registered in Yunlin County, the Company's teams achieved the excellent results of winning both the championship and the runner-up positions.
- (5) The Company established a joint laboratory with National Kaohsiung University of Science and Technology (NKUST), supporting the laboratory with an annual funding of NT\$2 million to cultivate research-oriented talents. The Company also provides master's and doctoral

scholarship programs to invite R&D talents to join the Company. To date, more than 10 individuals have joined the R&D department.

- (6) The Company's Yunke plant partnered with local National Yunlin University of Science and Technology (YunTech) and Dongshih Vocational High School on an industry-academia collaboration project. Since 2023, 10 vocational high school students have been invited to join this project, which features a 5-year training program. The program conducts workplace learning and R&D skill cultivation (including machining skills, product R&D drafting, etc.) within the plant, with the goal of cultivating R&D talents for society.
- (7) The Company's Yunke plant collaborated with the Yunlin Technology Service Center Manufacturers Association. To retain vocational high school talents for local development in the Yunlin area, the "Future Leader Project" was specifically established. This project invites Yunlin manufacturers to provide scholarship programs for vocational high schools, supporting local schools including Beigang Agricultural and Industrial Vocational High School, Xiluo Agricultural and Industrial Vocational High School, and Huwei Agricultural and Industrial Vocational High School. By integrating the resources of the College of Engineering at National Formosa University, a tripartite collaboration among industry, government, and academia was formed. A total of 4 students participated in our Company's project.
- (8) In alignment with the government's New Southbound Policy, the Company collaborated with Hua Der Vocational High School and National Chin-Yi University of Technology on a special program for overseas compatriot students in 2025. A total of 17 foreign students participated in this project, which operates a 7-year training program. Students learn machining skills within the plant to cultivate Vietnamese management personnel for our Vietnam plant. It also involves joint student recruitment with the vocational high school system, increasing the schools' student recruitment sources.
- (9) The Company provides local employment opportunities. The Yunke plant has a total of 479 employees, with 356 hired locally, accounting for 74.32%. The Taoyuan plant has a total of 117 employees, with 69 hired locally, accounting for 58.97%.
- (10) An annual supplier conference is held, and a Supplier Code of Conduct is produced and distributed to inform all suppliers. The contents include anti-corruption, customer requirements, energy-saving and carbon reduction, and explanations of various regulations. Feedback from suppliers is collected, and industry requirements are communicated to achieve supplier mentoring. In 2025, the coverage rate of suppliers signing the Corporate Social Responsibility Commitment Letter was 100%.
- (11) For the adoption of green spaces at the Yunke plant, the Company pays a fixed monthly amount to cooperate with local residents, hiring local elderly agricultural workers to assist with pruning the green spaces within the plant area and planting non-toxic vegetables for use in the plant's lunches. This revitalizes the utilization of local human resources. The fruits grown in the green spaces are used as "low-carbon" souvenirs for foreign customers visiting the plant, promoting local agriculture in Yunlin.
- (12) In accordance with regulations, a Level 1 Occupational Safety and Health unit was established, falling under the direct jurisdiction of the General Manager. Occupational Safety and Health Administrators, Class A Occupational Safety and Health Affairs Managers, and Class B Occupational Safety and Health Affairs Managers were appointed (based on the required headcount by law). An occupational medicine specialist provides on-site services monthly to track the health status of personnel performing special operations within the plant. The Company also implements maternal health protection, overwork (overload) prevention plans, ergonomic hazard prevention, and workplace

violence (unlawful infringement) prevention plans, tracking up to 240 personnel visits annually. In-house occupational health nurses are hired to execute health tracking and ensure employee well-being.

(V-1) Climate-Related Information Implementation Status

Items	Implementation Status
<p>1. Describe the supervision and governance of climate-related risks and opportunities by the Board and management.</p>	<p>Climate Governance Framework of the Company</p> <p>The Company has established a climate governance framework as follows:</p> <p>Board of Directors (responsible for oversight of climate-related issues and major decision-making) → Sustainability Development Committee (responsible for setting climate-related targets, formulating strategies, planning and executing action plans, and managing progress tracking).</p> <p>Board of Directors</p> <p>The Board of Directors serves as the highest supervisory body for climate-related matters at Nanjuen International. Its responsibilities include reviewing climate strategies, annual targets, action plans, budgets, and the performance of related major financial expenditures. The Board also provides guidance based on performance reports submitted by the Sustainability Development Committee and advises on improvements and adjustments when necessary.</p> <p>Management Level</p> <p>The Sustainability Development Committee is the highest executive body for managing climate-related matters at Nanjuen International. The Committee is chaired by the Chairman of the Board, with the General Manager serving as the Chief Executive Officer and the Office of the General Manager acting as Executive Secretary.</p> <p>Under the Committee, three functional subcommittees have been established:</p> <ul style="list-style-type: none"> <li>● Environmental Protection Subcommittee</li> <li>● Social Responsibility Subcommittee</li> <li>● Corporate Governance Subcommittee</li> </ul> <p>The Committee conducts annual identification of climate-related risks and opportunities. For those with significant financial or strategic impact, the Committee formulates response strategies, sets targets, and delegates the implementation of climate-related action plans to the appropriate functional subcommittees.</p>

	<p>The Sustainability Development Committee convenes at least once every six months to review the risk response plans and performance submitted by the functional subcommittees. It reports on the progress of target achievement, current status, and effectiveness of action plans. The Committee also reports climate-related management progress, performance status, and action plan outcomes to the Board of Directors for decision-making and guidance.</p>		
<p>2. Describe how the identified climate risks and opportunities impact your business, strategy and finances (short, medium and long term).</p>	<p><b>Risk Category</b></p>	<p>Physical Risks</p>	
<p>3. Describe the financial impact of extreme weather events and actions for transformation.</p>	<p><b>Risk Aspect</b></p>	<p>Acute Risk</p>	<p>Chronic Risk</p>
	<p><b>Risk Description</b></p>	<p>Increased Severity of Typhoon Events</p>	<p>Rising Average Temperatures</p>
	<p><b>Timeframe of Impact</b></p>	<p>Short-term (1–3 years)</p>	<p>Long-term (5–10 years)</p>
	<p><b>Impact on Company Strategy, Operations, and Finance</b></p>	<p>Typhoons may cause operational disruptions, affect employees' lives, and interrupt suppliers' component deliveries. The associated recovery costs and delays in product delivery will increase management expenses and reduce sales. Since monthly production and sales fluctuate, the estimated loss from one day of production and shipment disruption—calculated based on the average daily revenue of Year 2025—is approximately NT\$10 million.</p>	<p>Extreme high temperatures and increased number of summer days will lead to higher air conditioning energy costs.</p>
	<p><b>Mitigation Strategy</b></p>	<ul style="list-style-type: none"> <li>• During typhoon events, promptly communicate work attendance or suspension regulations and alert information to ensure employee safety.</li> <li>• Key supply chains and suppliers maintain safety stock levels in advance to prevent production disruption caused by supply chain interruptions.</li> </ul>	<p>A Sustainability Development Committee has been established, led by senior management to drive carbon reduction initiatives. Through carbon footprint assessments, the company understands its own carbon emissions and sets reduction targets for key emission hotspots, implementing strategies to achieve these reductions.</p>
	<p><b>Financial Impact of Mitigation Measures</b></p>	<p>If employees are required to work during typhoon periods or work overtime to make up for capacity after disaster-related shutdowns, the employer must pay overtime wages, which will increase operating costs.</p>	<p>Investing in low-energy, low-carbon equipment and energy-saving carbon reduction technologies will increase capital expen</p>
	<p><b>2024 Results and Achievements</b></p>	<ul style="list-style-type: none"> <li>• In 2025, there were no supply chain disruptions caused by typhoons. Moving forward, we will continue to strengthen supply chain and supplier management to maintain safety</li> </ul>	<p>In collaboration with the Department of Energy and Refrigeration Air Conditioning Engineering at</p>

		<p>stock levels and prevent production disruptions.</p> <ul style="list-style-type: none"> <li>In 2025, insurance premiums related to fire and earthquake coverage amounted to approximately NT\$ 713 thousand., excluding losses caused by floods and typhoons.</li> </ul>	<p>Chin-Yi University of Technology, we conducted an "Energy-saving Project on Chilled Water Units and Industrial Fans," providing energy usage data and energy-saving solutions to reduce energy consumption. After implementing the project at Yunke Plant 3 in 2023 , it was extended to Plant 2 in 2024 .The project resulted in a 3.6% reduction in electricity consumption compared to 2023 and a 17.2% decrease in water usage by the chilled water units.</p>
<b>Opportunity Type</b>	Resource Efficiency		Energy Source
<b>Opportunity Description</b>	Use more efficient production and distribution processes	Investment in renewable energy creates carbon assets and opportunities to reduce emissions	
<b>Impact Timeframe</b>	Long-term (5-10 years)		
<b>Impact of Opportunity on Company Strategy, Operations, and Finance</b>	Through more efficient low-carbon manufacturing equipment, reduce energy consumption, increase capacity, lower costs, and boost revenue, resulting in positive impact	Continuously increase the proportion of low-carbon renewable energy usage to avoid carbon taxes and meet customer demands	
<b>Mitigation Strategy</b>	<ul style="list-style-type: none"> <li>Implement energy-saving and carbon reduction initiatives, such as participating since 2024 in the Industrial Development Bureau’s project on smart upgrading and transformation for large, medium, and small manufacturers.</li> <li>By introducing automation equipment and IoT technology to connect production data to servers, we enhance process visibility, equipment utilization, production efficiency, and capacity utilization. This improves management efficiency and shortens delivery times, reduces raw steel waste, and saves process electricity consumption, lowering operating costs and achieving carbon reduction. After project implementation, capacity is expected to increase by 50% in 2025 compared to 2024, with a carbon</li> </ul>	Actively expanding solar power installations on the plant site to acquire renewable energy.	

		reduction of 94.8 tons.	
	<b>Financial Impact of Mitigation Measures</b>	In 2025, participated in the Industrial Development Bureau's project for smart upgrading and transformation of large, medium, and small manufacturers, with a total planned investment of NT\$64,001 thousand.	In 2024, a capital expenditure of approximately NT\$13.5 million was approved for the installation of additional solar panels in Zhongli.
	<b>2024 Results and Achievements</b>	From 2024 to 2025, the capital expenditure invested in smart equipment upgrades to improve efficiency amounted to approximately NT\$33,678 thousand. The efficiency improvements from the equipment investment are expected to reduce carbon emissions by 94.8 tons in 2025.	The first phase of the Zhongli solar panel equipment was completed in June 2025, and the second phase is expected to be completed by April 2026. The total investment for both phases reached NT\$20,440 thousand, which is estimated to increase the annual power generation capacity by approximately 1,200 kWp.
4. Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system.	<p>Climate change is one of Nanjuen International's key focus areas. Climate-related risks are managed by the Sustainability Development Committee, which holds regular meetings to identify, assess, and analyze potential risks posed by climate change. Once significant climate-related risks are identified, the committee evaluates the timing of risk occurrence and the potential financial impacts on Nanjuen International. Based on the nature and severity of the risk impact, possible response strategies are proposed, prioritized as mitigation first, followed by control, transfer, and lastly acceptance. Functional teams are assigned to promote and implement related action plans, with regular monitoring of execution and target achievement.</p> <p>The Sustainability Development Committee reports the current status of climate risk management performance to the Board of Directors at least once annually. The Board serves as the highest risk management authority for the company, bearing ultimate responsibility for risk management. It regularly reviews and oversees the overall risk management execution, including significant climate-related risks, to ensure Nanjuen International maintains sufficient resilience and responsiveness when facing climate change challenges.</p>		
5. Where situational analysis is used to assess resilience to climate change risks, the scenario, parameters, assumptions,	The Company has not yet adopted scenario analysis for assessment but plans to continue developing and implementing relevant scenario analyses in the future.		

analysis factors and key financial impacts used should be described.	
6. Where there is a transformation plan to address climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transformation risks.	The Company has not yet established specific transition plans or set related indicators and targets for climate-related risk management. However, the Company has begun planning renewable energy initiatives at the group level and is collecting carbon emission data through a carbon management platform. Moving forward, we will continue collaborating with our supply chain to reduce emissions, implementing carbon reduction management across all stages—from product development, manufacturing, transportation, usage to disposal—committed to achieving our long-term net-zero emission goals.
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be stated.	The Company has not yet established an internal carbon pricing mechanism. In response to the global net-zero trend, we will continue to monitor government carbon fee regulations and implement practical reduction measures to lower our carbon emissions.
8. If climate-related targets have been set, information such as the activities covered, the scope of greenhouse gas emissions, planning schedules, progress achieved each year; if carbon credits or renewable energy certificates (RECs) are used to achieve the targets, the source and quantity of carbon credits or the	In 2025, no climate-related targets were set, nor was there any execution of carbon offsetting through the purchase of renewable energy certificates.

quantity of renewable energy certificates (RECs) to be offset should be stated	
9.Greenhouse gas inventory and reliability (fill in 1-1).	Please refer to the explanations below in sections 1-1 and 1-2.

### 1-1 Greenhouse Gas Inventory and Assurance for the Most Recent Two Years

#### 1-1-1 Greenhouse Gas Inventory Information

A summary of greenhouse gas (GHG) emissions (in metric tons CO<sub>2</sub>e), emission intensity (metric tons CO<sub>2</sub>e per NT\$ million), and data coverage for the most recent two years is provided in the table below.

#### 1-1-2 Greenhouse Gas Assurance Information

A summary of GHG assurance status as of the date of this annual report, including assurance scope, assurance provider, assurance standards, and assurance opinions for the most recent two years, is provided in the table below.

Scope 1	Total Emissions in FY 2025 (metric tons CO <sub>2</sub> e)	Total Emissions in FY 2024(metric tons CO <sub>2</sub> e)	Assurance Provider	Description of Assurance Status
Parent Company	594.8941	465.4175	There is no greenhouse gas assurance information for 2024 and 2023. In accordance with the Taipei Exchange’s “Guidelines for the Preparation and Filing of Sustainability Reports by TPEX-Listed Companies” and the Financial Supervisory Commission’s “Sustainable Development Roadmap for TWSE and TPEX Listed Companies,” the Company plans to disclose the parent company’s standalone greenhouse gas assurance information for fiscal year 2027 in	
Subsidiary	-	-		
Total	594.8941	465.4175		
Emission Intensity (metric tons CO <sub>2</sub> e / NT\$ million of consolidated revenue)	0.24	0.24		
Scope 2	Total Emissions in FY 2025 (metric tons CO <sub>2</sub> e)	Total Emissions in FY 2024 (metric tons CO <sub>2</sub> e)		
Parent Company	3,740.7370	4,024.4056		
Subsidiary	-	-		
Total	3,740.7370	4,024.4056		

Emission Intensity (metric tons CO <sub>2</sub> e / NT\$ million of consolidated revenue)	1.54	2.09	the 2028 report, and the consolidated greenhouse gas assurance information for fiscal year 2028 in the 2029 report.
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**Note 1:** In 2025 and 2024, the carbon inventory was conducted for the parent company. The subsidiaries Suzhou Nan Juen Trading Co., Ltd. and REPON (USA), INC. are both trading companies, and their scale is immaterial to the consolidated entity. The Vietnam subsidiary was established in July 2025, and its data is not yet complete due to being in the initial setup phase; therefore, it was also excluded from the inventory. Because the parent company accounts for over 90% of the total revenue, only the parent company's data was used to compile the statistics for both years.

**Note 2:** The consolidated revenue in 2025 was NT\$2,432.9 million.

**Note 3:** The consolidated revenue in 2024 was NT\$1,924.5 million.

### 1-2 Greenhouse Gas (GHG) Reduction Targets, Strategies, and Action Plans

The Company will disclose the base year and corresponding data for greenhouse gas reduction, along with reduction targets, strategies, action plans, and progress toward achieving these targets, in accordance with the Taipei Exchange's "Guidelines for the Preparation and Filing of Sustainability Reports by TPEx-Listed Companies" and the Financial Supervisory Commission's "Sustainable Development Roadmap for TWSE and TPEx Listed Companies." The base year will be set no later than 2026, with disclosure of the 2027 reduction targets, strategies, and specific action plans.

(VI) Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
I. Establishment of ethical corporate management policies and plans				
(I) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(I) In order to establish a corporate culture of ethical management and sound development, the Company has established the "Ethical Corporate Management Best Practice Principles" and the "Ethical Corporate Management Best Practice Principles and Guidelines for Conduct" in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies." The Board of Directors resolved to pass a resolution on December 22, 2016 that all members of the Company's Board of Directors and the management shall exercise the duty of care of a good administrator and exercise their powers with a high degree of prudence when conducting business.	No significant difference.
(II) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a	V		(II) The Company has clearly stipulated the procedures and preventive measures in the "Procedures for Ethical Management and Guidelines for Conduct" and "Code of Ethical Conduct" for business activities with a higher risk of unethical conduct. Subparagraph 2, Article 7 of the "Ethical Corporate	No significant difference.

Evaluation Items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
<p>program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPE Listed Companies?</p> <p>(III) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?</p>	V		<p>Management Best Practice Principles"; ad hoc meetings to advocate the Group's personnel to abide by the business activities within the scope of business, to ensure the continued effectiveness of the design and implementation of the system.</p> <p>(III)The Company has clearly defined operating procedures, codes of conduct, disciplinary measures for violations, and a grievance mechanism in its "Operational Procedures and Guidelines for Ethical Management" and "Code of Ethical Conduct." To ensure the effective implementation of work rules and to proactively prevent unethical behavior, these practices are incorporated into the annual audit plan, supplemented by regular internal self-assessments to evaluate their effectiveness. The Company also promotes the spirit of ethical business conduct through ad-hoc meetings and awareness campaigns. In 2025, 100% of employees signed the Statement of Ethical Conduct.</p>	No significant difference.

Evaluation Items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
II. Implementing ethical corporate management				
(I) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	V		(I) When the Company conducts business transactions, it will evaluate the legitimacy of the counterparties and their ethical management policies, and require suppliers to sign a "Corruption Protection Policy Agreement" to comply with business ethics before the transaction. Except for claims, the contract may be terminated at any time and it is included in the objection of rejected customers.	No significant difference.
(II) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	V		(II) The Company has the President's Office as the dedicated unit. It regularly reports unethical conduct, its handling and follow-up review and improvement measures to the Board of Directors, as necessary, and has established an internal audit plan for implementation, and regularly reports to the Board of Directors for implementation circumstances.	No significant difference.
(III) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such	V		(III) The Company's "Procedures for Ethical Corporate Management Best Practice Principles and Guidelines for Conduct" specify the policies for preventing conflicts of interest, provide	No significant difference.

Evaluation Items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
<p>policies?</p> <p>(IV) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?</p> <p>(V) Does the company provide internal and external ethical corporate management training programs on a regular basis?</p>	<p>V</p>	<p></p>	<p>appropriate channels of expression, and require relevant units to implement them.</p> <p>(IV) The Company has established the accounting system and internal control system in accordance with the relevant laws and regulations. The internal audit unit performs various audit operations according to the audit plan. In case of special circumstances, special audits will be arranged.</p> <p>(V) The Company promotes the philosophy of ethical corporate management in internal meetings from time to time, and does not regularly organize educational training on ethical corporate management.</p>	<p>No significant difference.</p> <p>Re-planning will be made based on operational needs.</p>
<p>III. Implementation of Complaint Procedures</p> <p>(I) Has the company established specific whistle-blowing and reward procedures, set up conveniently accessible whistle-</p>	<p></p>	<p>V</p>	<p>(I) The Company has not yet established a specific whistle-blowing and reward system. At present, for violations of ethical corporate management regulations, the Company's internal employees can</p>	<p>Re-planning will be made based on operational needs.</p>

Evaluation Items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?			report not only the supervisors of their direct departments, but also the President's Office directly. Upon confirmation of the occurrence, the Company will issue a warning or punishment depending on the severity of the circumstances and the impact.	
(II) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?		V	(II) The Company has not yet established standard operating procedures for the investigation of reported matters. Currently, it provides proper reporting channels, and keeps the identity of the whistleblower and the content of the report confidential.	Re-planning will be made based on operational needs.
(III) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints?		V	(III) The Company has not yet established specific whistleblowing and reward systems and relevant standard operating procedures. However, the information of whistle-blowers is fully protected and they are not improperly handled due to whistle-blowing.	Re-planning will be made based on operational needs.
IV. Strengthening information disclosure Does the company disclose its ethical corporate management policies and the results of their implementation on its website	V		The Company has a corporate website that provides relevant information about the Company. The Company's financial and business information are disclosed on the Market Observation Post System in accordance with the laws and regulations, and	No significant difference.

Evaluation Items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
and the Market Observation Post System (MOPS)?			information related to ethical management and the implementation of ethical management are disclosed in the annual report and prospectus. The Company plans to disclose the information related to the Ethical Corporate Management Best Practice Principles on its website and the Market Observation Post System.	
<p>VI. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation:  There is no significant deviation between the Company's planned operation and the "Ethical Corporate Management Best Practice Principles".</p>				
<p>VI. Other important information to facilitate a better understanding of the status of operation of the company's ethical corporate management policies (e.g., the company's reviewing and amending of its ethical corporate management best practice principles):</p> <ol style="list-style-type: none"> <li>1. The Company complies with the Company Act, the Securities and Exchange Act, the Business Entity Accounting Act, relevant regulations governing public companies, and other laws and regulations governing business conduct, as the basis for the implementation of ethical management.</li> <li>2. The Company's "Rules of Board of Directors Meetings" stipulates the conflict of interest system for directors shall avoid discussion and voting during discussion and voting, and shall not exercise voting rights on behalf of other directors.</li> <li>3. The Company has established the "Procedures for the Handling of Material Inside Information and Management for Prevention of Insider Trading", which clearly stipulate that directors, managers and employees shall not disclose material information that they know to others, and shall not disclose to any person who knows material inside information of the Company Investigate or collect undisclosed internal and material information of the Company that is not related to one's job duties. The undisclosed internal information of the Company known by others due to the performance of business shall not be disclosed to others.</li> <li>4. The Company has always insisted Integrity The Company follows relevant laws and regulations and the internal control system for sound management, and strictly prohibits unethical or illegal behaviors. There is also a neutral unit as the basis for necessary consultation and review.</li> <li>5. The Company has purchased director and manager liability insurance for directors, managerial officers and important employees, which can reduce the risk to the Company caused by the performance of duties by relevant personnel, in order to protect the rights and interests of investors.</li> </ol>				

(VII) Any other important information that may enhance understanding of the Company's corporate governance practices may also be disclosed.

For details regarding the Company's corporate governance operations and related disclosures, please refer to the Corporate Governance section on the Company's website.

Website: <https://www.repongroupp.com/tw/directors>

(VIII) Implementation of the internal control system

1. Declaration of internal control: Please refer to the Internal Control Statement disclosed on the Market Observation Post System (MOPS). (Index Path: MOPS > Listed Companies > Corporate Governance > Corporate Rules/Internal Control > Internal Control Statement Announcement)

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

2. A CPA is commissioned to review the internal control system: Not applicable.

(IX) Important resolutions of the shareholders' meeting and the board of directors in the most recent year and up to the date of publication of the annual report :

1. Contents and implementation of important resolutions of the 2024 General Shareholders' Meeting:

Date	Contents of important resolutions and implementation			
2025.06.11	<ul style="list-style-type: none"> <li>Approval of the 2024 Business Report and Financial Statements Execution Status: Approved as proposed.</li> <li>Approval of the 2024 Earnings Distribution Proposal Execution Status: Approved as proposed. On August 13, 2025, the Board of Directors resolved to set September 16, 2025 as the ex-dividend date. Cash dividends were distributed on September 30, 2025.</li> <li>Approval of the amendment to the "Articles of Incorporation". Execution Status: Approved as proposed.</li> <li>Election for the Full Re-election of Directors Execution Status:</li> </ul>			
	Shareholder Account No. or ID No.	Title	Chinese Name	Number of Votes Received
	14	Director	Chin-Lan Lee, Representative of He Ying Investment Co., Ltd.	82,712,963
	14	Director	Hsin-Cheng Wu, Representative of He Ying Investment Co., Ltd.	47,176,863
	15	Director	Jen-Shan Wu, Representative of Chun Yi Investment Co., Ltd.	64,962,913
	15	Director	Yi-Shan Wu, Representative of Chun Yi Investment Co., Ltd.	38,333,347
	A2033XXXXX	Director	Gui-Ying Wu	38,331,538
	N1230XXXXX	Independent Director	Tung-Hsiung Hong	38,315,788
	K1210XXXXX	Independent Director	Tsun Cheng	38,331,538
	K1201XXXXX	Independent Director	Yuan-Chen Chang	38,338,738
	K1203XXXXX	Independent Director	Shao-Chen Chiu	38,336,038
<p>Based on the election results, the above nine candidates are elected as the Directors and Independent Directors of the Company for the next term.</p> <ul style="list-style-type: none"> <li>Approval of the release of newly elected directors from non-competition restrictions. Execution Status: Approved as proposed.</li> </ul>				

## 2. Important resolutions of the board of directors in the most recent year and up to the date of publication of the annual report

Date	Meeting	Resolutions
2025.01.22	17th Board 21th meeting	<ol style="list-style-type: none"> <li>1. Approval of the Actual Execution Report for the Company's 2024 Capital Expenditures.</li> <li>2. Approval of the Company's 2025 Operating Plan and Financial Budget.</li> <li>3. Approval of the Assessment of the Independence and Competence of the Company's Certified Public Accountant.</li> <li>4. Approval of the General Principles for Pre-Approval Policies Regarding Non-Assurance Services Provided by the Company's CPA Firm.</li> <li>5. Approval of the Appointment of the Chief Executive Officer.</li> <li>6. Approval of the Extension of Credit Facilities with Chang Hwa Bank.</li> <li>7. Approval of the Extension of Credit Facilities with Shanghai Commercial &amp; Savings Bank.</li> <li>8. Approval of Year-End Bonuses for Executive Directors and Managers for 2024.</li> <li>9. Approval of the Minutes from the Company's 4th Compensation Committee Meeting, Session 8.</li> </ol>
2025.03.11	17th Board 22th meeting	<ol style="list-style-type: none"> <li>1. Approval of Employee and Director Compensation for the Fiscal Year 2024</li> <li>2. Approval of the Individual Financial Statements, Consolidated Financial Statements, and Business Report for 2024</li> <li>3. Approval of the 2024 Earnings Distribution Plan</li> <li>4. Approval of Related Party Transaction Contracts</li> <li>5. Approval of the Issuance of the Internal Control System Statement</li> <li>6. Approval of Amendments to the Articles of Incorporation</li> <li>7. Approval of the Definition of Entry-Level Employees within the Company</li> <li>8. Approval of the Establishment of the "Manager Retirement Policy"</li> <li>9. Approval of the Full Re-Election of Directors</li> <li>10. Approval of the Waiver of Non-Compete Restrictions for Newly Elected Directors</li> <li>11. Approval of Convening the 2025 Annual General Meeting of Shareholders and the Adoption of Electronic Voting</li> </ol> <p>Approval of the Minutes from the 9th Meeting of the 4th Session of the Compensation Committee</p>
2025.04.10	17th Board 23th meeting	<ol style="list-style-type: none"> <li>1. Proposed First Share Buyback Program</li> </ol>

2025.04.23	17th Board 24th meeting	<ol style="list-style-type: none"> <li>1. Approval of the nomination of director and independent director candidates</li> <li>2. Approval of the appointment of the Research and Development Officer</li> <li>3. Approval of the appointment of the Accounting Officer</li> <li>4. Approval of the amendment to the “2025 First Share Repurchase and Employee Transfer Plan”</li> <li>5. Approval of the minutes of the 10th meeting of the 4th Compensation Committee</li> </ol>
2025.05.09	17th Board 25th meeting	<ol style="list-style-type: none"> <li>1. Approval of the proposed replacement of the signing CPA in coordination with internal adjustments of the accounting firm</li> <li>2. Approval of the Company’s consolidated financial statements for the first quarter of 2025</li> <li>3. Approval of the determination of the base date for the recall and cancellation of restricted employee shares</li> <li>4. Approval of Related Party Transaction Contracts</li> <li>5. Approval of the schedule of accounts receivable overdue for more than three months as of March 31, 2025</li> </ol>
2025.06.11	18th Board 1th meeting	<ol style="list-style-type: none"> <li>1. Approval of the election of the Chairperson of the Board</li> <li>2. Approval of the appointment of four members to the Company’s 4th Audit Committee</li> <li>3. Approval of the appointment of three members to the Company’s 5th Compensation Committee</li> <li>4. Approval of the appointment of three members to the Company’s 2nd Sustainability Committee</li> </ol>

2025.08.13	18th Board 2th meeting	<ol style="list-style-type: none"> <li>1. Approval of the Company's Consolidated Financial Statements for the Second Quarter of 2025.</li> <li>2. Approval of the Record Date for the Distribution of Cash Dividends.</li> <li>3. Approval of the Related Party Transaction Contracts.</li> <li>4. Approval of the amendment to the “Procedures for Acquisition or Disposal of Assets”</li> <li>5. Approval of the amendment to the “Terms for the Issuance and Conversion of the 1st Secured / 2nd Unsecured Domestic Convertible Bonds”</li> <li>6. Approval of the addition of the “Share Repurchase Operation Procedures”</li> <li>7. Approval of the application for a credit line from Mega International Commercial Bank</li> <li>8. Approval of the application for a credit line and derivative transaction limit from Taiwan Cooperative Bank</li> <li>9. Approval of the application for a credit line and derivative transaction limit from O-Bank</li> <li>10. Approval of 2024 directors’ remuneration</li> <li>11. Approval of the minutes of the 1st meeting of the 5th Compensation Committee</li> <li>12. Approval of the Company’s 2024 Sustainability Report</li> </ol>
2025.11.07	18th Board 3th meeting	<ol style="list-style-type: none"> <li>1. Approval of the Company’s Consolidated Financial Report for the Third Quarter of 2025.</li> <li>2. Approval of the proposal to acquire real estate for business use from related parties.</li> <li>3. Approval of the Company’s 2026 Audit Plan.</li> <li>4. Approval of the Base Date for the Recall and Cancellation of Restricted Employee Shares.</li> <li>5. Approval of the capital increase record date for conversion of convertible bonds into common shares.</li> <li>6. Approval of amendments to the Articles of Incorporation.</li> <li>7. Approval of amendments to the Corporate Sustainability Best Practice Principles.</li> <li>8. Approval of the Corporate Value Enhancement Plan.</li> <li>9. Approval of the credit line application to the Export-Import Bank of China.</li> </ol>

<p>2026.02.02</p>	<p>18th Board 4th meeting</p>	<ol style="list-style-type: none"> <li>1. Approval of the Company’s capital expenditure budget for fiscal year 2025.</li> <li>2. Approval of the Company’s operating plan and financial budget for fiscal year 2026.</li> <li>3. Approval of the acquisition of real property for business use from a non-related party.</li> <li>4. Approval of the acquisition of rooftop solar power generation equipment or YTIP Plant 3 from a related party.</li> <li>5. Approval of amendments to the internal control policy for the “Payroll Cycle – Payroll Operations.”</li> <li>6. Approval of the scope of base-level employees of the Company for fiscal year 2026.</li> <li>7. Approval of the record date for the cancellation of restricted employee shares.</li> <li>8. Approval of the record date for the capital increase arising from the conversion of convertible bonds into common shares.</li> <li>9. Approval of the application for the extension of credit facilities with Chang Hwa Bank.</li> <li>10. Approval of the application for the extension of credit facilities and transaction limits with Bank of Shanghai.</li> <li>11. Approval of the evaluation of independence and competence of the Company’s certifying CPA.</li> <li>12. Approval of the general principles for the Company’s policy on pre-approval of non-assurance services provided by the certifying CPA firm.</li> <li>13. Approval of year-end bonuses for directors engaged in executive duties and managerial officers for fiscal year 2025.</li> <li>14. Approval of the minutes of the 2nd meeting of the 5th Term Compensation Committee.</li> </ol>
<p>2026.03.09</p>	<p>18th Board 5th meeting</p>	<ol style="list-style-type: none"> <li>1. Approval of Employee and Director Compensation for the Fiscal Year 2025</li> <li>2. Approval of the Individual Financial Statements, Consolidated Financial Statements, and Business Report for 2025</li> <li>3. Approval of the 2025 Earnings Distribution Plan</li> <li>4. Approval of the Issuance of the Internal Control System Statement</li> <li>5. Approval of Convening the 2026 Annual General Meeting of Shareholders and the Adoption of Electronic Voting</li> <li>6. Approval of the Minutes from the 3th Meeting of the 5th Session of the Compensation Committee</li> </ol>

<p>2026.05.11</p>	<p>18th Board 6th meeting</p>	<ol style="list-style-type: none"> <li>1. Approving the 2026 Q1 Consolidated Financial Report.</li> <li>2. Approving the proposed issuance of Domestic Competitive Convertible Bonds.</li> <li>3. Approving the capital increase for the Vietnam subsidiary.</li> <li>4. Approving the audit fees for the CPA.</li> <li>5. Approving the setting of the record date for the buyback and cancellation of Restricted Stock Awards.</li> <li>6. Approving the setting of the record date for capital increase through conversion of Convertible Bonds into common shares.</li> <li>7. Approving the report on accounts receivable overdue for more than three months as of March 31, 2026.</li> </ol>
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(X) In the most recent year and up to the date of publication of the annual report, if a director or supervisor has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, the main content thereof: None.

**V. Information on CPA fees**

Unit: NTD thousand

Name of CPA Firm	Name of CPA	Audit period	Audit fees	Non-audit fees (Note)	Total	Remarks
KPMG Taiwan	May Yang Celia Hsu	2025.1.1 - 2025.12.31	2,740	1,758	4,498	

(Note) Non-audit fees refer to the fees for specializing in tax certification, and employee salary checklist certification.

(I) Where the accounting firm is changed and the audit fees paid in the year of change are less than the audit fees paid in the previous year: No such situation.

(II) The audit fee is reduced by more than 10% from the previous year: No such situation.

**VI. Information on replacement of CPA:**

## (I) Regarding the former CPA

Date of change	May 9, 2025		
Reason and explanation of the change	The change of CPAs of the Company starting from 2025 is mainly due to the internal job rotation within the accounting firm		
State whether the appointment is terminated or rejected by the Company or the CPA	Parties	CPA	The Company
	Status		
	Terminate the appointment voluntarily	None	None
	No longer accept (continue) the appointment	None	None
Opinions and reasons for audit reports issued other than unqualified opinions in the most recent 2 years	None		
Any disagreement with the issuer	None	Accounting principles or practices	
	None	Disclosure of financial statements	
	None	Audit scope or steps	
	None	Others	
Other disclosed matters (Matters to be disclosed pursuant to Article 10, Paragraph 6, Subparagraph 1, Items 4 to 7 of the Regulations Governing Information to be Published in Annual Reports of Public Companies)	None		

## (II) Regarding the succeeding CPA

Name of accounting firm	KPMG
Name of CPA	CPA May Yang and CPA Celia Hsu
Date of appointment Date of appointment	May 9, 2025
Consultation matters and results regarding the accounting treatment or principles for specific transactions and the possible audit opinion to be issued on the financial statements prior to appointment	None
Written opinion of the succeeding CPA regarding matters of disagreement with the former CPA	None

(III) Reply letter from the former CPA regarding matters prescribed in Article 10, Paragraph 6, Subparagraph 1, and Subparagraph 2, Item 3 of the Regulations: N/A.

**VII. Any of the Company's chairperson, general manager, or managers responsible for financial or accounting affairs being employed by the auditor's firm or any of its affiliated company in the last year : None.**

**VIII. Transfer of equity interests and change in equity pledge by a director, supervisor, managerial officer, or shareholder with a stake of more than 10% in the most recent year and up to the date of publication of the annual report:**

(I) Changes in the shareholdings of directors, supervisors, managers and shareholders with a stake of more than 10%:

**(1) Changes in Shareholding:**

Please refer to the “Post-Event Declaration of Insider Shareholding Changes” available on the Market Observation Post System (MOPS).

**Navigation path:** MOPS > Listed Company > Shareholding Changes / Securities Issuance > Share Transfer Information > Post-Event Declaration of Insider Shareholding Changes

[https://mops.twse.com.tw/mops/#/web/query6\\_1](https://mops.twse.com.tw/mops/#/web/query6_1)

**(2) Changes in Pledged Shares:**

Please refer to the “Insider Pledge and Release of Pledged Shares Announcements” available on the Market Observation Post System (MOPS).

**Navigation path:** MOPS > Listed Company > Shareholding Changes / Securities Issuance > Insider Pledge and Release of Pledge > Insider Pledge and Release Announcements

[https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

(II) Information on the counterparty of the equity transfer being a related party: None.

(III) Information that the counterparty of equity pledge is a related party: None.

**IX. Spouses or relatives within the second degree of kinship of another among the top ten shareholders:**

April 13, 2026; unit: shares

Name	The owner Shareholding		Shares held by spouse and minor children		Total shares held through nominees		Specify the name of the entity or person and their relationship to any of the other top 10 shareholders with which the person is a related party or has a relationship of spouse or relative within the 2nd degree		Remarks
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Name	Relationship	
He Ying Investment Co., Ltd.	8,869,525	12.55%	-	-					
Junyi Investment Co., Ltd.	7,411,030	10.49%	-	-					
AWESON TEK INVESTMENTS LIMITED	4,596,000	6.50%	-	-					
Chin-Lan Lee	4,197,965	5.94%	-	-			Jen-Shan Wu Yi-Shan Wu Yi-Lun Wu Hsin-Cheng Wu	Mother and Son Mother and Daughter Mother and Daughter Uncle and Sister-in-law	
He Hung Investment Co., Ltd.	3,990,810	5.65%	-	-					
Jen-Shan Wu	3,523,521	4.99%	-	-			Chin-Lan Lee Yi-Shan Wu Yi-Lun Wu	Mother and Son Siblings Siblings	
Yi-Shan Wu	3,523,253	4.98%	106,100	0.15%			Chin-Lan Lee Jen-Shan Wu Yi-Lun Wu	Mother and Daughter Siblings Sister	
Yi-Lun Wu	3,446,598	4.88%	16,200	0.02%			Chin-Lan Lee Jen-Shan Wu Yi-Shan Wu	Mother and Daughter Siblings Sister	
Hsin-Cheng Wu	3,053,131	4.32%	570,724	0.81%			Chin-Lan Lee	Uncle and Sister-in-law	
HSBC Bank (Taiwan) Limited in its capacity as Master Custodian for ABS Direct Equity Fund LLC Investment Account	1,991,000	2.82%	-	-					

**X. The number of shares of the same companies held by the Company, its directors, supervisors, managers, and enterprises directly or indirectly controlled by the Company, and their consolidated shareholding ratios:**

April 30, 2026; unit: shares

Invested business	The Company's investment		Directors, Supervisors, Managers, and Directly or Indirectly Controlling Businesses		Comprehensive investment	
	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio	Number of shares	Shareholding ratio
SUZHOU NAN JUEN TRADE CO., LTD	(Note)	100%	-	-	(Note)	100%
REPON (USA), INC.	100	100%	-	-	100	100%
REPON TECH (VIETNAM) COM., LTD.	(Note)	100%	-	-	(Note)	100%

Note: The Company is a limited company without issuing shares.

## II. Fundraising

### I. Capital and shares of the Company

#### (I) Source of share capital

Unit: 1,000 shares/thousand  
April 30, 2025

Year/month	Issuing price	Authorized capital		Paid-in capital		Remarks		
		Number of shares	Amount	Number of shares	Amount	Source of share capital	Capital paid in by assets other than cash	Others
2011.08	10	20,000	200,000	20,000	200,000	Capitalization of capital reserve	None	Note 1
2014.09	10	40,000	400,000	40,000	400,000	Transfer of Earnings to Increase Capital	None	Note 2
2016.05	10	80,000	800,000	48,000	480,000	Transfer of Earnings to Increase Capital	None	Note 3
2016.05	50	80,000	800,000	52,000	520,000	Issue of shares	None	Note 4
2021.03	0	80,000	800,000	52,500	525,000	Issuance of new restricted employee shares	None	Note 5
2021.12	0	80,000	800,000	52,494	524,940	Recall of new restricted employee shares	None	Note 6
2022.02	36	80,000	800,000	58,494	584,940	Issue of shares	None	Note 7
2022.09	0	80,000	800,000	58,490	584,898	Recall of new restricted employee shares	None	Note 8
2023.05	20	80,000	800,000	65,810	658,098	Issue of shares	None	Note 9
2023.07	36	80,000	800,000	65,643	656,426	Recall of new restricted employee shares	None	Note 10
2023.12	36	80,000	800,000	65,641	656,406	Recall of new restricted employee shares	None	Note 11
2024.03	0	80,000	800,000	66,141	661,406		None	Note 12
2024.08	0	80,000	800,000	65,963	659,632	Recall of new restricted employee shares	None	Note 13
2024.12	0	80,000	800,000	65,955	659,552	Recall of new restricted employee shares	None	Note 14
2025.08	0	80,000	800,000	65,938	659,378	Recall of new restricted employee shares	None	Note 15
2025.12	0	80,000	800,000	66,763	667,625	Recall of new restricted employee shares /Conversion of corporate bonds into common stock	None	Note 16
2026.03	0	80,000	800,000	69,664	696,644	Recall of new restricted employee shares /Conversion of corporate bonds into common stock	None	Note 17

Note 1: Approved by Letter Bei-Fu-Jing-Si-Zi No. 100505470 on August 16, 2011.

Note 2: Approved by Letter Bei-Fu-Jing-Si-Zi No. 1035175841 on September 1, 2014.

Note 3: Approved by Letter Jing-Shou-Shang-Zi No. 10501101610 on May 23, 2016.

Note 4: Approved by Letter Jing-Shou-Shang-Zi No. 10501101610 on May 23, 2016.

Note 5: Approved by Letter Jing-Shou-Shang-Zi No. 11001040960 on March 18, 2021.

Note 6: Approved by Letter Jing-Shou-Shang-Zi No. 11001210800 on December 1, 2021.

Note 7: Approved by Letter Jing-Shou-Shang-Zi No. 11101014440 on February 10, 2022.

Note 8: Approved by Letter Jing-Shou-Shang-Zi No. 11101168160 on September 12, 2022.

Note 9: Approved by Letter Jing-Shou-Shang-Zi No. 11230095240 on June 2, 2023.

Note 10: Approved by letter Jing-Shou-Shang-Zi No. 11230109370 on July 4, 2023.

Note 11: Approved by letter Jing-Shou-Shang-Zi No. 11230233850 on December 20, 2023.

Note 12: Approved by letter Jing-Shou-Shang-Zi No. 11330040440 on March 21, 2024.

Note 13: Approved by letter Jing-Shou-Shang-Zi No. 11330132140 on August 1, 2024.

Note 14: Approved by letter Jing-Shou-Shang-Zi No. 11330213980 on December 17, 2024.

Note 15: Approved by letter Jing-Shou-Shang-Zi No. 11430100720 on August 11, 2025.

Note 16: Approved by letter Jing-Shou-Shang-Zi No. 11430191670 on December 26, 2025.

Note 17: Approved by letter Jing-Shou-Shang-Zi No. 11530023960 on March 11, 2026.

Unit: shares  
April 30, 2025

Type of shares	Authorized share capital			Remarks
	Outstanding shares	Unissued shares	Total	
Registered common stock	69,664,435	10,335,565	80,000,000	Listed on the TPEX

Information on the issuer's approved offering of securities under the shelf registration system: Not applicable.

## (II) List of major shareholders

Unit: shares  
April 30, 2025

Name of major shareholder	Shares	Number of shares held	Shareholding ratio %
He Ying Investment Co., Ltd.		8,869,525	12.55
Junyi Investment Co., Ltd.		7,411,030	10.49
AWESON TEK INVESTMENTS LIMITED		4,596,000	6.50
Chin-Lan Lee		4,195,965	5.94
He Hung Investment Co., Ltd.		3,990,810	5.65
Jen-Shan Wu		3,523,521	4.99
Yi-Shan Wu		3,523,253	4.98
Yi-Lun Wu		3,446,598	4.88
Hsin-Cheng Wu		3,053,131	4.32
HSBC Bank (Taiwan) Limited in its capacity as Master Custodian for ABS Direct Equity Fund LLC Investment Account		1,991,000	2.82

## (III) The Company's dividend policy and implementation:

## 1. Dividend policy stipulated in the Articles of Incorporation:

If the Company makes a profit in its financial report, it shall first pay tax and make up for past losses, and then appropriate 10% as legal reserve, and shall appropriate or reverse special reserve in accordance with the laws or regulations or the requirements of the competent authorities. If there is still any distributable earnings, the accumulated undistributed earnings of the previous years shall be added up, and the Board of Directors shall prepare a proposal for the distribution of shareholders' dividends and submit it to the shareholders' meeting for resolution. The Company is currently in the growth stage. The needs for business expansion such as capital expenditures and working capital are taken into account, as well as the steady development of the Company's short, medium and long-term financial structure, while the focus is on the stability and growth of dividends. In accordance with the preceding Article, 20% or more of the distributable earnings as stated in the annual financial statements shall be set aside for dividend distribution. However, if the accumulated unappropriated earnings of prior years are less than 30% of the paid-in capital, the Company may propose not to distribute such earnings. When the Company distributes stock dividends and cash dividends at the same time, the cash dividends shall not be less than 20% of the total dividends to shareholders for the year.

2. Dividend distribution proposed at the shareholders' meeting :

On March 9, 2026, the Board of Directors of the Company passed a cash dividend of NT\$2.5 per share from the distributable earnings, totaling NT\$174,161,088, and prioritized distribution from the 2025 earnings.

3. Significant changes in the expected dividend policy: None.

(V) Impacts of the proposed stock dividends on the Company's operating performance and earnings per share:

There is no proposed stock dividend in this annual shareholders' meeting, so there is no need to explain the impact.

(VI) Remuneration to employees, directors and supervisors:

1. The percentages or ranges with respect to the remuneration of employees, directors, and supervisors, as set forth in the Articles of Incorporation:

If the Company sustains a profit for the year, it shall, by a resolution of the Board of Directors, allocate no less than 2% as employees' compensation, no less than 1% as base-level employees' compensation, and no more than 3% as directors' remuneration. However, if the Company has accumulated losses, a sufficient amount shall be reserved in advance to make up for the losses.

The aforementioned employees' compensation may be distributed in the form of shares or cash. The eligible recipients may include employees of subordinate companies who meet certain criteria, as authorized by a resolution of the Board of Directors.

2. The basis for estimating the amount of employee, director, and supervisor compensation, for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure: The Company uses the pre-tax net profit for each period before deducting the remuneration of employees and directors, and the proportion of remuneration to employees and directors stipulated in the Articles of Incorporation of the Company as the basis of estimation, and reports it as operating costs and operating expenses of the current year. If there is a discrepancy between the actual distributed amount and the estimated figure, it shall be treated as a change in accounting estimate and recognized as profit or loss in the year of resolution.

3. The distribution of remuneration approved by the Board of Directors:

On March 9, 2026, the Board of Directors resolved to allocate from the 2025 profit (representing the net profit before tax before deducting employees' compensation and directors' remuneration) of NT\$560,034,806, an amount of NT\$23,094,218 as employees' compensation (4%), NT\$5,773,555 as base-level employees' compensation (1%), and NT\$17,320,664 as directors' remuneration (3%), all of which will be distributed in cash. There is no difference between the aforementioned allocated amounts and the expenses recognized in the 2025 financial statements.

4. Actual distribution of employees' remuneration and directors'/supervisors' remuneration for the previous year :

- (1) The Company appropriated NT\$12,975,472 and NT\$7785,169 as remuneration to employees and directors, respectively, for 2025, which are not different from the actual amounts distributed.
- (2) If there is any difference between the aforementioned amount and the recognized remuneration of employees, directors and supervisors, the amount, reason and treatment of the difference should be stated: No difference.

## (VII) Shares repurchased by the Company:

## Status of the Company's Share Buyback Program (Ongoing)

April 30, 2025

Buyback Period	1st Buyback in 2025
Purpose of Buyback	Transfer of shares to employees
Scheduled Buyback Period	April 10, 2025 to May 9, 2025
Buyback Price Range	NT\$112 to NT\$153 per share
Type and Quantity of Shares Already Bought Back	23,000 common shares
Total amount of repurchased shares	NT\$2,579,670
Ratio of repurchased shares to planned repurchase quantity (%)	1.77%(note)
Number of shares cancelled and transferred	0 common shares
Accumulated number of the Company's shares held	23,000 common shares
Accumulated number of the Company's shares held as a percentage of total issued shares (%)	0.03%

Note: The Company executed the repurchases in batches within the specified price range based on share price fluctuations. As the irrational selling pressure caused by systemic risks had subsided, and to maintain the market mechanism without affecting the share price, the Company only repurchased 23,000 shares.

**II. Corporate bonds:**

## (I) Outstanding and In-Process Corporate Bonds

Types of Corporate Bonds (Note 2)	First Domestic Secured Convertible Bond	Second Domestic Unsecured Convertible Bond
Issuance (Processing) Date	October 29, 2024	October 30, 2024
Par Value	NT\$100,000	NT\$100,000
Place of Issuance and Trading	Not applicable	Not applicable
Issue Price	114.7% of par value	100.5% of par value
Total Amount Raised	NT\$802,915 thousand	NT\$301,500 thousand
Interest Rate	0% coupon rate	0% coupon rate
Term	3 years Maturity Date: October 29, 2027	3 years Maturity Date: October 30, 2027
Guarantor	Chang Hwa Commercial Bank, Ltd.	Not applicable
Trustee	KGI Commercial Bank Co., Ltd.	KGI Commercial Bank Co., Ltd.
Underwriter	KGI Securities (code: 920T)	KGI Securities (code: 920T)
Legal Counsel		
Certified Public Accountant	Not applicable	Not applicable
Repayment Method	Principal to be repaid in full at maturity	Principal to be repaid in full at maturity
Outstanding Principal	As of April 30, 2026, the outstanding balance was NT\$76,000 thousand.	As of April 30, 2026, the outstanding balance was NT\$5,400 thousand.
Redemption or Early Repayment Terms	Refer to Article 18 of the Company's First Domestic Secured Convertible Bond Issuance and Conversion Regulations	Refer to Article 18 of the Company's Second Domestic Unsecured Convertible Bond Issuance and Conversion Regulations
Covenants (Note 4)	None	None
Credit Rating Agency, Rating Date, and Rating	Not applicable	Not applicable

Result			
Other Rights	Amount Converted (Exchanged or Subscribed) into Common Shares, GDRs, or Other Securities as of the Date of Publication of the Annual Report	As of April 30, 2026, the bond conversion amount was NT\$624,000 thousand, and 3,515,249 common shares had been converted.	As of April 30, 2026, the bond conversion amount was NT\$286,000 thousand, and 1,492,521 common shares had been converted.
	Issuance and Conversion/Exchange/Subscribing Method	Please refer to the Company's First Domestic Secured Convertible Bond Issuance and Conversion Regulations	Please refer to the Company's Second Domestic Unsecured Convertible Bond Issuance and Conversion Regulations
Issuance and Conversion/Exchange/Subscription Methods, Potential Dilution from Issuance Terms, and Impact on Existing Shareholders' Rights		Based on the prospectus assessment, the impact on shareholder rights is expected to be limited.	Based on the prospectus assessment, the impact on shareholder rights is expected to be limited.
Custodian for Exchange Underlying Securities		Not applicable	Not applicable

(II) Convertible Bonds: None.

(III) Issued convertible corporate bonds convertible into common shares, overseas depositary receipts, or other securities:

Type of corporate bond		1st Secured Convertible Corporate Bond		
Year		2024	2025	Current year as of April 30, 2026
Market price of convertible corporate bond (NT\$)	Highest	116.70	224.00	469.00
	Lowest	108.10	101.00	158.00
	Average	114.06	138.41	217.22
Conversion price		178.8	Conversion price adjusted to 177.5 on Sep. 16, 2025	177.5
Issuance date and conversion price at issuance		Issued on October 29, 2024, conversion price at issuance was NT\$178.8.		
Method of fulfilling conversion obligation		Issuance of new shares		

Type of corporate bond		2nd Unsecured Convertible Corporate Bond		
Year		2024	2025	Current year as of April 30, 2026
Market price of convertible corporate bond (NT\$)	Highest	110.55	207.00	428.00
	Lowest	101.80	98.00	182.00
	Average	106.84	145.71	258.61
Conversion price		193	Conversion price adjusted to 191.6 on Sep. 16, 2025	191.6
Issuance date and conversion price at issuance		Issued on October 30, 2024, conversion price at issuance was NT\$193		
Method of fulfilling conversion obligation		Issuance of new shares		

(IV) Issued exchangeable corporate bonds: None.

(V) Ordinary corporate bonds offered and issued under shelf registration: None.

(VI) Issued corporate bonds with warrants: None.

(VII) Private placement of corporate bonds in the most recent three years and up to the publication date of the annual report: None.

**III. Preference shares: No such situation.**

**IV. Overseas depository receipts: No such situation.**

**V. Issuance of employee stock options: None.**

## VI. Issuance of new restricted employee shares:

### (I) Restricted shares issued for employees and the effect on shareholders' equity

April 30, 2025

Types of New Restricted Employee Shares	New restricted employee shares for 2023
Effective date of filing	2023.9.12 500,000 share
Date of issue	2024.4.1
Number of New Restricted Employee Shares Issued	500,000 share
Issuing price	NT\$0 per share, issued gratis
Percentage of New Restricted Employee Shares Issued to Total Shares Issued	0.76%
Vesting Conditions for Employee Restricted Stock Awards	<p>1. After being granted Restricted Stock Awards (RSAs), employees must meet the following conditions in order for the shares to vest:</p> <ul style="list-style-type: none"> <li>● If the employee has held office for one year from the date of allotment, the vested shares shall be 30% of the number of allotted shares.</li> <li>● If the Company has served for two years from the date of allotment, the vested shares will be acquired with 30% of the allotted shares.</li> <li>● If the Company has held office for three years from the date of allotment, the shares acquired will be 40% of the number of allotted shares.</li> </ul> <p>2. The Company's annual profit requirements: The net operating profit of the most recent year at the end of each vested period is over NT\$100 million, or the net operating profit of the previous year has grown by more than 5%. The net operating income is based on the consolidated financial statements of the most recent year at the end of each vesting period, which has been audited and certified by a CPA.</p> <p>3. Employee performance evaluation criteria: The individual's performance evaluation in the most recent year after the expiry of each vested period reaches the standard approved by the general manager of the current year.</p>
Restricted Rights of Restricted Stock Awards	<p>1. The RSAs may not be sold, pledged, transferred, given to others, created, or otherwise disposed of, and other rights are identical with the common shares already issued by the Company.</p> <p>2. Before the vested conditions are met, the RSAs issued under these Regulations shall be entrusted to a custodian institution for the exercise of all rights by the shareholders at the shareholders' meeting, including but not limited to the rights to propose proposals, the rights to attend, the right to speak, the rights to vote, and the rights to vote.</p> <p>3. Other rights in the RSAs issued under these Regulations before the vesting conditions are met, including but not limited to the distribution rights to earnings and capital reserves, and stock options for cash capital increase, etc, shall be the same.</p>
Custody of RSAs	Trust and custody
Measures to be taken if the vesting conditions are not met after the employees receive allotted or subscribed shares	Recovered in full and written off
Number of restricted employee shares retired or repurchased	50,450
New shares released from restrictions	264,350
New shares not released from restrictions	185,200
New shares not released from the restrictions as a percentage of total issued shares (%)	0.27%
Effect on shareholders' equity	The dilution of earnings per share is limited, so there is no significant impact on shareholders' equity.

(II) Names of managers who have acquired new restricted employee shares and top ten employees, and their acquisition status

April 30, 2025

	Job Title	Name	Number of new restricted employee shares acquired	Percentage of acquired RSAs to total issued shares	Restricted rights released			Restricted rights not released				
					Number of restricted shares released	Issuing price	Amount of issuance (NT\$ thousand)	Number of restricted shares released as a percentage of total shares issued	Number of restricted shares unreleased	Issuing price	Amount of issuance (NT\$ thousand)	Number of unrestricted shares released as a percentage of total shares issued
Managerial Officer	President	Jen-Shan Wu	212,000	0.30%	124,500	0	1,245	0.18%	84,800	0	848	0.12%
	Vice President	Hsin-Cheng Wu										
		Hsin-Cheng Wu (Note 2)										
	Assistant Vice President	Shun-Ru Tsai										
	Assistant Vice President	Jian-hong Chen										
	Assistant Vice President	Yi-Hsiang Chiu										
	Assistant Vice President	Long-Chang Lee										
	Assistant Vice President	Chun-Wei Lin										
	Assistant Vice President	Zhi-Yuan Deng										
	Finance Officer and Corporate Governance Officer	Chung-Jen Jen										
Accounting Officer	Song-Feng Liu											
Employees	(Note 1)		126,000	0.18%	64,000	0	640	0.09%	62,000	0	620	0.09%

Note 1: Principal employees receiving restricted stock awards (10 employees in total): Senior Manager Ching-Min Liang, Manager Mei-Lan Hsu, Manager Kao-Hsien Lin, Manager Hsiu-Ling Pan, Manager Yi-Hsiung Hung, Assistant Manager Chia-Hung Tsai, Assistant Manager Ya-Hui Chang, Assistant Manager Yi-Lun Wu, Deputy Supervisor Kai-Tse Chen, and Section Manager Chin-Lung Huang.

Note 2: Vice President Hsin-Cheng Wu retired on April 30, 2025.

**VII. Issuance of new shares for mergers and acquisitions or acquisition of shares of other companies: None.**

**VIII. Implementation of the plan for utilization of funds: None.**

## IV. Operational overview

### I. Business contents

#### (I) Business scope

##### 1. The Company's main business activities:

CA02010 Manufacture of Metal Structure and Architectural Components\*

CA02030 Screw, Nut and Rivet Manufacturing

CA02040 Spring Manufacturing

CA02070 Lock Manufacturing

CA02090 Metal Wire Products Manufacturing

CA02990 Other Metal Products Manufacturing

CB01990 Other Machinery Manufacturing

CC01080 Electronic Components Manufacturing

CD01030 Motor Vehicles and Parts Manufacturing

CD01040 Motorcycles and Parts Manufacturing

CN01010 Furniture and Decorations Manufacturing

CZ99990 Other Industrial Products Not Elsewhere Classified

F401010 International Trade

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

##### 2. Distribution of main products

Production value of goods	2024		2025	
	Turnover (NT\$ thousand)	Weight of business (%)	Turnover (NT\$ thousand)	Weight of business (%)
Service items				
Ball Bearing Slide	1,849,810	96.12%	2,365,331	97.22
Others	74,688	9.88%	67,594	2.78
Total	1,924,498	100.00%	2,432,925	100.00

##### 3. The Company's current products (services):

- Various slides and peripheral cable management arm (CMA) for servers and their peripheral equipment.
- Slides for office furniture applications.
- Slides for household cabinet applications.
- Slides for tool cabinet applications.
- Slides for home appliance applications.
- Slides for automobile, medical cabinet, and ATM applications.
- ODM slides business for international brands.

##### 4. New products (services) planned to be developed

- Office furniture: Development of a variety of functional products.
- Home cabinets: Development of new riding drawer system, hidden escalated return guides, two-way escalated return guides, tabletop translation guides, and central island tabletop swivel.
- Tool cabinet: Development of high-load functional slides.
- Home appliances: development of slides for heavy-duty home appliances with the synchronous slow return function.
- Server products: Development of several high-load and low-profile steel ball slides and low-profile friction slides for large-scale data center customers, while continuously enhancing multiple mechanical functions to meet the requirements of next-generation data centers..

- Automotive products and other industrial application products: Development of high-load slides for vehicles and machinery and equipment.

(II) Industry overview

1. Current status and development of the industry

Ball bearing slides are commonly used in home cabinets, office furniture, servers, tool cabinets, home appliances, medical cabinets, ATMs, POS, automobiles, and other diversified storage applications. It is closely related to the growth of ball bearing slides, and the penetration level in various application industries is gradually increasing, which is conducive to the long-term market demand for ball bearing slides.

As the needs of various application industries continue to innovate and upgrade, ball bearing slides are gradually developing towards functionalities, including smoothness and noise reduction, safety interlock, load carrying capacity, convenient construction, hidden appearance, regression buffers, press separation, and high and low temperature resistance functions. In addition, customized products are also one of the future development trends.

Global server shipments are anticipated to increase by nearly 5% in 2024 compared to the previous year, reaching over 15.5 million units, as a result of the substantial increase in demand for cloud services, including mobile devices, social networking sites, video streaming, 5G, Big Data Analytics, IoT (Internet of Things), and HPC (High Performance Computing). This forecast is based on DIGITIMES Research findings. This growth is expected to continue at a steady pace, surpassing 19.75 million units by 2028, with a compound annual growth rate (CAGR) of 6%. The continuous expansion of the server market scope is facilitated by this trend.

2. The correlation between the upstream, midstream, and downstream of the industry

Upstream: product raw materials	Midstream: Product processing and production	Downstream: Various storage and carrying applications
Steel coils, steel strips, stainless steel	Ball bearing slides and peripheral components	Rack servers and peripherals, office furniture, home cabinets, tool cabinets, medical cabinets, automobiles, home appliances, ATMs, and other product applications

3. Product development trends and competition

(1) Development trends of products

The product penetration in a variety of industries is also increasing, and the implementation of Ball Bearing Slides are becoming increasingly widespread. Ball Bearing Slides are progressively replacing the painted rails of early plastic wheels, and there is no uniform specification standard or regulation.

The demand for quality and convenience in home interiors has increased as a result of enhanced living standards and rapid economic development. Ball bearing slides are rapidly replacing conventional woodwork and home cabinet drawers that employ plastic wheels and painted tracks. The penetration and prevalence of slide products has experienced a substantial increase. Additionally, the application of ball bearing slides is expanding across a variety of industries, including office furniture, custom-designed kitchen and restroom cabinets, system furniture, steel tool cabinets, ATMs, and household goods. In recent years, ball bearing slides have been enhanced with a variety of additional functions, including noise reduction and smooth operation, safety interlocks, load carrying capacity, convenient and rapid release, hidden and aesthetically pleasing design, return buffers, push separation, high and low temperature limits, and LED auxiliary lighting to expedite the overall process. The slide industry is

experiencing significant growth.

In the electronic industry, the early mainframe architecture has undergone a transformation from a client/server architecture to a server-based computing cloud architecture with standard specifications. This transition has resulted in the demand for server slides in the cabinet. Slides are also required for the transportation of peripheral network communication equipment, including network switches and storage equipment. The trend of server slides is toward multi-functional products, such as slimmer and lighter, high-load, convenient installation, uncomplicated maintenance, user-friendly design, and safety considerations, with the emergence of the era of high-performance servers.

## (2) Competition situation

Leveraging our rich experience in the independent development of roll forming dies and machinery equipment, along with our surface treatment technology, the Company can design products that meet market demands based on customer specifications. To date, we have accumulated over 30 series of specifications (cross-sections) for customers to choose from. In terms of roll forming technology, traditional die development relies on engineers generating design drawings based on past experience, requiring repeated trial moldings to modify the frame to the specified dimensions. The Company has introduced SIMSOLID simulation software to analyze and simulate before manufacturing the roll forming dies, thereby eliminating the failure costs associated with relying solely on past experience. Regarding stamping technology, unlike traditional stamping die development which heavily relies on contractors for design and processing, the Company's stamping dies are designed in-house by our design engineers tailored to product features. Furthermore, the entire processing of stamping dies—from CNC machining, grinding, and wire cutting to die assembly and trial molding—is completed internally as a one-stop process. This shortens development time, meets customer requirements, and allows us to retain the critical knowledge, experience, and parameters generated during the development process. In terms of process technology, the traditional production of slide rails involves separate roll forming and stamping processes, requiring multiple handling operations by various personnel. The Company has independently integrated these two into a roll-stamping in-line process, upgraded and optimized the performance of punching machines (multi-punch per machine), designed quick-change modular dies, and accumulated capabilities in high-efficiency, fully automated assembly equipment. This self-developed roll-stamping in-line process effectively reduces manual operations and handling time, thereby lowering production costs. Furthermore, the slide rail industry is an oligopolistic market that is both technology- and R&D-intensive. Precision manufacturing technology, vertically integrated processes, patent barriers, and brand recognition constitute the core competitive advantages for industry players, which collectively create high barriers to entry for new competitors.

## (III) Technology and R&D overview

### 1. R&D expenses in the most recent year

Unit: NT\$  
thousand

Item	2025	First Quarter of 2026
R&D expenses	66,602	17,823

## 2. Successfully developed technologies or products

Year	Item
2016	Double-cut cable management mechanism
	Shared by all servers
	Middle derailleur detaching mechanism for server slides
	Lift up slowly lowering device
2017	Delayed grading improvement structure
	Quick release assembly
	Anti-fall overturning device
	Multi-stage hooking device
	Low-profile slides
	Servo slide mounting and positioning structure
2018	Servo slide displacement positioning device
	External buffer return mechanism
	Multi-stage tension adjustment mechanism
	Cable manager of the server slide
2019	Servo slide mounting and positioning structure
	Servo slide mounting and separation mechanism
	Servo slide unlocking mechanism
	Super-heavy-duty slide quick release mechanism
2020	Heavy-duty adjustable multi-stage mechanism
	Server support operating tool
	Server support remover
	Multi-section slide assembly
2021	Bracket structure
	Telescopic slide support pulley
	Servo slide stopper
	Machine purchase of server slide fasteners
	Two-way guideway rocker
	Rotatable linear mechanism
2022	Tool-less unlocking mechanism for servers
	Server slide spring
	Servo slide dual-part mechanism
	Bottom-mounted hidden slide support structure
	Two-way guideway sequential structure
2023	Earthquake-proof structure for server slides
	7U Servo slide assembly
	Server quick release plate
	Servo slide safety locking mechanism
	Servo slide with the thrust mechanism of the reinforcement frame
	Servo slide with middle solution mechanism
	Server slide with cold aisle mechanism
	Servo slide with locking handle
	Bottom-mounted hidden slide with return design of bead base synchronous pulley
	Bottom-mounted hidden slide with quick release mechanism
Cabinet slide pat lock and slow return mechanism	

Year	Item	
	Slides for industrial applications with adjustable tension and slow return mechanism	
	Commercial freezer slide with sideless unlocking mechanism	
2024	Spring-Loaded Component for Cabinet Rails	
	Sliding Side-Pull Mechanism for Kitchen Island Counter	
	Reinforcement Structure for 4U Server Rails	
	Damping Mechanism for Server Rails	
	Interlocking Mechanism for Server Rails	
	Reinforcement Frame Combined with Positioning Plate and Displacement Mechanism for Server Rails	
	Water-Cooled Handle / Air-Cooled Handle / Rail for GB200 Series	
	Quick-Release Mechanism for EIA-to-OCP Adapter Board Series	
	Fine-Tuning Mechanism for EIA-to-OCP Adapter Board Series	
	LOCK-In/Out Mechanism for Industrial Application Rails	
	Front Post Lock, Rear Post Lock, and Cross-Section of Server Rails	
	Two-Section Reinforcement Structure and Narrow-Type Reinforcement Structure for Server Rails	
	2025	Limiting mechanism for server slide rails
		One-way damping mechanism for server slide rails
Rotary plate locking device for server slide rails		
Cold aisle mechanism for 6U server slide rails		
Safety lock for 6U server slide rails		
Deceleration mechanism for server slide rails		
Rail support mechanism for server slide rails		
Bi-directional damping mechanism for server slide rails		
Unlocking mechanism for server slide rails		
Positioning mechanism for server slide rails		
Spring clip mechanism for server slide rails		
Operating mechanism for server slide rails		
Modular damping device for server slide rails		
Rail carriage mechanism for server slide rails		
Reinforcement mechanism for server slide rails		
Adjustable tension mechanism for cabinet slide rails		
Concealed soft-close mechanism for cabinet slide rails		
Positioning mechanism for server slide rails		
Hinge for cabinet slide rails		
Carriage mechanism for server slide rails		
Limiting mechanism for server slide rails		
New Lock-In/Out mechanism for industrial slide rails		
Sequential locking mechanism for server slide rails		
Dual locking mechanism for industrial slide rails		
Support mechanism for 4U server slide rails		
Locking mechanism for 4U server slide rails		
Support mechanism for server slide rails		
Support module for server slide rails		
As of the publication	Support rail for server slide rails	
	Rail safety mechanism for server slide rails	

Year	Item
date of the 2026 annual report	Chassis handle for server slide rails
	Retention mechanism for server slide rails
	Movable module for server slide rails
	Rolling module for server slide rails
	Tool-less support rail for server slide rails
	Synchronized ball retainer mechanism for server slide rails

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

##### Short-term development strategy:

1. With the mass production and shipment of friction slides for data center servers, the Company's development, design, and production capabilities of various high-load thin slides and thin friction slides are becoming more and more mature. The large US Cloud Service Providers (CSPs) plan to expand or replace data centers and collaborate on the development of next-generation server products at the early design stage to provide highly customized services to meet customers' special specifications. This will help to deepen the company's institutional development capabilities and gradually complete various product specifications, thereby greatly shortening the development and design process, and quickly responding to customer needs. In addition, with the spillover effects from the mass production of new server slide products for large data center customers in the United States, the Company will strive to participate in new product development plans for other large data center customers and international server brand customers in order to optimize product sales portfolios.
2. Continue to develop various functional products such as high-end concealed cabinet slides and heavy-duty slides to increase the proportion of high value-added products in the sales portfolio and increase the overall average selling price of products.
3. Actively invest R&D resources to strengthen the ability and speed of R&D design and mechanism development to quickly meet customization needs and increase customer dependence.
4. Integrate some product specifications to simplify the manufacturing process and improve production efficiency, continue to promote equipment automation and start the digital transformation plan, increase the output value of each plant to reduce the unit manufacturing cost amortization, and optimize costs to accelerate the recovery of capital expenditures.
5. Strengthen the marketing function of the subsidiaries in the US, provide local real-time services, and strengthen customer relationship management, in order to expand the business scale in the North American market.
6. Implement the quality control plan, establish a quality brand image, and increase market share.

##### Long-term development strategy:

1. Continue to promote the development strategy of high value-added products to avoid the red sea competition of low-end products and reduce the risk of global operation.
2. Establish an R&D center, train key talents, build design and development capabilities, and lay the cornerstone of the Company's long-term development.
3. Introduce the digital transformation plan, plan the establishment of an intelligent production model, and implement lean production.
4. Build an international brand image, establish a distribution network in major markets around the world, increase market penetration, and diversify market risks.
5. Expand into the development and manufacturing of other functional hardware products and use existing sales channels and brand advantages to provide comprehensive solutions for products and increase customers' willingness to purchase.

6. Seek cross-industry strategic alliances and combine existing advantages in other industries to enhance the Company's long-term competitiveness.

## II. Overview of the market, production, and sales

### (I) Market analysis

#### 1. Regions where major products (services) are provided

Unit: NT\$ thousand

Sales regions		2024		2025	
		Sales amount	Ratio (%)	Sales amount	Ratio (%)
Domestic sales		418,743	21.76%	391,651	16.10%
Export sales	Americas	839,016	43.60%	1,155,660	47.50%
	Others	666,739	34.64%	885,614	36.40%
Total		1,924,498	100.00%	2,432,925	100.00%

#### 2. Market share

As the application industries of slides are quite extensive, the product penetration of various application industries is constantly increasing, and some hardware accessories manufacturers have a large number of products, so it is difficult to obtain the specific market share data of each manufacturer.

#### 3. Future supply, demand, and growth of the market

##### A. Office furniture and home cabinet industry:

In the early stage of Taiwan's furniture and cabinet industry, exporting OEM products was the main focus of production. With the advantages of low labor cost and stable and reliable quality, it created a reputation as a furniture king. Relocating to China, Vietnam, and other places for development, this resulted in a large number of local production centers relocating. People have begun to pursue a higher quality of life beyond basic necessities in recent years, as social and economic standards have steadily increased. The import of refined international furniture brands has spurred consumers' demand for furniture quality and aesthetics, and the trend of office and home interior design has become increasingly popular. A diverse array of exquisite products in small quantities and system furniture has been progressively developed by industry players. Formerly, the emphasis was on enhancing the added value of products, whereas the latter accentuates the convenience of installation and decoration, as well as customized design. Real estate is the locomotive industry of the overall economy, because the construction of houses helps drive the real demand for house-related durable goods such as building materials, furniture, hardware tools, and household appliances, which has a synergistic effect on overall economic activities.

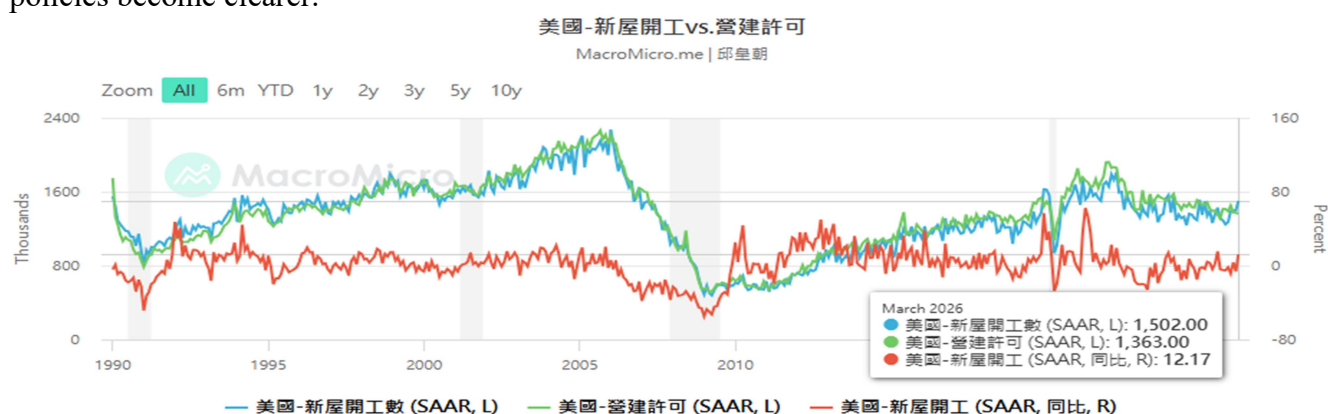
According to the latest World Economic Outlook (WEO) report released by the International Monetary Fund (IMF) in April 2026, the global economy is facing significant challenges brought about by the outbreak of war in the Middle East. Assuming the duration and scope of the conflict remain limited, global economic growth is projected to slow to 3.1% in 2026, and stand at 3.2% in 2027. Global headline inflation is expected to rise slightly in 2026 before resuming a downward trend in 2027. The issues of decelerating growth and rising inflation are anticipated to be particularly pronounced in emerging market and developing economies.

On a country-by-country basis, the IMF has revised its 2026 economic growth forecast for the United States downward to 2.3%, reflecting the positive impacts of tax cuts, the lagged effects of interest rate reductions, and sustained investments in AI; growth is estimated at 2.1% in 2027. China's growth forecast for 2026 has been revised downward to 4.4%, and due to the ongoing property market slump,

growth is projected to decelerate to 4.0% in 2027. Taiwan, on the other hand, stands to benefit from the deepening application of global artificial intelligence (AI) technologies, which is driving exports and investments in the technology sector. Taiwan's economic growth rate is estimated at 5.2% in 2026 and projected to expand by 3.0% in 2027, ranking it as the fastest-growing nation among the advanced economies recognized by the IMF.

However, the IMF also revised global economic growth for this year down to 3.1%. The report explicitly warns that a further escalation of geopolitical conflicts (particularly the situation in the Middle East) could disrupt energy supply chains and trigger volatility in commodity prices, posing downside risks to the global economic recovery. Furthermore, the impact of technological innovation (such as generative AI) on productivity enhancement and labor market reallocation remains a core focal point for monitoring future global economic development.

According to the U.S. Census Bureau, the annualized rate of housing starts in March 2026 increased by 10.8% month-over-month to 1.502 million units, hitting a nearly 15-month high. However, building permits, a leading indicator for future housing construction, were affected by market uncertainty; they decreased by 10.8% from the previous month's revised figure of 1.538 million units to 1.372 million units, marking the lowest level since August 2025. This fluctuation was primarily driven by a resurgence in inflationary pressure. After falling from a peak of 9.1% in June 2022 through the end of 2025, the U.S. Consumer Price Index (CPI) unexpectedly rebounded to 3.3% in March (newly released in April 2026), a significant increase from 2.4% in February. This caused mortgage rates to rise again, thereby suppressing housing demand. In the long term, however, as supply chain constraints ease and inflation stabilizes, the market widely expects housing transactions to steadily recover once interest rate policies become clearer.



Source: MacroMicro (2026/03)

## B. Server industry:

### (A) Server product type

Server appearance can be divided into four categories: Tower Servers, Rack-Mounted Servers, Blade Servers, and High-Density Servers:

A tower server refers to a traditional vertical server system. Its appearance and structure are similar to that of a general vertical PC. There is no fixed standard for its length, width, and height. The independent casing has high expandability, but it is bulky, it takes up more space, and is generally suitable for entry-level or small businesses.

Rack-mount servers are designed for computer system server rooms. The length, width, and height of the servers meet the international EIA standards. The standard width for servers is 19 inches (48.26

centimeters), and the height is measured in rack units (U), where 1U equals 1.75 inches (4.445 centimeters). The racks used to house servers typically range in height from 18U to 47U, with standard widths of 80 centimeters or 60 centimeters, and varying depths. The rack can accommodate several 1U, 2U, 3U, 4U, 5U, or 7U standard height servers for centralized management, which greatly reduces the space occupied by multiple servers. According to the height of U, there are detachable brackets and guide rails in the cabinet, which can be flexibly adjusted by the user. The rack-mounted standard specifications are also used in conjunction with other network communication equipment (such as storage devices, network switches, etc). High integration and coordination, convenient centralized management, and low cost of user computer room hosting have led to it becoming a mainstream product in the market.

Rack server diagram:



Blade servers It is a single-board server proposed by RLX in 2001. A blade server consists of a complete chassis that provides functions such as power supply, fan cooling, and network communication in a centralized manner. Multiple system motherboards can be inserted into the chassis, therefore they are called blade servers. Currently, there is no unified standard for the chassis' appearance and the number of servers that can be accommodated. It is specially designed for special application industries and high-density computer environments. It is more space-saving than rack-mountable servers, but the initial cost of construction is relatively high, and the requirements for heat dissipation are also high.

Blade server diagram:



High-Density Servers are a new type of server developed in response to the high-density configuration of data centers. The more well-known product is the Intel-based x86 high-density server System x iDataPlex launched by IBM in 2008, this half-deep 2-socket server can accommodate two servers in a 2U chassis. However, two 2U chassis can be placed in the 2U cabinet space. On average, each 1U height density can also host two servers.

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

Global server manufacturers have long relied on outsourcing for design and production. Taiwan has gradually become a major hub for the global server industry due to its advantages in design, manufacturing, and complete industry clusters. Currently, major Taiwanese ODM server manufacturers include Quanta, Foxconn, Wistron, Wiwynn, Inventec, MiTAC, and Gigabyte. They are responsible for the OEM business of international brand manufacturers (HPE, Dell, Lenovo, Cisco, etc) or direct sales of white-label servers (ODM Direct), depending on different assembly and shipment types such as full systems, barebones, and motherboards.

In recent years, the Company has benefited from the era of mobile devices, cloud computing, social networking sites, video streaming, and the advent of the digital home, as well as 5G, AI, Big Data Analytics, and Multi-Cloud Services, coupled with the trend of SMEs' IT outsourcing adopting public cloud services, FAMG (Facebook, Amazon Web Service, Microsoft Azure, Google Cloud Platform), China's BATs (Baidu, Alibaba, and Tencent), and other companies continue to invest in the expansion of large-scale data centers and continue to upgrade basic equipment. As large-scale Internet service providers gradually gain the advantage of economies of scale, they are attracted to participate in the development and design of the data center through the Open Compute Project (OCP) or the Open Data Center Committee (ODCC) to improve the efficiency and optimize data centers. The computer room structure aims to establish standardization to effectively reduce the cost of building a data center. Instead of going through international brand factories or system integrators, it is directly delivered to ODM server manufacturers for production. This is called the direct sales (ODM Direct) model or the White Box Server.

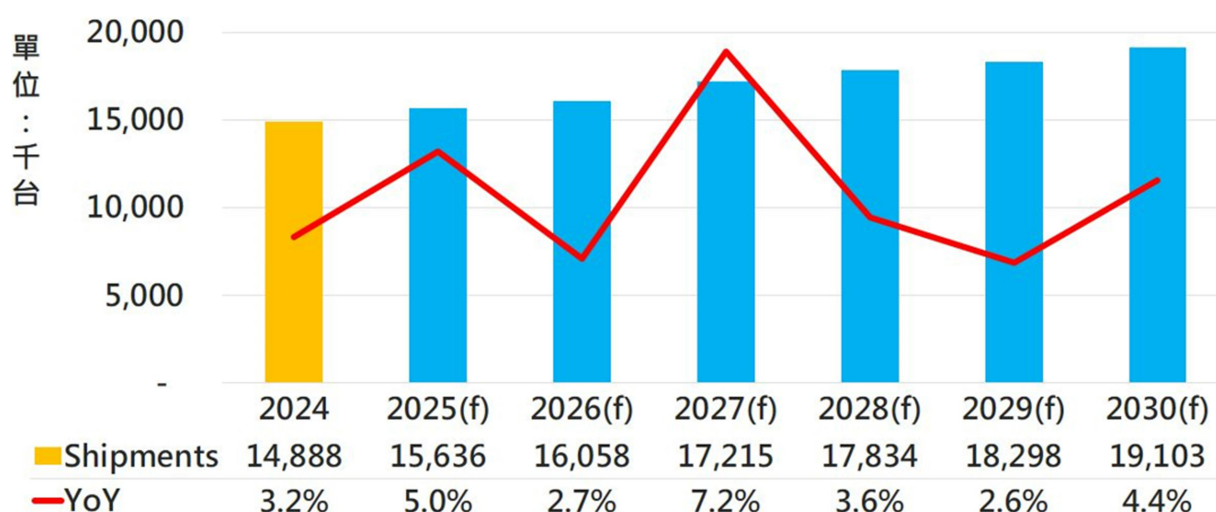
According to DIGITIMES Research, global server shipments in the fourth quarter of 2025 exceeded previous expectations, growing by 3.2% quarter-over-quarter. Large U.S. cloud service providers concurrently drove shipments of both AI and general-purpose servers. This is because the rising demand for AI applications necessitates not only AI servers but also the expansion and upgrading of traditional storage and general-purpose computing. Notably, Amazon delivered the most outstanding

performance, achieving a quarter-over-quarter increase of over 10%. Brand manufacturers sustained their recovery momentum from the third quarter, with shipments continuing to rebound. Dell saw a significant recovery in shipments of both Intel and AMD general-purpose models, while Supermicro made substantial gains in NVIDIA AI servers. For the full year of 2025, global server shipments reached 15.6 million units, representing a 4.8% growth compared to 2024.

Furthermore, DIGITIMES projects that the compound annual growth rate (CAGR) of global server shipments from 2025 to 2030 will reach 5.1%. Notably, in 2025, large North American cloud service providers did not slow down their procurement of general-purpose servers despite their massive purchases of high-end AI servers, a trend expected to yield a higher-than-anticipated year-over-year growth rate.

## 預估2025~2030年全球伺服器出貨CAGR為5.1%

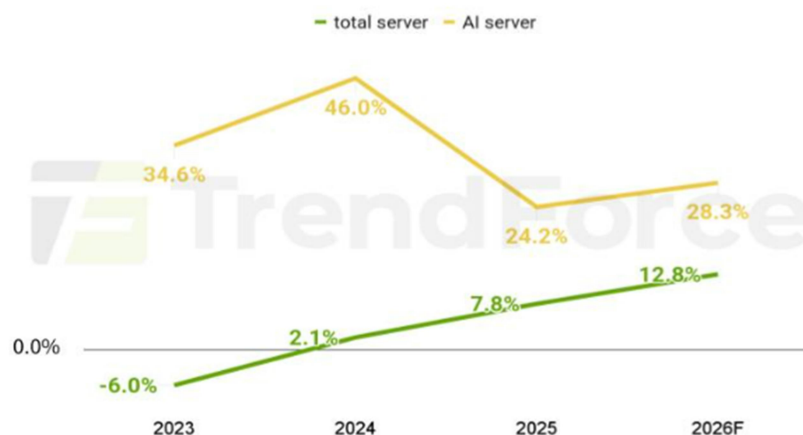
2025~2030年全球伺服器出貨量變化及預測



Source: DIGITIMES Research (2025/10)

According to the research firm TrendForce, North American cloud service providers (CSPs) continue to strengthen their investments in AI infrastructure, which is projected to drive a year-over-year growth of over 28% in global AI server shipments in 2026. Additionally, the massive computing workloads generated by AI inference services are simultaneously propelling general-purpose servers into a replacement and expansion cycle. Consequently, TrendForce estimates that global server shipments (including AI servers) will grow by 12.8% year-over-year in 2026, reflecting a broader magnitude of growth compared to 2025. According to the research firm TrendForce, North American cloud service providers (CSPs) continue to strengthen their investments in AI infrastructure, which is projected to drive a year-over-year growth of over 28% in global AI server shipments in 2026. Additionally, the massive computing workloads generated by AI inference services are simultaneously propelling general-purpose servers into a replacement and expansion cycle. Consequently, TrendForce estimates that global server shipments (including AI servers) will grow by 12.8% year-over-year in 2026, reflecting a broader magnitude of growth compared to 2025.

## 2023-2026年全球server、AI server出貨量年增/減變化



Source: TrendForce, Jan. 2026

**TrendForce**

## 2023-2026年各類AI server出貨占比



Source: TrendForce, Jan. 2026

**TrendForce**

Source: TrendForce (2026/01)

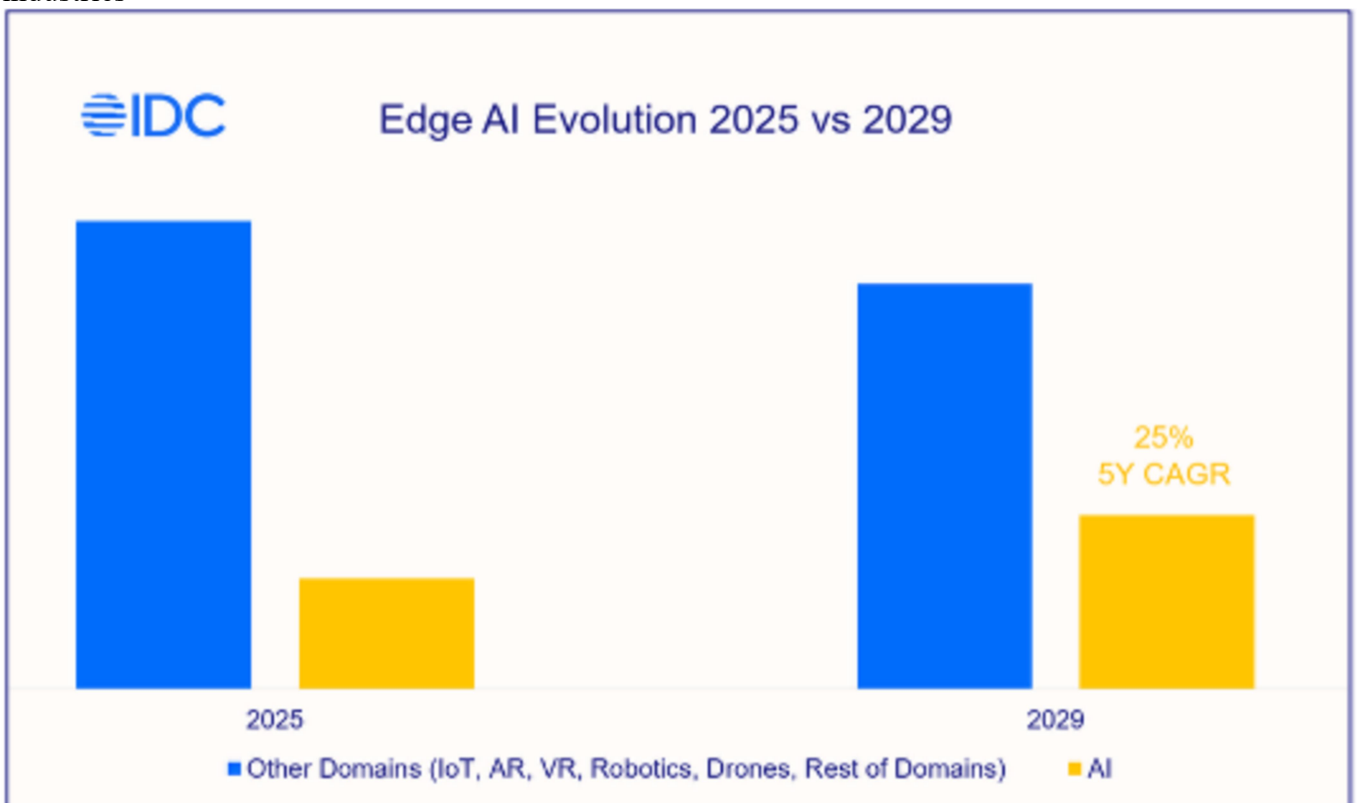
According to TrendForce, the server market in 2024 and 2025 primarily focused on training advanced Large Language Models (LLMs), relying on AI servers equipped with GPUs and HBMs to execute parallel computing. From the second half of 2025 onwards, with the continuous development of AI inference services—such as AI agents, LLaMA model applications, and Copilot upgrades—cloud service providers (CSPs) have actively shifted toward inference services to develop monetization and profitability models. Depending on different application scenarios, AI inference can utilize not only AI server racks but also general-purpose servers to support the computing and storage requirements before and after inference.

Based on TrendForce's statistics, the total capital expenditure of the top five North American CSPs—Google, AWS, Meta, Microsoft, and Oracle—is projected to surge by an impressive 40% year-over-year in 2026. In addition to deploying large-scale infrastructure, a portion of this expenditure will be allocated to replacing general-purpose servers purchased during the cloud investment boom from 2019 to 2021. It is anticipated that Google and Microsoft will be the most aggressive in increasing their procurement of general-purpose servers to accommodate the daily inference traffic demands required to physically provide Copilot and Gemini services.

TrendForce indicates that the shipment momentum for the AI server market in 2026 will primarily stem from North American CSPs, sovereign cloud projects initiated by various governments, as well as large CSPs accelerating the development of their proprietary ASICs and edge AI inference solutions. Analyzing the AI chips in use, GPUs are estimated to account for 69.7%, remaining the dominant category; models equipped with NVIDIA's GB300 will become the mainstream shipments, while the VR200 will gradually scale up in volume in the second half of the year.

Benefiting from the strong orders for computing power infrastructure from North American data center operators, the production value of AI server shipments as a proportion of the overall server market is expected to surpass 40% for the first time. As rack designs evolve toward high density and liquid cooling, the resulting increase in single-unit weight and structural precision will concurrently drive the specification upgrades and demand growth for high-end server slide rails.

According to the latest research by the Science and Technology Policy Research and Information Center (STPI) under the National Applied Research Laboratories and the international research firm IDC, the importance of edge computing to various industries is becoming increasingly prominent as generative AI applications rapidly expand from the cloud to end devices. From electronics manufacturing, autonomous driving, and semiconductors to smart logistics, edge computing has become the core for building digital transformation infrastructure. Based on IDC's observations in March 2026, global spending in the edge computing sector reached US\$265 billion in 2025 and is projected to double by 2029. This growth momentum primarily stems from the rapid evolution of edge AI technology, which has driven a sharp increase in enterprise demand for "real-time computing at the point of data generation." As generative AI applications penetrate from the cloud to edge devices, edge servers equipped with low-latency inference, real-time context awareness, and flexible distributed architectures have become the critical infrastructure supporting the digital transformation of various industries



Source: (STPI) (2026/03)

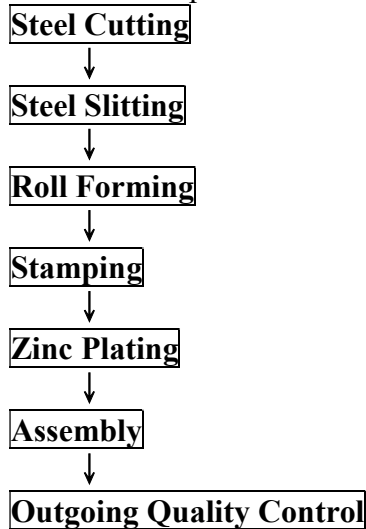
For enterprises, investing in edge computing not only helps build a "resilient supply chain" but also enables low-latency on-site real-time inference by deploying computing resources directly at the data source. This architecture shortens the physical distance between data generation and its analysis and storage, empowering companies to optimize production processes, reduce energy consumption, and significantly enhance product delivery speeds and inventory management accuracy. The surging demand for "AI-ready" hardware has driven sustained investments in system infrastructure, edge servers, cybersecurity software, and data analytics technologies. Looking ahead, driven by the growing emphasis on supply chain agility and data sovereignty, investments in edge computing across the general manufacturing, high-tech, and biotechnology and healthcare sectors are expected to maintain robust growth.

(II) Important uses and production processes of major products

1. Important uses of the main products

Office furniture drawers, tool cabinet drawers, home cabinet drawers, server cabinets, home appliances, medical cabinets, automobiles, ATM machines, and other storage and carrying applications.

2. Production process:



(III) Supply of main raw materials

The Company's current supply of major raw materials is as follows:

Raw materials	Source of supply	Availability
Steel coil	China Steel Corporation	Normal supply

(IV)The names of customers accounting for more than 10% of the total purchases (sales) in any of the last two years, and the proportion of purchases (sales), and explain the reason for the changes:

1. The names of customers accounting for more than 10% of the net purchases in the last two years, the sales amount, and the percentage of changes, and the reasons for the changes:

Unit: NT\$ thousand

Item	2024				2025				First Quarter of 2026			
	Name	Amount	Proportion to net purchase of the year (%)	Relationship with the issuer	Name	Amount	Proportion to net purchase of the year (%)	Relationship with the issuer	Name	Amount	Proportion to net purchase amount of the current year up to the previous quarter (%)	Relationship with the issuer
1	China Steel	290,449	30.81	-	China Steel	322,596	27.74	-	China Steel	84,069	24.14	-
2	Suzhou Repon	218,756	23.21	Related party	Suzhou Repon	215,401	18.52	Related party	Suzhou Repon	43,656	12.54	Related party
	Others	433,375	45.98	-	Others	624,978	53.74	-	Others	220,501	63.32	-
	Net purchase	942,580	100.00	-	Purchase of goods Net Amount	1,162,975	100.00	-	Purchase of goods Net Amount	348,226	100.00	-

Reason for changes in the last two years: The increase was mainly attributable to the end of customers' inventory reduction strategies in FY2025, which led to a rebound in market demand and, consequently, an increase in orders and purchases.

2. The names of customers accounting for more than 10 percent of the net sales in the last two years, the sales amount and percentage, and the reasons for the changes:

Unit: NT\$ thousand

Item	2024				2025				Q1 of 2026			
	Name	Amount	Proportion to net sales of the whole year (%)	Relationship with the issuer	Name	Amount	Proportion to net sales of the whole year (%)	Relationship with the issuer	Name	Amount	Proportion to the net sales amount of the current year up to the previous quarter (%)	Relationship with the issuer
1	Company A	201,301	10.46	-	Company A	171,818	7.06	-	Company A	18,207	2.10	-
2	Others	1,723,197	89.54	-	Others	2,261,107	92.94	-	Others	848,681	97.90	-
	Net purchase	1,924,498	100.00	-	Net purchase	2,432,925	100.00	-	Sale of goods Net Amount	866,888	100.00	-

Cause of change in the most recent two years: The overall sales performance in 2025 and the first quarter of 2026 demonstrated a growing trend. This growth was primarily driven by the continuous surge in global demand for cloud computing and AI servers, which led to a substantial increase in shipments of related high-end slide rail products, resulting in robust demand from core customers in the server sector and a significant increase in their revenue contribution. In contrast, sales to Customer A in 2024 decreased substantially due to increased tariff costs resulting from geopolitical factors, coupled with the customer's cautious internal inventory destocking strategy. However, the impact of this variation on the Company's overall revenue was limited. This was chiefly because the Company's

strategy to actively penetrate the server supply chain proved successful; the sales growth momentum of our next-generation, high-value-added products was sufficient to offset the adjustment pressures from a single mature-market customer, further optimizing the Company's customer structure and profitability quality.

**III. The number of employees, average years of service, average age, and educational backgrounds for the most recent two years and as of the date of publication of the annual report:**

Item		Year	2024	2025	As of April 30, 2026
		Number of employees (Note) (person)	Direct employees		246
Indirect employees			339	371	381
Total			585	698	760
Average age (years)			39.68	40.28	38.96
Average years of service (years)			6.87	6.56	5.75
Education distribution ratio (%)	Doctoral Degree		5.30%	4.30%	4.21%
	Master's Degree		35.04%	28.94%	26.97%
	Junior College		59.66%	66.76%	68.82%
	Senior High School		100.00%	100.00%	100.00%
	Below High School		5.30%	4.30%	4.21%

Note: The above employee numbers do not include students and temporary employees.

**IV. Information on environmental protection expenditure:**

Any losses suffered due to environmental pollution in the most recent year and up to the publication date of the annual report (including compensation and environmental audits that resulted in a violation of environmental laws and regulations, the date of penalty, penalty document number, the provisions of the violation, the content of the violation, and the penalty), Disclosure of estimated amounts that may occur currently and in the future and responsive measures:

Date of punishment	Reference number of the penalty document	Violation of laws and regulations	Contents of violation	Penalty details
2024.12.23	Letter Fu-Huan-Wei-Er-Zi No. 1133618564	Paragraph 1, Article 21 of the Water Pollution Control Act	Failure to appoint dedicated wastewater treatment personnel and deputies within the statutory deadline.	Fine for deferral of NT\$10,000

Responsive measures:

In 2025 as of the date of publication of this annual report, the Company has not been fined for any environmental pollution.

In October 2024, there was a slight delay in the application process due to a personnel change for the dedicated wastewater treatment officer. The Company subsequently completed the supplementary appointment application on October 2024, 25. Currently, all relevant personnel assignments fully comply with the regulations of the competent authority. To implement legal compliance and prevent similar incidents from recurring, the Company has strengthened internal control and compliance propagation, and has incorporated legal compliance risks into departmental key performance indicators (KPIs) to enhance employees' alertness.

#### **V. Labor-management relations:**

(I) The Company's welfare measures, continuing education, training, and retirement systems for the employees, and the implementation thereof, as well as the agreements between labor and management, and the protection of the rights and interests of the employees:

##### 1. Employee benefits:

The Company has always had harmonious labor-management relations. In addition to complying with the Labor Standards Act, the Company has also established an Employee Welfare Committee that issues gift certificates for employees' birthdays on Labor Day, Dragon Boat Festival, and Mid-Autumn Festival every year. It also provides group insurance protection, company uniforms, lunch and dinner, health management, and other benefits.

##### 2. Continuing education and training:

(1) The Company has implemented internal education and training regulations that are divided into new employee training, functional training, and labor safety training. These regulations are designed to improve the knowledge and concepts of employees regarding safety and health. Additionally, the Company has implemented the ISO 45001: 2018 occupational safety and health management system to reduce the number of employees on duty and prevent occupational disasters. Evaluations are conducted based on education and training, followed by a promotion system.

(2) Internal and external education and training are held from time to time based on the actual work content of employees to improve employees' work skills, and an experience report will be filled in after the training to ensure the quality of training.

(3) Recommending employees' participation in work trend seminars to keep them up-to-date with external information.

(4) Employees participate in courses related to work licenses and skills to obtain professional licenses, and the training is repeated on a regular basis.

##### 3. Retirement system and its implementation:

The Company has established employee retirement guidelines in accordance with the Labor Standards Act and makes monthly contributions to the labor retirement reserve at the approved rate, which is deposited in a special account at the Bank of Taiwan, and employees who meet the retirement conditions may apply for pension payments. Since July 1, 2005, for those who choose the new retirement system under the Labor Pension Act, no less than 6% of the insured salary is deposited into the individual pension account of the Bureau of Labor Insurance on a monthly basis.

##### 4. Agreements between labor and management and various measures to protect the rights and interests of employees:

(1) There is a labor-management meeting organized by representatives elected by workers to hold labor-management meetings every three months.

(2) A monthly mobilization meeting is held at a fixed time every month with the participation of all employees of each plant. There is an impromptu meeting time for employees to make suggestions.

(3) During the training of new employees, the Company clearly informs employees about the multiple channels for grievance, including telephone, e-mail, or face-to-face meetings, in order to protect the

rights and interests of employees.

- (4) International labor meetings are held on a monthly basis, and unit managers, intermediaries and interpreters, and representatives of the human resources department are invited to attend to jointly coordinate and handle employee issues.
- (5) Hold weekly journal meetings with the factory's co-operative students to learn how they are adapting to the factory. If there are related issues, the human resources department personnel will coordinate with the unit managers.
- (6) The factory has established guidelines for handling sexual harassment and abuse. Complaints are made available on the public website for those who need to know. An appeals committee shall be formed by the relevant managers and a confidentiality agreement shall be signed to conduct confidential investigations to ensure the basic equity.

- (II) Losses suffered as a result of labor disputes in the most recent year and up to the date of publication of the annual report (including the violation of the Labor Standards Act as a result of labor inspection results, the date of punishment, punishment number, the provisions of the violation, the content of the violation), the punishment the Company's current and future estimated amounts and responsive measures:

There were no major labor disputes or losses in the most recent year and up to the publication date of this annual report. In the future, the Company will still adhere to the consistent principles, continue to improve various welfare measures for employees, maintain smooth communication channels, and maintain good labor relations to avoid labor disputes in the future.

## **VI. Information communication security management**

(I) Description of the Company's information communication security risk management framework, information communication security policies, specific management plans, and resources invested in information communication security management:

### **1. Information security risk management framework**

To enhance information security protection, the Company has appointed a dedicated Chief Information Security Officer and one additional information security personnel. Together, they are responsible for formulating and implementing information security policies, promoting awareness of information security, raising employees' security consciousness, and collecting and improving the effectiveness and performance of the organization's information security management system through technologies, products, or procedures. In addition, the Audit Office conducts an annual information security audit on the internal control system—specifically the electronic data processing cycle—to evaluate the effectiveness of the Company's internal controls over information operations.

### **2. Information security policy**

In order to implement information security management, the Company has established an internal control system - computer circulation and information security management measures. Through the joint efforts of all colleagues, we hope to achieve the following policy goals.

- (1) Ensure the confidentiality and integrity of information assets.
- (2) Ensure that data access is regulated according to the department's functions.
- (3) To ensure the continuous operation of the information system.
- (4) Prevent unauthorized modification or use of data and systems.
- (5) Regularly perform information security audits to ensure the implementation of information security.

### **3. Specific management methods**

#### **(1) Internet information security management and control**

- A. Erection of firewalls.
- B. Regularly conduct virus scanning on the computer system and data storage medium.
- C. The use of various network services shall be implemented in accordance with the information

security policy.

D. Regularly review the System Log of each network service item and track the abnormal situation.

(2) Data access control

A. Computer equipment should be kept by dedicated personnel with account and password.

B. Grant different access rights according to the function

C. Cancellation of the original authority of the transferred personnel

D. Confidential and sensitive data and copyrighted software should be removed or overwritten before the equipment is scrapped

E. The remote login management information system shall be properly approved

(3) Strain recovery mechanism

A. Regular review of the emergency response plan.

B. Regularly practice system recovery every year.

C. Establish a system backup mechanism and implement off-site backup.

D. Regularly review the computer network security control measures.

(4) Advocacy and review

A. Advocacy of information security information from time to time to enhance employees' information security awareness.

B. Regularly implement information and communication security inspections and audits every year.

4. Invest resources in information security management

To comprehensively enhance information security standards, the Company implemented the ISO/IEC 27001:2022 international information security management system in 2024 (Year 113 in the ROC calendar). Certification was obtained for the data center and information system management within the IT Department, with the valid certification period from December 24, 2024, to December 23, 2027. Through the "Risk Management Procedure" and "Information Security Objective Management Procedure," the Company defines and measures quantitative indicators for information security performance to assess the implementation status of the information security management system and the achievement of its objectives. In 2024, the Company also replaced its legacy firewall with a more comprehensive firewall solution, incorporating multi-factor authentication (MFA) as the first line of defense for account login. This enhancement strengthens identity verification, making authentication more convenient, faster, and secure, eliminating weak passwords, and improving both efficiency and security of user authentication. Additionally, the Company plans to conduct annual vulnerability scans to optimize server scanning and penetration testing procedures and efficiency. Comprehensive security assessments for all server hosts and websites will be performed, followed by the issuance of a consolidated vulnerability report and the formulation of corresponding remediation plans to further strengthen the information security environment. Looking forward, the Company intends to implement file protection software, enabling functions such as software/hardware change management, file output tracking, document protection, and risk alerts to enhance data protection and mitigate threats and losses caused by potential information leakage. The total investment in information security management for 2025 amounted to NT\$3,091,000.

(II) Losses in the most recent year and as of the printing date of this annual report, the possible impact of major IT security incidents, and countermeasures: In 2025 and as of the printing date of the annual report, the Company suffered no losses and there were no major incidents or penalties.

## VII. Important contracts

As of the publication date of this annual report, list the parties, main contents, restrictive clauses, and start/end of supply contracts, technical cooperation contracts, engineering contracts, long-term loan contracts, and other important contracts that are still in force or that expired in the most recent year:

Nature of contract	Parties	Start/end date of contract	Main content	Restrictive clauses
Material supply contract	China Steel Corporation	One contract per season	Coil supply	Quantity limit
Lease contract	SAN MIN TEXTILE CO	2023.05.15~2028.05.14	Lease of Taoyuan Factory	None
Lease contract	GUANN LIN TEXTILE CO, LTD	2023.06.01~2028.07.31	Lease of Taoyuan Headquarters Office	None
Credit Agreement	Taiwan Cooperative Bank	115.02.10~135.02.10	Long-term loanLong-term loan	Secured by collateral
Credit Agreement	O-Bank Co., Ltd.	113.10.23~120.10.22	Medium-term loan	None
Outsourced manufacturing contract	Suzhou Repon Industrial Co., Ltd.	2025.07.01~2026.06.30 (automatic extension if no objection)	Commission of Suzhou Repon Industrial Co, Ltd for steel ball guide rails manufacturing	None

## V. Financial Position and Financial Performance Review and Analysis, and Risk Assessment

### I. Financial analysis

#### (I) Financial position analysis

Unit: NT\$ thousand

Item	Year	2025	2024	Difference	
				Amount	%
Current assets		1,577,033	1,083,801	493,232	45.51
Property, plant and equipment		2,456,594	2,446,614	9,980	0.41
Intangible assets		11,331	8,841	2,490	28.16
Other assets		341,528	401,493	(59,965)	(14.94)
Total assets		4,386,486	3,940,749	445,737	11.31
Current liabilities		653,251	621,710	31,541	5.07
Long-term borrowings		244,617	82,709	161,908	195.76
Other liabilities		344,964	1,005,351	(660,387)	(65.69)
Total liabilities		1,242,832	1,709,770	(466,938)	(27.31)
Share Capital		696,644	659,552	37,092	5.62
Capital surplus		1,483,407	877,393	606,014	69.07
Legal reserve		164,815	145,029	19,786	13.64
Unappropriated retained earnings		831,071	584,615	246,456	42.16
Other equity		(32,283)	(35,610)	3,327	(9.34)
Total equity		3,143,654	2,230,979	912,675	40.91

Analysis of changes of more than 20% and amount of NT\$10 million:

1. Increase in current assets: Primarily due to the increase in accounts receivable and inventories resulting from the expansion of operating scale in 2025.
2. Increase in long-term borrowings: Primarily due to the issuance of corporate bonds in October 2024, the proceeds of which were used to repay borrowings.
3. Increase in other liabilities: Primarily due to the increase in bonds payable from the corporate bonds issued in October 2024.
4. Increase in capital surplus and total equity: Primarily due to the premium on capital stock arising from the conversion of corporate bonds issued in October 2024.
5. Increase in unappropriated retained earnings: Primarily due to the increase in profitability driven by operational growth in 2025.

## II. Financial statements

### (I) Financial position analysis

Unit: NT\$ thousand

Item \ Year	2025	2024	Increase (decrease) amount	Percentage of change (%)
Sales revenue	2,432,925	1,924,498	508,427	26.42
Cost of goods sold	1,581,608	1,422,176	159,432	11.21
Gross profit	851,317	502,322	348,995	69.48
Operating expenses	366,934	298,916	68,018	22.75
Net operating profit	484,383	203,406	280,977	138.14
Non-operating income and expenses	47,572	36,853	10,719	29.09
Net gains (losses) before tax	531,955	240,259	291,696	121.41
Income tax expenditure (interest)	161,971	48,049	113,922	237.10
Net income (loss)	369,984	192,210	177,774	92.49

Analysis of changes of more than 20% and amount of NT\$10 million:

1. Increase in sales revenue, gross profit, operating profit, non-operating income and expenses, net income before tax, income tax expense, and net income for the period: Primarily due to the growing demand for cloud server-related products in 2025, which drove an increase in shipments of server slide rail products and the optimization of the product mix, thereby enhancing overall profitability.
2. Increase in operating expenses: Primarily due to the expansion of the operating scale, which led to an increase in payroll, compensation, and other related expenses.

### (II) Expected sales volume and the basis thereof, possible impact on the Company's future finance and business, and response plan

The Company has not issued any financial forecasts; therefore, the disclosure of expected sales volumes and the basis thereof is not applicable.

### III. Cash flow analysis

#### (I) Analysis of cash flow changes in the most recent year

Unit: NT\$ thousand

Year	2025	2024	Increase (decrease) change	Increase (decrease) ratio (%)
Net cash inflow (outflow) from operating activities	340,518	294,790	45,728	15.51
Net cash inflow (outflow) from investing activities	(131,213)	(134,095)	2,882	(2.15)
Net cash inflow (outflow) from financing activities	(61,926)	(239,533)	177,607	(74.15)
Analysis of changes in the percentage of increase or decrease of more than 20%:				
1. 1. Decrease in net cash outflows from financing activities: Primarily due to the issuance of corporate bonds in 2024, the proceeds of which were used to repay borrowings.				

(II) Improvement plan for insufficient liquidity: The Company's cash flow from operating activities in 2025 was a net inflow, and there was no insufficient liquidity so far.

#### (III) Cash flow analysis for the coming year

Unit: NT\$ thousand

Cash balance at the beginning of period	Expected net cash flow from operating activities for the year	Cash inflow (outflow) from investing activities for the year	Cash inflow (outflow) from financing activities for the year	Projected cash balance	Remedies for cash shortage	
					Investment plan	Financial plan
414,374	594,342	(848,124)	(598,159)	(437,567)	-	Issuance of Convertible Bonds
<p>1. Analysis of cash flow changes in the coming year:</p> <p>(1) Operating Activities: Primarily due to anticipated operational growth, resulting in an increase in net cash inflows from operating activities.</p> <p>(2) Investing Activities: Primarily due to projected capital expenditures for the acquisition of machinery and equipment in 2026, resulting in an increase in cash outflows from investing activities.</p> <p>(3) Financing Activities: Primarily due to the repayment of borrowings using the proceeds from the issuance of convertible bonds, resulting in an increase in net cash outflows from financing activities.</p> <p>2. Remedies for expected cash shortage and liquidity analysis: In addition to being funded by net cash inflows from operating activities, the Company plans to issue the 3rd domestic unsecured convertible bonds to meet its operational funding needs.</p>						

V. Impacts of material capital expenditures in the most recent year on financial operations: In 2026, aside from additional capital expenditures of NT\$825,637thousand for the purchase of certain automated machinery and equipment, there are no other significant capital expenditures planned.

VI. The investment policy in the most recent year, the main reason for the profit or loss, the improvement plan, and the investment plan for the coming year

Unit: NTD

Investee	Current net profit after tax	Investment policy	Main reason for profit or loss	Improvement plan	Investment plan for the coming year
SUZHOU NAN JUEN TRADE CO., LTD	1,250	The Company directly invested in the establishment and is responsible for the domestic sales business in China. The initial investment was US\$500,000	Reduce sales of low-end products	Increase sales of high value-added products such as server slides	None
REPON(USA), INC.	4,099	The Company invested and established directly and is responsible for the export business in North America. The initial investment was US\$500,000	Post-pandemic economic recovery in North America resulted in growth in business scale	Cultivating existing customer relationships, providing local real-time services, increasing market penetration, and expanding business scale	None
REPON TECH (VIETNAM) COM., LTD.	(9,013)	To mitigate geopolitical risks and strengthen its global footprint, while simultaneously serving the server slide rail demands for the self-built data centers of large U.S. cloud service providers (CSPs), the Company has established a subsidiary in Vietnam through direct investment, with an initial investment amount of US\$15 million.	During the initial establishment and product trial production phases, the Company incurred higher fixed costs, such as depreciation, personnel recruitment, and management expenses. As production capacity has not yet reached economies of scale, the associated setup costs and operating expenses have resulted in a short-term loss.	As the setup of the production lines is completed and workforce proficiency improves, the Company will actively optimize production processes and enhance product yield rates.	An additional investment of US\$15 million is projected for 2026 and 2027 to expand the scale of operations.

VII. Analysis and assessment of risk matters in the most recent year and up to the date of publication of the annual report

(I) Impacts of changes in interest rates, exchange rates, and inflation on the Company's profit and loss, and future countermeasures:

1. The impact of interest rate changes on the Company's income and future countermeasures:

In 2024 and 2025, the Company's interest income accounted for 0.59% and 0.62% of net operating revenue, respectively, while interest expenses accounted for 1.47% and 1.13%. Overall, the proportions of both interest income and expense to net operating revenue are relatively small. The Company's long-term and short-term borrowings are primarily financed through financial institutions to fund fixed asset investments and working capital requirements. Although related interest expenses fluctuate with borrowing balances and interest rates, their proportion relative to net operating revenue remains very low. Consequently, the impact of market interest rate fluctuations on the Company is deemed limited.

The Company maintains good credit relationships with financial institutions, and constantly observes the trend of market interest rate changes to obtain preferential interest rate conditions. Also, through sound financial planning, the Company will appropriately use other financial instruments to reduce the risk of interest rate changes.

2. The impact of exchange rate fluctuations on the Company's profit and loss and future countermeasures:

As the Company is primarily export-oriented, most of its products are quoted in US dollars (USD). Consequently, USD exchange rate trends are closely correlated with the Company's revenue and profitability. The Company's foreign exchange gains and losses primarily arise from USD-denominated export collections and USD deposits. In 2024 and 2025, the net foreign exchange gains (losses) were NT\$38,887 thousand and NT\$(9,540) thousand, respectively, accounting for 2.02% and (0.39)% of net operating revenue. Given that these proportions are relatively insignificant and the Company's core business continues to generate stable profits, fluctuations in exchange rates are unlikely to pose a material operational risk to the Company.

In response to the impact of exchange rate changes, the Company has implemented operational hedging and financial hedging to achieve the purpose of risk management:

- Operational hedging: The Company continues to increase the sales portfolio ratio of products with high added value and high unit price, and shorten the number of operating turnovers to reduce the impact of exchange rate fluctuations on profit and loss. The impact on the Company's operating profit.
- Financial hedging: In order to respond to the risk of exchange rate changes, the Company keeps abreast of financial market information and interprets relevant research reports, maintains close contact with banks, and regularly compiles forecasts on the Company's international currency asset positions and future cash flows for derivative undertakings. It is implemented after discussing the relevant hedging strategies to avoid exchange rate fluctuations in a timely manner to stabilize the source of profit, and in accordance with the Company's "Handling Procedures for the Acquisition and Disposal of Assets".

3. The impact of inflation on the Company's income and future countermeasures:

There was no significant impact on the Company's profit or loss due to inflation in this year. In response to the impact of inflation, the Company continues to increase the proportion of sales portfolio for products with high added value and high unit price, and strengthens customized services, and improves operating turnover to reduce the impact of inflation. The Company also adjusts selling prices through consultation with customers from time to time to reduce the impact of changes in costs on the Company's profit and loss.

(II) Policies on engaging in high-risk and highly leveraged investments, loans to others, endorsements and guarantees, and derivative commodity transactions, the main reasons for the profit or loss, and future countermeasures:

The Company has always focused on the development of its own business while upholding the principle of pragmatism. The financial policy has also been prudent and conservative, and has not engaged in high-risk, high-leverage investments, loans to others, or endorsements/guarantees. When the Company engages in derivative financial instrument transactions, it is to avoid the risk of price fluctuations in international currency transactions and to proceed in accordance with the Company's "Regulations Governing the Acquisition and Disposal of Assets". However, the Company does not intend to adopt hedge accounting. Therefore, the Company designates it as a financial asset (liability) at fair value through profit or loss at the time of initial recognition.

(III) In the future R&D plans and expected R&D expenses:

1. The future R&D plans are as follows:

- Office furniture: The Company continues to develop functional products such as delayed return and push-to-release mechanisms.
- Home cabinets: Continue to develop multi-functional products such as hidden slow-return slides, synchronous return mechanisms, and quick-release mechanisms.

- Tool cabinet: Development of high-load and adjustable tension slides.
- Home appliances: Develop multi-functional products such as sideless unlocking mechanisms and improved safety locks.
- Server products: Development of several high-load and thin slides and thin friction slides for large-scale data center customers, and continuing to enhance multiple mechanical functions to meet the needs of new-generation data centers.
- Automotive products and other industrial application products: Development of high-load slides for vehicles and machinery and equipment.

2. The Company's expected R&D expenses:

The Company anticipates allocating NT\$61,188,000 to research and development in 2026. The Company's competitive advantage and business growth momentum are anticipated to be maintained by budgeting the R&D expenditure in accordance with the development progress of new products and technologies, and by maintaining the growth rate in accordance with the operating conditions.

(IV) Impacts of important domestic and international policies and legal changes to the Company's financial operations, and responsive measures:

The Company's daily operations are carried out in accordance with relevant domestic and international laws and regulations, and it always pays attention to the development trends of domestic and international policies and changes in laws and regulations, in order to fully grasp and respond to changes in the market environment. The changes did not have a significant impact on the Company's financial operations.

(V) Impact of technological changes (including information security risks) and industry changes on the Company's financial operations and related response measures:

The Company consistently monitors the technological advancements and changes that impact the industry. In order to promptly understand industry dynamics, perpetually develop new products and technologies, and safeguard these innovations through patent applications, the Company maintains real-time communication channels with our customers. This method actively broadens the scope of future market application domains and increases the barriers to entry for new investors. Consequently, the Company reaps the rewards of industry transformations and technological advancements. In addition, the trend of end products due to changes in technology and industry changes will also help customers' demand for orders.

The company conducts regular information security inspections annually through dedicated personnel, focusing on information security risk control and protection, and implements strict control measures. As of the most recent year and up to the date of the annual report, there have been no significant impacts on the company's financial or business operations due to technological changes (including information security risks) or industry shifts.

(VI) Impacts of changes in corporate image on corporate crisis management and countermeasures:

The Company is committed to the principle of honest operation, actively enhances quality and performance, strengthens internal management, and endeavors to maintain an excellent corporate image to increase customer trust and product recognition. In recent years, there have been no significant incidents that have impacted the Company's image.

(VII) Expected benefits and possible risks of mergers and acquisitions, and countermeasures: None.

(VIII) Expected benefits and possible risks associated with any plant expansion, and countermeasures:

To mitigate geopolitical risks and strengthen its global footprint, while simultaneously serving the server slide rail demands for the self-built data centers of large U.S. cloud service providers (CSPs), the

Company made a direct investment to establish REPON TECH (VIETNAM) CO., LTD. on July 18, 2024. In the initial phase, the Company leased an existing local factory to increase its server slide rail production lines. Construction of an automated factory is scheduled to begin in 2026 to add a server slide rail production facility that meets the supply chain requirements of major international companies. In addition, a portion of the production lines from the existing Yunke Plant will be relocated there, and new server slide rail production lines will be added to increase the proportion of high-value-added products such as server slide rails. The newly added capacity will help strengthen the Company's order-taking capabilities, expand its operating scale, and capture profitability opportunities, thereby enhancing industry competitiveness and yielding long-term positive benefits for future operations. Funding for the subsequent construction of the Vietnam plant will be sourced from internal funds and bank financing. Based on the comprehensive assessment above, the overall factory construction plan poses no material risks.

(IX) Risks associated with any concentration of purchases or sales, and mitigation measures being or to be taken:

1. Risks associated with concentrated purchases, and mitigation measures being or to be taken:

The main raw materials for the Company's steel ball bearing slides are cold-rolled coils and hot-dip galvanized coils. The main domestic manufacturer is China Steel Corporation (China Steel), and the proportion of purchase from China Steel in 2024 and 2025 was 30.81% and 27.74%. The risks posed by the concentration of purchases of the Company and the countermeasures are as follows:

A. Materials may be out of stock

Countermeasures: Two or more suppliers for the same materials

Due to the high quality and stable price of the cold-rolled and hot-dip galvanizing coils of China Steel, and in order to obtain stable quota, the Company strategically prioritizes the use of steel materials from China Steel, and only looks for other sources when the supply of materials is insufficient. Therefore, there is a concentration of purchases. In addition, the Company not only purchases from China Steel, but also other distributors and suppliers. The supply of goods is easy to obtain and there is greater room for negotiation, thereby reducing the cost of raw materials and avoiding the risk of raw material interruption.

B. Price monopolization

Countermeasures: Grasp the steel price trend

The Company has personnel who are dedicated to the collection of steel material quotations from domestic and international sources, ensuring that they remain informed about price trends. The procurement strategy facilitates the allocation of purchase quantities for each month or quarter, allowing for flexible adjustments. This method also enables the acquisition of more competitive prices from suppliers in advance, thereby reducing procurement costs.

In conclusion, the measures the Company has taken in response to the concentration of purchases of steel products have been to maintain a stable supply of raw materials and can obtain steel materials at the most advantageous prices, which should reduce the risks that may arise due to the concentration of purchases.

2. Risks associated with sales concentration and countermeasures:

In 2024, Customer A, the Company's largest customer, accounted for 10.46% and 7.06% of net operating revenue in 2024 and 2025, respectively. Customer A has long been a certified supplier for major international brands. Due to increased tariff costs resulting from geopolitical factors, coupled with the customer's cautious internal inventory destocking strategy, sales to this customer decreased

substantially. However, the impact of this variation on the Company's overall revenue was limited. This was chiefly because the Company's strategy to actively penetrate the server supply chain proved successful; the sales growth momentum of our next-generation, high-value-added products was sufficient to offset the adjustment pressures from a single mature-market customer, further optimizing the Company's customer structure and profitability quality. In addition to serving Customer A's international brand clients, the Company has been actively expanding other business sources; therefore, there is no risk of undue sales concentration.

- (X) Effects and risks to the Company in the event a major quantity of shares belonging to a director, supervisor, or shareholder holding greater than a 10 percent stake in the Company have been transferred or have otherwise changed hands, and mitigation measures being or to be taken: None.
  - (XI) Impacts and risks to the Company due to change in management rights, and responsive measures: None.
  - (XII) Any major litigation, non-conformity agreement, or non-conformity that has been finalized or is currently pending in any major litigation involving the Company and its directors, supervisors, general managers, persons with substantial responsibility, shareholders holding more than 10% of the shares, and subsidiaries. Where the outcome is likely to materially affect shareholders' equity or the price of the Company's securities, the facts of the dispute, the amount of money involved, the date of litigation commencement, and the handling of major litigants up to the publication date of the annual report: None.
  - (XIII) Other important risks and countermeasures: None.
- VII. Other important matters: None.

## **VI. Special Notes**

### **I. Information on affiliated companies:**

Please refer to the Related Party Three-Book Section on the Market Observation Post System (MOPS) website. (Index Path: MOPS > Individual Company > Electronic Document Download > Related Party Three-Book Section)

[https://mopsov.twse.com.tw/mops/web/t57sb01\\_q10](https://mopsov.twse.com.tw/mops/web/t57sb01_q10)

**II. Private placement of securities in the last year up till the publication date of this annual report: None.**

**III. Other matters for supplementary clarification: None.**

**VII. Any of the situations listed in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the Company's securities, during the most recent year or during the current year up to the date of publication of the annual report: None.**